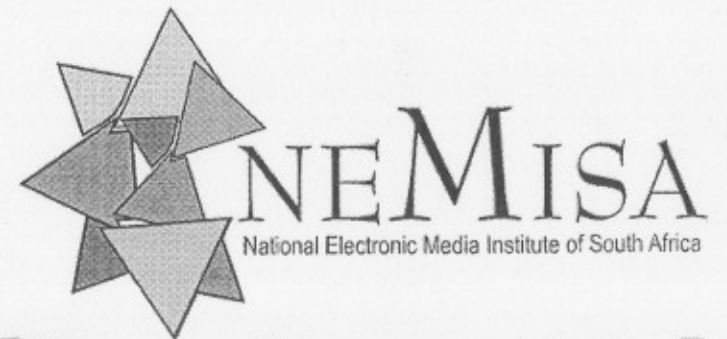


Portfolio Committee on Communications

20 OCTOBER 2009

REPORT OF THE AUDITOR GENERAL

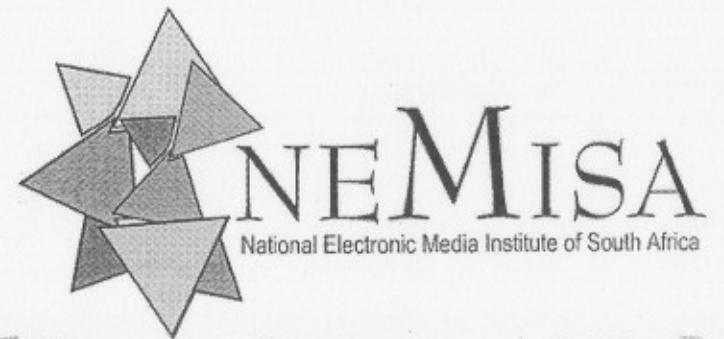
Refer Annual Report, page 22 - 23



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REPORT OF THE AUDIT COMMITTEE

Refer Annual Report, page 26 - 27



re presentation

REPORT OF THE DIRECTORS

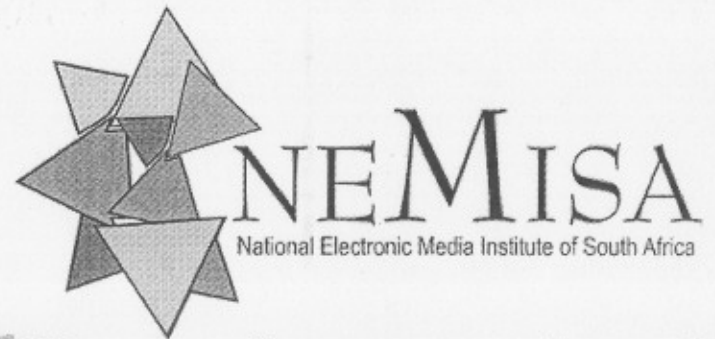
- A presentation of the Annual Report for the year ended 31 March 2009
- The report is part of the audited financial statements
- The Articles of Association – the number of directors shall not be less than 10
- The members of the board and its committees are detailed on page 28 of the Annual Report



re presentation

PRINCIPAL ACTIVITIES OF THE COMPANY

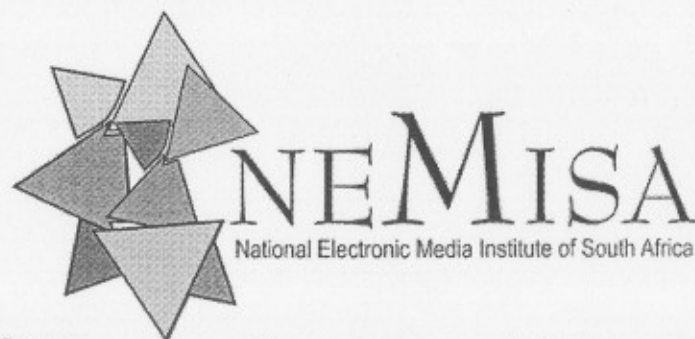
- Skills development in the electronic media industry



re presentation

OPERATING RESULTS

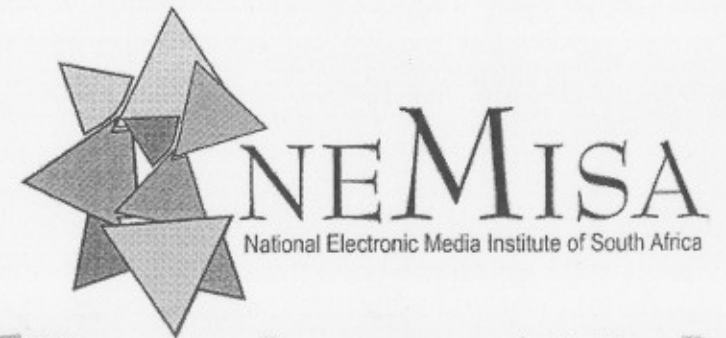
- Company results amounted to a R1 239 348 deficit (2008: R1 295 045 surplus) for the year under review
- Attributable to expenditure incurred during the current period
- This funding had been received during the prior period and classified as a surplus
- The retention of the prior year surplus funds was approved by National Treasury



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REVIEW OF OPERATIONS

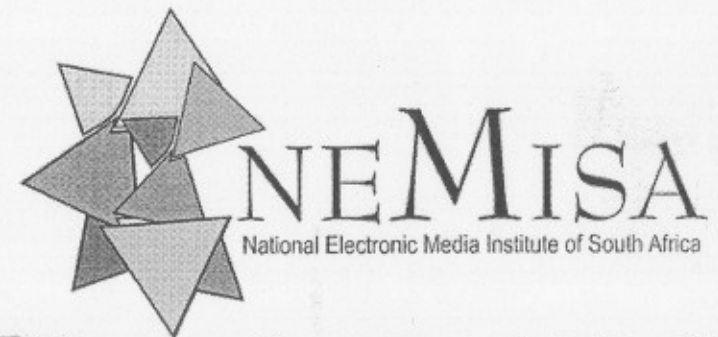
- Total income received for the year amounted to R39 547 351 (2008: R32 328 900)
- Comprising of government funding, interest receivable and sundry income)
- Operational expenditure amounted to R40 786 699 (2008: R31 033 855)
- Capital expenditure amounted to R1 765 328 (2008: R1 585 077)



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TAXATION

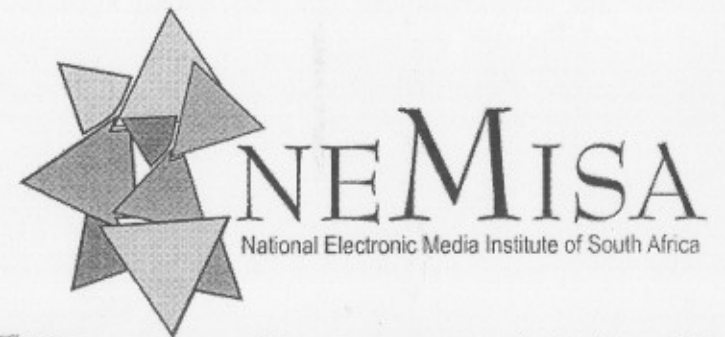
- The company qualifies as a Public Benefit Organisation in terms of the Income Tax Act and is therefore tax-exempt
- The company is also exempt from VAT



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FUNDING

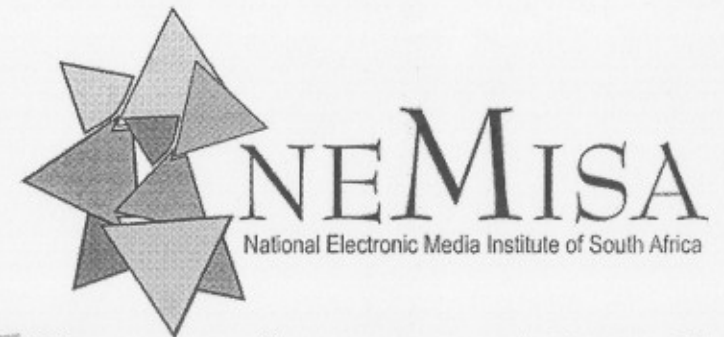
- Funds received from the Department of Communications and the National Treasury account for the operational overheads of the company
- Project funding facilitates the company's skills development projects within the sector



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NOTES ON ACCOUNTING STANDARDS

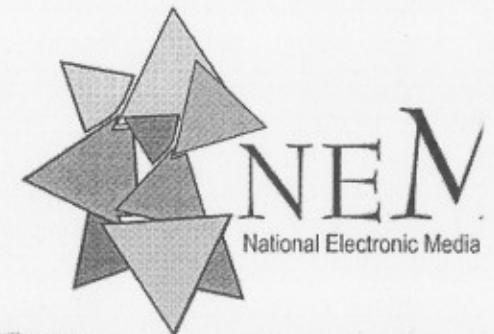
- The financial statements have been prepared in accordance with both SA statements of GRAP as well as the SA statements of GAAP in the manner required by the Companies Act, 1973



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PRIOR YEAR AUDITED REPORT

- The financial statements for the previous year were unqualified by the Auditor-General



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