

ANNUAL PERFORMANCE PLAN

1 APRIL 2024 - 31 MARCH 2025



 <p>sport. arts & culture Department Sport, Arts and Culture REPUBLIC OF SOUTH AFRICA</p> <p><i>Inspiring a Nation of Winners</i></p>	 <p>STATE THEATRE "A Theatre of Africa"</p>
<p>State Theatre - An Agency of the Department of Sport, Arts and Culture</p>	

A SNIPPET OF OUR LINE UP

<p>TICKET R200 - R300</p> <p>THE SOUTH AFRICAN STATE THEATRE IN PARTNERSHIP WITH MASHATA-TAINMENT AND PROJECT PROUDLY PRESENT</p>  <p>soul music ACCORDING TO MASHATA</p>	<p>TICKET R100</p> <p>THE SOUTH AFRICAN STATE THEATRE IN PARTNERSHIP WITH DREAM FAMILY ORGANIZATION NPO PROUDLY PRESENTS</p> <p>THE CLASSROOM WRITTEN & DIRECTED BY BOPAKI SEBAPU</p> 	<p>TICKET R100</p> <p>THE SOUTH AFRICAN STATE THEATRE IN ASSOCIATION WITH SCHOOL NETWORKS PRODUCTION HOUSE PROUDLY PRESENTS</p> <p>Ubhuku Lwamange</p>  <p>AUTHOR: E. J. MHLANGA DIRECTOR: JAMES SITHOLE</p>	<p>TICKETS R100</p> <p>THE SOUTH AFRICAN STATE THEATRE PROUDLY PRESENTS</p> <p>JUNCTION AVENUE THEATRE COMPANY'S</p> <p>Sophiatown!</p>  <p>DIRECTOR AUBREY W SEKHABI</p> <p>ASSISTANT DIRECTOR PHUME KENTLE</p> <p>MUSICAL DIRECTOR ZAKHELE MABENA</p> <p>CHORIOGRAPHER BAFIKILE SOBOKE</p> <p>SET DESIGNER LUNGILE CHINDI</p> <p>LIGHTING DESIGNER MANDLA MTSIBALI</p> <p>22 APR - 26 MAY 2024 ARENA THEATRE</p>	<p>TICKET R100</p> <p>THE SOUTH AFRICAN STATE THEATRE IN PARTNERSHIP WITH DOGONS PRODUCTIONS PROUDLY PRESENTS</p>  <p>Yes I Can <i>A Journey of Thabitha</i></p> <p>'EDUCATING SOCIETY ABOUT THE EFFECTS OF BULLYING'</p> <p>WRITER & DIRECTOR: KHAYA MOKOAPE</p>
<p>TICKET R200 - R300</p> <p>THE SOUTH AFRICAN STATE THEATRE IN PARTNERSHIP WITH THE SOIL PRODUCTIONS PROUDLY PRESENT</p> <p>SOIL REIMAGINED</p>  <p>OPERA THEATRE 16 MARCH 2024 AT 7PM</p>	<p>TICKET R100</p> <p>THE SOUTH AFRICAN STATE THEATRE IN PARTNERSHIP WITH SEBEITAINMENT PRODUCTION PROUDLY PRESENTS</p> <p>Volley Nchabeleng's <i>Africa For Peace Concert</i></p>  <p>MALOMBO THEATRE 08 - 19 APRIL 2024</p>	<p>THE SOUTH AFRICAN STATE THEATRE PROUDLY PRESENTS</p>  <p>Kucheza Afrika Festival</p> <p>MALOMBO THEATRE 09 - 20 APRIL 2024</p>	<p>THE SOUTH AFRICAN STATE THEATRE EDUCATION, YOUTH & CHILDREN'S THEATRE DEPARTMENT PROUDLY PRESENTS</p> <p>Youth expressions FESTIVAL Feel free... Just Bel</p>  <p>ARENA THEATRE 22 APR - 26 MAY 2024</p>	<p>THE SOUTH AFRICAN STATE THEATRE PROUDLY PRESENTS</p> <p>Kwasati INTERNATIONAL FESTIVAL</p>  <p>MALOMBO THEATRE 23 APRIL - 19 MAY 2024</p>
<p>OPERA THEATRE 26 APRIL 2024 AT 6PM</p>	<p>MALOMBO THEATRE 24 MAY 2024 AT 19:30</p>	<p>STATE THEATRE APRIL 2024</p>	<p>STATE THEATRE JUNE 2024</p>	<p>STATE THEATRE AUGUST 2024</p>

ACCOUNTING AUTHORITY STATEMENT

The South African State Theatre's (SAST) Annual Performance Plan (APP) for the 2024/25 financial year has been developed in accordance with the SAST's 2020-2025 Strategic Plan, which sets out the long-term plans and resource allocation for the five-year term. This APP is prepared in accordance with the Revised Framework for Strategic Plans and Annual Performance Plans published by the Department of Planning, Monitoring and Evaluation (DPME), which encompasses the provisions of the Public Finance Management Act, 01 of 1999, as amended, and the Cultural Institutions Act, 119 of 1998 as amended. The SAST has aligned its legislative mandate to the strategic drivers, outcomes and outputs of the Department of Sport, Arts and Culture (DSAC). The theatre's strategic outcomes are aligned to the Minister's 10-Point Plan as well as Outcome 14 of the National Development Plan (NDP, 2030). Accordingly, the SAST's strategic outcomes have been formulated from the DSAC's Strategy which aims to develop, preserve, protect and promote, sport, arts, culture in South Africa and mainstream its role in social cohesion, nation building and facilitating socio-economic development.

This plan is also aligned to the Government's Programme of Action through the SAST's objectives which aim to support job creation, create a skilled workforce, build an empowered and inclusive citizenship as well as foster an effective, efficient and responsive public service. The plan also focusses on infrastructure development through the SAST's various capital works projects, which include upgrading, modernisation and maintenance of the theatre complex.

Where appropriate, SAST programmes are thus aligned to the 2019 – 2024 MTSF list of Seven Priorities of the 6th Administration, which are as follows:

- Priority 1: Capable, Ethical and Developmental State
- Priority 2: Economic Transformation and Job Creation
- Priority 3: Education, Skills and Health
- Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
- Priority 5: Spatial Integration, Human Settlements and Local Government
- Priority 6: Social Cohesion and Safer Communities
- Priority 7: A Better Africa and World

The strategic outcomes, objectives and targets contained in this APP are informed by the five-year Strategic Plan and the annual review of the strategic priorities and trading conditions. This will be the fifth year of the current five-year Strategic Plan and this APP is prepared taking into consideration; the Amalgamation of DSAC Entities, the National Treasury Cost Containment Measures, the 2024 National Elections and the incoming 7th Administration as well the 2024 celebration of 30 year's of democracy.

At its annual strategy review workshop in November 2022, the SAST Council considered SAST's performance and planned outcomes over the MTEF. Council took cognisance of the drastic changes brought by the outbreak of the Covid-19 pandemic on the SAST and the arts and culture sector as a whole. While guided by the strategic pillars that were outlined in the 2018 Council planning workshop, Council was cognisant of the fact that Covid-19 has brought with it a number of threats and opportunities. It was therefore important that as the SAST moves forward, it ensures that its revised Programme of Action takes into account fiscal and operational uncertainties caused by the pandemic and other macro factors. Council outlined and recommended a comprehensive and integrated Programme of Action.

The 2023 Council strategic planning workshop robustly considered SAST's strategic direction under the prevailing trading conditions to support the key outcome-oriented strategic Outcomes which are as follows:

Outcome 1: In-house developed and externally sourced performing arts works presented.

Outcome 2: Development opportunities provided.

Outcome 3: Revenue generated from commercial activities.

Outcome 4: Buildings and assets maintained and upgraded.

Outcome 5: Audience attendance improved.

Outcome 6: Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.

The APP takes into consideration the strategic priorities of the SAST, the integration of strategy, structure and financial resources, as well as the financial outlook and the Artistic programme 2024/25. The strategic pillars remain as:

- Maximise Revenue (increase capacity to generate own revenue instead of hoping to receive donations and sponsorships)
- Develop and Manage Human Capital"

- Enhance Reputation “
- Audience Development”
- Promote a Culture of Operational Excellence and Strengthen Governance
- Maintain and Improve Infrastructure”

The Programme of Action was confirmed as:

- Focus on ensuring quality of theatre productions and recordings thereof are adequate to attract audiences to the SAST online platform.
- Utilise the Incubator programme to deploy graduates alongside the Artistic Director for the SAST to become a strategic source of building capacity in the sector.
- Consolidate the SAST’s business model to maintain high-quality productions.
- Redefine engagements with the Department of Higher Education to influence training programmes and benefit from resources and capacity within the department for research and innovation.
- Review the procurement processes to ensure these are informed by appropriate research on suppliers, prices, and products/services and position the SAST SCM as a strategic partner in the organisation
- Focus on self-generating and passive revenue streams by optimising the use of the digital screen and securing legitimate tenants through infrastructure improvements
- Drive engagements with the Department of Public Works to deliver on its mandate insofar as infrastructure maintenance is concerned
- Improve PR and marketing by obtaining sales information upfront to increase the time at its disposal to promote specific performances or events.
- Promote the utilisation of the SAST facilities for hosting significant events as part of Government’s overall cost containment drive.
- Position the SAST as a sought-after point of attraction to benefit from the tourism industry.
- Explore selling annual ticket packages, encourage staff to sell tickets and incentivise them accordingly.”

To ensure delivery of the APP, the SAST has devised various monitoring and measurement techniques to ensure compliance with regulatory bodies and also to ensure that the SAST achieves its financial and strategic targets. Quarterly Reports will thus be produced based on the targets and objectives contained in this plan, which will provide tools for ongoing performance monitoring, evaluation and improvement. In supporting its APP, the SAST will use its artistic programme and its infrastructure Transformation Project to promote its identity as a proudly Pan-African theatre, and to diversify its artistic offerings.

Council will continue to implement measures to ensure a healthy balance between artistic creativity and fiscal stability. The aim is to sustain a positive audit opinion, especially considering that SAST has now for the first time achieved a clean audit outcome, for the 2022/23 financial year, after being handed successive negative outcomes for the 2020/21 and the 2021/22 financial years. Matters raised by the Auditor-General form part of the Audit Action Plan, the implementation of which will be monitored during the financial year. The SAST’s Risk Management Framework will also be updated to ensure that the risks identified remain relevant to the trading conditions.

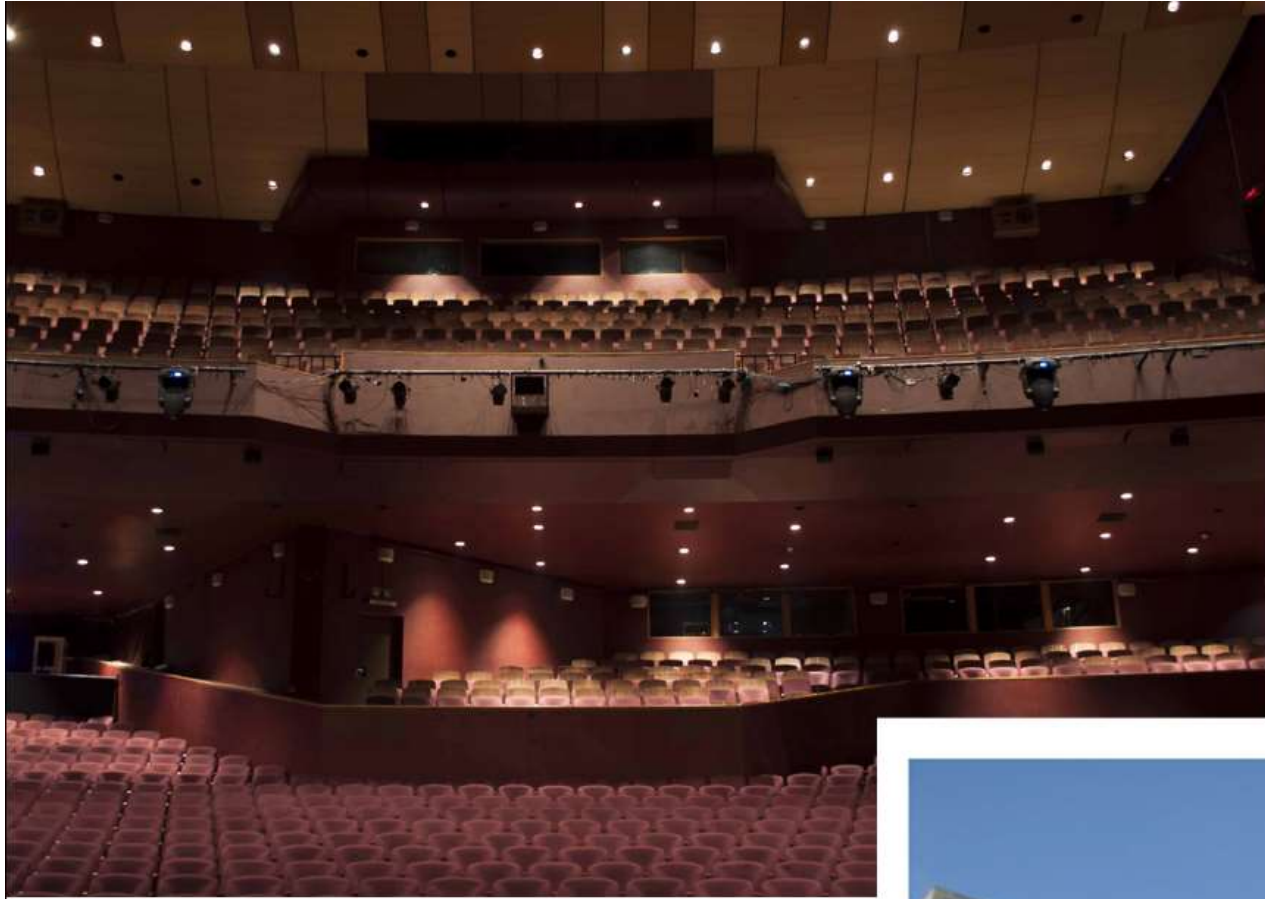
It is important to acknowledge that the current Council has interrogated the strategic direction of SAST and its programmes which have been adopted and are fully supported by Council with a view to achieving the key priorities outlined. These priorities will influence the SAST’s service delivery agenda for the next three financial years, 2024/25 to 2026/27 and establish the strategic direction of the SAST as it approaches the amalgamation of the DSAC entities

Council commits to the implementation of this APP. We believe it will bring exemplary service delivery to the performing arts sector through outcomes-based performance-oriented targets.



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Professor Fikile N. M. Mazibuko
 Chairperson of Council
 The South African State Theatre

ACCOUNTING AUTHORITY STATEMENT



CEO'S FOREWORD

In approaching the 2024/25 Annual Performance Plan (APP), the South African State Theatre (SAST) has taken into consideration the current prevailing factors that affect both the current trading environment as well as the long-term future of the SAST. These factors include; the National Treasury Cost Containment measures as well as the DSAC Amalgamation of its Entities. At the same time, SAST has implemented its own financial austerity measures aimed at addressing ongoing cashflow challenges.

The above has prompted management to undertake a detailed intrusive review of its operations in order to optimise the annual artistic programme from a point of view that ensures financial stability while still enabling implementation of SAST's overarching mandate.

The review process was concluded during the fourth quarter of 2023/24 and thereafter captured into this 2024/25 APP to outline the revised strategic direction of the SAST.

Underpinning the strategic direction is SAST's six strategic pillars, namely; Maximise Revenue, Enhance Reputation, Develop and Manage Human Capital, Promote a Culture of Excellence, Audience Development, and Maintain and Improve Infrastructure. Integral to all SAST programmes is the focus on priority groups participation in respect of Women, Youth and People with Disability. Programme outcomes are aligned to the National Development Plan (NDP) implementation plan priority areas, in particular the outcomes on; Economic transformation and job creation, Social cohesion and safe communities, A better Africa and world, and Building a capable, ethical and developmental State. Where possible, SAST programmes take into consideration the GBV agenda and include activities aligned to the fight against GBV.

Together with the core artistic programme, the support programmes, namely; marketing, infrastructure and revenue generation must be revised to complement the strategic direction. Improvements to the control environment will also be made to ensure compliance with legislation, safeguarding of resources and accurate reporting on the financial position as the revised programmes are being implemented.

Trading conditions as well as internal factors affecting programme implementation require mitigation. In particular, the following programme revisions must continue to be implemented during the year, namely; revise the marketing strategy, diversify the revenue streams, fast-track the infrastructure maintenance and upgrading projects and improve the control environment. On the infrastructure maintenance and upgrading projects, SAST has implemented a major programme to undertake long-outstanding repairs and maintenance at both the main theatre complex as well as at the Kilnerton property. This project has necessitated that the SAST artistic programme commences later during the 2024/25 year to allow the project to be completed. As a result, the 2024/25 artistic programme comprising of, amongst others, in-house productions and festivals will commence from the second quarter of 2024/25. Programme targets, such as the Number of In-house Productions staged, Job Creation and Audience Attendance have been proportionately adjusted for the 2024/25 year.

The revised programme is to be implemented with the 2024/25 Annual Performance Plan (APP), from 1 April 2024, and will thereafter form the baseline for the next five-year planning cycle. Success of the revised programme will be measured and adjusted as may be required through the ensuing triennium, up to 31 March 2026.



.....
Dr Sibongiseni Mthokozisi Mkhize
Chief Executive Officer
The South African State Theatre

FOREWORD

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan of The South African State Theatre (SAST) for the period **2024/2025**:

- Was developed by the management of The South African State Theatre under the guidance of the SAST Council.
- Takes into account the relevant policies, legislation and other mandates for which The South African State Theatre is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which The South African State Theatre will endeavour to achieve over the period 2024/2025.



Mr Aubrey Sekhabi
Artistic Director
Programme Manager:
In-house developed and externally sourced performing arts works presented.
Development opportunities provided.



Ms Santa Viljoen
Chief Financial Officer



Mr Shiraz Ahmed
Senior Manager: Performance, Risk and Compliance (Planning)



Dr Sibongiseni Mthokozisi Mkhize
Chief Executive Officer

ACCOUNTING AUTHORITY:



Professor Fikile N. M. Mazibuko
Chairperson of Council

**Approved by:
EXECUTIVE AUTHORITY:**



M. G. Kodwa, MP
Member

OFFICIAL SIGN-OFF

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PART A: OUR MANDATE

Mandate

1. Updates to the Legislative and Policy mandate

1.1 Legislative mandate

There are no updates to the legislative mandate.

We note the pending promulgation of the revised White Paper on Arts and Culture. The activities embarked upon by DSAC in the interim, namely; the amalgamation of entities under the department are also acknowledged. The proposed outcomes of these activities likely to affect the SAST are as follows:

- Establishment of the National Performing Arts Company (the new single entity) - The amalgamation of the six Performing Arts entities (The Playhouse, the South African State Theatre, PACOFS, The Market Theatre Foundation, Artscape, and Mandela Bay Theatre Complex) under a single council.
- Existing performing arts entities to be amalgamated through a notice in the Government Gazette and the notice is to state that all assets, rights, liabilities and obligations of entities are transferred to the new (amalgamated) entity.
- The SAST is to be run as an autonomous division of the new single entity.
- The amalgamation process has commenced and is planned to be concluded during the 2024/25 year.

The proposed new National Theatre and Dance Policy is also acknowledged. SAST has provided inputs into the policy during the consultation process.

1.2 Policy mandate

Overall government's mandate is being driven by the National Development Plan (NDP) Five-year Implementation Plan covering the period 2019 - 2024. The mandate of the Department of Sport, Arts and Culture (DSAC) has accordingly been aligned in the NDP under Priority 6; Social cohesion and nation building (Outcome 14).

NDP IMPLEMENTATION PLAN - PRIORITY 6:
SOCIAL COHESION AND SAFE COMMUNITY
NDP FIVE YEAR IMPLEMENTATION PLAN (2019-2024) OUTCOME
United, democratic, participatory, non-sexist, non-racial, equal society
DEPARTMENT OF SPORT, ARTS AND CULTURE OUTCOME
Social cohesion and nation building (Outcome 14)

The SAST has accordingly aligned its mandate to the DSAC's drivers, outcomes and/or outputs to derive its mandate as follows:

DEPARTMENT OF SPORT, ARTS AND CULTURE OUTCOME
Social cohesion and nation building (Outcome 14)
THE SOUTH AFRICAN STATE THEATRE
Provide access to performance spaces in which the performing arts sector creates productions that are watched by diverse audiences.

2. Update to Institutional Policies and Strategies

2.1 Institutional policies

SAST policies and procedures are reviewed on an ongoing basis throughout the year. A detailed policy register is maintained to track and monitor the progress in reviewing policies.

2.2 Strategies

In compiling this 2024/25 Annual Performance Plan (APP), the South African State Theatre (SAST) has adopted the following strategy.

The SAST Council held a strategy workshop in November 2023 aimed at reviewing and updating SAST's strategic outlook. The workshop sought to examine the SAST's business model with a view to achieving long-term sustainability. Strategically, focus is on artistic excellence; identity and branding; audience development; the generation of own revenue; and SAST's capacity to deliver on its mandate. The implementation of the strategic priorities has already resulted in the integration of the strategy, structure and financial resources, which is critical to the success of this organisation. In line with its identity as a pan African theatre, it was agreed that the SAST should continue to fervently and effectively identify and position itself as the home of African creative excellence, with its vision as: "The prestigious theatre of choice for a distinctly Pan-African experience. ("The theatre of Africa)". Besides transformation and the identity being reflected in the Artistic programme, the SAST will prioritise the process of renaming of theatre venues and other public spaces within the theatre complex. The workshop focused on the core business, more particularly on the question of balancing artistic creativity and fiscal stability.

The strategic pillars and priorities identified during prior council workshops served to guide the Council in monitoring and evaluating the performance of the SAST during the 2023/24 financial year. The strategic pillars were reviewed and confirmed during the November 2023 workshop. The pillars form part of the SAST's current Five-Year Strategic Plan. The 2024/25 financial year is the last year of the current five-year strategic plan. The strategic pillars are:

1. Maximise Revenue (increase capacity to generate own revenue instead of hoping to receive donations and sponsorships)
2. Enhance reputation
3. Develop and Manage Human Capital
4. Promote a Culture of Excellence
5. Audience Development
6. Maintain and Improve Infrastructure

Council provides guidance and leadership to ensure that the strategic priorities of the SAST are aligned to the National Development Plan and the Minister's 10-Point Plan. Particular emphasis is placed on achieving nation-building and social cohesion while ensuring a healthy balance between fiscal stability and artistic creativity.

In order to successfully implement our mandate, we have developed the following outcome-oriented strategic programmes which are underpinned by the strategic pillars:

- Present In-house Performing Arts productions.
- Provide development opportunities for emerging Arts Practitioners in the context of our programmes.
- Generate revenue from commercial activities which includes Ticket Sales, Rentals, Fundraising and Front of House Sales.
- Ensure long term sustainability of our Buildings and Assets.
- Attract Audiences to watch the Performing Arts.
- Ensure compliance with applicable Laws, Regulations and Statutory Legislation.

The overriding consideration as we prepared this APP to implement the strategic programmes is the focus on stabilising and strengthening the core operations while managing ever increasing input costs compounded by uncertain consumer buying behaviour. The perpetuated negative impact on the trading environment affecting suppliers and consumers caused by the Covid-19 pandemic, the July 2021 Riots, the Ukraine-Russia war, and the KZN flooding is undeniable. SAST's operational budget has thus been accordingly prepared taking into consideration these factors. Furthermore, the operational budget is intrinsically aligned with SAST's core programme, namely; the SAST artistic programme that supports self-generated revenue as well as the fulfilment of SAST's mandate. In preparing the operational budget to support implementation of the APP programmes, SAST has considered the national treasury cost containment measures as well as the constraints imposed by the amalgamation of entities. A key outcome of the operational budget programme alignment is to ensure that SAST achieves positive cash flow from operations and is financially sustainable.

In developing programmes to implement our strategies, we have, as far as possible, included the key priority groups, namely Youth, Women and people living with Disabilities and those affected by Gender-based Violence (GBV). While this may not always be expressed in programme indicators, it is incorporated into the programme activities.

SAST is committed to fighting Gender-based Violence (GBV) and supports governments campaigns against GBV. Wherever possible, SAST programmes will adopt prevailing government campaign objectives and assist with implementation to intensify the fight against GBV.

Performing arts programmes are developed to allow people across all races, classes, gender, religion, nationality, ethnic origin and language to unite in a shared space with a common goal that is to present the very best performing arts works.

Programmes are aligned to the national days, where we celebrate our rich history through relevant performing arts works. We attract diverse audiences of people from across our society to unite in safe performance spaces to watch performances free from any form of social exclusion.

In developing the SAST programmes, emphasis is placed on creating employment opportunities in support of the government's imperative of job creation. Key areas of job creation include the Artistic programme and Infrastructure projects. Internship positions are also created to firstly provide employment opportunities, but more importantly to provide young graduates with experiential learning opportunities to start-off their careers.

Access to the performing arts space, especially for those communities that have never before been allowed access, is the main focus of our programmes. Together with access, we also provide development opportunities for performing arts practitioners to identify and establish economically viable careers and create performing arts products for local and international market consumption.

Self-generated revenue remains a priority area. Parking revenue has stabilised but remains a focus area to improve further. Front of house bar sales has recovered during the course of 2023/24. Property rentals are subject to improvement of the facilities to attract new tenants. Ticket sales revenue has increased but is also a key focus area to improve. Revenue targets are increased by the following percentages:

- Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces. (8% annual escalation.)
- Generate revenue from ticket sales of in-house productions and from Theatre rentals. (10% escalation on theatre rental rates. Commission on theatre rentals gross box office sales has increased to 10%.)
- Generate revenue from the Parking garage. (6% annual escalation.)
- Generate revenue from Front of House sales. (escalation will vary based on the product range input costs.)

An accelerated infrastructure programme commenced during 2023/24, both to maintain existing buildings and equipment as well as to modernise and enhance the building and equipment capabilities. Key capital works projects include the Repairs and Maintenance project and the Transformation project, as well as the Kilnerton property refurbishment.

Compliance with regulations is a fundamental requirement for SAST as a public entity. The annual financial audit must have an unqualified outcome. Weaknesses in the control environment, especially weaknesses that resulted in the R24m fraud must be resolved to ensure the reoccurrence of fraud is mitigated as far as possible. Improvements in the control environment includes enhancing the information and communication technology systems and processes, in particular to avoid cybercrime, and also to improve the transaction environment and customer relationship management. The governance environment is underpinned by robust policies and procedures which are aligned to prevailing legislative prescripts and regulations and SAST must ensure that policies and procedures are developed, implemented and reviewed regularly.

The strategies outlined above are intended to support the achievement of the APP programmes over the medium term while consolidating SAST's strategic focus as we complete the current five-year planning cycle. Programme outputs for the 2024/25 year have been adjusted to accommodate the major repairs and maintenance programme which will cause the core artistic programme to only commence in the second quarter thereby reducing the overall programme output. Furthermore, SAST's artistic programme will be directed to support the 30-years of democracy programme. These factors will affect the 2024/25 APP in contributing toward the overall performance of the 2020-2025 term. During the 2024/25 year, SAST will compile its next five-year strategic plan that will be informed by the baseline established with the performance achieved during the current five-year cycle. Implications of the entities amalgamation project will also be considered. It is anticipated that through the infrastructure improvements, aligned budget and revised artistic programme, SAST will establish the platform for a rapid increase in outputs during the ensuing medium term.

3. Relevant court rulings

None.

PART B: OUR STRATEGIC FOCUS

4. Updated Situational Analysis

4.1 External Environment Analysis

Population dynamics ¹

The SAST is situated in the central business district of the metropolitan municipality of the City of Tshwane. The City of Tshwane is part of the province of Gauteng. With a population of 2,921,488 (2011, Stats SA), the City of Tshwane is ranked as the fifth largest city of South Africa. The working age is made-up of; 15 to 64 (71.9%), 0 to 14 (23.2%) and 65+ (4.9%). People classified as Youth (age 14 to 35, per the National Youth Commission Act, 1996) makeup 37% of the population. Racial composition of the population across the four primary race groups, being; Black African, Coloured, Indian and White are 75.4%, 2.0%, 1.8% and 20.1%, respectively. First Languages spoken include Sepedi (19.4%), Afrikaans (18.4%), Setswana (14.7%), Xitsonga (8.4%) and Other (39.1%) which includes English at 8.4%. Gender composition is almost equal with 50.2% being Female and 49.8% Male, though details of gender parity are unknown. Foreign nationals also form part of the City's population and includes a significant number of diplomatic corps members, considering that Tshwane boasts a large concentration (130+) of embassies, which is said to be second only to Washington D.C. in the United States. Economically active people in the population number 1,079,273, circa 2011, which represents 36.94% of the population. SAST aims to attract audiences from this population group as well as from the greater Gauteng population.

Political influence

As an implementing agency of the DSAC, we have an obligation to further the manifesto of the ruling party. The ruling party's 2019 election manifesto published on 13 January 2019 seeks a *people's plan for a better life for all*. Amongst others, the manifesto is about advancing nation-building and social cohesion, stepping up the fight against racism, sexism, homophobia and other intolerances. This manifesto sets out how to improve the lives of South Africans and grow South Africa together. Key themes of the manifesto that are relevant include; ADVANCING SOCIAL TRANSFORMATION, ADVANCING NATION-BUILDING AND SOCIAL COHESION, BUILDING A BETTER AFRICA AND A BETTER WORLD, CREATIVE INDUSTRY and A NATION UNITED IN DIVERSITY. Our political landscape consists of the Democratic Alliance (DA) and the Economic Freedom Fighters (EFF) at a local government level and the African National Congress (ANC) at a provincial and National level. While the SAST operates in this political environment, it remains independent and apolitical and unequivocally strives to embrace people from different walks of life irrespective of their political affiliations. Local government elections are being held during 2021, any impact on the trading environment is to be seen once the election outcomes are announced.

Technology improvements

The advances in technology has made it possible for our productions to be digitally recorded and streamed in video format online through the new SAST online programme. Leveraging on technology has allowed the SAST to rapidly adapt to changing market dynamics. As the SAST online programme is further entrenched into the core programme, technology has become the cornerstone of our continued existence and has enabled the SAST to continue delivering on its mandate. We will continue to introduce new improved systems during the year, not only in our artistic programme but also in our record keeping and transactional environment in an effort mitigate fraud and corruption.

Social realities

The South African society is socially diverse in its makeup. People from different races, cultures and ethnic backgrounds co-exist as the society of the country. Social challenges are prevalent across society and are not limited to any specific denomination. Abuse of women and children has become a focal area, together with issues of gender-based violence and the ever-increasing problems of substance abuse. These, and other, social challenges affect and influence how society interacts and becomes a barrier of participation for victims. Regrettably, the very same entertainment spaces where victims may find an opportunity to interreact with the rest of society are also used as an opportunity by criminals and offenders to proliferate some of these social illnesses. SAST has implemented safety and security measures to ensure the safety of our patrons and customers in both the theatre complex and in the office block. Artistic productions, where possible, focus on issues of GBV in order to tell the stories of victims and encourage those suffering under such oppression to speak-out and seek help.

4.2 Internal Environment Analysis

The South African State Theatre's vision is linked to the Department of Sport, Arts and Culture's vision and mission, which stems from the Constitution, more specifically from Article 27 of the Universal Declaration of Human Rights: "everyone shall have the right to freely participate in the cultural life of the community (and) to enjoy the arts". The 2022/23 Annual Performance Plan (APP) was prepared by the Executive Management of the South African State Theatre (SAST). Performance Indicators and Targets which appear in this report of Performance Information are based on the Performance Indicators and Targets set-out in the South African State Theatre Annual Performance Plan 2022/23.

In support of our mandate, SAST has set the following strategic outcomes on which the Performance Indicators and Targets are based:

Outcome 1: In-house developed and externally sourced performing arts works presented.

Outcome Statement: Present In-house Performing Arts productions.

Outcome 2: Development opportunities provided.

Outcome Statement: Provide development opportunities for emerging Arts Practitioners in the context of our programmes.

Outcome 3: Revenue generated from commercial activities.

Outcome Statement: Generate revenue from commercial activities which includes Ticket Sales, Rentals, Fundraising and Front of House Sales.

Outcome 4: Buildings and assets maintained and upgraded.

Outcome Statement: Ensure long term sustainability of our Buildings and Assets.

Outcome 5: Audience attendance improved.

Outcome Statement: Attract Audiences to watch the Performing Arts.

Outcome 6: Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.

Outcome Statement: Ensure compliance with applicable Laws, Regulations and Statutory Legislation.

These outcomes have been aligned to the National Treasury programmes of Administration, Business Development and Public Engagement as follows:

Programme 1: Administration - Outcome 3, Outcome 4 and Outcome 6.

Programme 2: Business Development - Outcome 1 and Outcome 5.

Programme 3: Public Engagement - Outcome 2.

Performance during the 2022/23 year

The targets set-out and reported on in this annual performance report are based on the approved 2022/23 Annual Performance Plan (APP). The 2022/23 APP was compiled taking into consideration the prevailing Covid-19 related trading conditions that had been affecting the country at that time.

The number of Outputs in the 2022/23 APP was 21

Outcome	Output
Outcome 1	Stage In-house Productions.
	Stage school set-work productions.
	Stage In-house Festivals.
	Short term job opportunities created in In-house Productions.
Outcome 2	Provide dramaturgy to in-house production's creative team members.
	Implement the Community Arts Dramaturgy Outreach Fieldwork programme.
	Provide internship positions.
Outcome 3	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.
	Generate revenue from ticket sales of in-house productions and from Theatre rentals.
	Generate revenue from the Parking garage.
Outcome 4	Generate revenue from Front of House sales.
	Implement CAPEX projects that are approved and funded on the UAMP.
Outcome 5	Implement the Maintenance Programme.
	Implement the marketing strategy.
	Establish media partnerships to promote SAST and productions.
	Implement the audience development strategy.
Outcome 6	Increase audience attendance.
	Conduct surveys of patron satisfaction.
	Achieve an Unqualified Audit report.
	Comply with South African Laws and Regulations governing labour relations.
	Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.

Annual performance targets for the 2022/23 year were revised from the initial planned medium-term targets outlined along with the 2020 - 2025 Strategic Plan due to the outbreak of the Covid-19 pandemic and implementation of the related National Lockdown Regulations in March 2020. As such, some targets in the 2022/23 APP are lower than reported performance in the preceding years.

SAST achieved an overall performance of 71% for the 2022/23 financial year. Actual achieved when compared to the prior year performance of 65%, improved by 6%. Number of programmes implemented increased from twenty in the prior year to twenty-one for 2022/23. Fifteen of the planned twenty-one programme indicators were achieved in full. Six indicators were not achieved.

The 2022/23 APP outlined the following six strategic outcomes:

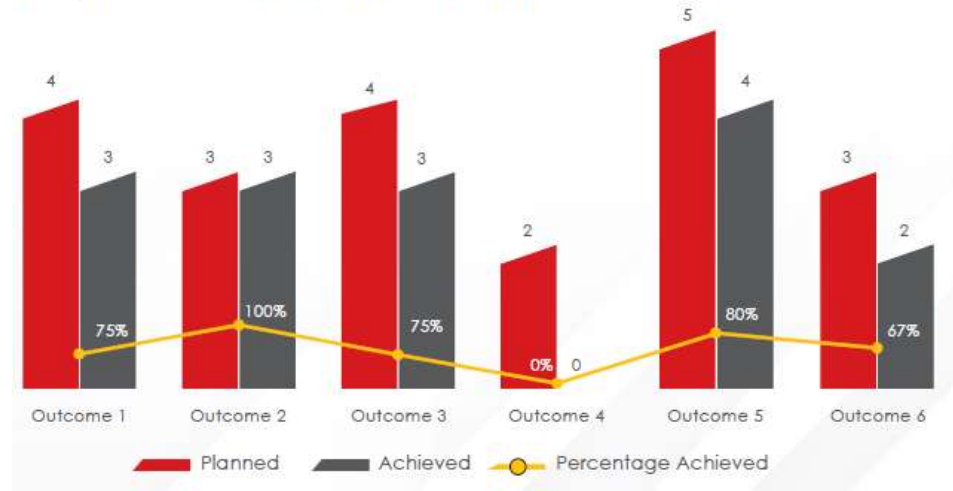
- Outcome 1: In-house developed and externally sourced performing arts works presented.
- Outcome 2: Development opportunities provided.
- Outcome 3: Revenue generated from commercial activities.
- Outcome 4: Buildings and assets maintained and upgraded.
- Outcome 5: Audience attendance improved.
- Outcome 6: Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.

Only one of the six outcomes was achieved in full for the year, namely; Outcome 2: Development opportunities provided. Outcome 4: Buildings and assets maintained and upgraded was not achieved as the overall performance recorded for the two indicators under this outcome was less than 50%. The remaining four outcomes which did not achieve targets, recorded fifty percent and more for the year.

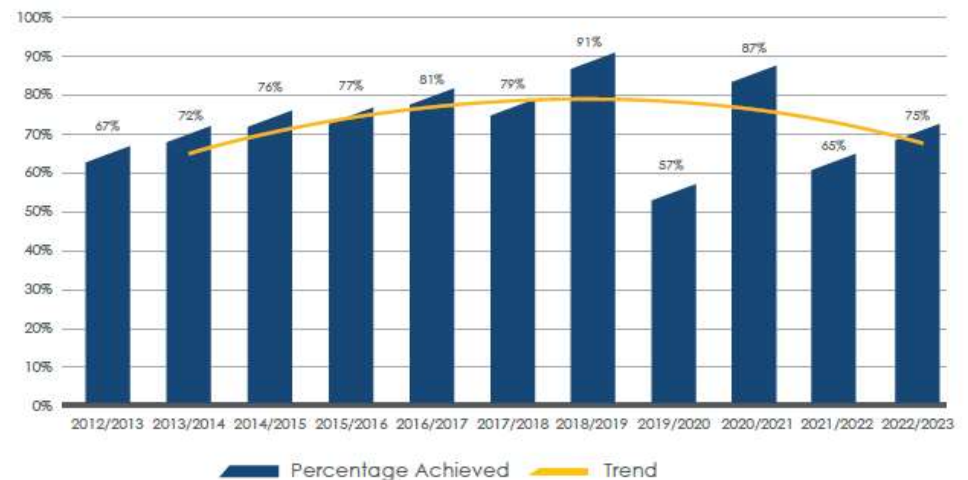
Good performance was recorded for fifteen indicators that achieved targets for the year. These indicators included the following:

- Property rental revenue recognised.
- Ticket sales and theatre rental revenue recognised. Front of House sales revenue recognised.
- Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.
- Percentage availability of ICT network services reported.
- Number of In-house Festivals staged.
- Number of In-house Productions staged.
- Number of short-term job opportunities created in In-house Productions,
- Number of media partnerships established.
- Approved audience development plan for each production of the annual artistic calendar.
- Number of audience for events.
- Number of patron satisfaction surveys conducted.
- Number of Community Arts Groups participating in the programme,
- Number of in-house production's creative team members provided with dramaturgy,
- Number of interns appointed.

2022/23 PLANNED AND ACHIEVED TARGETS



2012/13 - 2022/23 PERFORMANCE ACHIEVED



Performance	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Number of Indicators	45	64	26	26	26	24	23	23	15	20	21
Percentage Achieved	67%	72%	76%	77%	81%	79%	91%	57%	87%	65%	71%

Indicators not achieved for the year includes the following:

Parking garage revenue recognised.

Number of approved and funded CAPEX projects completed.

Number of Maintenance Programme activities completed.

Audit opinion

Number of School set-works staged

Approved marketing plans for each production of the annual artistic calendar.

PROGRAMME PERFORMANCE

Outcome 1: In-house developed and externally sourced performing arts works presented.

Three of the four indicators were achieved and one was partially achieved. The indicators;

Number of In-house Festivals staged, Number of In-house Productions staged and Number of short term job opportunities created in In-house Productions was achieved. Number of School set-works staged (achieved 3 compared to the target of 4) was partially achieved.

136 inhouse productions, compared to a target of 104, were presented during the year, as part of the hybrid theatre model with digitally recorded productions being published on the SAST YouTube channel. The well established four annual festivals, namely; Kucheza Afrika Festival, Youth Expressions Festival, Vavasati International Women's Festival and the Mzansi Fela Festival were all presented. Though, some of the productions in the Vavasati festival had to be postponed and took place later in the year.

In total 136 productions, school set-works and main programme combined, were presented compared to the combined target of 104.

Outcome 2: Development opportunities provided.

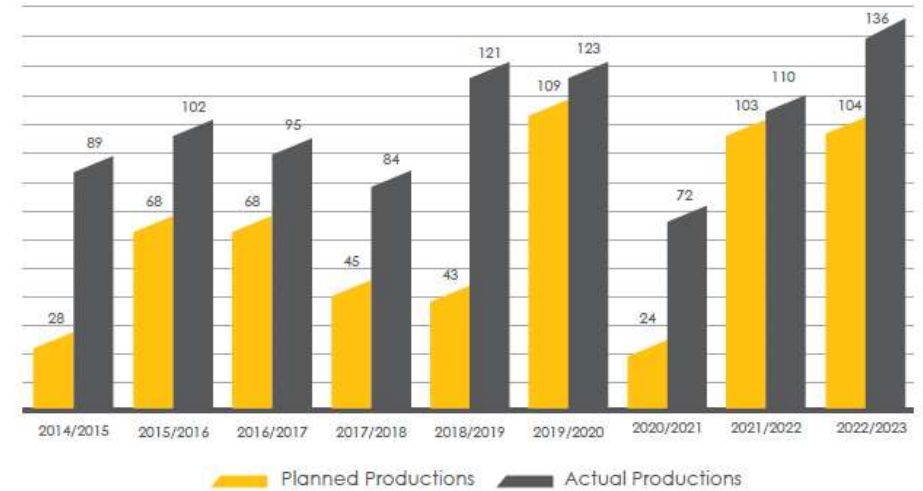
The indicator, Number of interns appointed was achieved with six interns appointed during the year. The planned 15 community groups participated in the Community Arts Groups programme resulting in it being achieved. Number of in-house production's creative team members provided with dramaturgy achieved 23 compared to the target of 15 for the year.

Outcome 3: Revenue generated from commercial activities.

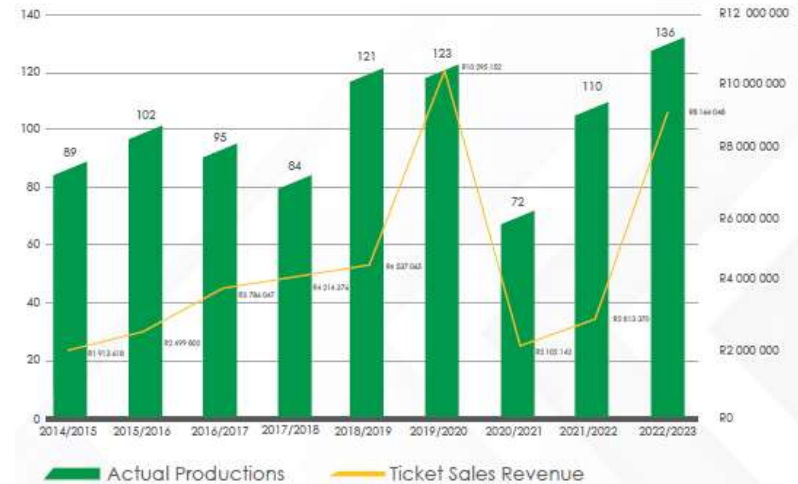
The indicator Parking garage revenue recognised was partially achieved, though the revenue receipted was still significant at R8 139 982. The other three revenue indicators, namely; Property rental revenue recognised, Ticket sales and theatre rental revenue recognised, and Front of House sales revenue recognised all achieved target. In total R22 543 465 was recorded for selfgenerated revenue programmes, compared to the combined target of R16 064 435. Based on the approved Annual Financial Statements as at 31 July 2023, the final reported revenue numbers for the year are as follows:

	2022/2023	2022/2023
Self-Generated revenue	Target	Actual
Property Rental	R 3 816 455	R 3 905 980
Ticket Sales	R 2 792 297	R 8 164 048
Parking Garage	R 8 555 683	R 8 139 982
Front of House	R 900 000	R 2 333 455
	R 16 064 435	R 22 543 465

2014/15 - 2022/23 PRODUCTIONS: ALL IN-HOUSE



2014/15 - 2022/23 IN-HOUSE PRODUCTIONS REVENUE



Outcome 4: Buildings and assets maintained and upgraded.

The indicator Number of approved and funded CAPEX projects completed was not achieved. Only the Digital LED Screen was installed during the financial year. Acquisition of vehicles was not funded. The Aircon replacement HVAC project Condition Assessment is yet to be finalised. Under Outcome 4, Number of Maintenance Programme activities completed, was also not achieved. The HVAC system, which includes two maintenance areas, namely; Chillers and the Cooling Towers, maintenance could not be implemented as the system is not operational.

Outcome 5: Audience attendance improved.

Five programmes were implemented under outcome five, including the indicator Number of audience for events. Audience attendance for the year overachieved the target of 38,500 with 123,926. A rapid increase in the theatre audience attendance numbers was recorded post relaxation of the lockdown regulations which encouraged people to return to the theatre. The indicator; A marketing plan prepared and approved for each production of the annual artistic calendar was not achieved. Administrative challenges experienced relating to availability of production information resulted in plans not being prepared as required. The other three indicators were all achieved. These included; Number of media partnerships established, Approved audience development plan for each production of the annual artistic calendar, and Number of patron satisfaction surveys conducted.

Outcome 6: Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.

The 2021/22 qualified audit outcomes caused the Audit opinion indicator reported during the 2022/23 year to be not achieved. The labour matters compliance indicator was achieved as there were no incidents of non-compliance in dealing with labour matters. The new programme Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services did well for the first year of implementation achieving the indicator Percentage availability of ICT network services reported due to minimum disruptions to the availability of ICT network resources during the year.

2014/15 - 2022/23 AUDIENCE ATTENDANCE



4.3 Broad-Based Black Economic Empowerment (B-BBEE)

The annual B-BBEE verification for the 2020/21 financial year was conducted during the 2021/22 financial year. SAST received a rating of non-compliant contributor, with an overall score of 49.55% for the four measured elements of Management Control, Skills Development, Enterprise and Supplier Development, and Socio-Economic Development. SAST is not measured against the element of Ownership, since it is a public entity. The outcome represents a regression from the previous rating of 55.51% (Level 8 Contributor) for

the 2019/20 year. The main reason for the regression is the decrease in spending on training during the 2020/21 year. This was because of budget constraints. Procurement on B-BBEE compliant suppliers also reduced from 23,99% in 2019/20 to 22,46 in 2020/21. Though it is a small decrease, it does impact the overall rating.

The B-BBEE improvement plan was implemented during the 2022/23 year. The areas that have been identified for improvement include:

- Skills Development,
- Enterprise and Supplier Development Programme, and
- Socio Economic Development.

The 2024/25 budget provides a minimum of 1% spending on skills development.

Providing cashflow allows, training will be implemented accordingly and will contribute to improving the B-BBEE score.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion
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 to SAST.
Developing and implementing a preferential procurement policy?	No	The SAST Supply Chain Management policy is being reviewed during the 2022/23 year.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable to SAST.
Developing criteria for entering into partnerships with the private sector?	Yes	Any partnership concluded, is considered on its merits to further the SAST mandate and contribute to implementation of the SAST programmes.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable to SAST.

Notes:

1. Population statistics are sourced from the Stats SA 2011 survey on the City of Tshwane. Website link http://www.statssa.gov.za/?page_id=1021&id=city-of-Tshwane-municipality
2. CPI data sourced from Stats SA Statistical Release September 2021. Website link <http://www.statssa.gov.za/publications/P0141/P0141September2021.pdf>
3. GDP data sourced from Stats SA Statistical Release September 2021. Website link <http://www.statssa.gov.za/publications/P0441/P04412ndQuarter2021.pdf>

PART C: MEASURING OUR PERFORMANCE

5. Institutional Programme Performance Information

Programme 1: Administration

The purpose of this programme is to engage in commercial activities to generate revenue to augment the Government Grant, to maintain and upgrade our unique Theatre facilities to ensure its long-term economic sustainability and to comply with applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA in support of our Artistic ambitions.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance			Estimated Performance	MTEF		
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
Revenue generated from commercial activities.		Rental revenue from the Immovable Property Portfolio								
	SPI2	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	Property rental revenue recognised.	R3 691 779	R4 384 628	R3 905 980	R3 467 034	R3 744 397	R4 043 948	R4 367 464
		Revenue from In-house Productions' Ticket Sales and from Theatre Rentals								
	SPI4	Generate revenue from ticket sales of in-house productions and from Theatre rentals.	Ticket sales and theatre rental revenue recognised.	R2 102 142	R2 813 370	R8 164 048	R7 353 116	R8 088 428	R8 897 270	R9 786 997
		Parking Revenue								
	SPI5	Generate revenue from the Parking garage.	Parking garage revenue recognised.	R8 463 952	R8 101 979	R8 139 982	R4 500 000	R4 725 000	R4 961 250	R5 258 925
		Front of house Revenue								
SPI6	Generate revenue from Front of House sales.	Front of House sales revenue recognised.	Indicator removed due to Covid-19	R834 378	R2 333 455	R1 944 145	R2 138 560	R2 352 415	R2 470 036	
Buildings and assets maintained and upgraded.	SPB	Capital Works Projects								
	SPB1	Implement CAPEX projects that are approved and funded on the UAMP.	Number of approved and funded CAPEX projects completed.	1	4	1	3	6	3	3
		Maintenance Programme in compliance with statutory regulations								
SPB2	Implement the Maintenance Programme.	Number of Maintenance Programmes completed.	7	7	5	100% of the Facilities Management Contract approved Project plan milestones for the financial year achieved.	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance			Estimated Performance	MTEF		
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.		Compliance with PFMA and Treasury Regulations								
	SPR1	Achieve an Unqualified Audit report.	Audit opinion.	Unqualified Audit report (2019/20 Financial Year)	Qualified Audit report (2020/21 Financial Year)	Qualified Audit report (2021/22 Financial Year)	Unqualified Audit report (2022/23 Financial Year)	Clean Audit report (2023/24 Financial Year)	Clean Audit report (2024/25 Financial Year)	Clean Audit report (2025/26 Financial Year)
		Compliance with all South African Labour Acts								
	SPR2	Comply with South African Laws and Regulations governing labour relations.	Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.	0 Incidents reported	No incidents	0 Incidents reported	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0

Indicators, Annual and Quarterly Targets

Output Indicator	MTEF	Reporting Period	Quarterly Targets 2024/2025			
(Indicators must be read in conjunction with Technical Indicator Descriptions)	2024/2025					
(Unit of Measure)	Target		1 st	2 nd	3 rd	4 th
Rental revenue from the Immovable Property Portfolio						
Property rental revenue recognised.	R3 744 397	Quarterly	R 936 099	R 936 099	R 936 099	R 936 099
Revenue from In-house Productions' Ticket Sales and from Theatre Rentals						
Ticket sales and theatre rental revenue recognised.	R8 088 428	Quarterly	R 2 022 107	R 2 022 107	R 2 022 107	R 2 022 107
Parking Revenue						
Parking garage revenue recognised.	R4 725 000	Quarterly	R 1 181 250	R 1 181 250	R 1 181 250	R 1 181 250
Front of house Revenue						
Front of House sales revenue recognised.	R2 138 560	Quarterly	R 534 640	R 534 640	R 534 640	R 534 640
Capital Works Projects						
Number of approved and funded CAPEX projects completed.	6	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	6
Maintenance Programme in compliance with statutory regulations						
Number of Maintenance Programmes completed.	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.
Compliance with PFMA and Treasury Regulations						

Output Indicator	MTEF	Reporting Period	Quarterly Targets 2024/2025			
(Indicators must be read in conjunction with Technical Indicator Descriptions)	2024/2025		1 st	2 nd	3 rd	4 th
(Unit of Measure)	Target					
Audit opinion.	Clean Audit report (2023/24 Financial Year)	Annually	Not reported in this quarter.	Clean Audit report (2023/24 Financial Year)	Not reported in this quarter.	Not reported in this quarter.
Compliance with all South African Labour Acts						
Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.	Maximum acceptable number of incidents: 0	Quarterly	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0	Maximum acceptable number of incidents: 0

Programme 2: Business Development

This programme aim is for SAST to stage the very best In-house developed and externally sourced Performing Arts work, to promote audience diversity and growth by implementing Audience Development Programmes and to promote the outcomes of the government's programme of action by creating job opportunities.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance			Estimated Performance	MTEF		
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
x x x x x x In-house developed and externally sourced performing arts works presented.	SPA	Artistic Productions	Artistic Productions							
	SPA2	Stage In-house Festivals.	Number of In-house Festivals staged.	Indicator removed due to Covid-19	4	4	4	4	4	4
	SPD4	Stage school set-work productions.	Number of School set-works staged.	Indicator removed due to Covid-19	2	3	2	2	2	2
	SPA1	Stage In-house Productions.	Number of In-house Productions staged.	72	108	133	50	62	62	62
		Job creation	Job creation							
	SPR3	Short term job opportunities created in In-house Productions.	Number of short term job opportunities created in In-house Productions.	428	926	941	700	483	483	483
Audience attendance improved.	SPM	Marketing	Marketing							
	SPM1	Implement the marketing strategy.	Approved marketing plans for each production of the annual artistic calendar.	Plans developed and implemented	Plans prepared	Plans not prepared for all productions.	Plans not prepared for all productions.	Marketing plans prepared and approved for each production of the annual artistic calendar.	Marketing plans prepared and approved for each production of the annual artistic calendar.	Marketing plans prepared and approved for each production of the annual artistic calendar.
	SPM2	Establish media partnerships to promote SAST and productions.	Number of media partnerships established.	4	9	4	8	2	2	2
		Audience Development	Audience Development							
	SPM3	Implement the audience development strategy.	Approved audience development plan for each production of the annual artistic calendar.	Plans developed and implemented	Plans prepared	Plans developed and implemented	Plans developed and implemented	Audience development plans prepared and approved for each production of the annual artistic calendar.	Audience development plans prepared and approved for each production of the annual artistic calendar.	Audience development plans prepared and approved for each production of the annual artistic calendar.

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance			Estimated Performance	MTEF		
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
	SPM4	Attract audiences for events.	Number of audience for events.	74 444	38 191	123 926	100 000	70 000	70 000	70 000
		Patron Satisfaction	Patron Satisfaction							
	SPM5	Conduct surveys of patron satisfaction.	Number of patron satisfaction surveys conducted.	8	24	20	12	4	4	4

Indicators, Annual and Quarterly Targets

Output Indicator	MTEF	Reporting Period	Quarterly Targets 2024/2025			
(Indicators must be read in conjunction with Technical Indicator Descriptions)	2024/2025		1 st	2 nd	3 rd	4 th
(Unit of Measure)	Target					
Artistic Productions						
Number of In-house Festivals staged.	4	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	4
Number of School set-works staged.	2	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	2
Number of In-house Productions staged.	62	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	62
Job creation						
Number of short term job opportunities created in In-house Productions.	483	Annually	0	0	0	483
Marketing						
Approved marketing plans for each production of the annual artistic calendar.	Marketing plans prepared and approved for each production of the annual artistic calendar.	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	Marketing plans prepared and approved for each production of the annual artistic calendar.
Number of media partnerships established.	2	Quarterly	Not reported in this quarter.	1	1	Not reported in this quarter.
Audience Development						

Approved audience development plan for each production of the annual artistic calendar.	Audience development plans prepared and approved for each production of the annual artistic calendar.	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	Audience development plans prepared and approved for each production of the annual artistic calendar.
Number of audience for events.	70 000	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	70 000
Patron Satisfaction						
Number of patron satisfaction surveys conducted.	4	Quarterly	1	1	1	1

Programme 3: Public Engagement

This programme is intended to provide development opportunities for emerging Arts Practitioners to learn, perform and stage their Productions with the aim of their productions becoming commercial products and thereby encouraging Socio-Economic Development in the performing arts sector.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance			Estimated Performance	MTEF		
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
		(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
Development opportunities provided.	SPD	Development Programme	Development Programme							
	SPD1	Implement the Community Arts Dramaturgy Outreach Fieldwork programme.	Number of Community Arts Groups participating in the programme.	Indicator removed due to Covid-19	12	15	15	15	15	15
	SPD3	Provide dramaturgy to in-house production's creative team members.	Number of in-house production's creative team members provided with dramaturgy.	42	29	23	15	20	20	20
		Learning and Development	Learning and Development							
	SPR4	Provide internship positions.	Number of interns appointed.	Indicator removed due to Covid-19	6	6	6	6	6	6

Indicators, Annual and Quarterly Targets

Output Indicator	MTEF	Reporting Period	Quarterly Targets 2024/2025			
(Indicators must be read in conjunction with Technical Indicator Descriptions)	2024/2025					
(Unit of Measure)	Target		1 st	2 nd	3 rd	4 th
Development Programme						
Number of Community Arts Groups participating in the programme.	15	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	15
Number of in-house production's creative team members provided with dramaturgy.	20	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	20
Learning and Development						
Number of interns appointed.	6	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	6

6. Explanation of planned performance over the medium term period

The following table, 6. a) provides an overview of SAST's programme output contribution to outcomes and impact as well as priority group participation. A brief narrative describing the contribution is provided in the column "Output Contribution to the Outcome and Impact".

6. a) Outputs contribution to outcomes and impact as well as priority group participation

Outputs	Outcome	Impact	Output Contribution to the Outcome and Impact	Priority group participation
Stage In-house Festivals.	In-house developed and externally sourced performing arts works presented.	Provide the performing arts sector with access to performance spaces to stage their artistic works.	Staging of performance art works thereby creating access.	Youth Women People with disabilities
Stage school set-work productions.				
Stage In-house Productions.		Job opportunities created in the performing arts through staging of performing arts works.	Artistic, technical and administrative jobs created in the staging of performance art.	
Short term job opportunities created in In-house Productions.				
Implement the marketing strategy.	Audience attendance improved.	Attract a diverse audience of people from across all races, languages, religions and the different nationalities that form the society of South Africa to watch performances and Create an awareness of the performing arts as a form of entertainment and as a career path that becomes inculcated into the culture of the youth of South Africa.	Product and brand positioning to attract audience and practitioners to the performing arts.	Youth Women People with disabilities
Establish media partnerships to promote SAST and productions.				
Implement the audience development strategy.		Promote nation building and a socially cohesive society through commemorating our National Days in our spaces that are free of social barriers.		
Increase audience attendance.				
Conduct surveys of patron satisfaction.				
Implement the Mayibuye Community Outreach programme.	Development opportunities provided.	Enable the performance art sector, in particular the priority groups, namely; women, youth and the disable, to develop their artistic products to become commercially viable	Programme engages communities and arts practitioners thereby creating access to development and commercial activities.	Youth Women People with disabilities
Provide dramaturgy to in-house production's creative team members.				

Provide internship positions.		for both local and international market consumption.		
Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	Revenue generated from commercial activities.	Government grant augmented with self-generated revenue to ensure financial sustainability.	Revenue is generated by staging of performance art works and from rental of the property infrastructure.	Youth Women
Generate revenue from ticket sales of in-house productions and from Theatre rentals.				
Generate revenue from the Parking garage.				
Generate revenue from Front of House sales.				
Achieve an Unqualified Audit report.	Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.	Implementation of our mandate according to legislative prescripts through transparent administrative processes that are free of corruption.	Compliance with legislation and combating corrupt activities to enable efficient and legitimate transactions.	Youth Women People with disabilities
Comply with South African Laws and Regulations governing labour relations.				
Percentage of Women-owned enterprises procured from.				
Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.				
Implement CAPEX projects that are approved and funded on the UAMP.	Buildings and assets maintained and upgraded.	Ensure long-term sustainability of buildings and assets.	Availability of infrastructure and assets that enables the implementation of our programmes.	Youth Women People with disabilities
Implement the Maintenance Programme.				

6. b) Rationale for the selection of outcome indicators

Outcome	Outcome Indicator	Rationale
In-house developed and externally sourced performing arts works presented.	Number of performing arts works presented.	Represents the number of performing arts productions staged which relates to the number of practitioners that have been provided with access.
	Number of jobs created in the performing arts.	Reports the number of jobs created in the performing arts sector.
Development opportunities provided.	Number of community groups participating in the programme.	Reports the number of community groups that have been provided with access to development programmes.
	Number of internship positions created and filled.	Provides the number of arts practitioners who have participated in programmes to fulfil their formal education requirements in order to achieve a qualification in the arts.
Audience attendance improved.	Number of audience attending performances and events staged at SAST.	Reports the number of people from society that have participated in our activities.
Buildings and assets maintained and upgraded.	Number of Capital-works projects implemented.	Provides an indication of our contribution to government's infrastructure development.
	Number of maintenance programmes completed.	Reports on our maintenance of infrastructure.
Revenue generated from commercial activities.	Self-generated revenue recognised.	Reports on the revenue that we generate from utilising the property infrastructure and from staging performances.
Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the IPA	Unqualified audit report issued by the Auditor-General South Africa.	Reports on our ability to comply with the PFMA and its related legislation.
	Number of labour matters with rulings against SAST.	Reports on our ability to comply with labour legislation.
	Percentage of Women-owned enterprises procured from.	Reports on SAST's contribution to providing economic opportunities for women.
	Percentage availability of ICT network services reported.	Reports the availability of ICT systems and resources to support services and programmes.

7. Programme Resource Considerations

7.1 Allocation of budget to programmes and subprogrammes per the ENE

The main source of funding for SAST remains the government operational grant. This is augmented by self-generated revenue that SAST derives from sale of tickets, bar sales, parking garage revenue and property rental revenue. Revenue received through the grant and from self-generated revenue streams is directed towards operational expenditure. Operational expenditure is a mixture of administrative expenses and programme expenditure. Direct programme expenditure together with administrative expenditure to fund support functions provides the budgetary model for the implementation of SAST's programmes. These financial resources that are allocated towards SAST's programmes are intended to provide for the achievement of SAST's mandate and to enable revenue generation.

Programme 1: Administration

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance						Estimated Performance		MTEF						Reporting Period
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021		2021/2022		2022/2023		2023/2024		2024/2025		2025/2026		2026/2027		
		(Key Output - SMART)	(Unit of Measure)	Actual	Resource Allocation	Actual	Resource Allocation	Actual	Resource Allocation	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	
Revenue generated from commercial activities.		Rental revenue from the Immovable Property Portfolio																
	SPI2	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	Property rental revenue recognised.	R3 691 779	R8 487 297	R4 384 628	R8 911 662	R3 905 980	R8 127 222	R3 467 034	Component of SPR1	R3 744 397	Component of SPR1	R4 043 948	Component of SPR1	R4 367 464	Component of SPR1	Quarterly
		Revenue from In-house Productions' Ticket Sales and from Theatre Rentals																
	SPI4	Generate revenue from ticket sales of in-house productions and from Theatre rentals.	Ticket sales and theatre rental revenue recognised.	R2 102 142	Component of SPM	R2 813 370	Component of SPM	R8 164 048	Component of SPM	R7 353 116	Component of SPM	R8 088 428	Component of SPM	R8 897 270	Component of SPM	R9 786 997	Component of SPM	Quarterly
		Parking Revenue																
	SPI5	Generate revenue from the Parking garage.	Parking garage revenue recognised.	R8 463 952	R1 675 874	R8 101 979	R1 759 668	R8 139 982	R1 676 921	R4 500 000	R2 683 074	R4 725 000	R2 844 058	R4 961 250	R2 986 261	R5 258 925	R3 135 574	Quarterly
		Front of house Revenue																
SPI6	Generate revenue from Front of House sales.	Front of House sales revenue recognised.	Indicator removed due to Covid-19	R4 095 897	R834 378	R4 300 692	R2 333 455	R3 838 367	R1 944 145	R4 068 669	R2 138 560	R4 312 789	R2 352 415	R4 528 429	R2 470 036	R4 754 850	Quarterly	
Buildings and assets maintained and upgraded.	SPB	Capital Works Projects																
	SPB1	Implement CAPEX projects that are approved and funded on the UAMP.	Number of approved and funded CAPEX projects completed.	1	R 15 000 000	4	R 20 000 000	1	R 23 000 000	3	R 16 500 000	6	R 17 430 793	3	Subject to project approval	3	Subject to project approval	Annually
		Maintenance Programme in compliance with statutory regulations																
SPB2	Implement the Maintenance Programme.	Number of Maintenance Programmes completed.	7	R2 333 333	7	R2 333 333	5	R2 380 000	100% of the Facilities Management Contract approved Project plan milestones for the financial year achieved.	R 20 150 576	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	R 22 538 711	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	Subject to project approval	1: Repairs and Maintenance approved Project plan milestones for the financial year achieved.	Subject to project approval	Annually	

Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.	Compliance with PFMA and Treasury Regulations																	
	SPR1	Achieve an Unqualified Audit report.	Audit opinion.	Unqualified Audit report (2019/20 Financial Year)	R22 933 794	Qualified Audit report (2020/21 Financial Year)	R24 080 483	Qualified Audit report (2021/22 Financial Year)	R21 997 521	Unqualified Audit report (2022/23 Financial Year)	R23 317 373	Clean Audit report (2023/24 Financial Year)	R24 716 415	Clean Audit report (2024/25 Financial Year)	R25 952 236	Clean Audit report (2024/25 Financial Year)	R27 249 848	Annually
	Compliance with all South African Labour Acts																	
SPR2	Comply with South African Laws and Regulations governing labour relations.	Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.	0 Incidents reported	R3 842 063	No incidents	R4 034 166	0 Incidents reported	R3 685 211	Maximum acceptable number of incidents: 0	R3 906 324	Maximum acceptable number of incidents: 0	R4 140 703	Maximum acceptable number of incidents: 0	R4 347 738	Maximum acceptable number of incidents: 0	R4 565 125	Quarterly	

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator <small>(Indicators must be read in conjunction with Technical Indicator Descriptions)</small>	Actual (Audited) Performance						Estimated Performance		MTEF						Reporting Period		
				2020/2021		2021/2022		2022/2023		2023/2024		2024/2025		2025/2026		2026/2027				
		(Key Output - SMART)	(Unit of Measure)	Actual	Resource Allocation	Actual	Resource Allocation	Actual	Resource Allocation	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation			
In-house developed and externally sourced performing arts works presented.	SPA	Artistic Productions			R 15 300 000		R 16 830 000		R 17 957 610		R 19 035 067		R 20 177 171		R 21 186 029		R 22 245 331			
	SPA2	Stage In-house Festivals.	Number of In-house Festivals staged.	Indicator removed due to Covid-19	Component of SPA	4	Component of SPA	4	Component of SPA	4	Component of SPA	4	Component of SPA	4	Component of SPA	4	Component of SPA	Quarterly		
	SPD4	Stage school set-work productions.	Number of School set-works staged.	Indicator removed due to Covid-19	Component of SPD	2	Component of SPD	3	Component of SPA	2	Component of SPA	2	Component of SPA	2	Component of SPA	2	Component of SPA	Annually		
	SPA1	Stage In-house Productions.	Number of In-house Productions staged.		Component of SPA	72	Component of SPA	108	Component of SPA	133	Component of SPA	50	Component of SPA	62	Component of SPA	62	Component of SPA	Quarterly		
		Job creation																		
	SPR3	Short term job opportunities created in In-house Productions.	Number of short term job opportunities created in In-house Productions.		Component of SPA	428	Component of SPA	926	Component of SPA	941	Component of SPA	700	Component of SPA	483	Component of SPA	483	Component of SPA	483	Component of SPA	Quarterly
Audience attendance improved.	SPM	Marketing			R 2 250 000		R 2 430 000		R 2 622 038		R 2 779 360		R 3 061 100		R 3 214 155		R 3 374 863			
	SPM1	Implement the marketing strategy.	Approved marketing plans for each production of the annual artistic calendar.	Plans developed and implemented	Component of SPM	Plans prepared	Component of SPM	Plans not prepared for all productions.	Component of SPM	Plans not prepared for all productions.	Component of SPM	Marketing plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Marketing plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Marketing plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Quarterly		
	SPM2	Establish media partnerships to promote SAST and productions.	Number of media partnerships established.		Component of SPM	4	Component of SPM	9	Component of SPM	4	Component of SPM	8	Component of SPM	2	Component of SPM	2	Component of SPM	2	Component of SPM	Quarterly
		Audience Development																		
	SPM3	Implement the audience development strategy.	Approved audience development plan for each production of the annual artistic calendar.	Plans developed and implemented	Component of SPM	Plans prepared	Component of SPM	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	Audience development plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Audience development plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Audience development plans prepared and approved for each production of the annual artistic calendar.	Component of SPM	Quarterly
	SPM4	Attract audiences for events.	Number of audience for events.		Component of SPM	74 444	Component of SPM	38 191	Component of SPM	123 926	Component of SPM	100 000	Component of SPM	70 000	Component of SPM	70 000	Component of SPM	70 000	Component of SPM	Quarterly
		Patron Satisfaction																		
SPM5	Conduct surveys of patron satisfaction.	Number of patron satisfaction surveys conducted.		Component of SPM	8	Component of SPM	24	Component of SPM	20	Component of SPM	12	Component of SPM	4	Component of SPM	4	Component of SPM	4	Component of SPM	Quarterly	

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator	Actual (Audited) Performance						Estimated Performance		MTEF						Reporting Period
			(Indicators must be read in conjunction with Technical Indicator Descriptions)	2020/2021		2021/2022		2022/2023		2023/2024		2024/2025		2025/2026		2026/2027		
		(Key Output - SMART)	(Unit of Measure)	Actual	Resource Allocation	Actual	Resource Allocation	Actual	Resource Allocation	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	
Development opportunities provided.	SPD	Development Programme			R 3 200 000		R 3 520 000		Component of SPA		Component of SPA		Component of SPA		Component of SPA		Component of SPA	
	SPD1	Implement the Community Arts Dramaturgy Outreach Fieldwork programme.	Number of Community Arts Groups participating in the programme.	Indicator removed due to Covid-19	Component of SPD	12	Component of SPD	15	Component of SPA	15	Component of SPA	15	Component of SPA	15	Component of SPA	15	Component of SPA	Annually
	SPD3	Provide dramaturgy to in-house production's creative team members.	Number of in-house production's creative team members provided with dramaturgy.	42	Component of SPD	29	Component of SPD	23	Component of SPA	15	Component of SPA	20	Component of SPA	20	Component of SPA	20	Component of SPA	Quarterly
	Learning and Development																	
SPR4	Provide internship positions.	Number of interns appointed.	Indicator removed due to Covid-19	Component of SPR2	6	Component of SPR2	6	Component of SPR2	6	Component of SPR2	6	Component of SPR2	6	Component of SPR2	6	Component of SPR2	Annually	

7.2 Public Entity Budgeted Receipts

	2024/25	2025/26	2026/27
	R'000	R'000	R'000
DSAC Operational Grant	R 76 939	R 80 133	R 83 804

7.3 Overview of 2024/2025 budget and MTEF estimates

7.3.1 Expenditure Estimates

	Audited Outcome			Approved budget	MTEF		
Rand thousand	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Objective/Activity							
Administration	71 806	109 746	145 294	159 338	165 826	154 692	162 884
Business Development	24 590	16 413	1 848	2 396	1 860	1 850	1 900
Public Engagement	3 395	4 529	3 623	3 000	3 000	3 000	3 000
Total	99 791	130 688	150 765	164 734	170 686	159 542	167 784
Economic classification							
Current payments	99 791	116 238	144 340	157 045	163 123	152 142	160 424
Compensation of employees	44 102	33 196	45 818	48 956	53 992	49 271	51 585
Salaries and wages	44 102	33 196	45 818	48 956	53 992	49 271	51 585
Social contributions	-	-	-	-	-	-	-
Goods and services	55 689	83 042	98 522	108 089	109 131	102 871	108 839
Of which 1							
Agency and support / outsourced services	8 214	4 912	10 518	10 273	10 301	10 762	10 950
Advertising	2 909	1 100	1 048	1 760	1 857	1 847	1 900
Audit Costs	2 631	2 333	1 821	1 909	2 014	2 145	2 274
Bank charges	336	142	261	201	231	214	237
Board costs	1 041	817	1 013	678	698	649	657
Communication	551	317	396	722	762	681	710
Computer services	83	828	636	360	450	518	590
Consultants	2 112	3 464	4 576	3 818	150	1 301	1 350
Entertainment	256	86	164	9	9	9	8
Inventory	612	91	1 521	1 907	2 065	1 828	1 980
Lease payments	505	549	273	68	82	85	90
Legal fees	382	721	654	884	932	912	930
Non-file insurance	248	498	344	512	560	546	593
Repairs and maintenance	7 287	1 955	3 502	4 875	4 791	4 378	4 590
Training and staff development	316	72	91	370	540	341	358
Travel and subsistence	356	110	556	810	869	906	939
Other	27 850	65 048	71 148	78 933	82 820	75 749	80 683
Depreciation	-	9 031	6 425	7 689	7 563	7 400	7 360
Losses from	-	5 419	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-
Impairments and Adjustments to Fair Value	-	5 419	-	-	-	-	-
Adjustments to Fair value of financial assets	-	5 105	-	-	-	-	-
Impairments to non-financial assets	-	314	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenditure	99 791	130 688	150 765	164 734	170 686	159 542	167 784
	-	-	-	0	(0)	0	0

7.3.3 Proforma Statement of Financial Performance

Rand thousand	Audited Outcome			Approved budget	MTEF		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Revenue							
Entity revenue	32 756	59 583	23 159	23 765	23 349	23 028	24 980
Sale of goods and services other than capital assets	31 598	58 737	22 934	23 441	23 007	22 830	24 765
Entity revenue other than sales	1 158	846	225	324	342	197	215
Transfers received	66 653	63 504	120 167	140 970	147 337	136 514	142 804
TOTAL REVENUE	99 409	123 088	143 326	164 735	170 686	159 542	167 784
Expenditure by Economic classification							
Current payments	99 791	116 238	144 339	157 046	163 123	152 142	160 424
Compensation of employees	44 102	33 196	45 818	48 956	53 992	49 271	51 585
Salaries and wages	44 102	33 196	45 818	48 956	53 992	49 271	51 585
Social contributions	-	-	-	-	-	-	-
Goods and services	55 689	83 042	98 521	108 090	109 131	102 871	108 839
Of which 1							
Agency and support / outsourced services	8 214	4 912	10 518	10 273	10 301	10 762	10 950
Advertising	2 909	1 100	1 048	1 760	1 857	1 847	1 900
Audit Costs	2 631	2 333	1 821	1 909	2 014	2 145	2 274
Bank charges	336	142	261	201	231	214	237
Board costs	1 041	817	1 013	678	698	649	657
Communication	551	317	396	722	762	681	710
Computer services	83	828	636	360	450	518	590
Consultants	2 112	3 464	4 576	3 818	150	1 301	1 350
Entertainment	256	86	164	9	9	9	8
Inventory	612	91	1 521	1 907	2 065	1 828	1 980
Lease payments	505	549	273	68	82	85	90
Legal fees	382	721	654	884	932	912	930
Non-file insurance	248	498	344	512	560	546	593
Repairs and maintenance	7 287	1 955	3 502	4 875	4 791	4 378	4 590
Training and staff development	316	72	91	371	540	341	358
Travel and subsistence	356	110	556	810	869	906	939
Other	27 850	65 048	71 147	78 933	82 820	75 749	80 683
Depreciation		9 031	6 425	7 689	7 563	7 400	7 360
Losses from	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-
Impairments and Adjustments to Fair Value	-	5 419	-	-	-	-	-
Adjustments to Fair value of financial assets	-	5 105	-	-	-	-	-
Impairments to non-financial assets	-	314	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
TOTAL EXPENDITURE	99 791	130 688	150 764	164 735	170 686	159 542	167 784
NET SURPLUS / (DEFICIT)	(382)	(7 600)	(7 438)	(0)	0	(0)	0

7.3.4 Proforma Statement of Financial Position

Rand thousand	Audited Outcome			Approved budget	MTEF		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
ASSETS							
Current assets	34 580	33 942	34 220	32 026	30 252	26 374	24 353
Inventory	516	239	213	269	198	256	215
Trade and other receivables from exchange transactions	1 890	2 419	3 460	3 292	3 456	3 521	3 569
Cash and cash equivalents	32 173	31 284	30 547	28 465	26 598	22 597	20 569
Non-current assets	178 670	151 009	158 736	154 530	157 999	155 281	153 489
Property, plant and equipment	120 236	90 928	89 356	88 236	87 965	82 674	79 532
Heritage assets	33 000	35 467	43 215	38 404	40 689	41 621	42 689
Intangible assets	434	113	1 165	1 265	1 389	1 486	1 268
Investment property	25 000	24 500	25 000	26 625	27 956	29 500	30 000
Total assets	213 250	184 951	192 956	186 555	188 251	181 655	177 842
LIABILITIES							
Current liabilities	20 097	51 705	57 633	44 897	48 358	42 770	38 092
Trade and other payables from exchange transactions	3 666	10 548	18 564	12 438	9 474	8 514	9 162
Current provisions	1 295	1 400	116	120	582	426	387
Leave	1 295	1 400	116	120	582	426	387
Other							
Other current financial liabilities	136	491					
Capital fund/ Deferred government grant	15 000	39 235	38 697	32 198	38 154	33 678	28 387
Current portion of finance lease liability	-	31	256	141	148	152	156
Non-current liabilities	16 384	2 588	2 697	2 341	2 232	1 955	1 840
Finance lease liability	384	2	585	445	467	387	351
Non-current provisions	16 000	2 586	2 112	1 896	1 765	1 568	1 489
Total liabilities	36 481	54 293	60 330	47 238	50 590	44 725	39 932
NET ASSETS	176 769	130 658	132 626	139 317	137 661	136 930	137 910
Accumulated surplus / (deficit)	159 769	112 082	106 332	106 332	106 332	106 332	106 332
Revaluation surplus	17 000	18 576	26 294	32 985	31 329	30 598	31 578
Total net assets and liabilities	213 250	184 951	253 286	233 793	238 841	226 380	217 774
Contingent liabilities	-	-	-	-			

7.3.5 Proforma Cash Flow Statement

The budget information (Medium term estimate) is done on accrual basis:							
Cash flow data	Audited Outcome			Approved budget	MTEF		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
R Thousand							
Cash receipts from stakeholders	86 636	78 153	102 602	111 563	111 873	115 399	120 613
Sales of goods and services other than capital assets	26 428	14 538	22 934	20 231	25 851	25 829	26 765
Sales of goods and services produced by department (excl. capital assets)	26 428	14 538	22 934	20 231	25 851	25 829	26 765
Sales by market establishments	26 428	14 538	22 934	20 231	25 851	25 829	26 765
Transfers received	59 065	63 504	79 443	91 153	85 834	89 373	93 633
Other government units							
Departmental transfers							
Executive Authority (DSAC)	59 065	63 504	79 443	91 153	85 834	89 373	93 633
Adjustments	-	-	-	-	-	-	-
Other national departments	-	-	-	-	-	-	-
Interest and rent on land	800	111	225	179	188	197	215
Interest	800	111	225	179	188	197	215
Unclassified revenue	343						
Cash paid to stakeholders	78 492	67 993	144 650	117 577	120 317	121 143	124 384
Current payments	78 492	67 993	144 650	117 577	120 317	121 143	124 384
Compensation of employees	41 531	33 196	52 202	44 866	47 064	49 271	51 585
Salaries and wages	41 250	33 196	52 202	44 866	47 064	49 271	51 585
Social contributions	281	-	-	-	-	-	-
Goods and services	36 961	34 746	92 448	72 711	73 253	71 872	72 799
Administrative fees							
Agency and support / outsourced services	8 175	4 912	10 518	10 273	10 301	10 762	10 950
Advertising	3 955	1 100	1 048	1 760	1 857	1 847	1 900
Audit Costs	408	2 333	1 821	1 909	2 014	2 145	2 274
Bank charges	120	142	261	201	231	214	237
Board costs	989	817	1 013	678	698	649	657
Communication	534	317	396	722	762	681	710
Computer services	95	828	636	360	450	518	590
Consultants	2 509	3 464	4 576	3 818	150	1 301	1 350
Entertainment	243	86	164	9	9	9	8
Inventory	1 568	91	1 521	1 907	2 065	1 828	1 980
Lease payments	1 169	549	273	68	82	85	90
Legal fees	362	721	654	884	932	912	930
Non-file insurance	235	498	344	512	560	546	593
Repairs and maintenance	6 571	1 955	3 502	4 875	4 791	4 378	4 590
Training and staff development	300	72	91	371	540	341	358
Travel and subsistence	338	110	556	810	869	906	939
Other unclassified expenditure	9 388	16 752	65 074	43 554	46 942	44 750	44 643
Interest and rent on land	-	-	-	-	-	-	-
Interest	-	51	-	-	-	-	-
Cash flow from operating activities	8 144	10 160	(42 048)	(6 014)	(8 444)	(5 744)	(3 771)
Cash flow from investing activities	(20 887)	(3 647)	(6 885)	(6 669)	(7 416)	(2 206)	(2 206)
Acquisition of property, plant, equipment & intangible assets	(11 525)	(3 639)	(6 885)	(6 669)	(7 416)	(2 206)	(2 206)
Buildings: residential	-	-	-	-	-	-	-
Buildings: non-residential	-	-	-	-	-	-	-
Other fixed structures	(7 115)						
Other machinery and equipment	(4 409)						

Software and other intangible assets						-	-
Computer equipment						-	-
Other flows from Investing Activities	(9 362)	(8)		-	-	-	-
Cash flow from financing activities	18 900	(154)	49 547	10 601	13 993	3 949	3 949
Deferred Income	18 900	-	48 950	10 001	13 351	3 262	3 262
Departmental transfer	-	-	-			-	-
Repayment of finance leases		(154)	597	600	642	687	687
Net (decrease) / increase in cash and cash equivalents	6 157	6 359	614	(2 082)	(1 867)	(4 001)	(2 028)

8. Procurement

8.1 Infrastructure Projects

Funded infrastructure projects

No.	Name	Programme	Description	Outputs	Start date	Completion date	Total estimated cost	Current year expenditure
2	Foyer and Ablution Project	Upgrading	Transformation project to modernise and revamp aging public and administrative spaces at the SAST.	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	30-Mar-18	31-Mar-25	R 6 547 099	R 5 273 312
6	Stage Lighting Project	Upgrading	Upgrade of stage lighting equipment	All Outcome 1; In-house developed and externally sourced performing arts works presented outputs.	11-May-19	30-Jun-24	R 4 263 539	R 4 263 539
9	Asset Management, HR Management	Upgrading	ICT systems for asset management and for HR management	Achieve an Unqualified Audit report, and Comply with South African Laws and Regulations governing labour relations.	01-Jan-22	30-Jun-24	R 2 325 697	R 365 022
10	Kilnerton Upgrade and Fence Repair	Upgrading	Kilnerton security improvement	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	01-Mar-23	30-Jun-24	R 2 000 000	R 917 391
12	IT Infrastructure	Upgrading	IT Infrastructure upgrade	Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.	01-Apr-23	30-Jun-24	R 2 328 003	R 2 328 003
13	Parking System	Upgrading	Replacement of the Parking System	Generate revenue from the Parking garage.	01-Apr-23	30-Jun-24	R 4 283 526	R 4 283 526
14	Repairs & Maintenance	Refurbishment	General repairs and maintenance of the SAST buildings	Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	16-Nov-23	31-Mar-25	R 6 847 656	R 5 027 267
15	Replacement of roof	Refurbishment	Replacement of roof at 320 Pretorius Street	Implement the Maintenance Programme.	16-Nov-23	30-Nov-24	R 14 176 363	R 14 176 363
16	Structural Repairs	Refurbishment	Structural repairs at 320 Pretorius Street	Implement the Maintenance Programme.	16-Nov-23	31-Jul-24	R 3 335 081	R 3 335 081

R 46 106 964 R 39 969 505

8.2 Annual Procurement Plan

Planning dates (week ending) - YYYYMMDD											
No	Programme	Project Description	Method of procurement	Bid Specification	Approved Evaluation Criteria	Advert	Bid closing	Bid award	Value of Contract	Contract commence	Contract expiry
1	Administration	Parking System	Tender (Request For Proposal)	11-May-23	19-May-23	19-May-23	12-Jun-23	tbc	R 4 283 526	18-Jan-24	17-Jan-27
2	Administration	Stage Lighting Project	Tender (Request For Proposal)	07-Nov-23	14-Nov-23	17-Nov-23	14-Dec-23	31-Jan-24	R 4 245 599	05-Feb-24	31-Mar-24
3	Administration	Internal Audit	Tender (Request For Proposal)	28-Feb-24	14-Mar-24	31-Mar-24	30-Apr-24	30-Jun-24	R 2 000 000	01-Aug-24	31-Jul-27
4	Administration	Company secretarial services	Tender (Request For Proposal)	30-Sep-24	15-Oct-24	21-Oct-24	20-Nov-24	31-Jan-25	R 1 850 000	01-Apr-25	31-Mar-28
5	Administration	Short-term Insurance	Tender (Request For Proposal)	30-Sep-24	15-Oct-24	21-Oct-24	20-Nov-24	31-Jan-25	R 1 800 000	01-Apr-25	31-Mar-28

R 14 179 125

9. Public Private Partnerships

PPP	Purpose	Outputs	Current Value of Agreement	End date of Agreement
Tshwane University of Technology (Ten-year agreement)	Implementation of the SAST community outreach programme.	Community groups provided with learning and development activities.	SAST's financial obligation of the contract is remuneration of a stipend. This is a nominal amount determined annually between the parties.	9 December 2028

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

10. Technical Indicator Description (TID)

CODE	SPA1
Indicator title	Number of In-house Productions staged.
Definition	The number of in-house productions presented during the reporting period.
Source of data	Ticketing system / Contracts / Production budget.
Method of calculation	Each in-house production is counted as 1.
Means of Verification	Performance reports, contracts or budget.
Assumptions	Functional ticketing system. Approved and signed contracts and/or budgets.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Producer.

CODE	SPA2
Indicator title	Number of In-house Festivals staged.
Definition	The number of In-house Festivals, incorporating various internal productions, presented and hosted during the reporting period.
Source of data	Ticketing system / Contracts / Production budget.
Method of calculation	Simple count of the number of festivals.
Means of Verification	Performance reports, contracts or budget.
Assumptions	Functional ticketing system. Approved and signed contracts and/or budgets.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Artistic Director.

CODE	SPD4
Indicator title	Number of School set-works staged.
Definition	The number of school set-work productions presented during the reporting period.
Source of data	Ticketing system / Contracts / Production budget.
Method of calculation	Simple count.
Means of Verification	Performance reports, contracts or budget.
Assumptions	Functional ticketing system. Approved and signed contracts and/or budgets.
Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Artistic Director.

CODE	SPR3
Indicator title	Number of short term job opportunities created in In-house Productions.
Definition	The number of short term job opportunities created in internal productions during the reporting period.
Source of data	Production employment schedule.
Method of calculation	The number indicated in the report is reported for the period.
Means of Verification	Production schedule and ID copies.
Assumptions	Complete and accurate report.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher than targeted performance is desirable.
Indicator responsibility	Artistic Director.

CODE	SPD1
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Indicator title	Number of Community Arts Groups participating in the programme.
Definition	The number of community arts groups participating in the SAST Mayibuye Community Outreach programme during the reporting period.
Source of data	Programme report.
Method of calculation	Simple count.
Means of Verification	Programme report.
Assumptions	Accurate and complete programme report.
Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Education Youth and Children's Theatre Manager.

CODE	SPD3
Indicator title	Number of in-house production's creative team members provided with dramaturgy.
Definition	The number of in-house production's creative team members provided with dramaturgy support during the reporting period.
Source of data	Programme report.
Method of calculation	Simple count.
Means of Verification	Programme report.
Assumptions	Accurate and complete programme report.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Artistic Director.

CODE	SPR4
Indicator title	Number of interns appointed.
Definition	The number of internship positions filled during the reporting period.

Source of data	Internship Contract.
Method of calculation	Simple count.
Means of Verification	Internship Contract.
Assumptions	Signed and filed contract.
Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	HR Manager.

CODE	SPI2
Indicator title	Property rental revenue recognised.
Definition	The Rand Value of Rental revenue derived from rentals of the SAST immovable property portfolio.
Source of data	Accounting System: Income Statement.
Method of calculation	The rental revenue rand value reflected on the income statement for Kilnerton, Office Blocks, Restaurants and other spaces for the reporting period is reported. Opcosts, electricity and water and other related operating costs recovered are included in the calculation.
Means of Verification	Contracts. Income Statement.
Assumptions	Signed and filed contracts. Functional accounting system.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Sales Manager.

CODE	SPI4
Indicator title	Ticket sales and theatre rental revenue recognised.
Definition	The Rand Value of revenue derived from the sale of Tickets for SAST Productions as well as Rental Revenue from the rental of theatres during the reporting period.
Source of data	Accounting System: Income Statement.

Method of calculation	The rand value reflected on the income statement for the reporting period is reported for in-house productions' tickets sales and for theatre rentals (including "percentage income" which is based on the rental productions ticket revenue).
Means of Verification	Contracts. Income Statement.
Assumptions	Signed and filed contracts. Functional accounting system.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Sales Manager.

CODE	SPI5
Indicator title	Parking garage revenue recognised.
Definition	The Rand Value of revenue derived from the rental of parking space in the SAST parking garage at 320 Pretorius Street Pretoria during the reporting period.
Source of data	Accounting System: Income Statement.
Method of calculation	The rand value reflected on the income statement for the reporting period is reported.
Means of Verification	Contracts. Income Statement.
Assumptions	Signed and filed contracts. Functional accounting system.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Parking Manager.

CODE	SPI6
Indicator title	Front of House sales revenue recognised.
Definition	The Rand Value of revenue derived from sales at the Front of House bars, gift shop and book sales during the reporting period.
Source of data	Accounting System: Income Statement.
Method of calculation	The rand value reflected on the income statement for the reporting period is reported. Ticket rebates, from the ticketing service provider, and gift shop sales as well revenue from sale of books is also included in the calculation.

Means of Verification	Income Statement.
Assumptions	Functional accounting and point of sale system.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Front of House Manager.

CODE	SPB1
Indicator title	Number of approved and funded CAPEX projects completed.
Definition	The implementation, and continuation from prior years, of approved and funded CAPEX projects to completion.
Source of data	Programme and project reports.
Method of calculation	Status reported according to the report.
Means of Verification	Programme and project reports.
Assumptions	Accurate and complete report.
Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Senior Maintenance Manager.

CODE	SPB2
Indicator title	Number of Maintenance Programmes completed.
Definition	The number of Maintenance programmes completed as at the end of the reporting period.
Source of data	Maintenance reports.
Method of calculation	Status reported according to the report.
Means of Verification	Programme reports.
Assumptions	Accurate and complete report.

Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Senior Maintenance Manager.

CODE	SPM1
Indicator title	Approved marketing plans for each production of the annual artistic calendar.
Definition	A marketing plan must be developed for each production of the annual artistic calendar which is presented during the reporting period.
Source of data	Marketing plans.
Method of calculation	Determine if plans have been prepared for each production of the artistic programme.
Means of Verification	Programme reports.
Assumptions	Accurate and complete report.
Calculation type	Non-cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	PR and Marketing Manager.

CODE	SPM2
Indicator title	Number of media partnerships established.
Definition	The number of partnerships secured with media organizations during the reporting period.
Source of data	Concluded contract with the media partner.
Method of calculation	Simple count.
Means of Verification	Contract.
Assumptions	Signed contract.
Calculation type	Cumulative.
Reporting cycle	Quarterly.

Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	PR and Marketing Manager.

CODE	SPM3
Indicator title	Approved audience development plan for each production of the annual artistic calendar.
Definition	An audience development plan must be developed for each production of the annual artistic calendar which is presented during the reporting period.
Source of data	Sales plans.
Method of calculation	Determine if plans have been prepared for each production of the artistic programme.
Means of Verification	Programme reports.
Assumptions	Accurate and complete reports.
Calculation type	Non-cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Sales Manager.

CODE	SPM4
Indicator title	Number of audience for events.
Definition	The audience numbers for both internal and rental productions and events for the reporting period.
Source of data	Ticketing system, or Attendance register, or Streaming platform, or Broadcaster.
Method of calculation	Simple count.
Means of Verification	Ticketing Reports. Attendance register. Audience Attendance Summary. Streaming platform report. Broadcast report.
Assumptions	Accurate and complete reports and registers.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Higher performance than that targeted is desirable.
Indicator responsibility	Sales Manager.

CODE	SPM5
Indicator title	Number of patron satisfaction surveys conducted.
Definition	The number of research surveys conducted on patron satisfaction during the reporting period.
Source of data	Research Survey
Method of calculation	Simple count.
Means of Verification	Survey report.
Assumptions	Accurate and complete report.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	PR and Marketing Manager.

CODE	SPR1
Indicator title	Audit opinion.
Definition	The audit opinion expressed by the Auditor General for the financial year being audited.
Source of data	Auditors Report.
Method of calculation	Opinion as per the auditors report.
Means of Verification	Audit letter.
Assumptions	Fair and complete report.
Calculation type	Non-cumulative.
Reporting cycle	Annually.
Desired performance	Targeted performance is desirable.
Indicator responsibility	Chief Financial Officer.

CODE	SPR2
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Indicator title	Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.
Definition	The maximum acceptable number of incidents where the organisation is non-compliant with the Labour Relations Act, Basic Conditions of Employment Act, Employment Equity Act, Public Employment Services Act and the Income Tax Act in administrating and managing employee affairs during the reporting period.
Source of data	Quarterly report on HR matters submitted to the DSAC together with the relevant written ruling, notice of penalty or fine or a notice of non-compliance.
Method of calculation	Simple count of the number of incidents.
Means of Verification	Relevant ruling, award or notice
Assumptions	Fair and complete.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	HR Manager.

ANNEXURES

Annexure A

Key Risks

Risk No	Strategic Output	Risk Description	Risk Mitigation Plan
Outcome 1: In-house developed and externally sourced performing arts works presented.			
Purpose: Present In-house Performing Arts productions			
1	SPA / Artistic Productions	Misappropriation of SAST intellectual property.	1. Implement the IP policy and ensure registration of SAST productions with DALRO and the registration of trademarks for the various SAST Festivals as required.
2	SPA / Artistic Productions	Inadequate compliance with occupational health and safety regulations, in particular from theatre rental productions.	1. Implement OHS compliance requirements for all productions, with emphasis on theatre rental productions.
Outcome 2: Development opportunities provided.			
Purpose: Provide development opportunities for emerging Arts Practitioners in the context of our programmes.			
3	SPD1 / Implement the Community Outreach programme.	Limited implementation of the Community Outreach Fieldwork programme.	1. Implement the programme within the allocated budget.
Outcome 5: Audience attendance improved.			
Purpose: Attract Audiences to watch the Performing Arts.			
4	SPM4 / Increase audience attendance and online streaming views.	Inadequate audience retention and growth.	1. Marketing strategy to be revised.
5	SPM5 / Conduct surveys of patron satisfaction.	Inadequate audience engagement.	1. Implement revised strategy to entice target market participation.
Outcome 3: Revenue generated from commercial activities.			
Purpose: Generate revenue from commercial activities which includes Ticket Sales, Rentals, Fundraising and Front of House Sales.			
6	SPI4 / Generate revenue from ticket sales of in-house productions and from Theatre rentals.	Inadequate return on investment-made in productions as a portfolio.	1. Implement the Revised Sales and Marketing strategy.
7	SPI2 / Generate rental revenue from the SAST immovable property portfolio, i.e. Kilnerton, Office Blocks, Restaurants and other spaces.	Inadequate revenue generated from the property portfolio.	1. Repair and maintain SAST properties to attract new tenants.
Outcome 4: Buildings and assets maintained and upgraded.			
Purpose: Ensure long term sustainability of Buildings and Assets			

9	SPB1 / Implement CAPEX projects that are approved and funded on the UAMP.	Inadequate infrastructure refurbishment and upgrading.	1. Implement approved and funded CAPEX and maintenance projects.
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Outcome 6: Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.

Purpose: Ensure compliance with applicable Laws, Regulations and Statutory Legislation

10	Entity Mandate	High vacancy rate	1. All vacancies to be frozen until budget has stabilised and DSAC moratorium on recruitment is lifted.
13	Mission /Vision /Values	Fraud and corruption	1. Review and implement improvements to the financial control environment.
14	SPR5 / Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.	ICT Vulnerability	1. Approve and implement ICT strategy with an approved annual ICT workplan to address ICT vulnerabilities, with specific focus on Cybersecurity, data integrity, and Disaster Recovery.

Materiality Significance Framework

Important Note: The continued appropriateness of this Framework will be assessed at least annually against SAST (1) Strategic Plan (2) Budget (3) Risk Management Strategy and (4) Fraud Prevention Plan.

1. Background

This document was developed to give effect to the May 2002 amendment to the Treasury Regulations, whereby the following new requirement was set for public entities:

"For purposes of material [sections 50(1), 55(2) and 66(1) of the Public Finance Management Act (PFMA)] and significant [section 54(2) of the PFMA], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors."
[Section 28.1.5]

Public entities are required to include the Materiality and Significance Framework in the Strategic Plan to be submitted to its Executive Authority. [TR 30.1.3] Furthermore, the Materiality and Significance Framework must be detailed in the public entity's annual report. [TR 28.2.1]

No definitions for the concepts "material" and "significant" are included in either the PFMA or in the Treasury Regulations. Accordingly, in compiling this framework the South African State Theatre has sought guidance from, inter-alia International Standards on Auditing 320 (ISA 320) paragraph A2, which indicates the following considerations specific to the public entity when determining materiality:

In the case of a public sector entity, legislators and regulators are often the primary users of its financial statements. Furthermore, the financial statements may be used to make decisions other than economic decisions. The determination of materiality for the financial statements as a whole (and, if applicable, materiality level or levels for particular classes of transactions, account balances or disclosures) in an audit of the financial statements of a public sector entity is therefore influenced by law, regulation or other authority and by the financial information needs of legislators and the public in relation to public sector programs."

Materiality can be based on a number of financial indicators. However guidance in terms of Practice Note on Applications under Section 54 of the PFMA Act No 1 of 1999 dated 13 July 2006, paragraph 3.7 states the following:

"In arriving at acceptable levels of significance, the guiding principles set out below should be applied:

3.7.1 The parameters are derived from the rand values of certain elements of the individual public entity's audited financial statements, as follows:

Elements % range to be applied against rand value

Total Assets 1% - 2%

Total Revenue 0.5% - 1%

Profit after tax 2% - 5%

2. Broad Framework for South African State Theatre

South African State Theatre will be dealing with this framework under two main categories, being quantitative and qualitative aspects.

2.1 Overall Quantitative materiality

Materiality level

The SAST assesses the level of a material loss as being 1.5% of total revenue as disclosed on the 2022/23 audited financial statements

Total revenue as per the 2022/23 audited financial statements = R 143 327 031

Factors considered

In determining the said materiality value of 1.5% of total revenue, SAST took into account factors that include:

Base Amount Consideration

Revenue is considered to be the most appropriate Base amount. Revenue comprises of grants received from Department of Arts and Culture and self-generated income. Revenue is the most appropriate due to it being the key driver for SAST financial sustainability.

Financial data to be used

The 2022/23 audited financial statements is considered to be the most appropriate financial data to be used in determining the materiality of SAST in compliance with National Treasury's Practice Note.

Reason for 1.5% of total revenue

The SAST elects to give preference to a higher level of materiality due to the following:

- Clean audit for the 2022/23 financial year

Based on the above, SAST has undertaken a conservative approach by assessing the materiality at lower level of materiality in consultation with the Auditor General of South Africa.

Furthermore a lower materiality is considered appropriate due to SAST being closely governed by various acts and the public accountability responsibility it has to its stakeholders.

3. SAST General Approach to Qualitative Aspects

Materiality is not confined to the size of the entity and the elements of its financial statements.

The SAST recognises that misstatements that are large either individually or in the aggregate may affect a "reasonable" user's judgement. Further, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst other:

- o New ventures that SAST may enter into.
- o Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof due to knowledge thereof affecting the decision making of the user of the financial statements.
- o Transactions entered into that could result in reputational risk to SAST.
- o Any fraudulent or dishonest behaviour of an officer or staff of SAST.
- o Any infringement of the SAST's agreed performance levels.
- o Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).
- o Items of a non-financial nature, which would impact on the continued operation and deliverables of the SAST.
- o The acquisition or disposal of a significant asset; and
- o The beginning of a significant business activity.

The SAST further expands on these aspects under Annexure A, to this document.

The policy contained in this framework will be appropriately presented in the Annual Report of the SAST as required.

Definitions and Abbreviations

Accounting Authority: South African State Theatre Council

Executive Authority: Department of Arts and Culture

Entity: South African State Theatre

PFMA: Public Finance Management Act (Act 1 of 1999 as amended by act 29 of 1999)

Treasury Regulations: Public Finance Management Act, 1999: amendment of Treasury Regulations in Terms of Section 76 as published in Government Gazette No. 7372

Annexure A: Detailed/Specific SAST Responses to Requirements

4.1 SAST Response to Fiduciary duties of the Accounting Authority Requirements

The accounting authority must on request, disclose to the **executive authority** responsible for that public entity or the legislature to which the public entity is accountable, **all material fact** including those reasonable discoverable, which in any way influence the decisions or actions of the executive authority or that legislature.

Further/Specific Requirement (PFMA section 5a)	Quantitative (Amount)	Qualitative
None	<p>SAST Response: Any fact discovered of which the amount exceeds the determined materiality figure as calculated under par 2.1</p>	<p>SAST Response:</p> <ol style="list-style-type: none"> 1. Any item or event of which specific disclosure is required by law 2. Any fact discovered of which its omission or misstatement, in the Council's opinion, could influence the decisions or actions of the executive authority or legislature.

4.2 SAST Response to Annual Report and Financial Statements Requirement

General/Principal Requirement (PFMA section 55)

The annual report and financial statements referred to in subsection (1) (d) must (a) fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned:

Further/Specific Requirement (PFMA section 55 (a))	SAST Response: Quantitative	SAST Response: Qualitative
<p>(b) include particulars of:</p> <p>(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</p> <p>(ii) any criminal or disciplinary steps taken consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</p> <p>(iii) any losses recovered or written off;</p> <p>(iv) any financial assistance received from the state and commitments made by the state on its behalf; and</p> <p>(v) any other matters that may be prescribed.</p>	<ol style="list-style-type: none"> 1. Losses through criminal conduct: any loss identified. 2. Losses through irregular, fruitless, wasteful expenditure: Where combined total exceeds the planning materiality figure used by the external auditors for the year under review. 	<p>All identified losses through criminal conduct will be disclosed. Fruitless and wasteful expenditure and financial misconduct.</p>

4.3 SAST Response to Information to be submitted by Accounting Authority Requirement

General/Principal Requirement (PFMA section 54)

Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:

Further/Specific Requirement (PFMA section 54)	SAST Response: Quantitative	SAST Response: Qualitative
(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Qualitative aspect is more relevant	Any participation, <u>outside of the approved strategic plan and budget.</u>
(c) acquisition or disposal of a significant shareholding in a company.	Qualitative aspect is more relevant	Any acquisition or disposal, <u>outside of the approved strategic plan and budget.</u>
(d) acquisition or disposal of a significant asset.	Qualitative aspect is more relevant	<ol style="list-style-type: none"> 1. Any asset that would increase or decrease the overall operational functions of the SAST, outside of the approved strategic plan and budget. 2. Disposal of the major part of the assets of the SAST <u>outside of the approved strategic plan and budget.</u>
(e) Commencement or cessation of a significant business activity.	Qualitative aspect is more relevant	Any business activity that would increase or decrease the overall operational functions of the SAST, <u>outside of the approved strategic plan and budget.</u>

Annexure C

Council Charter

1. INTRODUCTION

- 1.1 The Minister of Arts and Culture, as the department was known as at that time, declared The Renaissance Theatre, a cultural institution, in terms of Section 3(1) of the Cultural Institutions Act, 1998, on 22 April 2005.
- 1.2 The Renaissance Theatre, a cultural institution, trades as the South African State Theatre (SAST), which is a Public Entity in terms of Schedule 3A of the PFMA.
- 1.3 SAST is an Entity of the National Department of Sport, Arts and Culture (DSAC).
- 1.4 In terms of Section 5 of the Cultural Institutions Act, all cultural institutions must be placed under the control, management and direction of a Council, appointed by the Minister of Sport, Arts and Culture.
- 1.5 The SAST Council has thus been duly appointed by the Minister of Sport, Arts and Culture.
- 1.6 The Council's roles, responsibilities and functions are defined in this SAST Council Charter.

2. PURPOSE OF THE CHARTER

- 2.1 SAST has adopted the King Code to provide an overarching corporate governance framework.
- 2.2 The purpose of this Committee Charter is thus to;
 - 2.2.1 Clearly define the Committee's duties, functions and responsibilities.
 - 2.2.2 Prescribe the composition of the Committee and its members requirements,
 - 2.2.3 Establish procedures for Committee meetings, and
 - 2.2.4 Provide the requirements for evaluation of this Committee's performance.

3. LEGISLATIVE AND POLICY ENVIRONMENT

- 3.1. Constitution of the Republic of South Africa, Act 108 of 1996, as amended.
- 3.2. Public Finance Management Act, Act no. 1 of 1999, read together with the National Treasury Regulations, as amended.
- 3.3. Cultural Institutions Act, 1998 (as amended) and the White Paper on Arts and Culture.
- 3.4. Companies Act, 71 of 2008 (as amended).
- 3.5. The King Code of Good Governance.
- 3.6. SAST Council Charter.
- 3.7. SAST Shareholders Compact with the Department of Sport, Arts and Culture (DSAC).
- 3.8. SAST Policies and Procedures.
- 3.9. SAST Mandate and Strategies.
- 3.10. All other legislation applicable to SAST.

4. DUTIES, FUNCTIONS AND RESPONSIBILITIES OF THE COUNCIL

4.1 Powers and Delegation of Powers

- 4.1.1 In respect of the duties of the Council as outlined herein, the Council will report to the Minister of Sport, Arts and Culture.
- 4.1.2 The Council may in writing delegate any of the duties, functions, responsibilities and powers to a committee or an official at the SAST or instruct a committee or an official at the SAST to perform any of the duties assigned to the Council.
- 4.1.3 A delegation or instruction to a committee or official of the SAST is subject to any limitations and conditions that the Council may impose and does not divest the Council of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.
- 4.1.4 The Council may confirm, vary or revoke any decision taken by a committee or an official of the SAST as a result of a delegation or instruction, subject to any rights that may have become vested as a consequence of the decision.
- 4.1.5 The SAST Council has established the following Committees, and delegated to each Committee through its Committee Charter responsibilities and duties:

4.1.5.1 Audit and Risk Committee [Statutory Committee] (ARC)

- Internal control and combined assurance (Internal and External Audit)
- Financial reporting and related policies
- Risk management and related policies
- Performance information management and related policies
- ICT management and related policies (as referred by ICTSC)

4.1.5.2 Social and Ethics Committee [Statutory Committee] (SEC)

- Socio-economic development
- Good corporate citizenship
- Environment, health and public safety
- Ethical leadership, management and conduct
- Corporate governance services (company secretary)

4.1.5.3 Institutional Development Committee (IDC)

- Artistic programme and related policies
- Performing arts and the cultural sector advocacy and advancement
- Audience development programme and related policies
- Brand and reputation management and related policies
- Revenue generation programme and related policies
- Fundraising and related policies
- Infrastructure management programme and related policies

4.1.5.4 Human Resources and Remuneration Committee (HRRC)

- Human capital management and related policies.
- Remuneration and related policies.

4.1.5.5 Finance Committee (FinCom)

- Financial accounting and related policies.
- Procurement and related policies.
- Budget management.
- Asset management and related policies.
- Capital Works projects.

4.1.5.6 Information and Communication Technology Strategic Committee (ICTSC)

- ICT matters and related policies.

4.2 Guiding Principles

4.2.1 To exercise its duties with utmost care and ensure reasonable protection of the assets and records of the SAST.

4.2.2 To act with fidelity, honesty, integrity and in the best interests of the SAST in overseeing the financial affairs of the SAST.

4.2.3 To seek, within its sphere of influence to prevent any prejudice to the financial interests of the state.

4.2.4 Members may not act in any way which is inconsistent with the responsibilities assigned to them.

4.2.5 Members may not use their position of privilege, or any confidential information obtained as a member for personal gain or to improperly benefit another person.

4.2.6 Members must disclose to the Committee any direct or indirect personal or private business interest that a Committee member or any spouse, partner or close family member may have in any matter before the Committee and withdraw from the proceedings of the Committee when that matter is considered, unless the Committee decides that the Committee member's direct or indirect interest in the matter is trivial or irrelevant.

4.2.7 The Council must on request, disclose to the Minister of Sport, Arts and Culture all material facts, including those responsibly discovered, which in any way may influence the decisions or actions of the Minister of Sport, Arts and Culture.

4.3 Scope of Work

4.3.1 Statutory functions in terms of the provisions of section 8 of the Cultural Institutions Act:

- 4.3.1.1 To oversee policy development and implementation at the SAST.
- 4.3.1.2 To oversee that SAST Management holds, preserves and safeguards all movable and immovable property of whatever kind placed in the care of or loaned or belonging to the SAST.
- 4.3.1.3 To oversee that SAST Management receives, holds, preserves and safeguards all movable property placed under the care and management of the SAST by the Minister of Sport, Arts and Culture, in terms of section 10(1) of the Cultural Institutions Act.
- 4.3.1.4 To assist in and support SAST Management to raise funds for the SAST.
- 4.3.1.5 To oversee that SAST Management manages and controls money received by the SAST and to utilise those monies for defraying expenses in connection with the performance of the SAST's functions.
- 4.3.1.6 To oversee that SAST Management keeps a proper record of the property of the SAST and submits to the Director-General of the Department of Sport, Arts and Culture any returns required by him or her in regard thereto and to cause proper books of account to be kept.
- 4.3.1.7 To determine, subject to the Cultural Institutions Act and with the approval of the Minister of Sport, Arts and Culture, the objects of the SAST.
- 4.3.1.8 To generally carry out the objects of the SAST.
- 4.3.1.9 To oversee that the SAST Management determines the hours during which and the conditions and restrictions subject to which the public may visit the SAST, or portion thereof, and the admission charges to be paid.
- 4.3.1.10 The Council may appoint such persons as it considers necessary to perform the functions of the SAST.
- 4.3.1.11 To oversee that the determination of the remuneration and other conditions of service of persons appointed by SAST must be in accordance with a scheme approved by the Minister of Sport, Arts and Culture in consultation with the Minister of Finance.
- 4.3.1.12 The Council must no later than one month before the commencement of each financial year, cause to be submitted an Annual Performance Plan covering the next three financial years and containing such information as may be prescribed by the Minister of Sport, Arts and Culture for his or her approval.
- 4.3.1.13 To oversee that SAST Management prepares and submits an annual report to the Minister of Sport Arts and Culture which must contain such information regarding the activities and financial position of the SAST as may be prescribed, to be tabled in Parliament by the Minister of Sport, Arts and Culture.
- 4.3.1.14 Where requested to do so, within five months after the report has been tabled at Parliament, a delegation consisting of the Council Chairperson and at least two other Council members, together with the CEO and CFO must brief the relevant committee of Parliament on the annual report.

4.3.2 Statutory functions in terms of the provisions of Chapter 6 of the Public Finance Management Act:

- 4.3.2.1 The Council must oversee that the SAST has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.
- 4.3.2.2 The Council must oversee that the SAST has and maintains a system of internal audit under the control and direction of the SAST Audit and Risk Committee.
- 4.3.2.3 The Council must oversee that an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective, is adopted at the SAST.
- 4.3.2.4 The Council must oversee that there is a system for properly evaluating all major capital projects prior to making a final decision on the project.
- 4.3.2.5 The Council must oversee that SAST Management takes effective and appropriate steps to collect all revenue due to the SAST.
- 4.3.2.6 The Council must oversee that SAST Management takes effective and appropriate steps to prevent irregular expenditure, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the SAST.
- 4.3.2.7 The Council must oversee that SAST Management takes effective and appropriate steps to manage available working capital efficiently and economically.
- 4.3.2.8 The Council is responsible to oversee financial management, including safe-guarding of assets and the management of revenue, expenditure and liabilities of the SAST.
- 4.3.2.9 To oversee that SAST Management complies with any tax, levy, duty, pension and audit commitment as required by legislation.
- 4.3.2.10 To oversee that SAST Management takes effective and appropriate disciplinary steps against any employee of the SAST who:
 - 4.3.2.10.1 Contravenes or fails to comply with any provision of law;
 - 4.3.2.10.2 Commits an act which undermines the financial management and internal controls system of the SAST; or
 - 4.3.2.10.3 Makes or permits an irregular expenditure or a fruitless and wasteful expenditure.
- 4.3.2.11 The Council is responsible to oversee that SAST Management submits all reports, returns, notices and other information to Parliament, the Department of Sport, Arts and Culture or to any other organ of state as may be required by the Public Finance Management Act, or any other Act outlining statutory submission requirements applicable to the SAST.
- 4.3.2.12 To oversee that SAST Management promptly informs the National Treasury of any new entity which the SAST intends to establish or in the establishment of which it takes the initiative and allows the National Treasury a reasonable time to submit its decision prior to the formal establishment thereof.
- 4.3.2.13 To oversee that SAST Management complies with the provisions of Public Finance Management Act and any other legislation applicable to the SAST.
- 4.3.2.14 To oversee that if the SAST Management is unable to comply with any of the responsibilities set out in Part 6 of the Public Finance Management Act, the Council must promptly report the inability, together with reasons, to the Minister of Sport, Arts and Culture and treasury.
- 4.3.2.15 To oversee that SAST Management submits to the Department of Sport, Arts and Culture and to the relevant treasury, at least one month, or another period agreed with the National Treasury, before the start of its financial year a projection of revenue, expenditure and borrowings, if any, for that financial year in the prescribed format; and an Annual Performance Plan in the prescribed format covering the affairs of the SAST for the following three financial years.

- 4.3.2.16 To oversee that SAST Management submits to the Department of Sport, Arts and Culture, at least six months before the start of the financial year or another period agreed to between the Minister of Sport, Arts and Culture and the SAST, a budget of estimated revenue and expenditure for that financial year, for approval by the Minister of Sport, Arts and Culture.
- 4.3.2.17 To oversee that SAST Management ensures that expenditure of the SAST is in accordance with the approved budget.
- 4.3.2.18 To oversee that SAST Management submits to the relevant treasury or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as the relevant treasury or the Auditor-General may require.
- 4.3.2.19 Before the SAST concludes any of the following transactions, the Council must oversee that SAST Management promptly and in writing informs the relevant treasury of the transaction and submits relevant particulars of the transaction to the Minister of Sport, Arts and Culture for approval of the transaction:
 - 4.3.2.19.1 Establishment or participation in the establishment of a company;
 - 4.3.2.19.2 Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
 - 4.3.2.19.3 Acquisition or disposal of a significant shareholding in a company;
 - 4.3.2.19.4 Acquisition or disposal of a significant asset;
 - 4.3.2.19.5 Commencement or cessation of a significant business activity; and
 - 4.3.2.19.6 A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.
- 4.3.2.20 To oversee that SAST Management keeps full and proper records of the financial affairs of the SAST.
- 4.3.2.21 To oversee that SAST Management prepares financial statements for each financial year in accordance with Generally Recognised Accounting Practice (GRAP).
- 4.3.2.22 To oversee that SAST Management submits those financial statements within two months after the end of the financial year to the Auditor-General and the relevant treasury.
- 4.3.2.23 To oversee that SAST Management submits within five months of the end of a financial year to the relevant treasury and the Minister of Sport, Arts and Culture:
 - 4.3.2.23.1 An annual report on the activities the SAST during that financial year.
 - 4.3.2.23.2 The financial statements for that financial year after the statements have been audited; and
 - 4.3.2.23.3 The report of the Auditor-General on those statements.
- 4.3.2.24 To oversee that SAST Management submits the annual report and annual financial statements for tabling in Parliament, to the Minister of Sport, Arts and Culture.

4.3.3 Duties and functions in accordance with the King IV Report on Corporate Governance for South Africa, 2016:

- 4.3.3.1 Council must lead ethically and effectively.
- 4.3.3.2 Council must govern the ethics of the SAST in a way that supports the establishment of an ethical culture.
- 4.3.3.3 Council must ensure that the SAST is and is seen to be a responsible corporate citizen.
- 4.3.3.4 Council must appreciate that the SAST's core purposes, its risks and opportunities, strategy, business model, performance and sustainable development are inseparable elements of the value creation process.
- 4.3.3.5 Council must oversee that reports issued by the SAST Management enables stakeholders to make informed assessments of the SAST's performance and its short, medium and long terms prospects.
- 4.3.3.6 Council must serve as the focal point and custodian of corporate governance in the SAST.
- 4.3.3.7 Council must ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.
- 4.3.3.8 Council must ensure that the evaluation of its own performance and that of its committees, its chairperson,, its members and the company secretary support continued improvement in its performance and effectiveness.
- 4.3.3.9 Council must ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.

4.3.3.10 CEO appointment and role

Council shall:

- 4.3.3.10.1 oversee the CEO's nomination and appointment process, ensuring that it is robust and transparent in accordance with approved procedures.
- 4.3.3.10.2 oversee that the CEO's letter of appointment is clear and sets out that:
 - 4.3.3.10.2.1 the CEO is accountable to the Council;
 - 4.3.3.10.2.2 sets out the performance measures and targets for the CEO; and
 - 4.3.3.10.2.3 that Council is responsible for the appointment, discharge and assessment of the CEO.
- 4.3.3.10.3 annually review the terms and conditions of the employment contract of the CEO.
- 4.3.3.10.4 annually evaluate and assess the performance of the CEO against predetermined goals and criteria.
- 4.3.3.10.5 oversee that appropriate mechanisms are in place regarding succession planning for the position of the CEO.

- 4.3.3.11 Council must govern risk in a way that supports the SAST in setting and achieving its strategic objectives.
- 4.3.3.12 Council must govern technology and information in a way that supports the SAST setting and achieving its strategic objectives.
- 4.3.3.13 Council must govern compliance with laws and adopted, non-binding rules, codes and standards in a way that supports the SAST being ethical and a good corporate citizen.
- 4.3.3.14 Council must oversee remuneration such that the SAST remunerates, fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.
- 4.3.3.15 Council must oversee that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the SAST external reports.
- 4.3.3.16 In the execution of its governance role and responsibilities, the Council must adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the SAST over time.
- 4.3.3.17 Council must monitor socio-economic transformation within the SAST.
- 4.3.3.18 Council must retain a copy of the current Charter at the registered office of the SAST and provide stakeholders with a copy of the same if required.
- 4.3.3.19 Council must consider such other topics and fulfil such other duties as defined by the Minister of Sport, Arts and Culture.
- 4.3.3.20 In order to discharge its responsibilities and fulfil its duties the Council will engage in the specific activities in accordance with the Councils approved work plan.

5. COMPOSITION OF COUNCIL

5.1 Composition and appointment

- 5.1.1 The Council shall consist of at least the following members:
 - 5.1.1.1 Seven Council members, duly appointed by the Minister of Sport, Arts and Culture, one of which shall chair the Committee; and
 - 5.1.1.2 The Chief Executive Officer (CEO) of the SAST who shall serve as *ex officio* and has no voting powers.
- 5.1.2 Council members are recommended for appointment to the Minister through a process managed directly by the Department of Sport, Arts and Culture.
- 5.1.3 Appointment to the Council must be in accordance with the principles of transparency and representivity.
- 5.1.4 Council members must perform their duties with due consideration of the Business Judgment Rule outlined under Section 76 (S76(3) and S76(4)) of the Companies Act, 2008.
- 5.1.5 The Chief Executive Officer is an ex-officio member of Council, with both strategic and operational responsibilities, including but not limited to, management of the business of Council and assigning responsibilities to members of Executive Management.

5.2 Skills

- 5.2.1 The members appointed to the Council must have experience in matters relating to the performing arts, and cultural activities.
- 5.2.2 At least one of the members appointed to the Council must have experience in financial matters.
- 5.2.3 The Council, as a whole, must have relevant skills and experience to execute its duties, functions and responsibilities effectively.
- 5.2.4 The members must be familiar with the SAST Legislative and Policy environment.

5.3 Training

- 5.3.1 Council members must receive a complete induction into the SAST operations that allows them to function effectively from the start.
- 5.3.2 Opportunities for continuous education and training should be actively pursued by each Council member.
- 5.3.3 All Council members shall be required to keep up to date with developments affecting the areas of responsibility of the Committee.

5.4 Termination

- 5.4.1 A member of the Council is appointed for a period of three years, unless a shorter period is prescribed.
- 5.4.2 A member of the Council whose period of office has expired, may be reappointed.
- 5.4.3 If a member of the Council dies or vacates office before the expiry of the period for which the member has been appointed, another person may be appointed to fill the vacancy for the unexpired portion of the period for which the member was appointed.
- 5.4.4 A member of the Council must vacate office if:
 - 5.4.4.1 that member resigns in writing;
 - 5.4.4.2 that member has been absent from three consecutive meetings of the Council without permission;
 - 5.4.4.3 that member is an un-rehabilitated insolvent;

- 5.4.4.4 that member is found to be of unsound mind by a court of law;
- 5.4.4.5 that member is convicted of an offence involving dishonesty or bodily harm and is sentenced to imprisonment without the option of a fine;
- 5.4.4.6 that member materially breaches the ethics code of the SAST; or
- 5.4.4.7 on reasonable grounds, the majority of the Council recommends termination, and the recommendation is approved by the Minister of Sport, Arts and Culture.
- 5.4.5 The Minister of Sport, Arts and Culture may dissolve the Council on any reasonable grounds, including for the purpose of amalgamation of entities.
- 5.4.6 Council should fill any vacancies on the Council within 60 (sixty) business days after the vacancy arises.

5.5 Culture and Interpersonal Dynamics

- 5.5.1 The Council contains a collection of diverse minds that need to speak as one voice and therefore requires Council members to be mindful of the diversity and differences of fellow Council members.
- 5.5.2 Council members shall treat each other with mutual respect.
- 5.5.3 Any form discrimination as set out in The Constitution of South Africa shall not be tolerated.
- 5.5.4 Openness and equality between Council members is essential.
- 5.5.5 Debates on critical issues are brought to a clear and consensual conclusion.
- 5.5.6 Threats and intimidation of any kind shall not be tolerated.

5.6 Committee Chairperson

5.6.1 Appointment

- 5.6.1.1 The Chairperson of the Council is appointed by the Minister of Sport, Arts and Culture from the appointed Council members and holds office for the period or the unexpired portion of the period for which he or she has been appointed as a Council member.
- 5.6.1.2 If the Council Chairperson vacates the office as Chairperson before the expiration of the period for which he or she is appointed, another Council member must be appointed by the Minister of Sport, Arts and Culture from the remaining Council members.

5.6.2 Role of the Council Chairperson

- 5.6.2.1 To guide Council members to participate as a cohesive and effective team.
- 5.6.2.2 To create awareness with Council members' in order for a mutual understanding of roles, responsibilities and accountability, including the need to comply with the Code of Conduct.
- 5.6.2.3 To inform members about developments in government policy, priorities and financial reporting.
- 5.6.2.4 To manage the evaluation of the performance of the Chief Executive Officer along with the Chairperson of the Audit and Risk Committee and one other appointed Council member and present the result of the evaluation to the Council members in a Council meeting for further action, if required.
- 5.6.2.5 To represent the Council to external parties as an official spokesperson for the Council, unless otherwise delegated to another Council member
- 5.6.2.6 To promptly and in writing report, any transactions related to fraud, corruption or gross negligence, in which a Council member or accounting officer is implicated, as reported by the internal audit function or from any other source, to the DSAC and to the National Treasury.

5.6.3 Chairperson's Responsibilities and Duties within a Meeting

- 5.6.3.1 To preserve order, determine quorum, approve proxies, voting procedures, adjournments and to declare outcomes of voting and recommendations.
- 5.6.3.2 To monitor the progress of the meeting by ensuring everyone has an opportunity to give his or her opinion, thus facilitating all-around participation.
- 5.6.3.3 To encourage robust and productive debate and ensure interactive participation by all Committee members.
- 5.6.3.4 To make sure the discussion of the agenda does not drift to irrelevant issues unconnected with the objectives of the meeting.
- 5.6.3.5 To keep track of the time allocated to participants to avoid stretches in discussions that may lead to long, perennial points and at the same time listen attentively to the information discussed in the meeting.
- 5.6.3.6 To seek the opinion of the Committee members on their responses to the meeting and possible recommendations or concerns.
- 5.6.3.7 To encourage all Committee members to be always mindful, adhere to professional courtesy and conduct at all times, also to illustrate the necessary respect regarding the importance of professional time.

5.6.4 Chairperson's Responsibilities and Duties related to Media

- 5.6.4.1 The Council Chairperson is the only Council member authorised to communicate or express thoughts and opinions to the media, unless otherwise delegated to another Council member.
- 5.6.4.2 The Council Chairperson will inform Council members of any and all interviews granted or comments made to the media.

5.6.4.3 The Council Chairperson in co-operation and understanding with the Chief Executive Officer will compile information regarding the discussion of certain matters before addressing the media or releasing a media statement.

5.7 Remuneration

5.7.1 A Council member who is not in the full-time employment of the State may receive out of the funds of the SAST, in respect of his or her functions as a member, honoraria and reimbursement for expenses as the Council may determine.

5.7.2 The determination criteria for the payment of the honoraria and reimbursement of expenses contemplated in 5.7.1 above, is subject to the National Treasury's Instructions on cost containment measures as issued from time to time.

6. PROCEDURES FOR COMMITTEE MEETINGS

6.1 Frequency

6.1.1 The Council will meet at least four times during a financial year.

6.1.2 The dates for the four meetings will be agreed upon by the Council members and disseminated to the Council members at the beginning of every financial year.

6.1.3 Any member of the Council or the Chief Executive Officer, may request a meeting if deemed necessary and a meeting will then be arranged in consultation with the Chairperson of the Council.

6.2 Agenda

6.2.1 The Chief Executive Officer and the Company Secretary shall, in consultation with the Chairperson of the Council, draft an agenda, which shall be circulated with supporting documentation and notice of the meeting preferably seven days before the meeting.

6.2.2 The Council must establish an annual work plan to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual work plan must ensure proper coverage of the matters referred to in this Charter.

6.2.3 Council members must be fully prepared for Council meetings, to provide appropriate and constructive input on matters tabled at meetings.

6.3 Minutes and reporting procedures

6.3.1 The Company Secretary shall attend and minute all meetings.

6.3.2 The minutes of the Council meetings shall be completed within fourteen days of such meeting and shall be circulated to all members of the Council and other relevant personnel as directed by the Council Chairperson.

6.3.3 The official minutes shall consist of those duly signed by the Council Chairperson and Company Secretary after approval by the Council members.

6.4 Resolutions

6.4.1 Decisions of the Council will be made by resolution of 50% plus 1 of the Council members present at the Council meeting.

6.4.2 In the event of an equality of votes on any matter, the Council Chairperson will have an additional casting vote.

6.4.3 A written resolution (round robin resolution) signed by 50% plus 1 of the Council members shall be as valid and effectual as if it has been passed at a duly constituted meeting of the Council, provided that each Council member shall have been afforded 7 ordinary days opportunity to express an opinion on the matter to which such resolution relates.

6.4.4 Once a recommendation has been approved, it may not be challenged or impugned by any person in any forum on the grounds that it did not satisfy sections 6.4.1, 6.4.2 and 6.4.3 above.

6.5 Quorum and postponement

6.5.1 A quorum for meetings of the Council shall be 50% plus one (1) of the Council members.

6.5.2 If the Council Chairperson is not present within 15 (fifteen) minutes of the stipulated start time for such meeting, then the Council members present shall elect a Chairperson from among them to act as Chairperson of the meeting.

6.5.3 If after 30 minutes of the stipulated time for such meeting to commence, quorum has not been met, the Chairperson may, without obtaining consent of those present at the meeting declare that the meeting be postponed, for one week.

6.5.4 If at the time appointed for the postponed meeting to begin, the requirements of section 6.5.1 have not been satisfied, then the member of the Council present shall be deemed to constitute quorum.

6.6 Attendance and apologies

6.6.1 The Chief Financial Officer and any other senior member of management may be invited to attend Council meetings.

6.6.2 The Council may, if deemed fit, confer and meet by telephone, closed circuit television or video conferencing and decision taken at such meeting shall constitute a proper recommendation of the Council provided that the requirements of section 6.4 and 6.5 of this Charter have been met.

- 6.6.3 The Council and the Chief Executive Officer may in consultation with the Chairperson invite any other relevant person to attend Council meetings.
- 6.6.4 All Council members have an obligation to attend all Council meetings.
- 6.6.5 Absence of a Council member for whatever reason must be reported by way of a written apology via e-mail forwarded to the organiser of the meeting no later than 3 days (72 hours) before the meeting.
- 6.6.6 In circumstances beyond the control of the Council member, such as unexpected situations or emergencies, apologies may be accepted via telephone call or text message forwarded to the organiser of the meeting, up to 1 hour prior to the meeting.
- 6.6.7 In the event that no apology is recorded for a meeting, the Council member shall be recorded as absent.

7. EVALUATION

The Committee shall conduct a self-assessment or self-evaluation of its effectiveness on an annual basis.

8. COMPANY SECRETARY

- 8.1 The Council is entitled to appoint a Company Secretary or other professional, as is appropriate for the needs of the SAST, to provide professional corporate governance services to the Council, either as an in-house or out-sourced service.
- 8.2 Irrespective of the type of appointment, the Council will ensure the following:
 - 8.2.1 that the person and/or service provider has the requisite knowledge, skills and experience to fulfil the functions of a Company Secretary;
 - 8.2.2 that the office of the Company Secretary or other professional providing corporate governance services, is empowered to perform his or her duties;
- 8.3 The Council has the responsibility to evaluate the Company Secretary or other professional providing corporate governance services, on an annual basis and remove the Company Secretary or other professional providing corporate governance services, as it sees fit.

9. ATTENDING SAST PRODUCTIONS

- 9.1 The use of complimentary tickets and house seats for a SAST production is a benefit afforded to Council members.
- 9.2 This will be made available to Council members, from the office of the Chief Executive Officer, provided that there are tickets available for the requested production.
- 9.3 All Council members are encouraged to attend at least one SAST production, quarterly.

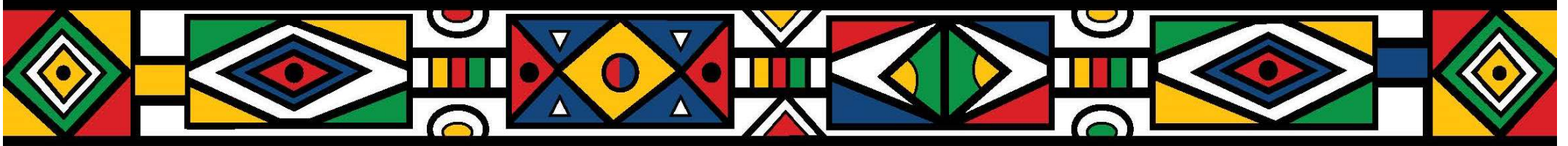
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