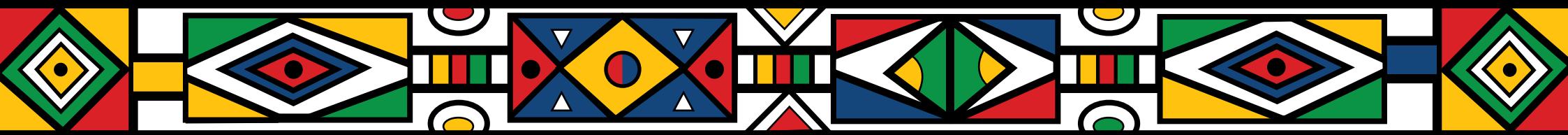


# ANNUAL PERFORMANCE PLAN

1 APRIL 2022 - 31 MARCH 2023



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an agency of the  
**Department of Sport, Arts and Culture**

# A SNIPPET OF OUR LINE UP



14 FEB - 27 FEB 2022  
OPERA MARBLE FOYER



29 APR - 29 MAY 2022  
ARENA THEATRE



06 - 22 MAY 2022  
DRAMA THEATRE



07 JUN - 03 JUL 2022  
ARENA THEATRE



26 JUL - 04 SEPT 2022  
DRAMA THEATRE



MAR 2022 - FEB 2023  
SAST YOUTUBE CHANNEL



01 - 10 APRIL 2022  
STATE THEATRE



16 - 30 JUNE 2022  
STATE THEATRE



09 AUG - 31 AUG 2022  
STATE THEATRE



01 DEC - 31 DEC 2022  
STATE THEATRE

## ACCOUNTING AUTHORITY STATEMENT

The South African State Theatre's Annual Performance Plan (APP) for the 2022/23 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 Department of Sport, Arts and Culture (DSAC) strategic drivers, outcomes and outputs. 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 6<sup>th</sup> Administration:

- 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 third year of the new Strategic Plan and this APP is prepared with the new trading conditions in mind.

At its annual strategy review workshop in November 2021, Council deliberated on the future of the SAST. 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. Council outlined and recommended a comprehensive and integrated Programme of Action.

The 2021 Council strategy workshop robustly considered SAST's strategic direction under the prevailing trading conditions and resolved to reinforce the approved organisational vision, mission and key outcome-oriented strategic Outcomes which remain 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.

# FOREWORD

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 2022/23. Within this context, Council revised the Programme of Action in November 2021, in particular with renewed focus on infrastructure as a lever to drive revenue. The Strategic Pillars of the SAST Business Model are thus augmented with the addition of a pillar focussing on infrastructure:

- 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:

- Revamp the Theatre (infrastructure and brand reappraisal)
- Support Artistic Programme to Drive Feet (Marketing, Sales, Tickets, FOH)
- Strengthen Our Human Capital (Attract and retain suitably qualified and competent staff, Develop staff)
- Recover money and Defend Market Share (tenant management, parking garage support)
- Diversify revenue streams to increase self-generated revenue.

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 as well as revenue and expenditure. The aim is to sustain a positive audit opinion, especially considering the negative 2020/21 audit report. Matters raised by the Auditor-General form part of the Audit Action Plan, the implementation of which will be monitored during this 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, 2022/23 to 2024/25.

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.



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



## CEO's FOREWORD

Programme implementation under the prevailing Covid-19 trading conditions has shown that the theatre landscape in the country, and globally, has changed significantly. Covid lifted the lid on socio-economic issues that have been brewing since the advent of democracy in the country. Historical problems have been exacerbated by the economic downturn which together with socio-economic challenges impede programme implementation. Compounding these conditions is the government grant reduction on both the operational budget (OPEX) as well as on the capital expenditure budget (CAPEX).

It is not business as usual and the new normal is yet to settle into some form of consistency with the market trading in fear of the next wave of infections and hard-lockdown. The trading environment is evolving and trying to adapt. The uncertainties in the trading environment makes planning, budgeting and forecasting outcomes an onerous task.

Key socio-economic realities affecting SAST, is the fear of infection and the financial choices facing consumers who must prioritise basic needs over entertainment.

While these market pressures exert themselves on SAST and other theatres, there still remains a need in the market for theatre productions both from the consumers perspective as well as from the artists need to earn a living and sustain themselves.

Considering the above, SAST positioned itself to respond to the prevailing market conditions and ensure long-term sustainability.

SAST has adopted an agile strategic direction that focusses on improving the enabling environment while achieving programme targets. Due to the prevailing economic conditions as well as the grant reductions, programme changes have been made according to available resources. The hybrid theatre model has already been implemented and warmly received with tremendous progress being made in a very short space of time. The new partnership with Sterkinekor cinemas has opened doors to digital distribution, rubber-stamping the success made in launching the Online Theatre programme on the SAST YouTube Channel. Existing programmes are adapted to the trading environment and where possible augmented within available resources. Thus, the strategic direction is being reimagined within the existing budget and market realities facing SAST.

The strategic direction for the next three years is not a radical shift as the vision, mission and values of SAST provide a solid foundation on which to build on. Rather, existing programmes are being revised to respond to the prevailing trading conditions pivoting the strategic direction from traditional theatre to focus on the hybrid theatre model. A fundamental sustainable, business-driven, approach is being implemented, which demands financial returns on each programme invested in. Programmes must contribute to the strategic direction. An overriding consideration in each programme, is its ability to be implemented under hard-lockdown conditions. The hybrid theatre model is thus here to stay and must be suitably developed to maximise the market opportunities and ensure exhaustive implementation. The new strategic direction thus aims to formalise the hybrid theatre programme and further expand it by capitalising on all the new artistic products flowing from digital theatre.

Underpinning the strategic direction is SAST's five strategic pillars, namely; Maximise Revenue, Enhance Reputation, Develop and Manage Human Capital, Promote a Culture of Excellence, and Audience Development. A sixth pillar has now been added, namely; 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 of the artistic programme. 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 be implemented; revise the marketing strategy, diversify the revenue streams, fast-track the infrastructure maintenance and upgrading projects and improve the control environment.

The revised programme is to be implemented with the 2022/23 Annual Performance Plan (APP) revision, from 1 April 2022. Success of the revised programme will be measured and adjusted as may be required through the ensuing triennium, up to 31 March 2025.



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 2022/2023:

- 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 2022/2023.



Mr Aubrey Sekhabi

**Artistic Director**

**Programme Manager:**

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

Development opportunities provided.



Dr Sibongiseni Mthokozisi Mkhize

**Chief Executive Officer**



Ms Keolebogile Modise

**Director Corporate Services**

**Programme Manager:**

Buildings and assets maintained and upgraded.

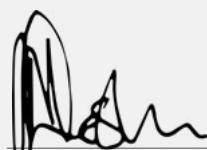
Audience attendance improved.

Revenue generated from commercial activities.



Professor Fikile N. M. Mazibuko

**Chairperson of Council**



Ms Lebogang Mphahlele

**Chief Financial Officer (Acting)**



Mr Shiraz Ahmed

**Senior Manager: Performance Information (Planning)**

# OFFICIAL SIGN OFF





*Dictated Democracy*  
Kucheza

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We are still Marching

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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 five Performing Arts entities (The Playhouse, the South African State Theatre, PACOFS, The Market Theatre Foundation and Artscape) 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.

### 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 5; Social cohesion and nation building (Outcome 14).

<b>NDP IMPLEMENTATION PLAN - PRIORITY 5:</b> Social Cohesion and Safe Community
<b>NDP FIVE YEAR IMPLEMENTATION PLAN (2019-2024) OUTCOME</b>
United, democratic, participatory, non-sexist, non-racial, equal society
<b>DEPARTMENT OF SPORT, ARTS AND CULTURE OUTCOME</b>
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:

<b>DEPARTMENT OF SPORT, ARTS AND CULTURE OUTCOME</b>
Social cohesion and nation building (Outcome 14)
<b>THE SOUTH AFRICAN STATE THEATRE</b>
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 being reviewed for implementation 1 April 2022.

### **2.2 Strategies**

In compiling this 2022/23 Annual Performance Plan (APP), the South African State Theatre (SAST) has adopted the following strategy.

The SAST Council held a Strategy Workshop aimed at identifying priorities. The workshop sought to examine the SAST's Business Model with a view to achieving Long Term Sustainability. Strategically, focus is on identity and branding, marketing and its capacity to deliver on its mandate as well as the generation of own revenue. 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 fervently and effectively identify and position itself as "the theatre of Africa", with its vision as: "We are the prestigious theatre of choice for a distinctly Pan-African experience". Besides transformation and the new identity being reflected in the Artistic Programme, the SAST will accelerate the process of renaming of theatre venues and other public spaces within the theatre complex. The workshop focussed on the core business, more particularly on the question of balancing artistic creativity and fiscal stability.

The strategic pillars and priorities identified at the workshop served to guide the Council in monitoring and evaluating the performance of the SAST during the 2020/21 financial year. The strategic pillars from the workshop were reviewed and confirmed in November 2019 and they form part of the SAST's new Five-Year Strategic Plan, which are being implemented from the 2020/21 financial year. 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

Council will continue to provide 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 will be 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 prepare this APP to implement the strategic programmes is the current impact on the economy by the Covid-19 pandemic. The pandemic, and subsequent National Lockdown imposed by government to stop the spread, has caused severe damage to the local economy. SAST has responded as an agile organisation to rapidly adapt our operating environment to market changes. Programmes focus on stabilising and strengthening the core operations to allow continued delivery on our mandate while encouraging increased revenue as the economy recovers.

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).

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 art.

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 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. Our key revenue stream, namely; parking is supported to ensure customer satisfaction and retention. Other core revenue streams, namely; ticket sales and Front of House bar sales we believe will recover during the course of 2022/23 and return to previous performance levels closer towards 2023/24 - provided that there are no further hard lockdowns and that the vaccination campaign progresses rapidly so that society and the economy may recover. Revenue targets are increased by the following percentages:

- Generate rental revenue from the SAST immovable property portfolio, i.e. Kilmerton, Office Blocks, Restaurants and other spaces. (8% annual escalation.)
- Generate revenue from ticket sales of in-house productions and from Theatre rentals. (10% annual escalation in ticket prices. 10% escalation on discounted theatre rental rates, effective 1 April 2022. Commission on theatre rentals gross box office sales, 8%).
- Generate revenue from the Parking garage. (6% annual escalation.)
- Generate revenue from Front of House sales. (minimum 10% annual escalation, but will vary based on the product range.)

In order to enhance revenue and spread the risk of shortfalls on planned revenue targets, new revenue streams are being developed to diversify and re-enforce self-generated revenue. These include the following:

- (i) Digital distribution
  - > Cinema Partnership
  - > International distribution Partners
  - > SAST Website streaming platform offering
    - >> Video on demand
    - >> Membership subscription portal (similar to Netflix)
  - > Music distribution
- (ii) Property portfolio
  - > Establish the Performing Arts Sector Business Centre (hot seat environment)
  - > Increase availability of spaces for retail tenants, franchise and established businesses
  - > Modernise offices to attract professional tenants
  - > Renovate existing meeting spaces to offer SAST spaces for conferencing and meetings
  - > Renovate Kilmerton to attract warehousing /distribution tenants
- (iii) Advertising space
  - > Install digital screen and generate revenue from advertising space on the screen.
- (iv) Artistic Product
  - > Create school set-work productions to be presented nationally, as well as through digital media.
  - > Create content specifically for digital distribution.
- (v) Key Partnerships
  - > Establish a partnership with the Department of Basic Education to expand the school set-works programme.
  - > Establish a partnership with the Department of Tourism to attract tourists to watch SAST productions.
  - > Expand the existing partnership with City of Tshwane to leverage on their programmes.

SAST Infrastructure requires urgent attention, 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 Facilities Management project and the Transformation project. The Kilmerton property must be upgraded from its current state of disrepair into a modern facility providing spaces to the arts sector and for filming and recording while at the same time meeting the needs of current and new tenants that require a safe and well maintained premises.

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.

### **3. RELEVANT COURT RULINGS**

None.



Bapa  
YEF

# PART B: OUR STRATEGIC FOCUS



Kuchenza Afrika Festival

# STRATEGIC FOCUS

## 4. UPDATED SITUATIONAL ANALYSIS

### 4.1 External Environment Analysis

#### July 2021 Civil Unrest

Civil unrest occurred in the country during the period 9 to 18 July 2021, primarily in the KwaZulu-Natal and Gauteng provinces. The unrest was sparked by the imprisonment of former President Jacob Zuma for contempt of court. Rioting and looting fuelled by job layoffs and economic inequality worsened by the Covid-19 pandemic crippled the country. The unrest began in KwaZulu-Natal on the evening of 9 July and then spread to Gauteng on 11 July. SAST's location in the heart of the Pretoria CBD presented a risk. In order to mitigate this risk, the Theatre Complex and Office Block was locked down during this period with limited access to ensure safety of staff and customers, in particular tenants, and to protect the buildings and assets. We were fortunate to have been saved from any incidents. The broader impact was negligible as the prevailing lockdown had already affected live performances.

#### Covid-19 Coronavirus

SAST has had to adapt to the new trading conditions brought about by the virus while it has continued to spread across the country since the first infections in early 2020. In response to the virus, we have implemented stringent health and safety protocols to safeguard staff and customers of the SAST. As a result of the National Lockdown implemented in March 2020, SAST rapidly enabled its key employees to work remotely. When possible, under the relaxed regulations, staff have returned to work at the office on a rotational basis to mitigate the risk of the virus. The impact of the virus has not only been on the health of people but also on the income of households. Consequently, the historical financial hardships in the country have been exacerbated by the virus resulting in consumers re-prioritising spending choices. Local and international travel has also been negatively impacted by the lockdown regulations which restrict the movement of people. SAST has suffered severe shortfalls in self-generated revenue as a result of the pandemic and the affects on the economy caused by the extended lockdown regulations. Key SAST programme areas affected include; artistic productions, job creation, revenue and audience attendance. While mitigating activities have been implemented, factors outside of our control persist. The new online programme introduced during 2020/21 which presents digitally recorded productions by streaming video on online platforms has been expanded to include digital distribution through partnering with Sterkinekor Cinemas. The alternate delivery method to present our artistic works digitally is extremely valuable, though still subject to prevailing lockdown regulations and the economic climate. The vaccination campaign is critical to the economic recovery in order to avoid further hard lockdowns. We are still hopeful that revenue generation will return to previous levels towards 2023. To assure our patrons and encourage audiences to return to the theatre, SAST actively promotes our commitment to stopping the spread of the virus by creating a safe environment for patrons to enjoy our programmes.

#### Population dynamics <sup>1</sup>

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. The current economic conditions caused by the outbreak of Covid-19 detrimentally affects the population. Revised figures will be included in the final of this APP before printing to ensure updated information is presented.

#### 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.

#### Economic factors

Inflation has been recorded at 5%<sup>2</sup> in September 2021, with GDP increasing by 1.2% for the second quarter of 2021 (Stats SA, 2021)<sup>3</sup>. The vast majority of consumers continue to spend primarily on basic needs during quarter one and quarter two of 2021.

#### 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 interact 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

SAST has consistently delivered on its strategic objectives, albeit though not achieving optimum performance primarily due to the pandemic, prevailing lockdown and economic downturn. Key strategic focus has been on the core mandate-oriented objectives, namely; implementation of our artistic, development and audience programmes. These areas present some of our key strengths as an organisation. Our artistic offering is diverse and includes most, if not all, genres and forms of the performing arts. Many of the performing arts work that we have staged has received critical acclaim in the performing arts sector, with many winning industry awards. During the five years preceding the outbreak of Covid-19, SAST made significant achievements on programme performance. Noteworthy indicators include; 511 productions and events, 6,538 short-term jobs created, 679,461 audience and 331 arts practitioners participated in development programmes. The same indicators, while still achieving predetermined targets, had significantly lower outputs for the 2020/21 year.

In delivering on our mandate, we have achieved targets set-out in our Annual Performance Plans. Achievement of targets has increased from 76% in 2014/15 to 91% in 2018/19. For the 2019/20 year, we managed to close the year on 57%. This sharp decline from the upward trajectory that was seen in recent years was predominantly due to the outbreak of Covid-19 coronavirus in the Country and in the rest of the world. With the announcement of the State of Disaster and the subsequent National Lock-down that came about as a result of the Covid-19 pandemic, theatre productions were stopped affecting audience numbers and revenue while commercial activities in the Pretoria CBD that contribute to SAST's self-generated revenue streams tapered-off in March 2020. The economic downturn in the country caused by Covid-19 directly impacted the self-generated revenue targets which were not achieved for the year. SAST navigated through this downturn by adjusting the planned targets for 2020/21 to achievable levels for the year which resulted in an overall achievement of 87%, a good 30% more than the preceding year.

Early indicators during 2020/21 gave an indication that the pandemic will become manageable allowing economic recovery. This encouraged SAST to cautiously set higher targets for the 2021/22 year. The ensuing 3<sup>rd</sup> wave and resulting hard lockdown wiped away our recovery plans for 2021/22. Severe budget restrictions and the ongoing economic decline have had a major impact on SAST operations. As a result the 2022/23 programme targets outlined in this APP have been revised down to achievable levels to ensure programme implementation within the existing budget constraints. This conservative approach will allow us to consolidate our programme activities and focus on key outcomes. This includes an ongoing contribution to the performing arts sector to provide employment opportunities and access to theatre spaces for artists to perform and practise their craft. With the vaccination programme gaining momentum, we are hopeful that the economic condition of the country will improve and make progress towards recovery by 2023. This will allow SAST to increase programme implementation and set higher performance targets in the subsequent years.

Baseline indicators previously established are not a reasonable basis for planning due to the major changes in society and the economy caused by the pandemic and ongoing lockdown. The world entered what has become known as the "new normal". Current performance during the 2021/22 year is considered in determining a baseline. Three scenarios are considered for each indicator, an Upside, a Downside and the current performance trends in relation to the original baseline. An overriding consideration, is the budget constraints and what can be achieved with the available resources. We are in an advantages position due to our infrastructure and assets which provide the basic means of production for us to produce productions, both for live audiences and for digital distribution. Leveraging our assets and resources as we navigate the new normal is fundamental to achieving targets and contributing to the sector.

Pre-covid conditions must also be considered as these continue to impact on attracting audiences. A critical success factor is to introduce new audiences to the theatre. We are faced with the reality that the current majority in our society have not been exposed to theatre and thus do not have an interest in the SAST offering. To address this, a culture of theatre-going has to be inculcated at a school level. SAST is fortunate to already be regarded as a key role player contributing to the national curriculum statement through the school network productions that we present to school children. A formal partnership with the **Department of Basic Education** is essential to expanding our role in this area and to access the broader basic education sector. At a tertiary education level, the SAST productions must also be considered for inclusion in university coursework, both locally and internationally. We have seen this need in the market with international universities that have included SAST productions in their programmes through the online theatre platform.

Audience fears of Covid-19 infection must be addressed through promoting the SAST's compliance with health protocols to ensure a safe environment. This is essential to attract patrons back to the theatre. While we have attracted a handsome number of patrons in past years, we have not yet tapped into the broader market that exists. This market includes both new and seasoned theatre goers, many of whom are eager to come to the SAST. The lucrative tourism market is untapped and presents a great opportunity once tourists return to South Africa. Initial partnership discussions with Tshwane Tourism have been positive, however a strategic partnership with the Department of Tourism is required to promote SAST's offering.

The **hybrid theatre model** will be further expanded during the year to introduce music distribution. Music from SAST productions, in particular from the Fringe programme will be distributed on all international music distribution platforms to support artists in monetising their content and gaining international exposure. Digital content distribution partners are being sourced in Africa, the Middle East and in the USA to increase our reach into those markets. Various content distribution networks are being approached to also distribute SAST productions on their platforms. The SAST Website is nearing

completion and will provide a platform for subscribers to stream content directly to any digital device. Internal capacity and resources are being reviewed to ensure that more digital content can be produced. Every production that is staged by SAST will be digitally recorded for monetisation purposes, a detailed document will be presented to discuss the new direction. To encourage new content, more focus will be given to the development programmes, namely Mayibuye Community Outreach and the Incubator Programme from which emerging productions can be harvested for mainstream theatre. Appropriate dramaturgy will thus be provided to developing productions to ensure a high quality product is presented to audiences.

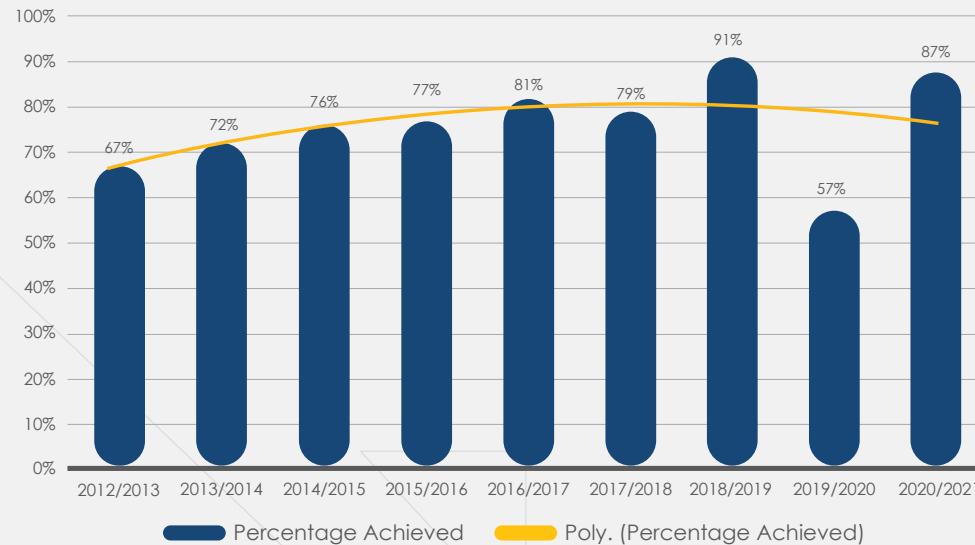
Maintenance and upgrading of the **SAST infrastructure** is a critical issue. Project funding has been allocated by DSAC to ensure that projects are implemented. A key project is the Facilities Management project which must commence by the 4<sup>th</sup> quarter of 2021/22. Rapid improvement of the theatre complex and office block, as well as the Kilmerton property, is required to ensure firstly the ongoing sustainability of the infrastructure and secondly to attract customers - especially tenants. The theatre infrastructure comprises six performance venues which boast technical equipment that allows for unique live performance presentations. Modernisation of our theatre equipment includes new 3D technology which offers multi-dimensional presentation of performances. Maintenance of this stage equipment is essential to ensure its availability for performances. Capital projects, as well as the maintenance programme not only contribute to SAST's programmes but also towards economic recovery for the country by creating jobs in these projects. As such this key strategic area will receive special attention during the year to ensure implementation.

**Self-generated revenue** is another key strategic area that requires special attention. Although indicators in this programme are subject to prevailing economic conditions outside the control of SAST, it is essential for SAST to implement an effective plan to increase revenue. Again, leveraging the assets of SAST is critical to increasing revenue. In particular property rentals must be increased, with suitable tenants that are able to afford the rentals. Rental of theatre and performance spaces presents a great opportunity to increase revenue also. There has been an increasing trend during 2020 and 2021 for independent producers to rent SAST spaces for filming and recording purposes. The building at Kilmerton may also be used for rentals, however this property together with the office block and theatres requires urgent maintenance in order to attract paying customers. In support of revenue generation utilising the property portfolio, we have renovated twenty-six offices during 2019/20 and aim to renovate all offices offered for rental during 2022/23. As part of the office renovations, we have built two new meeting rooms to uplift the business environment that our tenants conduct their business in. Ticket sales revenue must be increased, in-line with increasing audience, using appropriate strategies to attract paying audience. Community-based partners are being identified to drive sales and a membership programme is to be developed which must be implemented through the new website. Staff in Business Development, which includes Front of House, Events and Bookings and the Sales departments, will undergo Customer-care training to ensure that we provide a high standard of customer service to both theatre patrons and our rental customers.

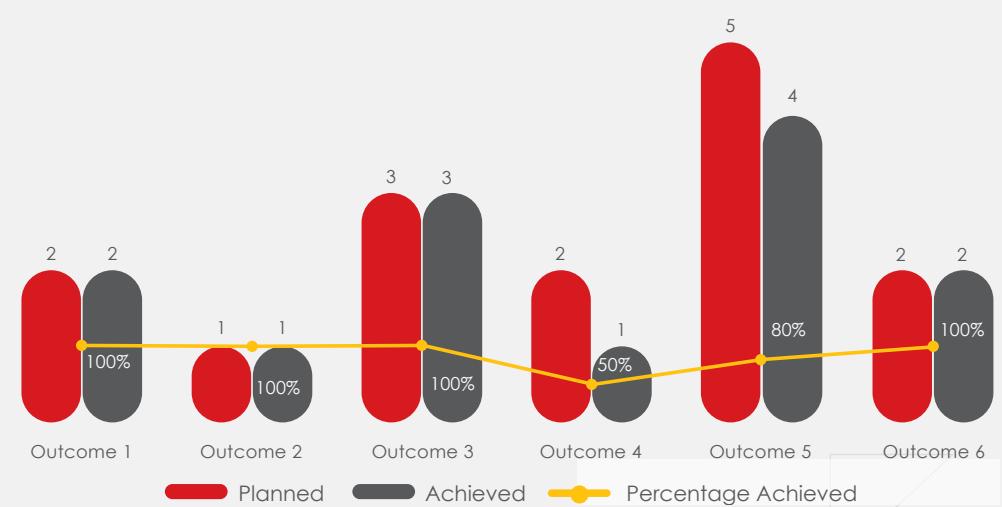
In terms of the **compliance environment**, they key focus area is to ensure a clean financial audit. SAST achieved unqualified audit outcomes for three consecutive years, namely; 2017/18 through to 2019/20. The 2020/21 audit outcome was a qualified audit report. An appropriate audit action plan is being developed to address this and will be implemented through the remainder of 2021/22 and into 2022/23 to ensure ongoing compliance with the PFMA and Treasury Regulations. Compliance in labour matters has improved significantly in recent years and will continue to receive support to ensure that SAST complies with all prevailing labour legislation. OHS compliance has become a concern, in particular with health and safety compliance in productions. This area is also receiving ongoing attention to ensure that compliance improves. The control environment is underpinned by SAST policies and procedures which are reviewed and updated on a regular basis.

In the preparing the 2022/23 APP, we have outlined targets for the 2022/23 year as well as the next two years of the planning cycle. This 2022/23 APP aims to establish new baseline indicators for the remainder of the current five-year planning cycle as we navigate the market that is still affected by Covid-19. The budget numbers included in this APP are provisional and are based on the original budget outlined for the triennium. Once the new budget is announced, we will update the budget numbers of this APP when submitting for tabling.

## 2012/13 - 2020/21 PERFORMANCE ACHIEVED



## 2020/21 PLANNED AND ACHIEVED TARGETS



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

The SAST is committed to contributing to Broad-Based Black Economic Empowerment (B-BBEE). During 2017/18 we undertook to have our B-BBEE compliance verified. The outcome of the verification process, a Broad-Based Black Economic Empowerment Verification Certificate was issued on 19 July 2018. This verification certificate was compiled in terms of the Specialised General Codes – Generic Scorecard that is said to be applicable to the SAST as a Schedule 3A Public Entity. The overall score obtained in the certificate resulted in a B-BBEE Status rating of Noncompliant Contributor to BEE. Unfortunately, the elements assessed under the specialised score card that are summed to obtain a rating are mostly not applicable to the SAST. Subsequently during 2019/20 SAST applied to the B-BBEE Commission and to the Department of Trade and Industry to request an exemption from the annual verification requirements until such time as appropriate elements may be identified that SAST is able to comply with as a Public Entity in a meaningful way and make a contribution to the economic success of the country. There is to date no written response on the application. In order to meet the codes of good practise requirements, SAST continues to undergo annual B-BBEE verification. The rating outcome for the 2019/20 year was ““Level 8 Contributor to BEE”” which was an improvement from the previous rating.

##### **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](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>



Cast Youth Choir

# PART C: MEASURING OUR PERFORMANCE



Solidad  
Kucheza Afrika Festival

## 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)	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	
			(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	
Revenue generated from commercial activities		<b>Rental revenue from the Immovable Property Portfolio</b>									
	SPI2	Generate rental revenue from the SAST immovable property portfolio, i.e. Klinerton, Office Blocks, Restaurants and other spaces.	Property rental revenue recognised.	R9 913 952	R5 191 336	R3 691 779	R3 170 000 (R3485951)	R3 816 455	R3 986 288	R4 165 272	
	<b>Revenue from In-house Productions' Ticket Sales and from Theatre Rentals</b>										
	SPI4	Generate revenue from ticket sales of in-house productions and from Theatre rentals.	Ticket sales and theatre rental revenue recognised.	R4 537 065	R10 295 152	R2 102 142	R1 920 000 (R2321505)	R2 792 297	R3 911 114	R4 086 723	
	<b>Parking Revenue</b>										
	SPI5	Generate revenue from the Parking garage.	Parking garage revenue recognised.	R14 863 186	R 13 864 335	R8 463 952	R10 800 000 (R8777918)	R8 555 683	R11 500 000	R12 016 350	
	<b>Front of house Revenue</b>										
	SPI6	Generate revenue from Front of House sales.	Front of House sales revenue recognised.	R2 057 113	R2 099 070	Indicator removed due to Covid-19	R400 000 (R645625)	R900 000	R940 050	R982 258	
Buildings and assets maintained and upgraded.	SPB	<b>Capital Works Projects</b>									
	SPB1	Implement CAPEX projects that are approved and funded on the UAMP.	Number of approved and funded CAPEX projects implemented.	Not included in the APP for this year.	Not included in the APP for this year.	1	4	3	10	8	
	<b>Maintenance Programme in compliance with statutory regulations</b>										
	SPB2	Implement the Maintenance Programme.	Number of Maintenance Programme activities completed.	7	7	7	7	7	7	7	
Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA complied with.		<b>Compliance with PFMA and Treasury Regulations</b>									
	SPR1	Achieve an Unqualified Audit report.	Audit opinion received.	Unqualified Audit report (2017/18 Financial Year)	Unqualified Audit report (2018/19 Financial Year)	Unqualified Audit report (2019/20 Financial Year)	Unqualified Audit report (2020/21 Financial Year) (Qualified audit report)	Unqualified Audit report (2021/22 Financial Year)	Unqualified Audit report (2022/23 Financial Year)	Unqualified Audit report (2023/24 Financial Year)	
	<b>Compliance with all South African Labour Acts</b>										
	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.	3 Incidents	0 Incidents reported	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	
	<b>Compliance with the Corporate Governance of Information and Communication Technology Policy Framework</b>										
	SPR5	Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.	Percentage availability of ICT network services reported.	New Indicator				98%	98%	98%	

## Indicators, Annual and Quarterly Targets

Output Indicator  (Indicators must be read in conjunction with Technical Indicator Descriptions)	MTEF	Reporting Period	Quarterly Targets 2022/2023			
	2022/2023		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Target		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Rental revenue from the Immovable Property Portfolio</b>						
Property rental revenue recognised.	R3 816 455	Quarterly	R954 114	R954 114	R954 114	R954 114
<b>Revenue from In-house Productions' Ticket Sales and from Theatre Rentals</b>						
Ticket sales and theatre rental revenue recognised.	R2 792 297	Quarterly	R698 074	R698 074	R698 074	R698 074
<b>Parking Revenue</b>						
Parking garage revenue recognised.	R8 555 683	Quarterly	R2 138 921	R2 138 921	R2 138 921	R2 138 921
<b>Front of house Revenue</b>						
Front of House sales revenue recognised.	R900 000	Quarterly	R225 000	R225 000	R225 000	R225 000
<b>Capital Works Projects</b>						
Number of approved and funded CAPEX projects completed.	3	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	3
<b>Maintenance Programme in compliance with statutory regulations</b>						
Number of Maintenance Programme activities completed.	7	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	7
<b>Compliance with PFMA and Treasury Regulations</b>						
Audit opinion	Unqualified Audit report (2021/22 Financial Year)	Annually	Not reported in this quarter.	Unqualified Audit report (2021/22 Financial Year)	Not reported in this quarter.	Not reported in this quarter.
<b>Compliance with all South African Labour Acts</b>						
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
<b>Compliance with the Corporate Governance of Information and Communication Technology Policy Framework</b>						
Percentage availability of ICT network services.	98%	Quarterly	98%	98%	98%	98%

## 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)	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
			(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target
In-house developed and externally sourced performing arts works presented.	SPA	<b>Artistic Productions</b>								
	SPA2	Stage In-house Festivals.	Number of In-house Festivals staged.	4	4	Indicator removed due to Covid-19	4	4	4	4
	SPD4	Stage school set-work productions.	Number of School set-works staged.	3	5	Indicator removed due to Covid-19	3	4	4	4
	SPA1	Stage In-house Productions.	Number of In-house Productions staged.	111	115	72	100	100	100	100
	<b>Job creation</b>									
	SPR3	Short term job opportunities created in In-house Productions.	Number of short term job opportunities created in In-house Productions.	1 013	681	428	1000 (600)	600	600	600
Audience attendance improved.	SPM	<b>Marketing</b>								
	SPM1	Implement the marketing strategy.	A marketing plan prepared and approved for each production of the annual artistic calendar.	Plans developed and implemented	Plans developed and implemented	Plans developed and implemented	An approved marketing plan for each production of the annual artistic calendar.	Marketing plans prepared for each production of the annual artistic calendar.	Marketing plans prepared for each production of the annual artistic calendar.	Marketing plans prepared for each production of the annual artistic calendar.
	SPM2	Establish media partnerships to promote SAST and productions.	Number of media partnerships established.	4	2	4	4 (9)	4	4	4
	<b>Audience Development</b>									
	SPM3	Implement the audience development strategy.	An audience development plan prepared and approved for each production of the annual artistic calendar.	Plans developed and implemented	Plans developed and implemented	Plans developed and implemented	An approved audience development plan for each production of the annual artistic calendar.	Audience development plans prepared for each production of the annual artistic calendar.	Audience development plans prepared for each production of the annual artistic calendar.	Audience development plans prepared for each production of the annual artistic calendar.
	SPM4	Increase audience attendance and online streaming views.	Number of audience attending or streaming in-house and rental productions and events.	150 474	98 212	74 444	130 000 (35 000)	38 500	100 000	200 000
	<b>Patron Satisfaction</b>									
	SPM5	Conduct surveys of patron satisfaction.	Number of patron satisfaction surveys conducted.	5	4	8	12 (20)	12	12	12

## Indicators, Annual and Quarterly Targets

Output Indicator  (Indicators must be read in conjunction with Technical Indicator Descriptions)	MTEF  2022/2023	Reporting Period	Quarterly Targets 2022/2023			
			Target	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
			4 <sup>th</sup>			
<b>Artistic Productions</b>						
Number of In-house Festivals staged.	4	Quarterly	2	1	1	0
Number of School set-works staged.	4	Annually	Not reported in this quarter.	Not reported in this quarter.	Not reported in this quarter.	4
Number of In-house Productions staged.	100	Quarterly	40	20	35	5
<b>Job Creation</b>						
Number of short term job opportunities created in In-house Productions.	600	Quarterly	240	120	210	30
<b>Marketing</b>						
A marketing plan prepared and approved for each production of the annual artistic calendar.	Marketing plans prepared for each production of the annual artistic calendar.	Quarterly	Marketing plans prepared for each production of the annual artistic calendar presented during the quarter.	Marketing plans prepared for each production of the annual artistic calendar presented during the quarter.	Marketing plans prepared for each production of the annual artistic calendar presented during the quarter.	Marketing plans prepared for each production of the annual artistic calendar presented during the quarter.
Number of media partnerships established.	4	Quarterly	1	1	1	1
<b>Audience Development</b>						
An audience development plan prepared and approved for each production of the annual artistic calendar.	Audience development plans prepared for each production of the annual artistic calendar.	Quarterly	Audience development plans prepared for each production of the annual artistic calendar presented during the quarter.	Audience development plans prepared for each production of the annual artistic calendar presented during the quarter.	Audience development plans prepared for each production of the annual artistic calendar presented during the quarter.	Audience development plans prepared for each production of the annual artistic calendar presented during the quarter.
Number of audience attending in-house and rental productions and events.	38 500	Quarterly	9 625	9 625	9 625	9 625
<b>Patron Satisfaction</b>						
Number of patron satisfaction surveys conducted.	12	Quarterly	3	3	3	3

## 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)		2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
			(Key Output - SMART)	(Unit of Measure)	Actual	Actual	Actual	Target (Forecast)	Target	Target	Target
Development opportunities provided.	SPD	<b>Development Programme</b>									
	SPD1	Implement the Maybuye Community Outreach programme.	Number of Community Arts Groups that participated in the programme.		15	15	Indicator removed due to Covid-19	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.		25	28	42	50 (29)	15	15	15
	<b>Learning and Development</b>										
	SPR4	Provide internship positions.	Number of interns appointed.		6	6	Indicator removed due to Covid-19	6	6	6	6

### Indicators, Annual and Quarterly Targets

Output Indicator (Indicators must be read in conjunction with Technical Indicator Descriptions)	MTEF 2022/2023	Reporting Period	Quarterly Targets 2022/2023			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
			(Unit of Measure)	Target		
<b>Development Programme</b>						
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.	15	Quarterly	5	5	5	0
<b>Learning and Development</b>						
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

### 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.		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.	
Stage In-house Productions.	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
Short term job opportunities created in In-house Productions.		Promote nation building and a socially cohesive society through commemorating our National Days in our spaces that are free of social barriers.		
Implement the marketing strategy.	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 for both local and international market consumption.	Programme engages communities and arts practitioners thereby creating access to development and commercial activities.	Youth Women People with disabilities
Establish media partnerships to promote SAST and productions.				
Implement the audience development strategy.	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
Increase audience attendance.				
Conduct surveys of patron satisfaction.	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
Implement the Mayibuye Community Outreach programme.		Efficient service delivery.	SAST services and programmes implemented without disruption.	
Provide dramaturgy to in-house production's creative team members.	Buildings and assets maintained and upgraded.			
Provide internship positions.				
Secure sponsorship and donations.	Achieve an Unqualified Audit report.	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
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.	Comply with South African Laws and Regulations governing labour relations.			
Generate revenue from the Parking garage.				
Generate revenue from Front of House sales.	Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.			
Achieve an Unqualified Audit report.				
Comply with South African Laws and Regulations governing labour relations.	Implement CAPEX projects that are approved and funded on the UAMP.			
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.	Implement the Maintenance Programme.			
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 LRA complied with.	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 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

#### Programme 1: Administration

##### Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator  (Indicators must be read in conjunction with Technical Indicator Descriptions)	Actual (Audited) Performance						Estimated Performance		MTEF					
				2018/2019		2019/2020		2020/2021		2021/2022		2022/2023		2023/2024		2024/2025	
			(Key Output - SMART)	(Unit of Measure)	Actual	Expenditure	Actual	Expenditure	Actual	Expenditure	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	Target
Revenue generated from commercial activities.	<b>Rental revenue from the Immovable Property Portfolio</b>																
	SPI2	Generate rental revenue from the SAST immovable property portfolio, i.e. Klinerton, Office Blocks, Restaurants and other spaces.	Property rental revenue recognised.	R9 913 952	R7 625 604	R5 191 336	R8 083 140	R3 691 779	R8 487 297	R3 170 000 (R3485951)	R8 911 662	R3 816 455	R8 127 222	R3 986 288	R8 614 855	R4 165 272	R9 131 747
	<b>Revenue from In-house Productions' Ticket Sales and from Theatre Rentals</b>																
	SPI4	Generate revenue from ticket sales of in-house productions and from Theatre rentals.	Ticket sales and theatre rental revenue recognised.	R4 537 065	Component of SPM	R10 295 152	Component of SPM	R2 102 142	Component of SPM	R1 920 000 (R231505)	Component of SPM	R2 792 297	Component of SPM	R3 911 114	Component of SPM	R4 086 723	Component of SPM
	<b>Parking Revenue</b>																
	SPI5	Generate revenue from the Parking garage.	Parking garage revenue recognised.	R14 863 186	R1 505 727	R13 864 335	R1 596 071	R8 463 952	R1 675 874	R10 800 000 (R8777918)	R1 759 668	R8 555 683	R1 676 921	R11 500 000	R2 683 074	R12 016 350	R2 844 058
	<b>Front of house Revenue</b>																
	SPI6	Generate revenue from Front of House sales.	Front of House sales revenue recognised.	R2 057 113	R2 672 868	R2 099 070	R3 900 854	Indicator removed due to Covid-19	R4 095 897	R400 000 (R645625)	R4 300 692	R900 000	R3 838 367	R940 050	R4 068 669	R982 258	R4 312 789
Buildings and assets maintained and upgraded.	SPB	<b>Capital Works Projects</b>															
	SPB1	Implement CAPEX projects that are approved and funded on the UAMP.	Number of approved and funded CAPEX projects implemented.	Not included in the APP for this year.	n/a	Not included in the APP for this year.	n/a	1	R15 000 000	4	R20 000 000	3	R23 000 000	10	R27 000 000	8	R8 500 000
	<b>Maintenance Programme in compliance with statutory regulations</b>																
	SPB2	Implement the Maintenance Programme.	Number of Maintenance Programme activities completed.	7	R18 211 818	7	R19 304 527	7	R2 333 333	7	R2 333 333	7	R2 380 000	7	R2 522 800	7	R2 674 168

Applicable Laws, Regulations and Statutory Legislation including the PFMA, Treasury Regulations and the LRA compiled with.	<b>Compliance with PFMA and Treasury Regulations</b>																
	SPR1	Achieve an Unqualified Audit report.	Audit opinion received.	Unqualified Audit report (2017/18 Financial Year)	R20 605 385	Unqualified Audit report (2018/19 Financial Year)	R21 841 708	Unqualified Audit report (2019/20 Financial Year)	R22 933 794	Unqualified Audit report (2020/21 Financial Year) (Qualified audit report)	R24 080 483	Unqualified Audit report (2021/22 Financial Year)	R21 997 521	Unqualified Audit report (2022/23 Financial Year)	R23 317 373	Unqualified Audit report (2023/24 Financial Year)	R24 716 415
		<b>Compliance with all South African Labour Acts</b>															
	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.	3 Incidents	R3 451 989	0 Incidents reported	R3 659 108	0 Incidents reported	R3 842 063	Maximum acceptable number of incidents: 0	R4 034 166	Maximum acceptable number of incidents: 0	R3 685 211	Maximum acceptable number of incidents: 0	R3 906 324	Maximum acceptable number of incidents: 0	R4 140 703
<b>Compliance with the Corporate Governance of Information and Communication Technology Policy Framework</b>																	
	SPR5	Develop and implement a comprehensive Information and Communication Technology (ICT) Strategy, incorporating compliance and efficient service delivery of ICT services.	Percentage availability of ICT network services reported.	New Indicator								98%	R560 000	98%	R584 920	98%	R611 183

## Programme 2: Business Development

### Outcomes, Outputs, Performance Indicators and Targets

Outcome	Code	Output	Output Indicator  (Indicators must be read in conjunction with Technical Indicator Descriptions)	Actual (Audited) Performance					Estimated Performance		MTEF						
				2018/2019		2019/2020		2020/2021		2021/2022		2022/2023		2023/2024		2024/2025	
			(Key Output - SMART)	(Unit of Measure)	Actual	Expenditure	Actual	Resource Allocation	Actual	Resource Allocation	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	
In-house developed and externally sourced performing arts works presented.	SPA	<b>Artistic Productions</b>			R13 415 964		R14 220 922		R15 300 000		R16 830 000		R17 957 610		R19 035 067		R20 177 171
	SPA2	Stage In-house Festivals.	Number of In-house Festivals staged.	4	Component of SPA	4	Component of SPA	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
	SPD4	Stage school set-work productions.	Number of School set-works staged.	3	Component of SPD	5	Component of SPD	Indicator removed due to Covid-19	Component of SPD	3	Component of SPD	4	Component of SPD	4	Component of SPD	4	Component of SPD
	SPA1	Stage In-house Productions.	Number of In-house Productions staged.	111	Component of SPA	115	Component of SPA	72	Component of SPA	100	Component of SPA	100	Component of SPA	100	Component of SPA	100	Component of SPA
	<b>Job creation</b>																
	SPR3	Short term job opportunities created in In-house Productions.	Number of short term job opportunities created in In-house Productions.	1 013	Component of SPA	681	Component of SPA	428	Component of SPA	1000 (600)	Component of SPA	600	Component of SPA	600	Component of SPA	600	Component of SPA
Audience attendance improved.	SPM	<b>Marketing</b>			R2 754 750		R2 920 035		R2 250 000		R2 430 000		R2 622 038		R2 779 360		R3 061 100
	SPM1	Implement the marketing strategy.	A marketing plan prepared and approved for each production of the annual artistic calendar.	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	An approved marketing plan for each production of the annual artistic calendar.	Component of SPM	Marketing plans prepared for each production of the annual artistic calendar.	Component of SPM	Marketing plans prepared for each production of the annual artistic calendar.	Component of SPM	Marketing plans prepared for each production of the annual artistic calendar.	Component of SPM
	SPM2	Establish media partnerships to promote SAST and productions.	Number of media partnerships established.	4	Component of SPM	2	Component of SPM	4	Component of SPM	4 (9)	Component of SPM	4	Component of SPM	4	Component of SPM	4	Component of SPM
	<b>Audience Development</b>																
	SPM3	Implement the audience development strategy.	An audience development plan prepared and approved for each production of the annual artistic calendar.	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	Plans developed and implemented	Component of SPM	An approved audience development plan for each production of the annual artistic calendar.	Component of SPM	Audience development plans prepared for each production of the annual artistic calendar.	Component of SPM	Audience development plans prepared for each production of the annual artistic calendar.	Component of SPM	Audience development plans prepared for each production of the annual artistic calendar.	Component of SPM

	SPM4	Increase audience attendance and online streaming views.	Number of audience attending or streaming in-house and rental productions and events.	150 474	Component of SPM	98 212	Component of SPM	74 444	Component of SPM	130 000 (35 000)	Component of SPM	38 500	Component of SPM	100 000	Component of SPM	200 000	Component of SPM
<b>Patron Satisfaction</b>																	
	SPM5	Conduct surveys of patron satisfaction.	Number of patron satisfaction surveys conducted.	5	Component of SPM	4	Component of SPM	8	Component of SPM	12 (20)	Component of SPM	12	Component of SPM	12	Component of SPM	12	Component of SPM

### Programme 3: Public Engagement

#### 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)	2018/2019		2019/2020		2020/2021		2021/2022		2022/2023		2023/2024		2024/2025	
			(Key Output - SMART)	(Unit of Measure)	Actual	Expenditure	Actual	Resource Allocation	Actual	Resource Allocation	Target (Forecast)	Resource Allocation	Target	Resource Allocation	Target	Resource Allocation	Target
Development opportunities provided.	SPD	<b>Development Programme</b>			R 3 221 102		R 3 414 368		R 3 200 000		R 3 520 000		R 3 566 348		R 3 780 329		R 4 007 149
	SPD1	Implement the Mayibuye Community Outreach programme.	Number of Community Arts Groups that participated in the programme.	15	Component of SPD	15	Component of SPD	Indicator removed due to Covid-19	Component of SPD	15	Component of SPD	15	Component of SPD	15	Component of SPD	15	Component of SPD
	SPD3	Provide dramaturgy to in-house production's creative team members.	Number of in-house production's creative team members provided with dramaturgy.	25	Component of SPD	28	Component of SPD	42	Component of SPD	50 (29)	Component of SPD	15	Component of SPD	15	Component of SPD	15	Component of SPD
	<b>Learning and Development</b>																
	SPR4	Provide internship positions.	Number of interns appointed.	6	Component of SPR2	6	Component of SPR2	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

## 7.2 PUBLIC ENTITY BUDGETED RECEIPTS

	2022/23	2023/24	2024/25
	R'000	R'000	R'000
DSAC Operational Grant	R62 752	R62 993	R65 822

## 7.3 OVERVIEW OF 2022/2023 BUDGET AND MTEF ESTIMATES

### 7.3.1 Expenditure Estimates

	2018/19	2019/20	2020/21	Approved budget	2022/23	2023/24	MTEF	2024/25
Rand thousand				2021/22				
<b>Objective/Activity</b>								
Administration								
Administration	75 936	71 806	109 746	111 295	110 519	91 237	95 206	
Business Development	27 162	24 590	16 413	17 371	1 726	1 803	1 884	
Public Engagement	1 043	3 395	4 529	5 004	2 075	2 167	2 264	
<b>Total</b>	<b>104 141</b>	<b>99 791</b>	<b>130 688</b>	<b>133 671</b>	<b>114 320</b>	<b>95 207</b>	<b>99 354</b>	
<b>Economic classification</b>								
Current payments								
Compensation of employees	93 024	99 791	116 238	124 170	114 320	95 207	99 354	
Salaries and wages	38 831	44 102	33 196	48 902	37 942	39 630	41 409	
Social contributions	-	-	-	48 902	37 942	39 630	41 409	
Goods and services	54 193	55 689	83 042	75 268	76 378	55 577	57 945	
Of which 1								
Agency and support / outsourced services	7 878	8 214	4 912	9 400	1 300	1 358	1 417	
Advertising	2 855	2 909	1 100	3 238	1 455	1 520	1 589	
Audit Costs	2 447	2 631	2 333	2 928	1 866	1 949	2 036	
Bank charges	504	336	142	374	172	180	188	
Board costs	989	1 041	817	600	625	653	682	
Communication	534	551	317	613	647	675	706	
Computer services	95	83	828	93	1 577	1 647	1 721	
Consultants	2 509	2 112	3 464	1 200	500	522	547	
Entertainment	243	256	86	257	70	73	76	
Inventory	1 568	612	91	2 118	466	487	509	
Lease payments	1 169	505	549	562				
Legal fees	362	382	721	900	1 352	1 412	1 476	
Non-file insurance	235	248	498	450	516	539	563	
Repairs and maintenance	6 571	7 287	1 955	8 500	2 498	2 609	2 726	
Training and staff development	300	316	72	600	348	363	380	
Travel and subsistence	338	356	110	1 191	115	120	126	
Other	25 596	27 850	65 048	42 244	62 871	41 470	43 203	
Depreciation	6 805		9 031	9 500	10 000	10 400	10 816	
Losses from	219	-	5 419	-	-	-	-	

Sale of fixed assets	(228)	-	-	-	-	-	-	-
Impairments and Adjustments to Fair Value	447	-	5 419	-	-	-	-	-
Adjustments to Fair value of financial assets	-	-	5 105	-	-	-	-	-
Impairments to non-financial assets	447	-	314	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>100 048</b>	<b>99 791</b>	<b>130 688</b>	<b>133 670</b>	<b>124 320</b>	<b>105 607</b>	<b>110 170</b>	

### 7.3.2 Reconciling programmes with the MTEF budget

	Audited Outcome			Approved budget	MTEF		
	2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
R Thousand							
<b>Revenue</b>							
Entity revenue	42 449	32 756	59 583	40 683	16 362	20 648	21 575
Sale of goods and services other than capital assets	32 584	31 598	58 737	39 839	16 362	20 648	21 575
Entity revenue other than sales	9 865	1 158	846	844	-	-	-
Transfers received (operational, incubator and capex)	62 153	66 653	63 504	92 988	97 958	74 559	77 779
<b>Total revenue</b>	<b>104 602</b>	<b>99 409</b>	<b>123 088</b>	<b>133 671</b>	<b>114 320</b>	<b>95 207</b>	<b>99 354</b>

	Audited Outcome			Approved budget	MTEF		
	2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
Rand thousand							
<b>Objective/Activity</b>							
Administration	75 936	71 806	109 746	111 295	110 519	91 237	95 206
Business Development	27 162	24 590	16 413	17 371	1 726	1 803	1 884
Public Engagement	1 043	3 395	4 529	5 004	2 075	2 167	2 264
<b>Total expenses</b>	<b>104 141</b>	<b>99 791</b>	<b>130 688</b>	<b>133 671</b>	<b>114 320</b>	<b>95 207</b>	<b>99 354</b>
<b>(Deficit)/Surplus</b>	<b>461</b>	<b>(382)</b>	<b>(7 600)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note:**

The 2018/19 entity revenue other than sales was mainly due to SABC sponsorship

### 7.3.3 Proforma Statement of Financial Performance

Rand thousand	Audited Outcome			Approved budget	MTEF		
	2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
<b>Revenue</b>							
Entity revenue	33 131	32 756	59 583	40 683	16 362	20 648	21 575
Sale of goods and services other than capital assets	32 586	31 598	58 737	39 839	16 362	20 648	21 575
Entity revenue other than sales	545	1 158	846	844	-	-	-
Transfers received	62 695	66 653	63 504	92 988	97 958	74 559	77 779
<b>TOTAL REVENUE</b>	<b>95 826</b>	<b>99 409</b>	<b>123 088</b>	<b>133 671</b>	<b>114 320</b>	<b>95 207</b>	<b>99 354</b>
<b>Expenditure by Economic classification</b>							
Current payments	93 024	99 791	116 238	124 170	114 320	95 207	99 354
Compensation of employees	38 831	44 102	33 196	48 902	37 942	39 630	41 409
Salaries and wages	38 831	44 102	33 196	48 902	37 942	39 630	41 409
Social contributions	-	-	-				
Goods and services	54 193	55 689	83 042	75 268	78 378	55 577	57 945
Of which 1							
Agency and support / outsourced services	7 878	8 214	4 912	9 400	1 300	1 358	1 417
Advertising	2 855	2 909	1 100	3 238	1 455	1 520	1 589
Audit Costs	2 447	2 631	2 333	2 928	1 866	1 949	2 036
Bank charges	504	336	142	374	172	180	188
Board costs	989	1 041	817	600	625	653	682
Communication	534	551	317	613	647	675	706
Computer services	95	83	828	93	1 577	1 647	1 721
Consultants	2 509	2 112	3 464	1 200	500	522	547
Entertainment	243	256	86	257	70	73	76
Inventory	1 568	612	91	2 118	466	487	509
Lease payments	1 169	505	549	562			
Legal fees	362	382	721	900	1 352	1 412	1 476
Non-file insurance	235	248	498	450	516	539	563
Repairs and maintenance	6 571	7 287	1 955	8 500	2 498	2 609	2 726
Training and staff development	300	316	72	600	348	363	380
Travel and subsistence	338	356	110	1 191	115	120	126
Other	25 596	27 850	65 048	42 244	62 871	41 470	43 203
Depreciation	6 805		9 031	9 500	10 000	10 400	10 816
Losses from	(2 615)	-	-	-	-	-	-
Sale of fixed assets	(228)	-				-	-
Impairments and Adjustments to Fair Value	(2 387)	-	5 419	-	-	-	-
Adjustments to Fair value of financial assets		-	5 105	-	-	-	-
Impairments to non-financial assets	(447)	-	314	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>97 214</b>	<b>99 791</b>	<b>130 688</b>	<b>133 670</b>	<b>124 320</b>	<b>105 607</b>	<b>110 170</b>
<b>NET SURPLUS / (DEFICIT)</b>	<b>(1 388)</b>	<b>(382)</b>	<b>(7 600)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 7.3.4 Proforma Statement of Financial Position

Rand thousand	Audited Outcome			Approved budget	MTEF		
	2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
<b>ASSETS</b>							
<b>Current assets</b>	<b>22 552</b>	<b>34 580</b>	<b>33 942</b>	<b>8 574</b>	<b>9 003</b>	<b>30 132</b>	<b>29 441</b>
Inventory	279	516	239	574	603	100	100
Trade and other receivables from exchange transactions	3 510	1 890	2 419	3 000	3 150	1 000	1 000
Cash and cash equivalents	18 763	32 173	31 284	5 000	5 250	29 032	28 341
<b>Non-current assets</b>	<b>156 335</b>	<b>178 670</b>	<b>151 009</b>	<b>164 676</b>	<b>172 910</b>	<b>198 511</b>	<b>205 351</b>
Property, plant and equipment	99 165	120 236	90 928	105 350	110 618	130 002	130 003
Heritage assets	32 460	33 000	35 467	35 000	36 750	40 425	44 468
Intangible assets	211	434	113	61	64	58	52
Investment property	24 499	25 000	24 500	24 265	25 478	28 026	30 829
<b>Total assets</b>	<b>178 887</b>	<b>213 250</b>	<b>184 951</b>	<b>173 250</b>	<b>181 913</b>	<b>228 643</b>	<b>234 792</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>	<b>32 302</b>	<b>20 097</b>	<b>51 705</b>	<b>10 363</b>	<b>10 831</b>	<b>20 012</b>	<b>18 313</b>
Trade and other payables from exchange transactions	7 884	3 666	10 548	3 868	4 061	7 146	5 497
Current provisions	-	1 295	1 400	2 366	2 635	2 666	2 616
Leave		1 295	1 400	1 366	1 435	1 366	1 366
Other				1 000	1 200	1 300	1 250
Other current financial liabilities	355	136	491	129	135	200	200
Capital fund/ Deferred government grant	23 926	15 000	39 235	4 000	4 000	10 000	10 000
Current portion of finance lease liability	137	-	31	-	-	-	-
<b>Non-current liabilities</b>	<b>3 238</b>	<b>16 384</b>	<b>2 588</b>	<b>405</b>	<b>425</b>	<b>1 800</b>	<b>1 600</b>
Finance lease liability	38	384	2	405	425		
Non-current provisions	3 200	16 000	2 586			1 800	1 600
<b>Total liabilities</b>	<b>35 540</b>	<b>36 481</b>	<b>54 293</b>	<b>10 768</b>	<b>11 256</b>	<b>21 812</b>	<b>19 913</b>
<b>NET ASSETS</b>	<b>143 347</b>	<b>176 769</b>	<b>130 658</b>	<b>162 482</b>	<b>170 656</b>	<b>206 831</b>	<b>214 879</b>
Accumulated surplus / (deficit)	127 740	159 769	112 082	148 705	156 140	190 863	197 315
Revaluation surplus	15 607	17 000	18 576	13 777	14 516	15 968	17 564
<b>Total net assets and liabilities</b>	<b>178 887</b>	<b>213 250</b>	<b>184 951</b>	<b>173 250</b>	<b>181 913</b>	<b>228 643</b>	<b>234 792</b>
Contingent liabilities	-	-	-	-	-		

### 7.3.5 Proforma Cash Flow Statement

The budget information (Medium term estimate) is done on accrual basis:	Audited Outcome			Approved budget	MTEF		
Cash flow data	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
R Thousand							
Cash receipts from stakeholders	96 951	86 636	78 153	107 077	79 804	84 191	87 957
Sales of goods and services other than capital assets	33 131	26 428	14 538	40 683	16 362	20 648	21 575
Sales of goods and services produced by department (excl. capital assets)	33 131	26 428	14 538	40 683	16 362	34 561	34 222
Sales by market establishments	33 131	26 428	14 538	40 683	16 362	34 561	34 222
Transfers received	62 695	59 065	63 504	65 188	62 752	62 993	65 822
Other government units	62 695	59 065	63 504	65 188	62 752	62 993	65 822
Departmental transfers	62 695	59 065	63 504	65 188	62 752	62 993	65 822
Executive Authority (DSAC)	62 695	59 065	63 504	65 188	62 752	62 993	65 822
Adjustments	-	-	-	-			
Other national departments	-	-	-	-			
Interest and rent on land	800	800	111	844	198	200	215
Interest	800	800	111	844	198	200	215
Unclassified revenue	325	343		362	492	350	345
Cash paid to stakeholders	79 920	78 492	67 993	89 840	62 673	65 805	68 352
Current payments	79 920	78 492	67 993	89 840	62 673	65 805	68 352
Compensation of employees	38 831	41 531	33 196	48 902	34 830	36 380	38 013
Salaries and wages	38 831	41 250	33 196	48 902	34 830	36 380	38 013
Social contributions	-	281	-				
Goods and services	41 089	36 961	34 746	40 938	27 791	29 377	30 284
Administrative fees							
Agency and support / outsourced services	7 878	8 175	4 912	9 056	3 255	3 800	3 789
Advertising	2 855	3 955	1 100	4 381	1 455	1 520	1 589
Audit Costs	2 447	408	2 333	452	2 510	2 610	2 036
Bank charges	504	120	142	132	172	180	188
Board costs	989	989	817	540	625	653	682
Communication	534	534	317	581	647	675	706
Computer services	95	95	828	88	850	914	1 721
Consultants	2 509	2 509	3 464	1 000	2 600	2 300	2 453
Entertainment	243	243	86	244	70	73	76
Inventory	1 568	1 568	91	1 925	110	123	509
Lease payments	1 169	1 169	549	533	674	765	699
Legal fees	362	362	721	700	1 352	1 412	1 476
Non-file insurance	235	235	498	400	516	539	563
Repairs and maintenance	6 571	6 571	1 955	8 001	2 211	2 100	3 420
Training and staff development	300	300	72	500	348	363	380
Travel and subsistence	338	338	110	1 081	115	120	126
Other unclassified expenditure	12 492	9 388	16 752	11 325	10 281	11 230	9 871
Interest and rent on land	-	-	-	-	-	-	-

Interest	-	-	51	-	52	48	55
<b>Cash flow from operating activities</b>	<b>17 031</b>	<b>8 144</b>	<b>10 160</b>	<b>17 237</b>	<b>17 131</b>	<b>18 386</b>	<b>19 605</b>
<b>Cash flow from investing activities</b>	<b>(4 168)</b>	<b>(20 887)</b>	<b>(3 647)</b>	<b>(27 000)</b>	<b>(11 200)</b>	<b>(12 921)</b>	<b>(11 150)</b>
Acquisition of property, plant, equipment & intangible assets	(4 168)	(11 525)	(3 639)	(2 000)	(11 200)	(12 921)	(11 150)
Buildings: residential	-	-	-	-	-	-	-
Buildings: non-residential	-	-	-	-	-	-	-
Other fixed structures		(7 115)					
Other machinery and equipment	(4 168)	(4 409)		(2 000)			
Software and other intangible assets							
Computer equipment							
Other flows from Investing Activities		(9 362)	(8)	(25 000)	-	-	-
<b>Cash flow from financing activities</b>	<b>5 900</b>	<b>18 900</b>	<b>(154)</b>	<b>25 000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred Income	5 900	18 900	-	25 000	-	-	-
Departmental transfer	-	-	-	-			
Repayment of finance leases			(154)				
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>18 763</b>	<b>6 157</b>	<b>6 359</b>	<b>15 237</b>	<b>5 931</b>	<b>5 465</b>	<b>8 455</b>

## 8. INFRASTRUCTURE PROJECTS

### 8.1 INFRASTRUCTURE PROJECTS

#### Funded infrastructure projects

No	Project name	Programme	Project description	Status	Project start date	Project completion date	Total estimated cost	Current year expenditure
1	Replacement of existing diamond mesh that is dilapidated fence to Clearview fence.	Upgrading	Maintenance Security	Tender	30-Apr-21	30-Jun-23	R1.8 million	R0
2	Replacement of Fire Hydrant Network Kilnerton (SANS and Insurance requirement)	Upgrading	Maintenance OHS	Tender	01-Aug-21	30-Jun-24	R9.5 million	R0
3	Fire System component replacement to make it L2 Compliant.	Upgrading	Maintenance OHS	Tender	30-Jun-21	28-Feb-24	R3 million	R0
4	2x Crew busses 16 seater, 1x 10 Ton Truck	Upgrading	Maintenance Transport	Tender	30-May-21	30-Dec-22	R1.9 million	R0
5	Passager Lifts	Upgrading	Maintenance OHS	Tender	01-Jul-20	28-Feb-24	R4.4 million	R0.9 million
6	Stage Lighting	Upgrading	Maintenance OHS	Tender	30-Sep-21	28-Feb-24	R3.5 million	R3.3 million
7	Stage Equipment	Upgrading	Maintenance OHS	Tender	30-May-20	28-Feb-24	R4.1 million	R1.6 million
8	Facilities Management	Upgrading	Maintenance OHS	Tender	01-Aug-21	28-Feb-24	R16 million	R0.7 million

#### Unfunded planned infrastructure projects

No	Project name	Programme	Project description	Status	Project start date	Project completion date	Total estimated cost	Current year expenditure
1	Online TV Application Development	Business development	Online TV Application Development for Video Live Streaming	In Planning	02-Sep-22	30-Aug-24	R2 000 000,00	R0
2	Server Infrastructure Upgrade	ICT	Server Infrastructure Upgrade with NAS Data Storage	In Planning	05-Aug-22	31-Jul-24	R1 150 000,00	R0
3	Fire Alarm System	Compliance	L2 Fire Alarm designs should also incorporate audible sounders throughout the building which operate when the fire alarm system is activated. These sounders should achieve a minimum sound pressure of 65 dB (A) throughout the building	In Planning	01-Dec-22	01-Dec-24	R5 500 000,00	R0
4	Lift Replacement	Infrastructure	Opera and Drama Personnel lift replacement, the lifts has come to the end of there lifespan.	In Planning	15-Nov-22	30-Jun-23	R4 000 000,00	R0
5	Replacement of CCTV & Access Control	Infrastructure	The system is on run to fail and can no longer be maintained and reached its end of lifespan.	In Planning	16-Nov-22	30-Nov-23	R4 500 000,00	R0

6	Purchase of vehicles	Transport purchase of 2x 16 seater mini busses and 1 x LDV Light Delivery Vehicle	The cost of leasing vehicles for the Artistic Department is expensive and by acquiring our own transportation will cut the cost significantly and transporting sets to different venues and maintenance requirement	In Planning	16-Nov-22	30-Nov-23	R2 000 000,00	R0
7	Replacement of Theatre Seats	Infrastructure	The seats on Arena and SK Theatre needs to be replaced due to the lifespan maintenance and replacement parts.	In Planning	15-Dec-22	15-Dec-23	R7 000 000,00	R0
8	Solar Panel Project Phase 1	Infrastructure	The utilities bill of the theatre is exorbitant and not only will the alternative energy reduce our bill but also our carbon footprint on the environment	In Planning	30-Jan-23	30-Jan-25	R15 000 000,00	R0
9	Disaster Recovery Site	Kilnerton Disaster Recovery site	Disaster Recovery (Business Continuity) is a proactive way to ensure mission-critical operations proceed during disruption. E.g. Fire Flood act of God	In Planning	31-Jan-23	30-Jun-24	R3 000 000,00	R0
10	Drama Theatre and Opera Theatre lighting procurement	Infrastructure	2nd phase of the lighting tender to procure lights for the two big theatres and switch to LED completely.	In Planning	30-Jan-23	30-Jan-25	R7 264 000,00	R0
11	Video Equipment procurement	Artistic	Procure video equipment to shoot the shows in-house	In Planning	31-Jan-23	30-Jun-24	R1 500 000,00	R0
12	Air-conditioning replacement	Infrastructure	Air-conditioning replacement	In planning	01-Aug-20	01-Aug-22	R14 000 000,00	R0
13	Outdoor Digital LED Screen	Business development	Install new outdoor digital LED Screen to advertise SAST productions and also to generate revenue from advertising space sold on the screen.	Implementation	01-Apr-20	31-Jul-22	R4 125 260,00	R1 947 630

#### Infrastructure Projects completed in the past twelve months

no	Project name	Programme	Project description	Status	Total estimated cost	Current year expenditure
1	Stage Sound	Replacement of sound equipment	Installation of projectors	Completed	R2 500 000	n/a
2	Stage Lights	Replacement of Tungsten stage lights	Replacement of Tungsten stage lights to LED lights	Completed	R3.5 million	R3.3 million
3	Fire System	Upgrade fire system	Phase 1 completed "Edwards System"	Completed	R3.5 million	n/a
4	Replacement Lift Project	Replacement of passenger lifts	Replacement of 7 Passenger lifts	Completed	R4.4 million	R0.9 million

## 8.2 ANNUAL PROCUREMENT PLAN

No	Programme	Project Description	Estimated Value (incl. taxes)	Method of procurement	Bid Specification	Approved Evaluation Criteria	Advert	Bid closing	Bid award	Value of Contract	Contract commence	Contract expiry
1	Administration	Panel of Legal Service Providers for three years.	1,200,000.00	Tender								
2	Administration	Offsite Managed Data Backup and ICT Disaster Recovery with ICT Business Continuity	1,800,000.00	Tender	2022-Apr-29	2022-May-05	2022-May-13	2022-Jun-03	2022-Jul-15	tbc	2022-Aug-01	2024-Jul-31
3	Business development	Online TV Application Development for Video Live Streaming	2,000,000.00	Tender	2022-May-31	2022-Jun-06	2022-Jun-20	2022-Jul-11	2022-Aug-15	tbc	2022-Sep-01	2024-Aug-30
4	Administration	ICT Server Support and Maintenance	1,400,000.00	Tender	2022-Apr-29	2022-May-05	2022-May-13	2022-Jun-03	2022-Jul-15	tbc	2022-Aug-01	2024-Jul-31
5	Administration	Internet Access, Firewall and Network Security Support and Maintenance	1,500,000.00	Tender	2022-Apr-29	2022-May-05	2022-May-13	2022-Jun-03	2022-Jul-15	tbc	2022-Aug-01	2024-Jul-31
6	Administration	Server Infrastructure Upgrade with NAS Data Storage	1,150,000.00	Tender	2022-Apr-29	2022-May-05	2022-May-13	2022-Jun-03	2022-Jul-15	tbc	2022-Aug-01	2024-Jul-31
7	Administration	L2 Fire Alarm designs should also incorporate audible sounders throughout the building which operate when the fire alarm system is activated. These sounders should achieve a minimum sound pressure of 65 dB (A) throughout the building. Fire System Phase 2	5,500,000.00	Tender	2030-Jun-22	Aug-22	2031-Aug-22	2026-Sep-22	2030-Nov-22	tbc	2001-Dec-22	2001-Dec-24
8	Administration	Opera and Drama Personnel lift replacement, the lifts has come to the end of there lifespan.: Lift replacement X 2	4,000,000.00	Tender	2030-May-22	2015-Jun-22	2030-Jun-22	2022-Jul-22	2031-Oct-22	tbc	2015-Nov-22	2030-Jun-23
9	Administration	The system is on run to fail and can no longer be maintained and reached its end of lifespan. Replacement of CCTV & Access control	4,500,000.00	Tender	2031-May-22	2016-Jun-22	2001-Jul-22	2022-Jul-25	2001-Nov-22	tbc	2016-Nov-22	2030-Nov-23
10	Business development	The cost of leasing vehicles for the Artistic Department is expensive and by acquiring our own transportation will cut the cost significantly and transporting sets to different venues and maintenance requirement Transport purchase of 2x 16 seater mini busses and 1 x LDV Light Delivery Vehicle	2,000,000.00	Tender	2029-Apr-22	2015-May-22	2030-May-22	2023-Jun-22	2015-Aug-22	tbc		

11	Business development	The seats on Arena and SK Theatre needs to be replaced due to the lifespan maintenance and replacement parts. Replacement of Theatre Seats	7,000,000.00	Tender	2030-Jun-22	2015-Aug-22	2031-Aug-22	2021-Sep-22	2030-Nov-22	tbc	2015-Dec-22	2015-Dec-23
12	Administration	The utilities bill of the theatre is exorbitant and not only will the alternative energy reduce our bill but also our carbon footprint on the environment. Solar Panel Project Phase 1	15,000,000.00	Tender	2031-May-22	2016-Jun-22	2030-Jul-22	2022-Aug-22	2001-Dec-22	tbc	2030-Jan-23	2030-Jan-25
13	Administration	Disaster Recovery (Business Continuity) is a proactive way to ensure mission- critical operations proceed during disruption. Eg. Fire Flood act of God. Kilnerton Disaster Recovery site	3,000,000.00	Tender	2031-May-22	2016-Jun-22	30-Jul	22-Aug	2023-Sep-22	tbc	2031-Jan-23	2024/06/31
14	Administration	The highlevel report from Bigen indicates the estimated repairs cost after the highlevel condition assessment. Maintenance Backlog	30,000,000.00	Tender	2030-Jun-22	2015-Aug-22	2031-Aug-22	2023-Sep-22	2008-Nov-22	tbc	2015-Dec-22	2015-Dec-27
15	Administration	2nd phase of the lighting tender to procure lights for the two big theatres and switch to LED completely. Drama Theatre and Opera Theatre lighting procument	7,264,000.00	Tender						tbc		
16	Administration	Procure video equipment to shoot the shows in-house. Video cameras procument	1,500,000.00	Tender						tbc		
17	Administration	Cleaning Service Contract. The cleaning contract expires in the new financial year 31 August 2022. The service provider will be responsible for cleaning the facilities at 320 FH Odendaal building and Kilnerton. The new contract estimate takes into account the three year escalation which will include the provision of cleaning material.	12,000,000.00	Tender	2029-May-22	2010-Jun-22	15-Jun	06-Jul	2001-Aug-22	tbc	2001-Sep-22	2031-Aug-25
			<b>100,814,000.00</b>									

## 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
City of Tshwane Metropolitan Council (Three-year agreement)	Collaboration on strategic programmes.	Enable achievement of strategic programmes of both parties.	Financial transactions are captured in separate SLA's that are entered into for specific activities.	30 September 2022
The University of Kwazulu-Natal (Initial period, twelve months)	Collaboration on producing and presenting online digital content, namely the UKZN Artfluencing Democracy Dialogues.	Digital content published on the UKZN and SAST online platforms.	On hundred twenty thousand Rand (R120,000)	31 December 2022



The Encounter  
Kuchenza Afrika Festival

# PART D: TECHNICAL INDICATOR DESCRIPTION (TID)



Mandisi Dyantyis

## 10. TECHNICAL INDICATOR DESCRIPTION (TID)

<b>CODE</b>	<b>SPA1</b>
<b>Indicator title</b>	<b>Number of In-house Productions staged.</b>
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.

<b>CODE</b>	<b>SPA2</b>
<b>Indicator title</b>	<b>Number of In-house Festivals staged.</b>
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.

<b>CODE</b>	<b>SPD4</b>
<b>Indicator title</b>	<b>Number of School set-works staged.</b>
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.

<b>CODE</b>	<b>SPR3</b>
<b>Indicator title</b>	<b>Number of short term job opportunities created in In-house Productions.</b>
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.

<b>CODE</b>	<b>SPD1</b>
<b>Indicator title</b>	<b>Number of Community Arts Groups that participated in the programme.</b>
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.

<b>CODE</b>	<b>SPD3</b>
<b>Indicator title</b>	<b>Number of in-house production's creative team members provided with dramaturgy.</b>
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.

<b>CODE</b>	<b>SPR4</b>
<b>Indicator title</b>	<b>Number of interns appointed.</b>
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.

<b>CODE</b>	<b>SPI2</b>
<b>Indicator title</b>	<b>Property rental revenue recognised.</b>
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 Kilmerton, Office Blocks, Restaurants and other spaces for the reporting period is reported. Opcosts, electricity and water and other 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.

<b>CODE</b>	<b>SPI4</b>
<b>Indicator title</b>	<b>Ticket sales and theatre rental revenue recognised.</b>
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.

<b>CODE</b>	<b>SPI5</b>
<b>Indicator title</b>	<b>Parking garage revenue recognised.</b>
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.

<b>CODE</b>	<b>SPI6</b>
<b>Indicator title</b>	<b>Front of House sales revenue recognised.</b>
Definition	The Rand Value of revenue derived from sales at the Front of House 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 is 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.

<b>CODE</b>	<b>SPB1</b>
<b>Indicator title</b>	<b>Number of approved and funded CAPEX projects implemented.</b>
Definition	The implementation of approved and funded CAPEX projects.
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.

<b>CODE</b>	<b>SPB2</b>
<b>Indicator title</b>	<b>Number of Maintenance Programme activities completed.</b>
Definition	The completion status of the Maintenance programme 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.

<b>CODE</b>	<b>SPM1</b>
<b>Indicator title</b>	<b>A marketing plan prepared and approved for each production of the annual artistic calendar.</b>
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.

<b>CODE</b>	<b>SPM2</b>
<b>Indicator title</b>	<b>Number of media partnerships established.</b>
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.

<b>CODE</b>	<b>SPM3</b>
<b>Indicator title</b>	<b>An audience development plan prepared and approved for each production of the annual artistic calendar.</b>
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.

<b>CODE</b>	<b>SPM4</b>
<b>Indicator title</b>	<b>Number of audience attending or streaming in-house and rental productions and events.</b>
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.

<b>CODE</b>	<b>SPM5</b>
<b>Indicator title</b>	<b>Number of patron satisfaction surveys conducted.</b>
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.

<b>CODE</b>	<b>SPR1</b>
<b>Indicator title</b>	<b>Audit opinion received.</b>
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.

<b>CODE</b>	<b>SPR2</b>
<b>Indicator title</b>	<b>Number of labour matters ruled against the SAST for non-compliance with applicable labour legislation.</b>
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.

<b>CODE</b>	<b>SPR5</b>
<b>Indicator title</b>	<b>Percentage availability of ICT network services reported.</b>
Definition	Availability of ICT network services, specifically; email, internet and data systems.
Source of data	ICT systems.
Method of calculation	System generated calculations which consider availability of ICT resources.
Means of Verification	ICT management report supported by system reports.
Assumptions	Operational and sustainable IT systems.
Calculation type	Non-cumulative.
Reporting cycle	Quarterly.
Desired performance	Targeted performance is desirable.
Indicator responsibility	ICT Manager.

# ANNEXURES



## ANNEXURE A

### KEY RISKS

Risk No	Strategic Output	Risk Description	Risk Mitigation Plan
<b>Outcome 1: In-house developed and externally sourced performing arts works presented.</b>			
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.
<b>Outcome 2: Development opportunities provided.</b>			
Purpose: Provide development opportunities for emerging Arts Practitioners in the context of our programmes.			
3	SPD1 / Implement the Mayibuye Community Outreach programme.	Limited implementation of the Community Outreach Fieldwork programme.	1. Implement the programme within the allocated budget.
<b>Outcome 5: Audience attendance improved.</b>			
Purpose: Attract Audiences to watch the Performing Arts.			
4	SPM4 / Increase audience attendance and online streaming views.	Inadequate audience retention and growth.	<ol style="list-style-type: none"> <li>1. Increase theatre capacity within the regulations taking into consideration the requirement for social distancing to be captured in an updated Covid-19 compliant seating plan per theatre.</li> <li>2. Introduce the hybrid theatre product to attract audiences to the theatre as well as to the online streaming platform and other digital products.</li> <li>3. Implement the revised marketing strategy to attract audiences.</li> </ol>
5	SPM5 / Conduct surveys of patron satisfaction.	Inadequate audience engagement.	<ol style="list-style-type: none"> <li>1. Implement revised strategy to entice target market participation. Ensure monthly analysis and assessment of audience surveys with information shared to MANCO for appropriate action.</li> </ol>
<b>Outcome 3: Revenue generated from commercial activities.</b>			
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.	<ol style="list-style-type: none"> <li>1. Implement the Revised Sales and Marketing strategy, to achieve 60% (minimum 20% on developmental productions) sales of the theatre capacity for the duration of the production run.</li> </ol>
7	SPI2 / Generate rental revenue from the SAST immovable property portfolio, i.e. Kilmerton, Office Blocks, Restaurants and other spaces.	Inadequate revenue generated from the property portfolio.	<ol style="list-style-type: none"> <li>1. Revised sales and marketing strategy to be implemented with aggressive approach to securing new business.</li> <li>2. SAST properties to be maintained and upgraded.</li> </ol>
8	SPI6 / Generate revenue from Front of House sales.	Inadequate Front of house sales.	<ol style="list-style-type: none"> <li>1. Attract customers to the SAST bars by offering an appealing and diverse product range and excellent customer service.</li> </ol>

**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 including establishment of the SAST disaster recovery site at the Kilnerton property.
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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. 2. Where new vacancies arise due to posts being vacated, these must be filled within the allocated budget of the vacant post.
11	SPR1 / Achieve an Unqualified Audit report.	Inaccurate financial statements	1. Implement an integrated financial management system that captures source documents and accurately records each transaction with complete asset information. 2. Financial statements to be prepared according to the accounting standards with complete and accurate information and format of the required statements, with due consideration of audit findings outlined in the AG-SA audit report.
12	Mission /Vision /Values	Risk of Covid-19 infection incidents on SAST premises.	1. Ongoing Implementation of the SAST Health and Safety plan to address Covid-19 which includes strict access control to the building and banning of any person not complying.
13	Mission /Vision /Values	Fraud and corruption	1. Implement additional improvements to the financial transactions environment that may be recommended in the forensic investigation report.
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 and data integrity. 2. Secure funding for ICT projects
15	Mission /Vision /Values	Inadequate policies and related procedures.	1. All SAST policies to be reviewed. 2. All departments to implement appropriate procedures.

## ANNEXURE B

### 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 2019/20 audited financial statements

Total revenue as per the 2019/20 audited financial statements = R 144 514 055

Materiality @ 1.5% = R 2 167 710

## 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 2019/20 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:

- Unqualified 2018/19 and 2017/18 audits, coming from a qualified in 2016/17

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.

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 Sport, 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 facts**, 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><b>SAST Response:</b> Any fact discovered of which the amount exceeds the determined materiality figure as calculated under par 2.1</p>	<p><b>SAST Response:</b></p> <ol style="list-style-type: none"> <li>1. Any item or event of which specific disclosure is required by law</li> <li>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.</li> </ol>

### 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
(b) include particulars of: <ul style="list-style-type: none"> <li>(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</li> <li>(ii) any criminal or disciplinary steps taken consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</li> <li>(iii) any losses recovered or written off;</li> <li>(iv) any financial assistance received from the state and commitments made by the state on its behalf; and</li> <li>(v) any other matters that may be prescribed.</li> </ul>	<ul style="list-style-type: none"> <li>1. Losses through criminal conduct: any loss identified.</li> <li>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.</li> </ul>	All identified losses through criminal conduct will be disclosed. Fruitless and wasteful expenditure and financial misconduct.

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

# ANNEXURE C

## COUNCIL CHARTER

### 1. INTRODUCTION

- 1.1 The Minister of Sport, Arts and Culture 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, trading as the South African State Theatre (the SAST)
- 1.3 In terms of the provisions 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.
- 1.4 The Council has been appointed by the Minister of Sport, Arts and Culture.
- 1.5 In terms of the Public Finance Management Act, 1999, the SAST is a government business enterprise as listed in Schedule 3 and the Council is the accounting authority for the SAST.
- 1.6 In adherence to good governance practices it is the Council's intention to adopt this Charter to act as the Council's terms of reference.

### 2. PURPOSE OF THE CHARTER

- 2.1 To clearly define the Council's roles, responsibilities and functions, including the Council's responsibilities for:
  - 2.1.1 The adoption of strategic plans;
  - 2.1.2 Monitoring of operational performance and management;
  - 2.1.3 Determining policy and processes to ensure the integrity of the SAST's risk management and internal controls;
  - 2.1.4 Communication policy; and
  - 2.1.5 Council member's orientation and evaluation.
- 2.2 In addition to the Charter, the Council will be subject to the provisions of the following:
  - 2.2.1 The Cultural Institutions Act, 1998;
  - 2.2.2 The Public Finance Management Act, 1999;
  - 2.2.3 The Shareholders Compact;
  - 2.2.4 The White Paper on Arts, Culture and Heritage;
  - 2.2.5 The Protocol on Corporate Governance in the Public Sector, as issued by the Department of Public Enterprises;
  - 2.2.6 The King IV Report; and
  - 2.2.7 Any other applicable law, regulatory provisions or government policies or any directives.

### 3. MEMBER OF THE COUNCIL

(In terms of the provisions of section 5 of the Cultural Institutions Act)

- 3.1 Composition and appointment
  - 3.1.1 At least seven members appointed by the Minister of Sport, Arts and Culture, in the prescribed manner.
  - 3.1.2 The Chief Executive Officer will serve ex officio and has no voting powers.
  - 3.1.3 Appointment to the Council must be in accordance with the principles of transparency and representivity.
- 3.2 Skills
  - 3.2.1 At least one of the members appointed to the Council must have experience in financial matters.
- 3.3 Termination
  - 3.3.1 A member of the Council is appointed for a period of three years, unless a shorter period is prescribed.
  - 3.3.2 A member of the Council whose period of office has expired, may be reappointed.
  - 3.3.3 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.
  - 3.3.4 A member of the Council must vacate office if:
    - 3.3.4.1 that member resigns in writing;
    - 3.3.4.2 that member has been absent from three consecutive meetings of the Council without its leave;
    - 3.3.4.3 that member is an un-rehabilitated insolvent;
    - 3.3.4.4 that member is found to be of unsound mind by a court of law;

- 3.3.4.5 that member is convicted of an offence involving dishonesty or bodily harm and is sentenced to imprisonment without the option of a fine;
  - 3.3.4.6 that member materially breaches the code of ethics of the institution; or
  - 3.3.4.7 on reasonable grounds, the majority of the Council so recommends and the recommendation is accepted by the Minister of Sport, Arts and Culture.
- 3.3.5 The Minister of Sport, Arts and Culture may dissolve the Council on any reasonable grounds.

#### 4. DUTIES, FUNCTIONS AND RESPONSIBILITIES OF THE COUNCIL

##### 4.1 Statutory functions in terms of the provisions of section 8 of the Cultural Institutions Act

- 4.1.1 To formulate policy.
- 4.1.2 To hold, preserve and safeguard all movable and immovable property of whatever kind placed in the care of or loaned or belonging to the SAST.
- 4.1.3 To receive, hold, preserve and safeguard 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.
- 4.1.4 To raise funds for the SAST.
- 4.1.5 To manage and control money received by the SAST and to utilise those monies for defraying expenses in connection with the performance of the SAST's functions.
- 4.1.6 To keep a proper record of the property of the SAST and to submit to the Director-General any returns required by him or her in regard thereto and to cause proper books of account to be kept.
- 4.1.7 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.
- 4.1.8 To generally carry out the objects of the SAST.
- 4.1.9 The Council may determine 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.
- 4.1.10 The Council may appoint such persons as it considers necessary to perform the functions of the SAST.
- 4.1.11 The determination of the remuneration and other conditions of service of persons appointed under section 4.1.10 above must be in accordance with a scheme approved by the Minister of Sport, Arts and Culture in consultation with the Minister of Finance.
- 4.1.12 The Council must no later than one month before the commencement of each financial year, submit a business plan covering the next three years and containing such information as may be prescribed by the Minister of Sport, Arts and Culture for his or her approval.
- 4.1.13 The Council must submit an annual report to the Minister of Sport, Arts and Culture which must contain such information regarding the activities and financial position of the Council as may be prescribed, to be tabled in Parliament by the Minister of Sport, Arts and Culture.
- 4.1.14 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 must brief the relevant committee of Parliament on the annual report.

##### 4.2 Statutory functions in terms of the provisions of Chapter 6 of the Public Finance Management Act

- 4.2.1 The Council must exercise the duty of utmost care and ensure reasonable protection of the assets and records of the SAST.
- 4.2.2 The Council must act with fidelity, honesty, integrity and in the best interests of the SAST in managing the financial affairs of the SAST.
- 4.2.3 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.
- 4.2.4 The Council must seek, within its sphere of influence to prevent any prejudice to the financial interests of the state.
- 4.2.5 The Council members may not act in any way that is inconsistent with the responsibilities assigned to the Council in terms of any legislature.
- 4.2.6 The Council members may not the position of privileges of, or confidential information obtained as a Council member for personal gain or to improperly benefit another person.
- 4.2.7 The Council members must disclose to the Council any direct or indirect personal or private business interest that Council member or any spouse, partner or close family member may have in any matter before the Council and withdraw from the proceedings of the Council when that matter is considered, unless the Council decides that the Council member's direct or indirect interest in the matter is trivial or irrelevant.
- 4.2.8 The Council must ensure that the SAST has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.
- 4.2.9 The Council must ensure that the SAST has and maintains a system of internal audit under the control and direction of an audit committee.
- 4.2.10 The Council must ensure that an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective, is adopted.
- 4.2.11 The Council must ensure that a system for properly evaluating all major capital projects prior to making a final decision on the project.
- 4.2.12 The Council must take effective and appropriate steps to collect all revenue due to the SAST.
- 4.2.13 The Council must take 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.
- 4.2.14 The Council must take effective and appropriate steps to manage available working capital efficiently and economically.
- 4.2.15 The Council is responsible for the management, including the safe-guarding, of the assets and for the management of the revenue, expenditure and liabilities of the SAST.
- 4.2.16 The Council must comply with any tax, levy, duty, pension and audit commitments as required by legislation.
- 4.2.17 The Council must take effective and appropriate disciplinary steps against any employee of the SAST who
  - 4.2.17.1 Contravenes or fails to comply with any provision of law;

- 4.2.17.2 Commits an act which undermines the financial management and internal controls system of the SAST; or
- 4.2.17.3 Makes or permits an irregular expenditure or a fruitless and wasteful expenditure.
- 4.2.18 The Council is responsible for the submission by the SAST of all reports, returns, notices and other information to Parliament or the Department of Sport, Arts and Culture as may be required by the Public Finance Management Act.
- 4.2.19 The Council must promptly inform the National Treasury on any new entity which the SAST intends to establish or in the establishment of which it takes the initiative, and allow the National Treasury a reasonable time to submit its decision prior to the formal establishment thereof.
- 4.2.20 The Council must comply, and ensure compliance by the SAST with the provisions of Public Finance Management Act and any other legislation applicable to the SAST.
- 4.2.21 If the Council 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.
- 4.2.22 The Council must submit 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 for that financial year in the prescribed format; and a corporate plan in the prescribed format covering the affairs of the SAST for the following three financial years (Annual Performance Plan).
- 4.2.23 The Council must submit 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.
- 4.2.24 The Council is responsible for ensuring that expenditure of the SAST is in accordance with the approved budget.
- 4.2.25 The Council must submit 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.
- 4.2.26 Before the SAST concludes any of the following transactions, the Council must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to the Minister of Sport, Arts and Culture for approval of the transaction:
  - 4.2.26.1 Establishment or participation in the establishment of a company;
  - 4.2.26.2 Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
  - 4.2.26.3 Acquisition or disposal of a significant shareholding in a company;
  - 4.2.26.4 Acquisition or disposal of a significant asset;
  - 4.2.26.5 Commencement or cessation of a significant business activity; and
  - 4.2.26.6 A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.
- 4.2.27 The Council must keep full and proper records of the financial affairs of the SAST.
- 4.2.28 The Council must prepare financial statements for each financial year in accordance with generally accepted accounting practice, unless the Accounting Standards Board approves the application of generally recognised accounting practice for the SAST.
- 4.2.29 The Council must submit those financial statements within two months after the end of the financial year to the Auditor-General and the relevant treasury.
- 4.2.30 The Council must submit within five months of the end of a financial year to the relevant treasury and the Minister of Sport, Arts and Culture:
  - 4.2.30.1 An annual report on the activities the SAST during that financial year.
  - 4.2.30.2 The financial statements for that financial year after the statements have been audited; and
  - 4.2.30.3 The report of the Auditor-General on those statements.
- 4.2.31 The Council must submit the annual report and annual financial statements for tabling in Parliament or the provincial legislature, to the Minister of Sport, Arts and Culture.

#### 4.3 Other duties:

- 4.3.1 Act as the focal point for and custodian of corporate governance by managing the relationship with management and stakeholders along sound corporate governance principles.
- 4.3.2 Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
  - 4.3.2.1 Contributing to and approving the strategy;
  - 4.3.2.2 Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management;
  - 4.3.2.3 Identifying key performance and risk areas;
  - 4.3.2.4 Ensuring that the strategy will result in sustainable outcomes; and
  - 4.3.2.5 Considering sustainability as a business opportunity, that guides strategy formulation.
- 4.3.3 Provide effective leadership on an ethical foundation.
- 4.3.4 Ensure that the SAST is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the SAST but also the impact that business operations have on the environment and the society within which it operates.
- 4.3.5 Ensure that the Council's ethics are managed effectively.
- 4.3.6 Ensure that the Council has an effective and independent Audit Committee.
- 4.3.7 Be responsible for the governance of risk.
- 4.3.8 Be responsible for Information Technology (IT) governance.
- 4.3.9 Ensure that there is an effective risk-based Internal Audit.
- 4.3.10 Appreciate that stakeholder perceptions affect the SAST's reputation.
- 4.3.11 Ensure the integrity of the SAST's Annual Integrated Report.

4.3.12 Act in the best interests of the SAST by ensuring that individual Council members:

4.3.12.1 Adhere to legal standards of conduct; and

4.3.12.2 Are permitted to take independent advice in connection with their duties following an agreed procedure.

4.3.13 Commence business rescue proceedings as soon as the SAST is financially distressed.

4.3.14 Appoint and evaluate the performance of the Chief Executive Officer.

4.3.15 The Council should do everything necessary to fulfil its role as stipulated above

#### 4.4 General

4.4.1 The Council shall at all times:

4.4.1.1 Give due consideration to the relevant legal provision and good corporate governance protocols;

4.4.1.2 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; and

4.4.1.3 Consider such other topics and fulfil such other duties as defined by the Minister of Sport, Arts and Culture.

4.4.2 In order to discharge its responsibilities and fulfil its duties the Council will engage in the specific activities in accordance with the Council's approved work plan

### 5. POWERS AND DELEGATION OF POWERS

5.1 In respect of the duties of the Council as set out in section 4 above, the Council will report to the Minister of Sport, Arts and Culture.

5.2 The Council may in writing delegate any of the duties, functions, responsibilities and powers entrusted or delegated to the Council to a sub-committee or an official at the SAST or instruct a sub-committee or an official at the SAST to perform any of the duties assigned to the Council.

5.3 A delegation or instruction to a sub-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.

5.4 The Council may confirm, vary or revoke any decision taken by a sub-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.

5.5 Delegation is formal and involves the following:

5.5.1 Formal charters to be established and approved for each sub-committee of Council, to act as their terms of reference.

5.5.2 The sub-committees' charters are reviewed at least once a year or when necessary.

5.5.3 The sub-committees are appropriately constituted with due regard to the skills required by each committee.

### 6. CULTURE AND INTERPERSONAL DYNAMICS

6.1 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.

6.2 Council members shall treat each other with mutual respect.

6.3 Any form of racism or sexism will not be tolerated.

6.4 Openness and equality between Council members is essential.

6.5 Debates on critical issues are brought to a clear and consensual conclusion.

6.6 Threats and intimidation of any kind will not be tolerated.

### 7. COUNCIL CHAIRPERSON

#### 7.1 Appointment

7.1.1 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.

7.1.2 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.

#### 7.2 Role of the Council Chairperson

7.2.1 To guide Council members to participate as a cohesive and effective team.

7.2.2 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.

7.2.3 To inform members about developments in government policy, priorities and financial reporting.

7.2.4 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.

7.2.5 To represent the Council to external parties as an official spokesperson for the Council, unless otherwise delegated to another Council member.

### 7.3 Council Chairpersons duties related to the media

- 7.3.1 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.
- 7.3.2 The Council Chairperson will inform Council members of any and all interviews granted or comments made to the media.
- 7.3.3 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.

### 7.4 Chairperson's responsibilities and duties within a meeting

- 7.4.1 To preserves order, determine quorum, approve proxies, voting procedures, adjournments and to declare outcomes of voting and resolutions.
- 7.4.2 To monitor the progress of the meeting by ensuring everyone has an opportunity to give his or her opinion, thus facilitating all-around participation.
- 7.4.3 To encourage robust and productive debate and ensure interactive participation by all Council members.
- 7.4.4 To make sure the discussion of the agenda does not drift to irrelevant issues unconnected with the objectives of the meeting.
- 7.4.5 To keep track of the time allocated to participants to avoid stretches in discussions that may lead to long, perennial meetings and at the same time listen attentively to the information discussed in the meeting.
- 7.4.6 To seek the opinion of the Council members on their responses to the meeting and possible recommendations or concerns.
- 7.4.7 To encourage all Council 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.

## 8. MEETINGS

### 8.1 Frequency

- 8.1.1 The Council will meet at least four times a calendar year.
- 8.1.2 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 calendar year.
- 8.1.3 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.

### 8.2 Agenda

- 8.2.1 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.
- 8.2.2 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.
- 8.2.3 Council members must be fully prepared for Council meetings, to provide appropriate and constructive input on matters tabled at meetings.

### 8.3 Minutes and reporting procedures

- 8.3.1 The Company Secretary shall attend and minute all meetings.
- 8.3.2 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.
- 8.3.3 The official minutes shall consist of those duly signed by the Council Chairperson and Company Secretary after approval by the Council members.

### 8.4 Resolutions

- 8.4.1 Decisions of the Council will be made by resolution of the 50% plus 1 of the Council members present at the Council meeting.
- 8.4.2 In the event of an equality of votes on any matter, the Council Chairperson will have an additional casting vote.
- 8.4.3 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.
- 8.4.4 Once a resolution 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 8.4.1, 8.4.2 and 8.4.3 above.

### 8.5 Quorum and postponement

- 8.5.1 A quorum for meetings of the Council shall be 50% plus 1 of the Council members.
- 8.5.2 If the Chairperson of the Council 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.
- 8.5.3 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.
- 8.5.4 If at the time appointed for the postponed meeting to begin, the requirements of section 8.4.1 have not been satisfied, then the member of the Committee present will be deemed to constitute quorum.

### 8.6 Attendance and apologies

- 8.6.1 The Chief Financial Officer and any other senior member of management may be invited to attend Council meetings.
- 8.6.2 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 resolution of

the Council provided that the requirements of section 8.4 and 8.5 of this Charter have been met.

- 8.6.3 The Council and the Chief Executive Officer may in consultation with the Chairperson invite any other relevant person to attend Council meetings.
- 8.6.4 All Council members have an obligation to attend all Council meetings.
- 8.6.5 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.
- 8.6.6 In circumstances beyond the control of the Council member, such as unexpected situations or emergencies, apologies may be accepted via telephone call, sms or text message forwarded to the organiser of the meeting, up to 1 hour prior to the meeting.
- 8.6.7 In the event that no apology is recorded for a meeting, the Council member will be recorded as absent.

## 9. REMUNERATION

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

9.2 The determination criteria for the payment of the honoraria and reimbursement of expenses contemplated in 9.1 above, is subject to the National Treasury's Instructions on cost containment measures as issued from time to time.

## 10. EVALUATION

The Council shall conduct a self-assessment or self-evaluation of its effectiveness on an annual basis. After completing its evaluation, the Council should review the results so that appropriate action can be taken on any recommendations resulting from the review.

## 11. TRAINING

11.1 Council members should receive a complete orientation that allows them to function effectively from the start.

11.2 Opportunities for continuous education and training should be actively pursued by each Council member.

11.3 All Council members will be required to keep up to date with developments affecting the areas of responsibility of the Council.

## 12. GENERAL

12.1 The use of complimentary tickets and house seats for a SAST production is a benefit afforded to Council members, and will be made available to Council members, in the event that there are tickets available for the production requested, from the office of the Chief Executive Officer.



Nijinsky's War  
Kuchenza Afrika Festival



Shaka Zulu

RP41/2022

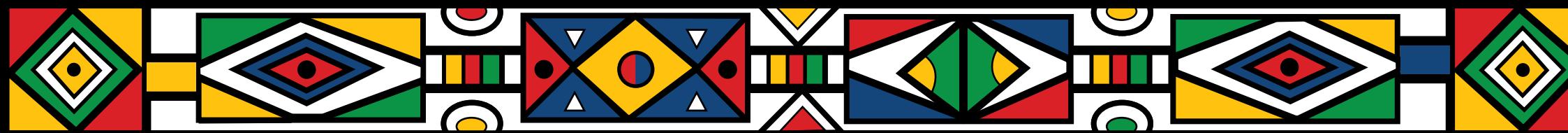
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