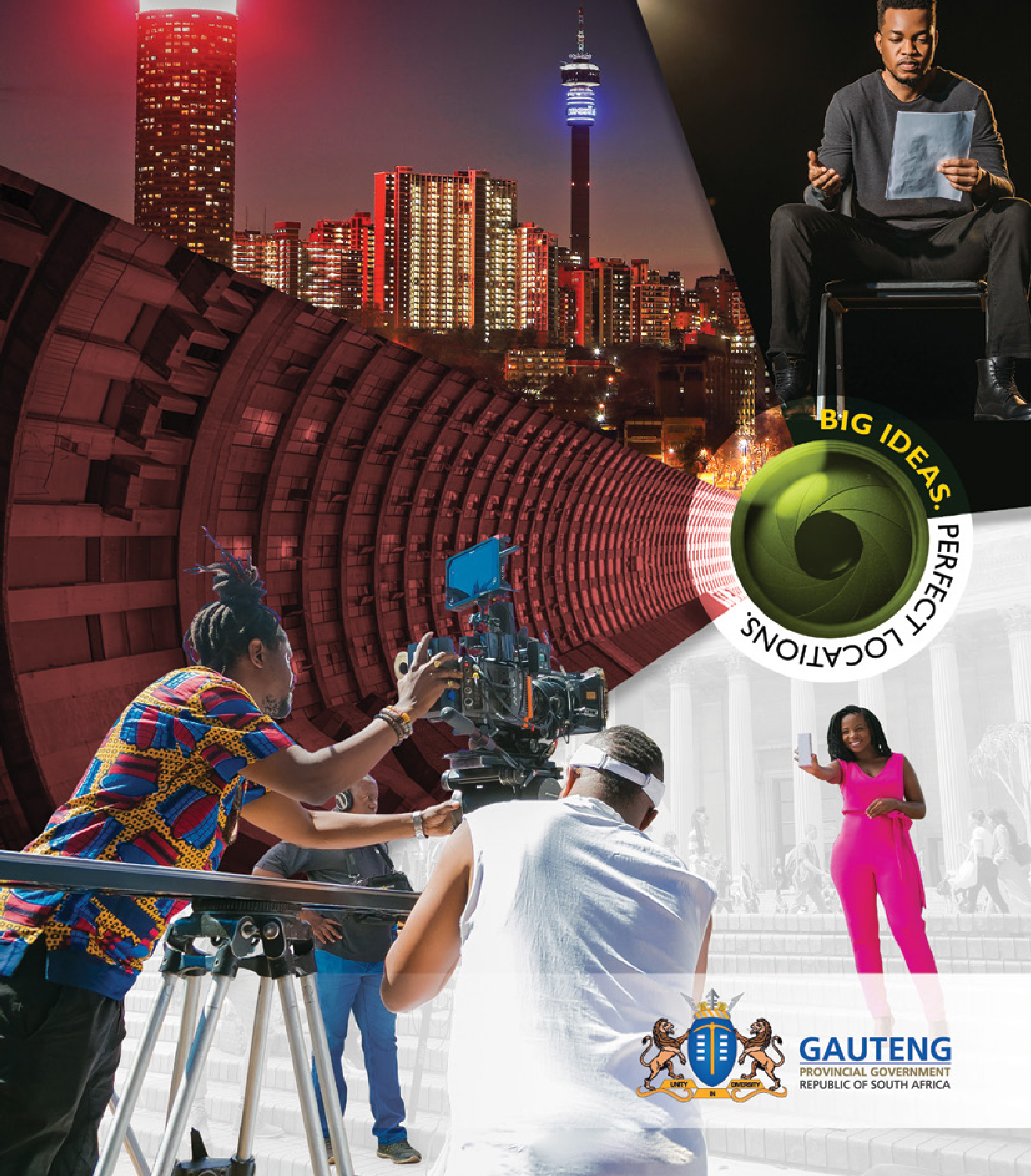
ANNUAL REPORT

2022 | 2023

gfc | GAUTENG FILM COMMISSION SOUTH AFRICA



GAUTENG PROVINCIAL GOVERNMENT REPUBLIC OF SOUTH AFRICA

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PART A

GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:
Gauteng Film Commission (GFC)

REGISTRATION NUMBER:
2001/013031/08

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Marshalltown
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TELEPHONE NUMBER:
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EMAIL ADDRESS:
info@gautengfilm.org.za

WEBSITE ADDRESS:
www.gautengfilm.org.za

EXTERNAL AUDITORS:
Auditor-General of South Africa

BANKERS:
ABSA Bank Limited

COMPANY/BOARD SECRETARY:
CoSec Assist

2. LIST OF ABBREVIATIONS/ACRONYMS

Abbreviation	Full Name
AFS	Annual Financial Statement
AGASA	Associate General Accountant South Africa
APP	Annual Performance Plan
ARCO	Audit and Risk Committee
AVRC	Audio-Visual Resource Centre
B-BBEE	Broad-Based Black Economic Empowerment
CAGR	Compound Annual Growth Rate
CATHSSETA	Culture, Art, Tourism, Hospitality, and Sport Sector Education and Training Authority
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DSACR	Department of Sport, Arts, Culture and Recreation
DTIC	Department of Trade, Industry and Competition
ETV	Entertainment Television
FPB	Film and Publication Board
GCIA	Gauteng Creative Industries Agency
GDE	Gauteng Department of Education
GPG	Gauteng Provincial Government
GTA	Gauteng Tourism Authority
ICT	Information Communication Technology
IDC	Industrial Development Corporation
IGR	Inter-Governmental Relations
ISD	Industry Supporting Development
M&E	Monitoring and Evaluation
MEC	Member of the Executive Council
MICT SETA	Media, Information and Communication Technologies Sector Education and Training Authority
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NFVF	National Film and Video Foundation
PESTEL	Political Economic Social Technological Ecological Legal
PFMA	Public Finance Management Act, Act 1 of 1991
PwC	PricewaterhouseCoopers
REMCO	Remuneration Committee
SABC	South African Broadcasting Corporation
SAC	Small Agency Council
SACR	Sports, Arts, Culture and Recreation

3. FOREWORD BY THE MEC

MS MORAKANE MOSUPYOE

The Gauteng Film Commission was established in 2000 as a statutory body by the Gauteng Provincial Government reporting to the MEC of the Department of Sport, Arts, Culture and Recreation. The commission was created to support and develop the film and television industry within the Gauteng province.

Its establishment was driven by the recognition of the economic and cultural potential of the audiovisual sector in the region. The Gauteng Film Commission's main objectives includes, Attracting Productions, Supporting Local Filmmakers, Infrastructure Development, Economic Impact, Promotion and Marketing, Industry Advocacy, Cultural Promotion, and Networking and Events amongst others.

Deriving its mandate from a variety of legislative prescripts such as the National Development Plan vision 2030, Growing Gauteng Together 2030. and Priority Six of the Medium-Term Strategic Framework (MTSF) 2019 – 2024, and our recently elevated priorities of the provincial government, withs its strategic focus on Township, Informal Settlements and Hostels Communities (TISH). These policy prescripts define an environment in which GFC like the rest of Gauteng government operates, defines its strategic outcomes and delivers its mandate.

From its inception, the GFC focused on promoting Gauteng as an attractive filming destination of choice, highlighting its diverse landscapes, urban environments, and cultural richness. The commission aimed to attract both local and international film productions to the province by offering various incentives and support services.

Throughout its history, the GFC has been committed to nurturing local talent and empowering filmmakers in Gauteng. It provided funding opportunities, training programs, workshops, and other resources to help local filmmakers enhance their skills and develop their projects through programs such as Industry Support and Development (ISD).

The GFC recognized the importance of having adequate infrastructure to facilitate film production. Over the years, we have supported emerging film makes with film making equipment, training, for the production and postproduction services, and helped secure location permits in various Gauteng localities, informed by our Township, Informal Settlements and Hostels Communities (TISH), these will become our focal points going forward.

Basetsena script joint programme with the Department saw over 189 LGBTIQ people trained in script and film production training, in addition 25 beneficiaries were supported with start-up equipment packages estimated at R50 000 each ranging from production and editing; animation; and drones to provide the much-needed support to youth filmmakers, to become well equipped and build sustainable production companies.

> *Over the years, we have supported emerging film makes with film making equipment, training, for the production and postproduction services, and helped secure location permits in various Gauteng localities, informed by our Township, Informal Settlements and Hostels Communities (TISH), these will become our focal points going forward."*

The GFC embarked on a festive campaign entitled "Monate December" from the 1st to the 31st of December 2022. The campaign outlined a new vision for GFC and the Department of Sports Arts Culture and Recreation. This vision focused on several programmes designed for implementation within the TISH areas (Townships, Informal Settlements and Hostels), and towards youth, entertainment and entrepreneurship opportunities within the sector such as animation.

The activities of the GFC have contributed to the economic growth of Gauteng. By attracting film productions, the commission generated jobs, supported local businesses, and brought economic benefits to the region through increased spending on various services over years, we have however experienced a period of decline due to the impact of Covid-19, as noted by the Economic Impact Assessment Study by National Film and Video Foundation, July 2021.

The impact of covid 19 will remain with us for a while, we see slight improvements on the horizons. The loss of revenue and jobs will require well-coordinated approaches from various players to overcome, our provincial elevated priorities which include "economic recovery and acceleration", we thus need to provide our film industry with the much-needed support to achieve this.

I'm pleased with the unqualified audit option received from the AG, Revenue during the year under review grew from R38.7 million to R41,2 million. The GFC also achieved a surplus of R21 927 after a deficit of R814 299 the previous year, I like to thank the chairperson of the Board Ms Mhaga and her board collective, the leadership of our Chief Executive Officer Ms K Lebaka, her executive management team and the general staff for steering the ship, under uncertain and turbulence times as we recover from the impact of Covid-19.

In conclusion, the GFC will endeavour to promote Gauteng as the film destination of choice for South Africa, Africa and the Global community, we will support our emerging and established film makers, with specific focus on women and youth in our province in general and TISH communities in particular, in the pursuit of nation building and social cohesion.

Ms Morakane Mosupyoe
Member of the Executive Council
31 July 2023

4. FOREWORD BY THE CHAIRPERSON OF THE BOARD

MS BUSI MHAGA

Introduction

The 2022/2023 financial year has proven to be one of our better performing years post Covid. We have continued to support the industry through numerous initiatives and by consolidating strategic partnerships, which will augment the financial support provided during 2021/2022. Even as the GFC continues to deal with and manage the nearly irreversible effects brought by COVID-19, the board has been faced with the enormous task of providing stability and structure to achieve the significant targets we had set out at the beginning of the year, most notably the development of solid strategies to provide value to the industry.

Strategic Relationships

Strategic partnerships are paramount in augmenting the resources of the GFC to reach all stakeholders. The GFC has established alliances with industry role players and higher learning institutions such as the University of Witwatersrand (WITS) and Tshwane University of Technology (TUT) to improve on skills related to audience development and research projects. These projects aim to give film students, from these institutions, access to information through collaborative workshops, bursaries and other film-related programmes hosted by key industry players. Other partnerships that have been strengthened include frequent collaborators with groups such as the Multichoice Group, Netflix and Trace TV who have showcased and provided distribution support for GFC funded content.

Challenges Faced by the Board

As articulated in the introduction, the GFC has continued to grapple with obstacles caused by COVID-19 related disruptions to the economy and labour markets. Despite our attempts to stabilize the industry, the pandemic has had far reaching and lasting implications on not just the audio-visual industry, but the world at large as articulated in the 2021 National Film and Video Foundation (NFVF) Economic Impact Assessment Study by BDO and Quantec Analysis. Data contained in the report showed that the film industry's contribution to the South African economy was R2,91 billion during 2020/21, down from R7,18 billion in 2019/20.

Another major challenge faced by the Board has been the process of appointing full time Executives and other positions across the organisational structure, as per the revamped Organisational Design. Our limited budget has necessitated a phased-in approach to the implementation of the new organisational structure.

High Level Overview of the Organisation's Strategy and the Performance in its Respective Sector

The Gauteng Film Commission (GFC) Annual Performance Plan (APP) for the fiscal year 2022/23 is presented, and was developed in accordance with the approved Strategic Plan for the 2020-2025 planning period. The Five-Year Strategic Plan outlines the GFC's mandate, strategic focus, priorities, impact, and outcomes, as approved by the Board as the Entity's Accounting Authority. This APP carries that forward and presents the GFC's outcome aligned outputs, indicators, annual and quarterly targets for 2023/24 in support of the National Development Plan and under the strategic theme of the 6th Administration of the Gauteng provincial government.

In response to the strategic theme, the GFC reflects its mandate as follows:

- To mediate between the interests of government, industry, and society in the Gauteng audio-visual sector,
- To ensure that the audio-visual industry plays a meaningful role in job creation and socio-economic transformation, and
- To be a major contributor to Gauteng's positioning as the hub of Africa's creative and cultural industries.

The Strategic Focus Over the Medium to Long Term Period

The GFC will enhance its capacity to innovate and respond effectively to working in a proactive manner with all stakeholders to ensure a timeous response to emerging challenges. Realising the intent of this strategic plan will require that programmes and interventions be implemented through a much broader collaboration of these stakeholders and partners, especially the private sector and higher education institutions.

The above informs the mandate of the Five-Year Strategy 2020-2025 for the GFC as it will focus on achieving the following medium-term results (outcomes):

1) Enhancing the contribution of Gauteng's audio-visual industry to socio-economic development.
2) Increasing the volume of locally produced audio- visual content.
3) Enhancing the market penetration of Gauteng produced content.
4) Transforming the industry through training, mentorship, and enterprise development.
5) Providing research insights and analytics to support evidence-based policy and decision making.
6) Ensuring sound governance, operational excellence and high-performance.

The Board intends to ensure that the GFC puts in place effective annual performance plans to achieve these outcomes. Management and staff contracts, along with business unit operational plans will be aligned with the set outcomes of the Strategic Plan.

Acknowledgements/Appreciation

The Board of Directors and I would like to thank the MEC, Morakane Mosupyoe for the Department's support in delivering our mandate as an organisation. I would also like to thank my fellow Board members for their input and guidance. The performance and dedication of the GFC staff is appreciated.

Conclusion

In closing, despite the turbulent and unpredictable nature of the industry in recent times, we can take heart from the devotion and resilience the organisation has shown. The inspiration to work and progress diligently has rested on the shoulders of the GFC Board and the staff. As we forge ahead, we need to continue exercising a prudent but pragmatic approach, necessary for a successful and expanding organisation.

Ms Busi Mhaga
Chairperson of the Board
Gauteng Film Commission
31 July 2023

5. CHIEF EXECUTIVE OFFICER'S OVERVIEW

MS KEITUMETSE LEBAKA

The 2022/23 financial year marks exactly 20 years of the Gauteng Film Commission and our efforts to promote the province's film industry. For this year's Annual Report we relay our achievements across varying departments, namely Industry Support and Development (ISD), Marketing and Communications, Information Technology (IT), Human Resources (HR), and Legal and Governance.

Our allocation from the Department of Sport, Arts, Culture and Recreation (DSACR) has again assisted us to fulfil our key mandate of Industry Support and Development (ISD). The Budget allocated for 2022/23 was R41 169 000, an increase of 5% from the previous financial year. Total assets also increased by 70% to R6 390 602 from R3 759 770 the previous year.

An ongoing priority for the GFC is the execution of the Organisational Design (OD). In the year under review, the following new roles were filled by GFC out of the approved vacancies for Phase 1: Human Resources Manager, General Office Assistant, Administrator of Corporate Services, Financial Officer, Marketing and Communications Manager, Board Coordinator, and the CEO's Personal Assistant. Due to budgetary constraints the Board put a moratorium on all employment processes, subject to a budget review. The interdict resulted in the filling of only 17 vacancies during the year under review.

The GFC implemented a largely automated application vetting process utilising a Grant Management System to increase efficiency. The online application process ensured fewer human errors while enhancing the integrity of the system.

The GFC also worked not only to maintain existing partnerships, but to build new ones. This includes partnerships with the Gauteng Tourism Authority, Paramount, KZN Film Commission, Sustainable Tourism Partnership Program, Media Film Service, Moja Love, Trace, MICT SETA, and CATHSSETA. These collaborations helped us achieve our objectives while generating revenue.

It is always encouraging to see GFC-funded initiatives succeed and receive recognition both domestically and abroad. Their achievement also reflects the talent within Gauteng and South Africa. Several GFC-supported movies received nominations and international awards in 2022 including Margarine, Thando and Kedibone. Other projects such as Ngubs: The Life and Times of Menzi Ngubane, Combing Through Heritage, Homecoming: Intsomi Ye Krismesi, Four Walls and Six in the City received mainstream attention, showcasing the quality of content produced by the Gauteng film industry.

GFC launched its TISH (Township, Informal Settlements and Hostels) Mission during the 2022 holiday season in accordance with our core beliefs and the order of the Gauteng Premier and MEC. The idea behind this social cohesion initiative, known as Monate December, was to keep young people active during the typically tumultuous month of December while also identifying societal issues

"I would like to acknowledge the leadership of the previous MEC, Ms. Mbali Hlope, who navigated the ship for most of the year under review, advancing the organisations goals and the implementation of the GFC mandate. We also thank Ms. Morakane Mosupyoe, the current MEC for Gauteng, for continuing the transition and furthering transformation."

that GFC might address. We are eager to coordinate our annual plans to enhance the impact of these and other community interventions.

The GFC received an unqualified audit for the 2022/23 financial year. After several years of difficulty, owing to the Covid-19 pandemic and a tumultuous recovery, the GFC has achieved solid financial footing. Revenue during the year under review grew from R38.7 million to R41,2 million. The GFC also achieved a surplus of R21 927 after a deficit of R814 299 the previous year. SARS has exempted the GFC from paying income tax.

I would like to acknowledge the leadership of the previous MEC, Ms. Mbali Hlope, who navigated the ship for most of the year under review, advancing the organisations goals and the implementation of the GFC mandate. We also thank Ms. Morakane Mosupyoe, the current MEC for Gauteng, for continuing the transition and furthering transformation. We additionally wish to express our appreciation to the Board of Directors for helping us reach our yearly goals and the GFC team for their persistent efforts.

Ms K Lebaka
Chief Executive Officer
Gauteng Film Commission
31 July 2023

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor-General. The annual report is complete, accurate and free from any omissions.

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

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

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

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

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

Yours faithfully,

Ms K Lebaka
Chief Executive Officer
31 July 2023

Ms B Mhaga
Chairperson of the Board
31 July 2023

7. STRATEGIC OVERVIEW

VISION

The GFC has set its vision to be:
'A champion for a transformed, sustainable and dynamic audio-visual industry that celebrates the diverse cultures of the province.'

MISSION

The stated mission of the GFC is:

- To promote regional content and the telling of South African stories
- To develop and support audio-visual content creators and enterprises
- To facilitate and improve the ease of doing audio-visual business in Gauteng
- To promote Gauteng as a preferred audio-visual destination
- To attract investment into the Gauteng audiovisual industry

VALUES

In working towards the achievement of the mandate and vision set out above, the GFC subscribes to these internal values:

Accountability	• Do what we say we will do, then follow through on whether it has been done correctly • Take ownership of the task to ensure it gets done correctly the first time around • Display the right attitude to the task at hand • Deliver the best that we can
Team focus	• Working together to assist each other and to enable all departments to succeed • A focus on cutting-edge, best-in-class and 'outside the box' approaches and solutions
Innovation	• Listen to and understand needs, and create new approaches to what we do • Sharing of knowledge and insights towards a common purpose
Activism	• Use all available opportunities to promote and lobby for desired social and economic change • Strive to participate in all key government activities as an opportunity to lobby for our programmes • Exude positive energy in engaging with others about our desire and plans to move our province forward
Integrity	• Value openness, honesty, consistency and fairness • Act in good faith in all our day-to-day activities • Display humility in our actions • Commit to ethical behaviour and focus on justice and fairness • Exercise care not to disclose confidential information

8. LEGISLATIVE AND OTHER MANDATES

The GFC is a non-profit company (NPC). The strategic goals of the GFC were developed as a response to the mandate of the Department of Sport, Arts, Culture and Recreation (DSACR), the objectives of the National Development Plan (NDP), the revised mandate of the provincial government, as well as key macro and micro-environment challenges and strategic issues of the GFC. Further, given the need to ensure synergy and seamless integration, these high-level strategic objectives are aligned to the DSACR and the 14 provincial MTSF outcomes.

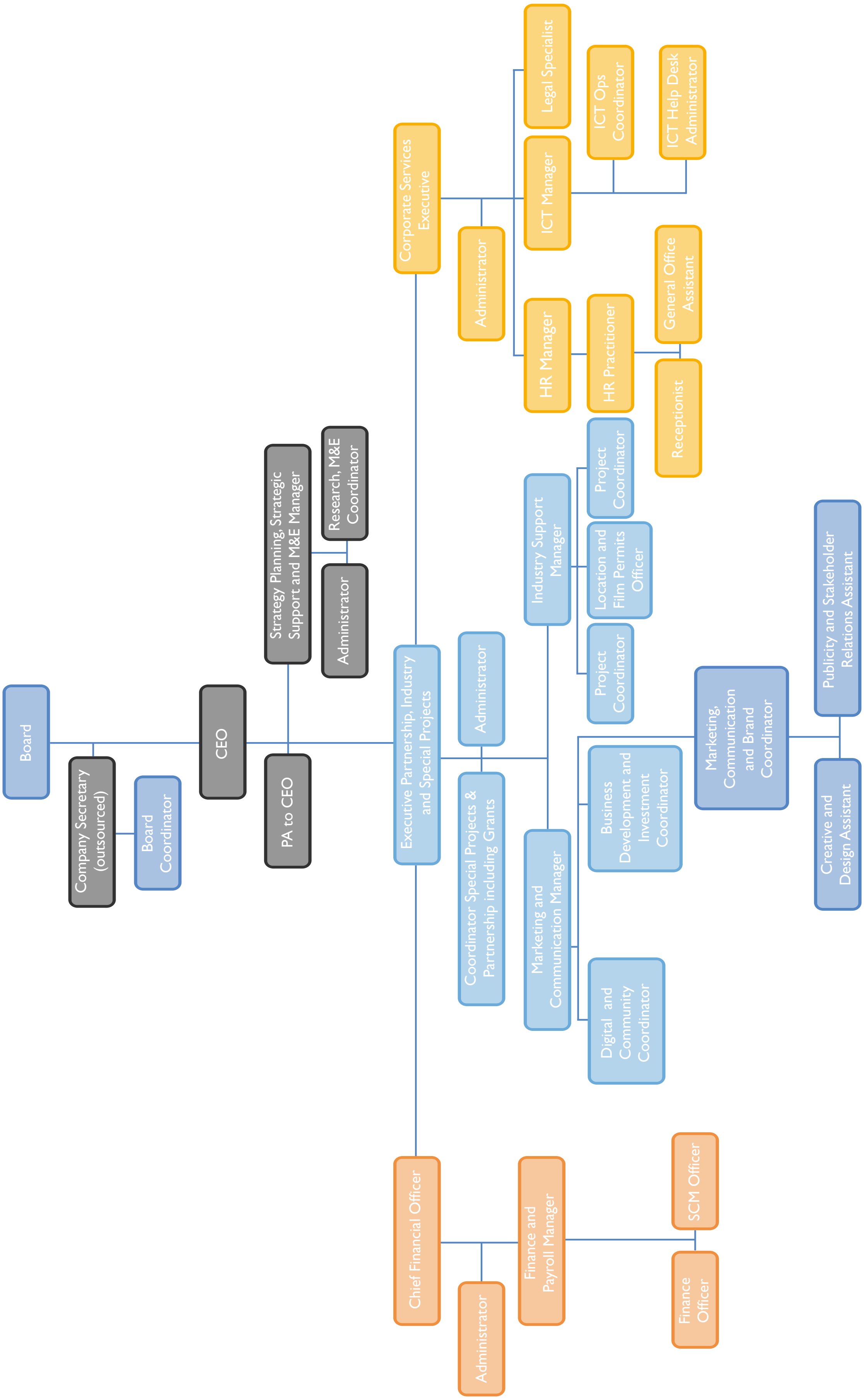
Under the strategic theme of the 6th Administration of the Gauteng Provincial Government: 'Growing Gauteng Together – Our Roadmap to 2030' (GGT2030), and informed by instructing legislation and policy, the GFC mandate is:

To mediate between the interests of the state, industry, and society in the Gauteng audio-visual sector.

Fulfilment of this mandate shall advance the impact of the organisation, defined as follows:

The audio-visual industry is a major contributor to Gauteng's positioning as the hub of Africa's creative and cultural industries, and thereby contributes to job creation and socio-economic transformation.

9. ORGANISATIONAL STRUCTURE



PART B

PERFORMANCE INFORMATION

1. PREDETERMINED OBJECTIVES

As a non-profit company, GFC is not required to prepare a report on its performance against pre-determined objectives, as it does not fall within the ambit of the PFMA and therefore such reporting is not required in terms of the non-profit company's entity specific legislation.

2. OVERVIEW OF PERFORMANCE

2.1. SERVICE DELIVERY ENVIRONMENT

In 2022 the South African film and television industry contributed over R7,18 billion to the economy (GFC Impact Evaluation, 2022), a figure that reflects the rebuilding of the industry following the Covid-19 pandemic. As the sector grows, it becomes a key player in addressing the issue of unemployment. Following the loss of two million jobs during the pandemic the national and provincial government pledged their support to South Africa's film and television sector. This support included financial packages, as well as incentives to promote the film and television industry, attract foreign-based film productions, and encourage the production of locally blended content.

To a large degree, Covid-19 and its after effects have accelerated trends in the media industry with businesses creating new opportunities aimed at delivering entertainment and media to a wider audience. Digital platforms, gaming and television have all expanded their reach, building a more immersive experience following the closure of many physical spaces. This accelerated change has fuelled growth in the following areas:

- SVOD (Subscription Video on Demand)
- Gaming and Animation Sectors
- Virtual and Simulated Reality Environments

These growth sectors are further supported in Gauteng by the GFC: Annual Performance Plan 2022/23, which includes:

- Support for the development of local content, including digital content,
- Content development for streaming and pay-per-view platforms, and
- Collaborations established between audio-visual businesses.

The GFC will continue its mission of promoting South African stories through content production and distribution. Global revenue for the industry is expected to grow by 2,2% per year (CAGR), allowing consumers and audiences to choose content from highly competitive markets. This creates immeasurable opportunity for South Africa's progressive film and television industry.

2.2. ORGANISATIONAL ENVIRONMENT

The Organisational Redesign (OD) project was completed and consultations with all relevant stakeholders successfully concluded by March 2022. The new Organisational Structure was approved on condition that it would be implemented in a three-phased approach. Phase 1, which entailed 26 positions that needed to be capacitated, was implemented partially during the year under review. However, the process was paused due to a moratorium on recruitment imposed by the Board during the 3rd quarter of the year. HR Policies were also reviewed and some revised, alongside the OD project, and await approval by the Board. The process of recruiting for a 5-year fixed-term contract Chief Executive Officer was also concluded in June 2022, and the appointment commenced on 1 July 2022.

2.3. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The draft White Paper on the Audio and Audio-Visual Content Services Policy Framework aims to create a new policy environment in which the audio-visual sector can grow by:

- Ensuring access to broadcasting services by all citizens, including people with disabilities,
- Creating certainty and stability by improving regulatory capacity,
- Facilitating competition and allowing access to markets, and
- Strengthening the public broadcaster.

Creative sectors are important in their own right and have often propelled positive social impact. If well nurtured and developed, the audio-visual industry can make a massive contribution to the general welfare of humanity. As such, Governments across the world are actively embracing instruments to build competitiveness in these industries. In South Africa, the Cultural and Creative Industries (CCI) Master Plan focuses on:

- Visual arts and Crafts: Inclusive of fine arts
- Photography and Crafts
- Audio-Visual and Interactive Media: Inclusive of film, video, radio, television and live streaming
- Internet Podcasting
- Video Games (online)
- Design and Creative Services: Inclusive of fashion design, graphic design and interior design
- Performance and Celebration: Inclusive of performing arts, music, festivals, fairs and feasts
- Press and Other Information: Inclusive of books, newspapers and magazines

The GFC welcomes the proposed policy and Master Plan and looks forward to their implementation, in particular the guidelines and opportunities relevant to spectrum allocations that will benefit content creators.

2.4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The following tables summarise the GFC's progress towards the achievement of institutional impacts and outcomes set out in the Five-Year Strategic Plan and 2022/23 APP, and in alignment with Gauteng provincial priorities (GGT2030).

OUTCOME 1: ENHANCED CONTRIBUTION OF GAUTENG'S AUDIO-VISUAL INDUSTRY TO SOCIO-ECONOMIC DEVELOPMENT	
Contribution to Gauteng provincial priorities (GGT2030)	**Key interventions and outputs of the annual performance plans during the year in review**
Priority 1: Economy, jobs, and infrastructure • Prioritised creative industries as a strategic growth area • Supported programmes aimed at creating long-term employment through projects • Finalised and implemented the revised provincial creative industries strategy • Supported launch of the Film Friendly Gauteng Campaign, which enjoys support from industry suppliers, service providers and the industry as a whole • Developed strategic relationships between public and private sector stakeholders	• Facilitated 458 permits utilised for variety of projects such as commercials, documentaries, TV content, videos and films across Gauteng City Region, at an estimated production value of over R550 million for the broader sector • Played a developmental role for emerging and intermediary filmmakers, as well as a facilitative role for established filmmakers by supporting a total of 37 productions • Increased the number of local and international productions produced in Gauteng by facilitating ease of doing business through seven (7) strategic partnerships • Developed a partnership and funding strategy that focuses on engaging and establishing relationships with industry and investor role players

OUTCOME 2: INCREASED SUPPORT FOR REGIONAL CONTENT AND THE TELLING OF SOUTH AFRICAN STORIES	
Contribution to Gauteng provincial priorities (GGT2030)	**Key interventions and outputs of the annual performance plans during the year in review**
Priority 3: Safety, social cohesion, and food security • Supported and developed content that profiles South African and regional stories and values • Increased interaction across space, race and class • Considered women, youth, and people with disabilities in all activities	• Provided eight (8) script development programmes and research support interventions to emerging filmmakers • Awarded 25 emerging filmmakers with start up equipment to enable them to create content, whilst seeking funding • Played a developmental role for emerging and intermediary filmmakers, as well as a facilitative role for established filmmakers • GFC content and production support programmes emphasised the youth, with a targeted focus on women and people with disabilities as well as the LBGTI community • GFC partnered with DSACR to train 389 Basetsana and LGBTI in scriptwriting & directing for filmmaking and theatre performance.

OUTCOME 3: ENHANCED MARKET PENETRATION OF GAUTENG-PRODUCED CONTENT	
Contribution to Gauteng provincial priorities (GGT2030)	**Key interventions and outputs of the annual performance plans during the year in review**
Priority 1: Economy, jobs and infrastructure • Exported Gauteng-created content to global and regional markets • Expanded in new and traditional creative industry markets	• Funded and supported projects that created 926 jobs in the sector • Created sustained exposure to all stakeholder groups with film materials and publicity • Delivered effective marketing support for GFC content cinema releases and additional release platforms • Supported eight (8) online digital content outputs for streaming platforms • Focused on a local and international marketing and festival strategy • Supported 27 audience development interventions

OUTCOME 4: INDUSTRY TRANSFORMED THROUGH TRAINING, MENTORSHIP AND ENTERPRISE DEVELOPMENT	
Contribution to Gauteng provincial priorities (GGT2030)	**Key interventions and outputs of the annual performance plans during the year in review**
Priority 1: Economy, jobs and infrastructure • Growing and nurturing emerging filmmakers to become financially sustainable by owning effective and profitable enterprises **Priority 2: Education, skills revolution and health** • Contributed to effective talent development programmes for emerging filmmakers • Implemented mentorship/incubator programmes • Training and bursaries for motion picture production • Entrepreneurship training programmes • Set up post-production and research facilities in libraries and monuments	• Support film as a career and through master classes • Training and development of emerging content creators through partnerships with accredited training providers, towards sustainability and participation in the industry • Supported 122 emerging filmmakers through mentorship programmes • Planned to establish AV resource centres in monuments in partnership with DSACR
Key enablers to support delivery of the outcome	• Partnered with the MICT SETA for the creation of a fund for internships, mentoring and skills development benefitting 20 candidates

3. HIGHLIGHTS FOR THE YEAR UNDER REVIEW

The GFC wishes to highlight the following achievements during the 2022/23 financial year, in support of its mandate to develop Gauteng's film industry.

EQUIPMENT HANDOVER

The GFC delivered filming equipment to 25 small enterprise beneficiaries. The handover supports emerging businesses in the audio-visual industry, providing them access to equipment that would otherwise be unattainable. The aim is to support inclusive industry development.

Museum Africa in Newtown

Equipment is handed over to young creatives and filmmakers at the Museum Africa in Newtown, August 2022

3. HIGHLIGHTS FOR THE YEAR UNDER REVIEW

Orange Farm

Equipment is handed over to youth in Orange Farm, December 2022

LOCATIONS AFRICA CONFERENCE

The Conference set out to position Africa as a top destination for film makers looking to shoot on location. GFC hosted a panel discussion during the event. The speakers highlighted the advantages and richness of the Gauteng province as a world-class industry hub, showcasing its infrastructure, talent, and creative industries as significant drivers of economic growth.

Speakers at the Locations Africa Panel Discussion, October 2022

3. HIGHLIGHTS FOR THE YEAR UNDER REVIEW

THE GFC INAUGURAL LECTURE 2022

The GFC hosted an inaugural lecture led by our very own veteran G-Force member, Mr. Sello Maake Ka Ncube at the Tshwane University of Technology (TUT). The lecture addressed the state of South Africa's film and television industry and the ways to inspire industry growth and development.

Industry veteran Mr Sello Maake Ka Ncube delivers the GFC Inaugural Lecture at TUT, June 2022

TUT ANNUAL FILM AWARDS

GFC participated in the 2022 TUT Annual Film Awards, donating a voucher for filming equipment. The annual event highlights top achievers in the TUT Department of Drama and Film.

Awards for the Best Academic Achievement and Best Essay Film at the 2022 TUT Film Awards

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1. PROGRAMME 1: INDUSTRY SUPPORT AND DEVELOPMENT (ISD)

The aim of the Industry Support and Development (ISD) Unit is to advance the audio-visual industry in Gauteng by creating an enabling environment. This includes support across the entire film value chain, which ranges from pre-production (conceptualisation, research and script development) to production (principal photography), post-production (visual and sound editing) and distribution.

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

The strategic objectives of the ISD Programme are to:

- Deliver film commission services,
- Support audio-visual industry initiatives with an emphasis on the entire value-chain, and
- Support initiatives aimed at skills development and mentorship, focusing on the previously marginalised.

PRODUCTIONS SUPPORTED

Documentaries and Short Films

The GFC supported the following documentaries and short films during the year under review:

- *Born Different:* A 30-minute short documentary about a young woman living with Tetra Amelia, an extremely rare disorder characterised by the absence of all four limbs. It speaks of essential concepts including the targeting of women and people with disabilities.
- *Labelled:* A 24-minute South African documentary that focuses on the life story of a young man struggling with Body Dysmorphic Disorder (BDD) and body image issues.
- *Sekwanele:* An educational two-part documentary that seeks to influence the adoption of a strategy that merges a conflict transformation and violence prevention approach to address Gender Based Violence.

GFC also supported documentaries which tell the evolution of lifestyles due to socio-economic and political change. These were heritage and historic productions to commemorate and immortalise culture and tradition. Project supported include:

- *Mamelodi:* A timeline of heroes by Still Rolling (Pty) Ltd - Aubrey Mogase takes us on a journey in Mamelodi, a township northeast of Pretoria, Gauteng, where we experience and document his township's rich history, art, culture, sport, and a celebration of local heroes.
- *Weapon of Struggle:* Art against Apartheid by Fertile Ground Films - A story of artists, underground resistance fighters, and 'apartheid assassins', this film is about the birth of a movement to mobilise culture as a tool of liberation.

Emerging Talents

GFC recognised and supported eight (8) emerging talents in the audio-visual industry. Among these were the following projects:

- *Mbokodo:* Addresses issues of child abuse, molestation, and other forms of sexual violence on both the girl and boy child.
- *The B Team:* A drama comedy series that explores a young girl's change in socio-economic status while adjusting to a new life. The drama deals with South Africa's race issues, the perpetual pink elephant in the room, both head-on and in a humorous way.
- *Entabeni:* A film detailing the struggles faced by a young boy who is about to transition to manhood through the Xhosa cultural custom, uKwaluka.

Feature Films Supported

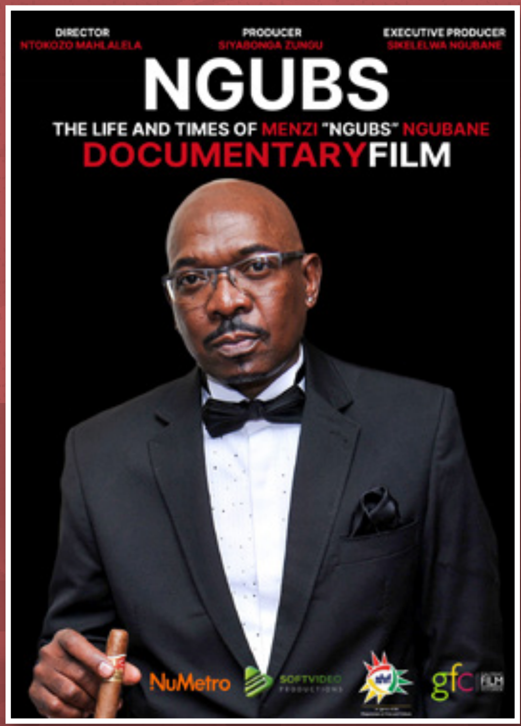
The GFC supported the following feature films during the year under review:

- *Aluta:* A film about two brothers born and raised under the jackboot of apartheid. They take up the armed struggle by joining "Umkhonto We Sizwe" only to discover years later that their differing value system threatens not only what's left of their fragile family but also the well-being of the very country they both fought to liberate.
- *My Oyibo Queen:* A romantic feature drama that deals with interracial stereotypes and associated relationship challenges. The film promotes social cohesion by telling a story that resonates with African filmgoers.
- *The Adventures of Botshelo - The Movie:* An animated movie adapted from a book series that follows the life of a young woman from Tembisa, using 2-D and 3-D techniques.

Digital Content

The GFC supported the following digital content productions during the year under review:

- *The uMlando Story by Soon Agency (Pty) Ltd:* This 24-minute documentary is a story of South Africa's rich history of dance, music and youth culture. The uMlando Story explores the journey of Pholoso Masobuka (aka 'TOSS'), his breakthrough on social media with the song 'uMlando', produced by Mdovaar & 9umber, and the impact this had on his life.
- *In My Skin:* Amandla Studios (Pty) Ltd - A production celebrating the uncelebrated skin by bringing about a conversation and a spotlight to different skin groups. The film brings awareness about colourism and skin discrimination.
- *Where Did I go Wrong:* The Internet Studio (Pty) Ltd - Explores the story behind pioneering Soweto born R&B artist Tsakani TK Mhinga. In a career spanning six (6) short years before her untimely death, TK released three (3) albums, won four (4) awards, and birthed an international sound synonymous with today's music.



Content for Television

The GFC supported the following content for television during the year under review:

- *Ngubs: The Life and Times of Menzi Ngubane:* A 90-minute feature documentary film about the life, times and works of Menzi Ngubane. It honours and recognises the contribution of infotainers to South African culture through telling their stories. The film plans to partner with Cinema, SABC, and the VOD platform on release.
- *The Land is Ours:* A mini-series project that centres around the life stories of black South African lawyers who qualified during an era of aggressive colonial conquest to attain justice for oppressed African people. Based on the book, 'The Land is Ours', by Advocate Thembeka Ngcukaitobi.
- *Ride Against the Grain:* A 24-minute documentary about the sport of cycling and the Soweto Cycling Foundation. The film highlights the positive benefits of sport including improved physical and mental health, reduced levels of delinquency, and heightened self-esteem.
- *The Ultimate Book Show:* A South African film series that launched at the Edinburgh International Book Festival. The Show seeks to develop a love for words, reading, books, and an interest in writing and literature experimentation.
- *MAP BLITZ S1:* A riveting and educational Family Game Show that travels Africa, facilitating learning in an interactive and fun environment.

Audience Development

The GFC undertook the following efforts towards audience development during the year under review:

- *Youth with Disability Audio-Visual Campaign:* The audio-visual campaign for people with disabilities promotes the development of a policy within every community to secure a distinctive presence for people with disabilities. The aim is to provide a platform through which People with Disabilities can express their own cultural identity through film and television.
- *Fak'ugesi 2022:* The Fak'ugesi African Digital Innovation Festival is an annual culture and technology festival rooted in platforming and the development of skills in technology, art, and culture across Africa.
- *Monate December Festive Screenings:* The GFC embarked on a festive campaign entitled "Monate December" from the 1st to the 31st of December 2022. The campaign outlined a new vision for GFC and the Department of Sports Arts Culture and Recreation (DSACR), which focuses on programme implementation in TISH areas (Townships, Informal Settlements and Hostels), emphasising youth and youth entrepreneurship.
- *Youth & Audience Development Program:* The two-day Youth & Audience Development Programme includes a series of skills development and empowerment workshops and masterclasses for film enthusiasts, providing access to the filmmaking process and its different disciplines.

Table 2.4.4.1 - Annual summary against original APP targets 2022/23

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	***Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
1.Enhanced contribution of Gauteng's audio-visual industry to socio-economic development	Gauteng's location advantage optimised	Number of municipalities assisted through IGR to formalise film locations and permits processes	3	4	4	5	6	1	Overachievement due to opportunities for additional local entities to be assisted
		Number of permits and locations facilitated with municipalities	100%	378	551	500	458	(42)	Underachievement due to shortfall in Q3
2. Increased support for regional content and the telling of South African stories	Script development and research support	Number of script development projects supported	8	9	8	8	8	0	Not applicable
	Audio-visual content productions supported	Number of documentaries and short films supported	20	6	6	6	6	0	Not applicable
		Number of feature films supported	0	4	3	3	3	0	Not applicable
		Number of emerging filmmaker productions supported	0	8	8	8	8	0	Not applicable
		Number of content for television productions supported	0	8	8	8	8	0	Not applicable
		Number of jobs created through projects supported	711	1 023	846	800	926	126	Additional jobs were created as a result of the volume of projects supported
		Number of Heritage and Historic productions supported	0	-	4	4	4	0	Not applicable

Table 2.4.4.1 - Annual summary against original APP targets 2022/23 – continued

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	**Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
3. Enhanced market penetration of Gauteng produced content	Enhanced market penetration of Gauteng produced content	Number of broadcast and digital content productions supported for streaming / pay-per-view platforms	12	20	19	8	8	0	Not applicable
	Enhanced audience development and awareness of local content	Number of audience development initiatives supported	14	20	19	18	27	9	Overachievement was due to challenges experienced in Q3 and an opportunity to implement regional Monate December initiatives
		Number of individuals reached/views through audience development projects	10 000	81 762	4 370	18 000	4 272	(13 728)	Underachievement due to fewer attendees at supported physical events. In future, more online screenings and joint stakeholder mobilisation initiatives will be supported.

Table 2.4.4.1 - Annual summary against original APP targets 2022/23 – continued

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	***Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
4. Industry transformed through training, mentorship and enterprise development	Film as a career and master classes	Number of non-accredited training projects supported	New indicator	11	9	10	10	0	Not applicable
		Number of individuals trained through non-accredited programmes	450	7 647	282	410	411	1	Overachievement due to projects that obtained adequate attendance of training initiatives
		Number of graduate interns supported in partnership with MICT SETA for 12-months on the job training	0	0	30	23	20	(3)	Underachievement due to shortfall in bursaries supported by SETA
	Emerging content creators supported towards sustainability and participation in the industry, through partnerships	Number of accredited training projects supported	0	5	5	5	5	0	Not applicable
		Number of individuals trained through accredited programmes	0	207	89	175	197	22	Overachievement due to projects that obtained adequate attendance of training initiatives

Table 2.4.4.1 - Annual summary against original APP targets 2022/23 – continued

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	**Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
4. Industry transformed through training, mentorship and enterprise development	Emerging content creators supported towards sustainability and participation in the industry, through partnerships	Number of Women and LBGTIQ content development initiatives supported (script and production)	0	New indicator	400	255	389	134	Overachievement due to higher attendance from regional representation. No additional resources were provided by GFC. SACR partnership augmented overall implementation budget.
	Emerging Film Production Mentorship Programme	Number of emerging filmmakers mentored	0	8	8	25	122	97	Overachievement due to higher attendance for mentorship programmes, approved in Q2
		Number of emerging enterprises supported	24	33	25	25	25	0	Not applicable

Table 2.4.4.2 - Linking performance with budgets

Industry Support and Development – PROGRAMME 1						
	2022/23			2021/22		
	Final appropriation R	Actual expenditure R	(Over)/under expenditure R	Final appropriation R	Actual expenditure R	(Over)/under expenditure R
Audio-visual Production	3 691 526	3 185 100	506 426	3 020 000	3 155 500	(135 500)
Audience Development	2 000 000	1 306 034	693 966	2 340 000	2 759 929	(419 929)
Digital Streaming Content	800 000	19 355	780 645	800 000	766 000	34 000
Post-Production and Research Hub	85 000	305 657	(220 657)	80 000	274 543	(194 543)
Skills Development	1 100 000	1 962 902	(862 902)	1 450 000	1 621 479	(171 479)
Content for Television	2 000 000	2 231 000	(231 000)	1 260 000	1 540 000	(280 000)
Script Development	940 000	756 340	183 660	896 137	773 000	123 137
Enterprise Development	1 250 000	1 113 428	136 572	1 250 000	1 260 000	(10 000)
Location and Permits	63 474	-	63 474	63 474	25 000	38 474
MICSETA	1 806 000	1 430 916	375 084	4 306 567	3 548 921	757 646
Heritage and Historical	-	450 000	(450 000)	600 000	265 700	334 300
Women and LGBTIQ	-	120 000	(120 000)	504 400	184 680	319 720
Total Industry Support and Development	**13 736 000**	**12 880 732**	**855 268**	**16 570 578**	**16 174 752**	**(1 015 840)**

4.2. PROGRAMME 2: MARKETING & COMMUNICATIONS

The Marketing and Communications Unit delivers integrated marketing and communication interventions to the organisations' internal and external stakeholders.

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

The strategic objectives under the Marketing and Communications Programme are to:

- Position Gauteng as an audio-visual content hub and enhance the GFC brand locally and internationally,
- Promote Gauteng as a film destination of choice, and
- Build strategic collaborations with key industry stakeholders.

FILM AWARDS

Stokvel Awards

The Creative Industries Marketing Stokvel (CIMS) connects and supports independent arts producers to build and sustain audiences through a stokvel system that gives them access to space, marketing support and a communal ticket sales strategy. The CIMS was established by the Emfuleni Film Screening Stokvel, a project that involves six (6) independent film producers. On 25 March 2023, the Creative Industries Marketing Stokvel (CIMS) hosted their first ever Stokvel Awards.

The South African Creativity Artistic Awards

GFC sponsored the South African Creativity Artistic Awards which took place on the 31st of March 2023. The Awards showcased South Africa's theatre and television industry, brought recognition and a celebration of achievements in the arts, and honoured industry legends.

Film Festivals

The GFC supported the following film festivals within South Africa:

Festival/Event	Description
Kasi Outdoor Cinema	The Kasi Outdoor Cinema develops audiences at high school level to build an interest in filmmaking and in the business of film. The partner, Outdoor Movie Nights, specialises in movies/documentary screenings, the Soweto Drive-In Cinema and Street Food Cinema Picnics.
Locations Africa	The Locations Africa Conference showcases the silent character in film, 'the location', and its relation to the audience. The Conference exhibits locations from across Africa to location scouts and location management teams.
Thokoza Film Festival	The annual Thokoza Film Festival introduces audiences to diverse films from around the world. The Festival includes panel discussions, guest speakers, film production and screenwriting workshops, and networking events.
Digitised Annual Ekurhuleni Township Film Festival 2022	The festival focuses on connecting with, inspiring, and developing an audience for emerging township filmmakers. It provides film screenings, including education film opportunities, through both online workshops and in-person events.

Outbound Missions

The GFC supported the following outbound trade missions during the year under review:

Festival/Event	Description
Durban International Film Festival and Durban Film Mart	In 2022, GFC participated in the 13th edition of Africa's premier film finance and co-production market under the theme Revolution/Evolution: Changing the Narrative. The event focused on the industry's evolution, the game changers working to bring inclusivity and access, and new spaces driving content creation. GFC participated in a panel discussion, stakeholder engagement, exhibition, talent workshops and screening.

Festival/Event	Description
Toronto International Film Festival	The GFC participated in the 47th Toronto International Film Festival (TIFF), in September 2022. The Festival included 11 days of international and Canadian cinema, special events featuring some of the biggest names in film, and TIFF's Industry Conference, offering diverse and innovative perspectives on the art and business of film. Projects showcased at the festival include the TIFF Bell Lightbox, which features five cinemas, learning and entertainment facilities, and an innovative national distribution program Film Circuit.

Festival and Markets Attendance

The GFC also attended the following festivals and markets in the year under review:

Festival/event	Description
IDF Academy	The Institut Dokumentartiho Filmu (IDF) Academy took place in Amsterdam from 10 to 13 November 2023. The Academy was open to directors and producers making their first or second film, who have proven their talent on a national scale and would like to expand their career internationally. The GFC supported film 'A Girl and a Gun' was one of the projects that took part in the event.
Nelson Mandela's Favourite African Folktales	The project is a film adaptation from the book Nelson Mandela's Favourite African Folktales. The book won the NAACP Image Award and was distributed worldwide.

Marketing and Distribution

The GFC supported marketing and distribution for the following films during the year under review:

Project	Description
Lobola, A Bride's True Price?	Lobola, A Bride's True Price? is a 96-min feature-length documentary which unpacks the transactional, patriarchal and heteronormative elements of the cultural concept "lobola".
George Bizos Icon	'George Bizos Icon' is a classic documentary film, narrating a life lived in courage, justice, and integrity. George Bizos gave expression to these values in his long career as a human rights lawyer, defending those who fought for freedom in South Africa or seeking justice for victims and their families.
Otso and Noni	'Otso and Noni Talk Media' is a charismatic, weekly magazine show featuring two outspoken ladies who review African media content. The show's numbers have drastically picked up after season two.
The Rush	'The Rush' was created in partnership between South Africa's RHP and Canadian Oscar award winning production company, Eagle Vision Films. The show is set in 1886 and tells the story of the early days of the Johannesburg gold rush through the perspectives of five (5) minority characters who must band together in order to stay alive and potentially strike it rich. With support from the GFC, the show was launched at BANFF World Media Festival in Canada.
Zuluboy's 10%	'Zuluboy's 10%' is an 84-minute film about a gunman turned security guard who struggles to raise US $150 000 to send his fiancée Ntombi for specialist medical treatment in Russia. An opportunity to raise the money and get his 10% presents itself when a heartless businessman he used to work for makes a change of plans.
Lolo	'Lolo' is a children's animated series comprising 26 11-minute episodes. The show follows the day-to-day adventures of Lolo Modise, a tenacious 8-year-old black girl from Soweto who takes charge of her own life and learns lessons along the way.
Women Who Murdered Their Husbands	The project is inspired by Jodi Bieber's photograph exhibition titled 'Women Who Murdered Their Husbands' which was shot in 2005 at the female section of the Johannesburg Prison. The exhibition is part of a larger body of work by Jodi on domestic violence. The project has debuted globally, including in New York, and in South Africa at the Wits Art Museum and the South African National Gallery.
Omowale	'Omowale' is an 18-minute film about a young Nigerian man who loses everything after a xenophobic attack. Despite the near-death experience, he decides to confront the mob. The film excitingly unpacks the realities of the human experience when faced with xenophobia in a country that is not your own.
Six In the City - Meet the Gang	'Six In the City - Meet the Gang' is about a man who is robbed of almost everything he owns and his 'brothers' become all that he needs to get his life back together. Little do they know that their rescue mission will lead to a road trip they will never forget.
The Honeymoon	'The Honeymoon' is about three 30-something best friends whose characters individually bring to screen friendships and experiences that the audience can identify with across race, ethnicity, age and stereotypes.

Table 2.4.4.2 - Annual summary against the adjusted APP targets 2022/23

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	**Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
3. Enhanced market penetration of Gauteng produced content	Enhanced marketing and distribution of Gauteng content	Number of film summit/awards supported	4	5	1	1	2	1	Overachievement due to opportunity to support smaller regional awards due to postponement of the GFC Summit
		Number of signature festivals supported	0	10	2	3	3	0	Not applicable
		Number of signature festivals supported	14	14	7	10	10	0	Not applicable
		Number of outbound trade missions	0	No set target	No set target	1	2	1	Overachievement due to opportunity to attend the Toronto International Film Festival

Table 4.2.2. - Linking performance with budgets

MARKETING AND COMMUNICATIONS – PROGRAMME 2						
	2022/23			2021/22		
	Final appropriation R	Actual expenditure R	(Over)/under expenditure R	Final appropriation R	Actual expenditure R	(Over)/under expenditure R
Annual Report	150 000	149 390	610	150 000	126 350	23 650
Summit and Film Awards	760 000	1 392 593	(632 593)	355 000	406 000	(51 000)
Website Maintenance	-	-	-	175 000	184 951	(9 951)
Location Gallery Updates	-	-	-	11 000	-	11 000
Digital and Social Media	200 000	166 168	33 832	15 000	6 291	8 709
Outbound Mission	400 000	149 262	250 738	-	-	-
Communication Strategy	400 000	427 350	(27 350)	1 842 000	1 831 393	10 607
Marketing Support of Film Production	970 000	1 220 000	(250 000)	1 350 000	1 341 013	8 987
Film Festivals and Markets	670 000	838 200	(168 200)	16 000	-	16 000
Advertising Placements	-	-	-	300 000	397 800	(97 800)
Film City	400 000	-	400 000	-	-	-
Total	**3 950 000**	**4 342 963**	**(392 963)**	**4 214 000**	**4 293 798**	**(79 798)**

4.3 PROGRAMME 3: SUPPORT & ADMINISTRATION

The aim of the Administration and Support Services Unit is to provide strategic support to the GFC. The five (5) support sub-programmes are:

1. Office of the CEO (strategic planning and reporting, monitoring and evaluation, and research)
2. Financial management services
3. Human capital management services
4. Legal and governance services
5. Information communication technology services

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

The strategic objective for the Support and Administration Programme is to:

- Develop and implement performance excellence systems and processes that will ensure the GFC adheres to good corporate governance.

Outputs

The GFC compiled an Impact Study and Stakeholder Strategy during the 2022/23 financial year to support execution of the organisations mandate. The Impact Study evaluates the impact of the GFC, considering the many investments made by the GFC to the film and television industry. The study uses both qualitative and quantitative methods to identify existing needs, opportunity and areas of growth, and to establish the impact of the GFC's intervention strategies.

The Stakeholder Strategy was developed to bridge the gap between the film and television industry and business sectors. It also seeks avenues for strategic partnerships to raise additional funding for industry programmes, such as skills development, distribution platforms and improving the ease of doing business in Gauteng. The Strategy culminated in an industry engagement session hosted by former MEC Mbali Hlophe and attended by the IDC, SABC, MICT SETA, the dtic and the Gauteng Tourism Authority to discuss with filmmakers how they can be equipped for the global content economy.

OUTCOME 5: RESEARCH INSIGHTS AND ANALYTICS TO SUPPORT EVIDENCE-BASED POLICY AND DECISION MAKING	
Contribution to MTSF 2019-2024	**Contribution to Gauteng provincial priorities (GGT2030)**
Priority 2: Economic transformation and job creation • A well-researched, regulated and funded SAC sector	**Priority 1: Economy, jobs and infrastructure** • Sound research that informs evidence-based policy and decision-making
Key interventions and outputs of the annual performance plans in the year under review	• A centralised research intelligence hub for the industry • M&E reports assessing the impact of the entity's programmes to inform future strategies • Research to champion digital transformation in the audio-visual space
Considerations in relation to women, youth and people with disabilities	• Recruitment policy and process factored in women and youth
Key enablers to support delivery of the outcome	• Partnership with the Gauteng City Region Observatory and other research knowledge providers • Internal research coordination and management capability

OUTCOME 6: SOUND GOVERNANCE, OPERATIONAL EXCELLENCE AND HIGH-PERFORMANCE	
Contribution to MTSF 2019-2024	**Contribution to Gauteng provincial priorities (GGT2030)**
Priority 1: A capable, ethical and developmental state • Rehabilitation and restructuring of SOEs and public entities • Honest and capable state with professional and meritocratic public servants	**Priority 5: A capable, ethical and developmental state** • Compliant and responsive governance • A capable GPG, with ethical, capable, professional and meritocratic public servants
Key interventions and outputs of the annual performance plans in the year under review	• Improved internal control environment and financial management • Compliance with legislation and policy • Ethics and integrity management • Protection of information systems from unauthorised access, harm and misuse • Business integration, optimisation and ICT support • Effective legal and contract management • Human capital management and development • Employee relations and wellness • Performance management and development • Facilities management and tools of trade • Occupational health and safety
Considerations in relation to women, youth and people with disabilities	• Achievement of preferential procurement and 'set aside' targets for procurement spend • Achievement of employment equity targets for the organisation
Key enablers to support delivery of the outcome	• Structure the organisation as defined by the mandate and strategic framework of the GFC • Explore alternative sources of funding – funding and partnering strategy, policies and programmes • Move towards online reporting for QPR and AR directly to legislature, but dual to Department (including Board approvals) • Improve the GFC performance management system, and implementation thereof, to drive performance culture • Automate procurement systems • Business processes re-engineering and steady roll-out of automated systems to enable core functions

Table 2.4.4.3 - Annual summary against the adjusted APP targets 2022/23

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2019/2020**	**Audited actual performance 2020/21**	**Audited actual performance 2021/2022**	**Planned annual target 2022/2023**	**Actual achievement 2022/2023**	**Deviation from planned target to actual achievement 2022/2023**	**Reasons for deviations**
1. Enhanced contribution of Gauteng's audio-visual industry to socio-economic development	Preferential packages to attract foreign investment into the audio-visual industry	Number of strategic partnerships or collaborations between investors and local audio-visual businesses facilitated	10	8	8	10	7	(3)	Underachievement due to targeted projects not finalised
		Percentage of revenue generated from strategic partnerships to support core programmes	0	New indicator	New indicator	5%	4,3%	(0,7%)	Underachievement due to sponsorships not finalised
5. Research insights and analytics to support evidence based policy and decision making	A centralised research intelligence hub for the industry	Percentage of revenue generated from strategic partnerships to support core programmes	New target	Annual State of the Gauteng Audio-Visual Industry Report produced	Research on the impact of GFC support to industry to be conducted	Annual State of the Gauteng Audio-Visual Industry Report produced	Research on impact of GFC support to industry to be conducted	0	Commissioning of Impact Report to Replace the Annual State of the Gauteng Audio-Visual Industry Report
6. Sound governance, operational excellence and high-performance	Internal control environment and financial management	Core to programme	New target	1:0.40	1:0.40	1:0.38	1:0.39	1:0.01	Core programmes increasing expenditure operations ratio
	External audit outcome	Unqualified audit outcome	0	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	0	Not applicable
	Business integration and optimisation, and ICT support	Multi-year (MTEF-aligned) ICT Master Plan approved and implemented	ICT Strategy reviewed and implemented	Master Plan implemented	ICT Strategy reviewed and implemented	60% of projects contributing to digital transformation	60% of projects reviewed and implemented	0	Not applicable
	Effective utilisation of human resources in the organisation through the development and retention of a skilled workforce	% of employees that received training as per the approved plan	0	New target	85%	60%	78%	18%	Overachievement due to employees trained in IT awareness workshop and organisational performance change management in Q4
	Promote good governance	% implementation of King IV Governance and Leadership principles training as per the approved plan and leadership principles	0	New target	100%	100%	100%	0	Not applicable

Table 4.3.2. Linking performance with budget guidelines

ADMINISTRATION AND SUPPORT SERVICES - PROGRAMME 3						
	2022/23			2021/22		
	Final appropriation R	Actual expenditure R	(Over)/under expenditure R	Final appropriation R	Actual expenditure R	(Over)/under expenditure R
ADMINISTRATION AND SUPPORT SERVICES - PROGRAMME 3	19 957 870	20 107 290	(78 518)	20 063 872	20 600 866	(536 994)
Administration Services	217 457	210 435	7 022	165 196	176 319	(11 123)
Building, Office Maintenance and Operations	25 205	17 557	7 648	31 624	27 464	4 160
Depreciation	255 000	325 902	-	-	-	-
Development and Maintenance of IT Services	1 180 672	1 146 543	34 129	1 215 000	1 123 325	91 675
Human Resource Cost	685 000	598 938	86 062	457 556	561 904	(104 348)
Printing and Stationery	48 576	30 963	17 613	89 549	82 684	6 865
Professional Services	627 913	642 405	(14 492)	686 584	679 212	7 372
Auxiliary Services	598 665	584 628	14 037	481 586	608 209	(126 623)
Employee Cost	16 294 382	16 480 897	(186 515)	16 906 777	17 330 014	(423 237)
Loss on Assets Write-Off	-	1 709	(1 709)	-	2 743	(2 743)
Fines and Penalties	-	52 070	(52 070)	-	-	-
Finance Cost	25 000	15 243	9 757	30 000	8 991	21 009
LEGAL AND GOVERNANCE	2 095 400	2 760 322	(664 922)	1 365 550	1 467 534	(101 984)
Audit Committee Fees	119 500	95 100	24 400	110 100	35 200	74 900
Advice to the Board	-	-	-	-	35 000	-
Directors Remunerations	285 000	895 500	(610 500)	501 000	706 700	(205 700)
Legal Fees	400 000	646 408	(246 408)	528 000	403 942	124 059
Refreshments and Meetings	920 000	642 100	277 900	0	57 350	(57 350)
Remuneration Committee Fees	115 900	170 400	(54 500)	110 100	151 600	(41 500)
Governance and Investment	155 000	149 950	5 050	-	-	-
Training and Development - Board	100 000	160 864	(60 864)	116 350	77 742	38 608
ADVOCACY AND STRATEGY	3 433 000	3 205 606	227 394	540 000	362 862	177 138
AFCI	20 300	17 394	2 906	-	-	-
Research	330 000	163 450	166 550	-	-	-
Strategic Planning	170 000	9 167	160 833	235 000	224 262	10 738
Special Projects	2 933 000	3 015 595	(82 595)	305 000	138 600	166 400
Grand Total: Administration and Support Services	**25 486 270**	**26 073 218**	**(586 948)**	**21 969 422**	**22 431 261**	**(461 839)**

5. REVENUE COLLECTION

Sources of Revenue	2022/2023 Estimate	2022/2023 Actual Amount Collected	2022/2023 (Over)/ Under Collection	2021/2022 Estimate	2021/2022 Actual Amount Collected	2021/2022 (Over)/ Under Collection
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Government Grant	39 329	39 329	-	38 691	38 691	-
Conditional Grant - MICTSETA	1 719	1 719	-	4 307	3 529	778
Budget Adjustments	1 840	1 840	-	-	-	-
Interest Received	367	417	(50)	208	208	0
Total	**43 255**	**43 305**	**(50)**	**43 206**	**42 428**	**778**

PART C

GOVERNANCE

1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King Report on Corporate Governance.

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

2. PORTFOLIO COMMITTEES

The Portfolio Committees met on 1 March 2022 to present key programmes for the year under review.

3. EXECUTIVE AUTHORITY

The GFC is accountable to Gauteng Province through the DSACR, under the leadership of the MEC Ms. Morakane Mosupyoe. The MEC, in her capacity as representative of the DSACR, holds the Board accountable for managing and controlling the operations of the GFC in compliance with its mandate.

The Annual Performance Plan (APP), and a budget for the GFC, were submitted to the DSACR. These documents were subsequently circulated to the Board of Directors, then to Head of the Department (HOD) and approved by the Member of Executive Council (MEC).

The following is a list of reports submitted to the Executive Authority during the year under review:

REPORTS SUBMITTED TO THE EXECUTIVE AUTHORITY	SUBMISSION DATE
Performance Monitoring Report – Quarter 1, 2022/23 Financial Report – Quarter 1	31/07/2022
Performance Monitoring Report – Quarter 2, 2022/23 Financial Report – Quarter 2	30/10/2022
Performance Monitoring Report – Quarter 3, 2022/23 Financial Report – Quarter 3	28/01/2023
Performance Monitoring Report – Quarter 4, 2022/23 Financial Report – Quarter 4	29/04/2023

4. THE ACCOUNTING AUTHORITY/BOARD

4.1 INTRODUCTION

The GFC Board, as the Accounting Authority, is responsible for ensuring that the Commission prepares Annual Financial Statements and for the judgements made on this information. The Accounting Authority is further responsible for approving the corporate strategy, business plans, budgets, monitoring implementation, and ensuring that risk management processes are in place. The Accounting Authority is also responsible for ensuring that the GFC complies with all relevant laws and regulations and codes of best practice.

The Board's responsibilities and accountability for the public entity's performance and strategic direction are to:
- Set strategic direction and goals for the GFC and monitor outputs,
- Oversee management's implementation of such strategy,
- Appoint committees of the GFC as may be appropriate,
- Assist in the discharge of its responsibilities and to determine its responsibilities,
- Ensure procedures and practices are in place that protect the GFC's assets and reputation,
- Monitor financial outcomes and the integrity of reporting, in particular approving annual budgets and longer-term strategic and business plans,
- Ensure effective audit and compliance systems are in place to protect the GFC's and to minimise the possibility of the GFC operating beyond legal requirements or beyond acceptable risk parameters,
- Monitor compliance with regulatory requirements and ethical standards, and
- Ensure the Board is constituted in such manner as to represent the interests of government and all business stakeholders.

4.2 BOARD CHARTER

The Board of Directors is governed by a Board Charter. This Charter states that the GFC Board shall consist of ten (10) Directors who shall be appointed in accordance with the Board Charter and who shall each possess the requisite knowledge and skills to conduct the business of the GFC. The term of office for the Board of Directors shall be for a period of three consecutive years, renewable with one month notice by the MEC.

The Charter further states that no business shall be transacted at a directors' meeting unless a quorum is present at the commencement of that meeting. Meeting agendas shall be prepared and distributed at least seven (7) days in advance, together with sufficient background Information to enable Board members to appropriately prepare for such meetings.

Matters requiring approval by the Board shall be decided on by way of a majority vote. Urgent matters requiring approval by the Board may be circulated to Board members for approval on a round-robin basis provided sufficient information is given to members to make an informed decision as regards such matters.

4.3. COMPOSITION OF THE BOARD

Ms Busi Mhaga
Chairperson

Date appointed:
01 November 2020
(JAC)*
01 October 2021

Contract Status:
Ongoing

Qualifications:
Bachelor of Philosophy – transport and logistics,
Bachelor of Technology – town and regional planning,
Diploma in Town and Regional Planning
Global Executive Development Programme

Area of expertise:
Business Management,
Public Service Management,
Governance and Strategy

Board directorships:
Trustee of Gauteng Partnership Fund

Other committees or task teams:
Governance & Investment,
Nominations Committee

Mr Percy Manzini
Deputy Chairperson

Date appointed:
01 October 2021

Contract Status:
Ongoing

Qualifications:
Masters in Business Administration (MBA),
MPhil Development Finance,
Doctor of Business Administration - in progress

Area of expertise:
Business Administration
Finance

Board directorships:
None

Other committees or task teams:
Governance & Investment, ARCO,
Nominations Committee

Ms Lebo Ndadana
Board Member

Date appointed:
01 April 2021
(JAC)*
08 February 2022

Contract Status:
Ongoing

Qualifications:
CA (SA),
BCompt Honours Accounting Science,
BCom Financial Accounting

Area of expertise:
Finance

Board directorships:
None

Other committees or task teams:
ARCO, Governance & Investment

Mr Lufuno Nematswerani
Board Member

Date appointed:
01 November 2020
(JAC)*
01 October 2021

Contract Status:
Ongoing

Qualifications:
Masters in Business Administration (MBA),
Honours Degree in Human Resource Development,
Postgraduate Diploma in Management,
PhD in Human Resources - in progress

Area of expertise:
Human Resources

Board directorships:
None

Other committees or task teams:
Governance & Investment, HR & Ethics

Mr Elson Kgaka
Board Member

Date appointed:
01 October 2021

Contract Status:
On going

Qualifications:
B-Juris,
LLB

Area of expertise:
Litigation; Labour Law, Commercial Law, Contractual Law, Family Law; Succession and Criminal Law

Board directorships:
None

Other committees or task teams:
HR & Ethics

Ms. Nthabeleng Zondo
Board Member

Date appointed:
01 October 2021

Contract Status:
Ongoing

Qualifications:
Master of Science (MSc) International Marketing Management,
Bachelor of Business Administration (BBA) International Tourism Management & International Relations & Diplomacy,
Associate of Science (AS) International Tourism & Hospitality Management

Area of expertise:
Human Resource

Board directorships:
Bumbles Babies (Pty) Ltd
Msebe Foods (Pty) Ltd
Msebe Energy (Pty) Ltd

Other committees or task teams:
HR & Ethics

Mr. Thato Molamu
Board Member

Date appointed:
01 October 2021

Contract Status:
Ongoing

Qualifications:
Postgraduate Diploma in Managerial Practice,
Certificate in Journey into Abundance,
Certificate in Intrapreneurial Skills Development,
Certificate in Project Management

Area of expertise:
Film & Television Project Management

Board directorships:
None

Other committees or task teams:
HR & Ethics

Ms Keitumetse Mahlangu
Board Member

Date appointed:
01 October 2021

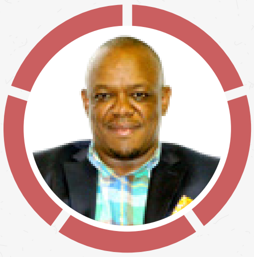
Contract Status:
Ongoing

Qualifications:
LLB
BProc
MAP
Certificate in Fraud Exam
Certificate in Legislative Drafting

Area of expertise:
Legal & Governance

Board directorships:
None

Other committees or task teams:
ARCO



Mr Keith Khoza
Board Member

Date appointed:
01 November 2020 (JAC)*
01 October 2021

Contract Status:
Ongoing

Qualifications:
Master of Public Administration,
Postgraduation Diploma Administration

Area of expertise:
Public Administration

Board directorships:
None

Other committees or task teams:
ARCO

Ms Komathie Govender
Board Member

Date appointed:
01 October 2021

Contract Status:
Ongoing

Qualifications:
Chartered Accountant,
Honours in Accounting

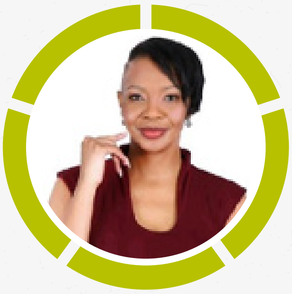
Area of expertise:
Finance

Board directorships:
None

Other committees or task teams:
ARCO

**Members were appointed and served in the Joint Advisory Committee (JAC), executing board responsibilities and were later appointed into the newly formed board on 01 October 2021.*

4.4. Executive and Management



Ms Keitumetse Lebaka
Chief Executive Officer

Date appointed:
19 October 2020

Contract Status:
Ongoing

Qualifications:
Masters in Business Management,
Bachelor of Philosophy (B.Com),
Professional Certificate in Programme and Project Management,
Professional Certificate in Public and Development Management,
Management Development Programme,
Global Executive Development Governance,
Postgraduate Diploma in Management Practice

Area of expertise:
Strategy Development
Policy Development
Project Management
Portfolio Management
Human Resource Management
Business Development
Grant Management
Business Management
Supply Chain Management
Contract Supply Chain Management
Contract Management

Board directorships:
None

Other committees or task teams:
ARCO
HR & Ethics Committee
Governance & Investment

Ms Anthea Mokoena
Company Secretary and Legal Manager

Date appointed:
01 June 2012

Contract Status:
Contract ended 31 September 2022

Qualifications:
B Proc,
Diploma in Drafting Contracts and MAPP

Area of expertise:
Contracts and litigations

Board directorships:
None

Other committees or task teams:
ARCO
HR & Ethics Committee
Governance & Investment

Mr Elliot Maluleke
Chief Financial Officer

Date appointed:
01 March 2009

Contract Status:
Ongoing

Qualifications:
B Com
SAICA Articles
SAIPA
AGASA

Area of expertise:
Finance,
Auditing,
Corporate Governance

Board directorships:
None

Other committees or task teams:
ARCO
HR & Ethics Committee
Governance & Investment

4.5. COMMITTEES

COMMITTEE	NO. OF MEETINGS	NO. OF MEMBERS	NAME OF MEMBERS
Human Resource and Ethics Committee	9 meetings	4 members	Lufuno Nematswerani Nthabeleng Zondo Thato Molamu Elson Kgaka
Audit and Risk Committee	5 meetings	4 members	Lebogang Ndadana (Chairperson) Percy Manzini Keith Khoza Keitumetse Mahlangu
Governance and Investment Committee	5 meetings	4 members	Busi Mhaga Percy Manzini Lufuno Nematswerani Lebogang Ndadana

4.6. REMUNERATION OF BOARD MEMBERS

The MEC shall be responsible for determining the remuneration, allowances and other benefits of Board members. The remuneration and allowances shall be paid out of the GFC budgeted funds. The remuneration paid to each board member in 2021/22 and 2022/23 is presented below:

	2022/23		2021/22	
Name	**Remuneration**	**Total**	**Remuneration**	**Total**
Ms. B Mhaga	189 000	189 000	203 000	203 000
Mr. K Khoza	114 900	114 900	87 750	87 750
Ms. L Ndadana	R150 500	150 500	58 500	58 500
Mr. L Nematshwarani	165 800	165 800	118 950	118 950
Ms. K Govender	74 300	74 300	17 550	17 550
Mr. E Kgaka	137 250	137 250	69 850	69 850
Ms. K Mahlangu	103 200	103 200	58 150	58 150
Mr. P Manzini	151 000	151 000	94 900	94 900
Mr. T Molamu	103 200	103 200	81 550	81 550
Ms. N Zondo	121 800	121 800	69 850	69 850
Total	**1 310 950**	**1 310 950**	**860 050**	**860 050**

5. RISK MANAGEMENT

In line with the Companies Act, Act No 71 of 2008, the Board is responsible for the management of risk pertaining to the GFC's business. The Board has delegated this authority to the CEO. While the line manager of each division within the GFC has the primary responsibility for identifying and managing risks inherent to the operations of his/her division, the Audit Committee develops and reviews risk management strategies, policies and procedures to ensure they are appropriate.

The Management Committee (Manco) reports administratively to the CEO and submits annual reports to the Audit Committee, providing assurance on the management of significant risk or exposure. The outsourced audit function independently audits the adequacy and effectiveness of the GFC's risk, control and governance processes.

The GFC manages risk through its risk register. Manco and the Board take the necessary actions to mitigate each risk listed in the register. The identified risks are grouped as strategic, liquidity, operational, reputation, reporting and compliance.

6. INTERNAL CONTROL UNIT

GFC Management continues to strive towards sustainable improvement in its internal control. Nothing has come to the attention of the Audit and Risk Committee to indicate that a material breakdown in the functioning of the internal controls, procedures and systems has occurred during the period under review.

In the opinion of the Audit and Risk Committee, the internal controls and procedures of the GFC are appropriate in all material respects in relation to:

- Achieving the business objectives of the GFC,
- Ensuring that the GFC assets are adequately safeguarded, and
- Ensuring that transactions undertaken are recorded in the GFC's records.

7. INTERNAL AUDIT AND AUDIT COMMITTEES

The Audit Committee assists the Board in discharging its duty to ensure the GFC maintains adequate accounting records, internal controls and systems designed to provide reasonable assurance on the integrity and reliability of financial information, and to safeguard its assets. The effectiveness of these internal control systems is monitored through management reviews, formalised reporting and internal audits. During the period under review, the following initiatives were undertaken to ensure improved internal control:

- Annual review of policies and procedures,
- Implementation of an action plan for both internal and external audit findings, and
- Compliance with policies and procedures.

The internal audit function, under the direction of the Audit Committee, is outsourced to an independent service provider and operates in terms of the Internal Audit Charter, which was reviewed and approved by the Audit Committee and endorsed by the Board during the financial year.

The internal audit function reports functionally to the Audit Committee and administratively to the CEO, and its staff has full and unrestricted access to the chairperson of the Audit Committee. The Audit Committee conducts its own review of the effectiveness of the internal audit function.

All operations, business activities and support functions are subject to internal review. The internal audit plan is based on identified key risk areas, and audits are planned and executed to provide management with independent assurance on the adequacy and effectiveness of the internal control systems.

The GFC outsourced the internal audit function during the financial year under review. In terms of the approved annual audit plan, the following audits have been conducted: follow up on internal and external audit reports, human resources, compliance review, audit of performance information, annual financial statements review and supply chain and internal financial control reviews. The reports have been presented to the Audit Committee.

Key activities and objectives of the internal audit function:

- The regular conducting of risk assessment processes to identify emerging risks,
- A risk management plan that must include a fraud prevention plan,
- Review and recommend to the Accounting Authority the audited annual financial statements to be included in the annual report, and
- Review significant adjustments on the annual financial statements and annual performance reports resulting from audits.

The following is a summary of audit work conducted by the Committee during the year under review:

- Review the functioning and overall efficiency and effectiveness of the internal control system, and
- Review the content, quality, adequacy, reliability and accuracy of the financial and the performance information (quarterly reports) provided to the Accounting Authority, the users of such information, and the Department of Sports, Arts, Culture and Recreation and for recommendation to the Board.

The table below discloses relevant information on the Audit Committee members:

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date resigned	No. of meetings attended
Lebogang Ndadana	CA (SA)	External	N/A	08 February 2022	Ongoing	1
Keith Khoza	Masters in Public Administration, Postgraduate Diploma in Administrative Studies	External	N/A	01 October 2021	Ongoing	1
Percy Manzini	Doctor of Business Administration (in progress), Masters of Philosophy in Development Finance, MBA	External	N/A	01 October 2021	Ongoing	1
Keitumetse Mahlangu	LLB	External	N/A	01 October 2021	Ongoing	1

8. COMPLIANCE WITH LAWS AND REGULATIONS

Compliance risk relates to the negative impacts originating from non-compliance with all applicable legislation and regulations. The Audit and Risk Committee assists the Board of Directors in complying with all applicable statutory and regulatory requirements.

The compliance risk is managed through creating awareness of the regulatory requirements, and monitoring compliance with legislative requirements.

9. FRAUD AND CORRUPTION

The GFC continues to embrace any contribution employees and members of the community make in the reporting of fraud and corruption. Its fraud prevention plan puts the necessary whistle-blowing mechanisms in place to report any cases of fraud or corruption.

10. MINIMISING CONFLICT OF INTEREST

The GFC uses a declaration of conflict system to minimise conflict of interest. Before every Board and subcommittee meeting members declare their interest. The system is also utilised by the Project Committee members when they evaluate Industry Support and Development projects.

11. CODE OF CONDUCT

The GFC is managed ethically and in line with the Code, which is based on the fundamental principles of fairness, transparency, integrity, reliability, responsibility, and honesty. The Code commits GFC governance structures, management and staff to high standards of conduct in their dealings with clients and stakeholders.

12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The employer is by law obligated to provide a safe and conducive work environment that ensures that employees' and other stakeholders' wellbeing is protected at all times. In line with the Occupational Health and Safety Policy of the GFC, and the Occupational Health and Safety Act 85 of 1993, the HR unit has put in place structures, processes and procedures, and systems to ensure a safe and healthy work environment for its employees and all stakeholders who interact with the GFC from time to time. The GFC is continuously in consultation with the Department of Sport, Arts, Culture, and Recreation's Corporate Services Division to ensure compliance with all relevant occupational health and safety standards as prescribed by OHS Act and other relevant regulatory framework. A voluntary OHS Team has been established within the GFC to assist in ensuring that there is first aid available in event a need arises and that in event of fire breaking out it would be contained accordingly and timeously to ensure the safety of staff and other stakeholder in the premises. The OHS Team has received relevant training to empower them to discharge their functions effectively as and when necessary.

13. COMPANY/BOARD SECRETARY

The Company/Board Secretary of the GFC has the following responsibilities:

- Ensures proper functioning of the Board and its committees,
- Ensures that the organisation complies with company laws and makes directors aware of any laws affecting the organisation,
- Provides leadership by formulating the Unit's strategy and business plan,
- Ensures compliance with corporate governance practices within the organisation in line with legal requirements,
- Provides advisory and secretariat services to the Board as well as managing the secretariat unit/section the Board and its committees to ensure that they function effectively and comply with terms of reference, and
- Formulates meeting agendas, convenes Board and sub-committee meetings, and ensures proper recording of minutes.

14. AUDIT AND RISK COMMITTEE REPORT

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

Audit and Risk Committee Responsibility

The Audit Committee is mandated to provide oversight on governance, control and risk management processes. The terms of reference are set out in the Audit Committee Charter, which is approved by the Board of Directors. The Audit Committee Charter is assessed and reviewed on a regular basis. The affairs of the Audit Committee have been regulated in compliance with applicable laws, regulations and the charter. The Audit Committee has discharged all its responsibilities contained in the Audit Committee Charter.

During the period under review, the following initiatives were undertaken:

- Reviewing the Audit Committee's work plan and charter and making recommendations to the Board regarding its effectiveness,
- Overseeing the development and implementation of risk management processes,
- Overseeing processes and procedures designed to safeguard assets, and
- Reviewing the GFC's Annual Report which includes separate annual financial statements and any other public reports or announcements that contain financial information and then recommending these to the Board for approval.

Enhancing the Effectiveness of the Audit Committee

The Audit Committee reported quarterly to the Board of Directors regarding the oversight role of the committee. The Audit Committee has regular engagements with Internal Audit, the Auditor General, Management and any other role players that are key in promoting combined assurance. The Audit Committee noted emerging risks and ensured that these risks were included in the risk profile of the GFC and addressed in the Annual Audit Plan.

Effectiveness of Internal Control

The internal audit function is outsourced to an independent service provider. A high-level review of the design, implementation and effectiveness of internal control is performed annually. The purpose of the review is to provide the Audit Committee with comfort on the financial reporting controls that are relied upon in the preparation of annual financial statements.

The Audit Committee is of the view that the system of internal control for the period under review was adequate, efficient and effective.

It is our opinion based on discussion with management and the external and internal auditors that the audit findings reported in the current year are a fair representation of the internal control environment at the GFC and management has responded adequately to the findings.

The Audit Committee is satisfied that that the internal audit function at the GFC has provided adequate coverage for the current financial year.

The Audit Committee is satisfied with the content and quality of quarterly management reports that are prepared by management and approved by the Board of Directors.

Ms L Ndadana CA (SA)
Chairperson
31 July 2023

15. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

HAS THE ENTITY APPLIED ANY RELEVANT CODE OF GOOD PRACTICE WITH REGARDS TO:		
Criteria	**Response**	**Discussion**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	No	GFC does not issue any licence or any economic activity in terms of the law
Developing and implementing a preferential procurement policy	No	GFC does not develop and implement any preferential procurement policy, we only apply it as one of the regulations
Determining qualification criteria for the sale of state-owned enterprises	No	Not applicable
Developing criteria for entering into partnerships with the private sector	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of broad-based black economic empowerment	No	GFC works with other public institutions for the implementation of any incentives, within the creative industry

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The objective of the Human Resources Unit is to develop and maintain effective Human Resource management policies, processes, and systems. These policies, processes and systems will ensure that GFC is adequately staffed and managed, and that staff members are trained, capacitated, and empowered with relevant skills and knowledge to enable GFC to achieve its strategic mandate. Additional to effective and efficient policies, processes and systems, harmonious employment relations within the organisation play a crucial role in creating a conducive work environment that yields an effective, productive and agile organisation capable of delivering on its strategic objectives. It is crucial to recognise that the nature of the workplace and workforce in the 21st century is dramatically changing as a result of a rapidly shifting environments, thereby demanding employers look into people management issues with a new lens.

1.1. PRIORITIES FOR THE YEAR

During the period under review the HR unit focused on the following, as per the annual HR plan:

- Monitoring and managing the leave management system and procedures,
- Implementing the outcomes of the Organisational Design (OD) process and aligning the existing workforce with the new organisational design,
- Implementing the Performance Management System as per the existing policy,
- Sourcing an employee wellness service partner and implementing relevant wellness programmes,
- Putting in place various employee morale upliftment initiatives, such as staff service appreciation and birthday commemorations,
- Facilitating conflict and dispute management,
- Setting up an Occupational Health and Safety Structure, and
- Reviewing all and revising some of the HR Policies.

Drawing from the above-outlined priorities, the following highlights are presented for the year under review.

1.2. ORGANISATIONAL DEVELOPMENT PROJECT IMPLEMENTATION AND HR POLICY REVIEW

Key focus areas for the year under review include implementation of the outcomes of the OD process, which was recently undertaken to align the organisational structure and processes, as well as a review of HR policies. The OD Implementation Plan provided for a three-phase implementation process, with Phase 1 entailing 26 positions, Phase 2 - 30 positions, and Phase 3 - 35 positions, which is the total capacity of the revised structure. In 2022/23, 17 positions out of the approved 26 for Phase 1 were filled successfully through the skills audit and direct placement, and some through the standard recruitment and selection process. The failure to fill all 26 positions is due to budgetary constraints and a moratorium on all recruitment activities, imposed by the Board and subject to a budget review. Implementation of the rest of the project outcomes will therefore be undertaken in the new financial year when the moratorium is lifted and new budget allocation has been made.

Policies were also reviewed and some revised alongside the OD project. These reviewed policies have not yet been approved by the Board due to some further reviews recommended by the HR and Ethics Committee. The Corporate Services Division, and in particular the HR Unit, is following up to ensure that all the areas of concern with regard to the policies are addressed. In the meantime, the old policies apply.

1.3. RECRUITMENT AND SELECTION OF THE CHIEF EXECUTIVE OFFICER

The process of recruiting for a 5-year fixed-term performance-based contract Chief Executive Officer was undertaken.

1.4. EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

To ensure that the targets and priorities of the GFC Annual Performance Plan are met, individual employee performance is monitored and reviewed through a balanced scorecard system. All employees signed their performance agreements for the year, which are aligned with the respective business units' performance outputs, as well as employees' individual job outputs as outlined in their job profiles. Bi-annual performance reviews were conducted and submitted to the CEO. Management ensures performance outputs focus on tangible deliverables for each employee, and that small work teams remain dynamic and streamlined to deliver on the business objectives.

1.5. EMPLOYEE WELLNESS PROGRAMME

In response to a high pressure and stressful work environment, GFC has provided psychosocial support to employees and put in place impactful initiatives and events directed at employee wellness and morale upliftment. A service provider, Company Wellness Solutions, was sourced on an annual contract basis to partner with GFC in rendering to GFC employees and their immediate dependants psychosocial support on a 24-7 basis, while also providing a range of other programmes and initiatives. The GFC held a successful employee wellness and staff appreciation event in December 2022, which included providing employees an opportunity to have a full health screening, and the delivery of tokens of appreciation for long and dedicated service to the GFC. These initiatives have proven to be effective in improving employee morale, although they alone cannot address the impacts of all organisational challenges.

1.6. ACHIEVEMENTS AND CHALLENGES

GFC faced the following HR challenges during the year under review:

- Low staff morale, due to changes that have occurred in the organisation over the preceding year, as well as limited budget allocation, and
- Shortage of human resources due to a moratorium on permanent staff appointments due to limited budget allocation, which implies that the current workforce may be overworked.

Most of these challenges were, however, addressed during the year under review. In addition, several key HR achievements occurred, including:

- Successful partial implementation of the OD process outcome,
- Stable relationship between management and organised labour, which created a more conducive environment for focusing on organisational goals and strategy,
- Successful implementation of employee wellness programmes and initiatives that contributed to upliftment of staff morale, and
- Fruitful partnerships with Media, Information and Communication Technology Sector Education Training Authority (MICT SETA) and the Culture, Art, Tourism, Hospitality, and Sport Sector Education and Training Authority (CATHSSETA) towards funding and supporting employees in personal learning and development initiatives, and also industry learning and development projects.

1.7. FUTURE PLANS

The GFC is going through a process of implementing the OD process outcome, while finalising the approval process of the Revised Policies. The HR Unit will continue to lead change management interventions and team building initiatives to assist the GFC team through the transition process, as it adapts to the newly revised structure, business processes, and policies. The HR Unit will also drive the process, identifying and developing plans to fill skills gaps, followed by the placement of staff within the new structure.

2. PERSONNEL RELATED EXPENDITURE

The following tables show personnel related expenditure during the year under review.

Personnel Cost by programme/ activity/objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Industry Support & Development	12 881	3 296	7,6%	4	824
Marketing and Communications	4 342	728	1,7%	2	364
Management of GFC	22 972	11 194	25,9%	12	933
Legal and Governance	2760	1262	2,9%	1	631
TOTAL	**42 955**	**16 481**	**38,1%**	**19**	**867**

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	5 097	29%	3	1 699
Senior Management	4 636	31%	6	772
Professional Qualified	1 705	10%	2	852
Skilled	4 469	27%	6	745
Semi-Skilled	315	2%	1	315
Unskilled	259	1%	1	259
TOTAL	**16 481**	**100%**	**19**	**867**

Performance rewards

Programme/activity/objective	Performance rewards	Personnel expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	2 678	N/A
Senior Management	0	6 419	N/A
Professional Qualified	0	2 341	N/A
Skilled	0	4 469	N/A
Semi-Skilled	0	315	N/A
Unskilled	0	259	N/A
TOTAL	**0**	**16 481**	**N/A**

Training costs

Programme/activity/objective	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	No. of employees trained	Avg training cost per employee
Staff Development Cost	16 481	118	1%	9	13,1

3. HUMAN RESOURCE OVERSIGHT STATISTICS

The following tables provide human resource statistics for the GFC during the year under review:

Employment and Vacancies

Programme/activity/objective	2021/22 No. of employees	2021/22 Approved posts	2021/22 Vacancies	2022/23 Vacancies	% of Vacancies
Marketing and Communications	3	6	2	4	67%
Finance	3	5	3	2	40%
Office of the CEO	3	5	3	2	40%
Industry Support and Partnerships	3	7	3	4	57%
Human Resources	4	4	3	1	25%
ICT	2	3	2	1	33%
Board Secretariat	0	2	2	1	50%
Corporate Services and Legal	2	3	1	2	67%
Total	**20**	**35**	**19**	**17**	**49%**

Employment by level

Programme/activity/objective	2021/22 No. of employees	2021/22 Approved posts	2021/22 Vacancies	2022/23 Vacancies	% of Vacancies
Top Management	2	1	1	0	0%
Senior Management	5	3	1	2	12%
Professional Qualified	2	7	6	2	12%
Skilled	9	22	9	13	76%
Semi-Skilled	1	1	1	0	0%
Unskilled	1	1	1	0	0%
TOTAL	**20**	**35**	**19**	**17**	**100%**

Explanation: Vacant positions will be filled once the moratorium on recruitment due to budget limitation has been lifted.

Employment changes

The changes in employment in the period under review were the result of two resignations and OD process outcomes and new structure implementation.

Salary band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	1	0	2
Senior Management	6	0	1	5
Professional Qualified	1	3	0	4
Skilled	9	3	1	11
Semi-Skilled	1	0	0	1
Unskilled	1	1	0	2
Total	**19**	**8**	**2**	**25**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	2	100%
Dismissal	0	0
Retirement	0	0
Ill Health	0	0
Expiry of Contract	0	0
Other	0	0
Total	**2**	**100%**

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	0
Written warning	0
Final written warning	1
Dismissal	0

Equity target and employment equity status

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0
Professional Qualified	3	0	0	0	0	0	0	0
Skilled	2	0	0	0	0	0	0	0
Semi-Skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	**6**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Professional Qualified	3	0	0	0	0	0	0	0
Skilled	8	0	0	0	0	0	0	0
Semi-Skilled	1	0	0	0	0	0	0	0
Unskilled	1	0	0	0	0	0	0	0
TOTAL	**14**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Levels	Disabled staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	0	0	0
Skilled	0	0	0	0
Semi-Skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

Explanation: In terms of equity, the GFC does meet the employment equity status with the majority of employees being female and African. At this point there is no approved equity plan due to the restructuring process.

PART E

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. IRREGULAR EXPENDITURE

Reconciliation of irregular expenditure

Description	2022/2023	2001/2022
	R'000	R'000
Opening balance	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**-**	**-**

Reconciling notes

Description	2022/2023	2001/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2023/22 and identified in 2022/21	-	-
Irregular expenditure for the current year	-	-
Total	**-**	**-**

Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description[1]	2022/2023	2001/2022
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total[2]	**-**	**-**

a) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2001/2022
	R'000	R'000
Irregular expenditure condoned	-	-
Total[2]	**-**	**-**

b) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2001/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	**-**	**-**

c) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/22
	R'000	R'000
Irregular expenditure recovered	-	-
Total	**-**	**-**

1 Group similar items
2 Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

d) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/22
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional disclosure relating to Inter-Institutional Arrangements

e) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
Non-Applicable
Total

f) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2022/2023	2021/22
	R'000	R'000
Non-Applicable	-	-
Total	**-**	**-**

g) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Non-Applicable

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/22
	R'000	R'000
Opening balance	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	**-**	**-**

Reconciling notes

Description	2022/2023	2021/22
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	**-**	**-**

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description[3]	2022/2023	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total[4]	**-**	**-**

c) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/22
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	**-**	**-**

d) Details of current and previous year irregular expenditure not recovered and written off

Description	2022/2023	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	**-**	**-**

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Non-Applicable

1.3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii))

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/2023	2021/22
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	**-**	**-**

b) Details of other material losses

Nature of other material losses	2022/2023	2021/22
	R'000	R'000
Non-Applicable	-	-
Total	**-**	**-**

c) Other material losses recovered

Nature of other material losses	2022/2023	2021/22
	R'000	R'000
Non-Applicable	-	-
Total	**-**	**-**

d) Other material losses written off

Nature of losses	2022/2023	2021/22
	R'000	R'000
Non-Applicable	-	-
Total	**-**	**-**

3 Group similar items
4 Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
	R'000	R'000
Valid invoices received	588	24 771
Invoices paid within 30 days or agreed period	588	24 771
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Internet Connection	Cosmo Net PTY	Preferred Supplier	NA	74
Board Training	Institute of Directors	Preferred Supplier	NA	28
Website Maintenance	Kemoso Creation cc	Preferred Supplier	NA	48
Annual Report Proof Reading	Gwen Watkins	Emergency Supplier	NA	39
Total				**188**

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type	Contract number	Original contract value	Value of previous contract expansion or variation	Value of current contract expansion or variation
R'000	R'000	R'000	R'000	R'000	R'000	R'000
Internal Audit	Big Innovation Group	Expansion	NA	750	0	77
Discover Summit Remodelling	RAIN Communication	Expansion	NA	488	0	67
Organisational re-Design	Mogale Solutions	Variation	NA	385	0	5
Board Meeting Minutes	Co-Sec Assist Expansion		NA	550	0	50
Total				**2 173**		**199**

PART F

FINANCIAL INFORMATION

These Annual Financial Statements were prepared by:
Mr Elliot Maluleke PA(SA) – Chief Financial Officer
These Annual Financial Statements have been prepared
In compliance with any applicable Companies Act of No 78 of
2008 requirements.

CONTENTS

GENERAL INFORMATION

REGISTERED NAME:	Gauteng Film Commission
NPC NUMBER:	930018483
VAT REGISTRATION NUMBER:	4060209766
COUNTRY OF INCORPORATION:	South Africa
BOARD OF DIRECTORS	Ms Busi Mhaga-Chairperson Mr Percy Manzini-Deputy Chairperson Ms Komathie Govender (CA) (SA) Mr Keith Khoza Mr Elson Kgaka Mr Lufuno Nematswerani Ms Keitumetse Mahlangu Ms Keitumetse Lebaka Ms Nthabeleng Zondo Mr Thato Molamu Ms Lebogang Ndadana (CA) (SA)
POSTAL ADDRESS:	P O Box 61601, Anglo Vaal house, Marshalltown, 2107
PHYSICAL ADDRESS:	35 Rissik Street, Surrey House, Johannesburg, 2000
TELEPHONE NUMBER:	+27 11 833 0409
EMAIL ADDRESS:	info@gautengfilm.org.za
WEBSITE ADDRESS:	www.gautengfilm.org.za
BANKER:	ABSA Bank Limited, 120 Fox Street, Marshalltown, Johannesburg, 2001
EXTERNAL AUDITORS:	Auditor-General of South Africa (AGSA), 39 Scott Street, Bramley, 2190
BOARD SECRETARY:	A Mokoena June 2012 to September 2022 Admitted non-practising attorney.

STATEMENT OF RESPONSIBILITY

For the year that ended 31 March 2023

The Companies Act requires the Directors to ensure that Gauteng Film Commission keeps full and proper records of its financial affairs. The Annual Financial Statements fairly present the state of the affairs of Gauteng Film Commission, its financial results, and its financial position for the year ended. The Annual Financial Statements are the responsibility of the Directors.

The Annual Financial Statements of Gauteng Film Commission have been prepared in terms of International Financial Reporting Standards (IFRS), including any interpretations of such statements. The Annual Financial Statements have been prepared in the manner required by the South African Companies Act.

These Annual Financial Statement are based on the appropriate accounting policies, supported by reasonable and prudent judgements and estimates; and are prepared on the going concern basis and prepared on accrual basis. The directors have every reason to believe that the Gauteng Film Commission will be a going concern in the foreseeable future.

To discharge the above responsibilities, the Board of Directors set standards to ensure that sound systems of internal control are implemented by management.

The controls are designed to provide cost-effective assurance that assets are safeguarded, and that liabilities and working capital are efficiently managed. Policies, procedures, structures, and approval frameworks provide direction, accountability, and division of responsibilities.

The controls throughout Gauteng Film Commission focus on those critical risk areas identified by operational risk management and confirmed by executive management. Management, Audit and Risk Committee and Internal Audit closely monitor the controls and ensure action is taken to correct deficiencies as they are identified.

The Directors are of the opinion, based on the information and explanations given by Management, Audit and Risk Committee, that the material internal accounting controls are adequate to ensure that the financial records may be relied upon for preparing the Annual Financial Statement, and that accountability for assets and liabilities is maintained.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

In my opinion, the performance information fairly reflects the actual achievements against the planned objectives indicators and targets, as per the Strategic Plan and APP of the Gauteng Film Commission for the year ended 31 March 2023. The performance information for the year ended 31 March 2023 was examined by management.

Ms Keitumetse Lebaka
Chief Executive Officer
30 May 2023

Ms Busi Mhaga
Board Chairperson
30 May 2023

REPORT OF THE DIRECTORS

For the year that ended 31 March 2023

The Directors are pleased to submit their report, together with the Gauteng Film Commission (GFC) Annual Financial Statements for the year ended 31 March 2023. The Annual Financial Statements have been prepared based on accounting policies applicable to a going concern. This basis presumes Gauteng Film Commission will continue as a going concern entity in the foreseeable future and there is nothing brought to the attention of Board of Directors that will impact on the going concern of the entity.

It should be noted that during the current financial year under review there has been a change in MEC due to change in political leadership. Ms Mbali Hlophe was replaced from MEC Ms Morakane Mosupyoe. GFC Board of Directors have finalised a five-year strategy which has been approved by the previous MEC. GFC will be focusing on five key areas as part of the implementation of the strategy. i.e., Growing the audio-visual industry's contribution to socio-economic development, encouraging the production of regional content and telling South African stories, training mentorship and enterprise development, research insight and analytics to support evidence-based policy and decision making and sound governance, operational excellence and high-performance support and compliance geared by Ms Busi Mhaga.

There has been a technical opinion by the Auditor General and through the internal consultation by management which emphasized the fact that GFC should be preparing its Financial Statements using International Financial Reporting Standards (IFRS), since its legal entity is in line with Companies Act requirements. The conclusion from the Auditor General stipulates that "Based on the above, GFC must adhere to the Companies Act, and must prepare its Annual Financial Statements in accordance with the financial reporting standards prescribed i.t.o. the Companies Act. It would not be appropriate for GFC to prepare its annual Financial Statements using the accounting framework prescribed by the PFMA. Even if it is argued/ concluded that GFC and the Department agreed in the Memorandum of Agreement that all the PFMA requirements will apply, the requirements of applicable legislation (the Companies Act in this case) takes preference and must be applied ahead of any agreement terms (the Memorandum of Agreement in this instance). The terms agreed between two parties cannot override or amend legislative requirements". Therefore, the Companies Act will prevail over the Memorandum of Agreement and GFC will have to prepare its Annual Financial Statements in accordance with the financial reporting standards prescribed in respect of the Companies Act.

Service Rendered by the Entity

The Gauteng Film Commission is a Non-Profit Company (NPC) incorporated in terms of the Companies Act. The main business of the Gauteng Film Commission is the development and promotion of audio-visual industries in Gauteng Province. The Gauteng Film Commission's main business is to deliver professional film commission services, as well as to support, facilitate and enhance the contribution of the film industry to the economic growth of the Gauteng Province. It should be noted that during the year under review there has been a challenge in relation to GFC not having a Chief Executive Officer, which had a negative impact since this position is key to the operation of the organisation.

Going Concern

The Directors of GFC present financial statements on the "Going Concern basis", implying that assets and liabilities are recorded on the assumption that the company will continue in operational existence for the foreseeable future. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business.

REPORT OF THE DIRECTORS

For the year that ended 31 March 2023

Legal Standing

The GFC Board of Directors resolved that the organisation should remain as a Non-Profit Company (NPC), whilst the discussion with the Department of Sports, Arts, Culture and Recreation (DSACR) on its listing as a public entity continues.

Company Secretary and Legal Manager Resignation

The Company Secretary and Legal Manager, Ms Anthea Mokoena has resigned as of 30 September 2022.

Business result summary:

	Mar 2023	Mar 2022
	R	R
Government Grants	41,169,000	38,691,000
SETA Additional Budget	1,719,238	3,529,418
Net Surplus for the Period	21,927	(814,299)
Total Assets	6,390,602	3,759,770
Accumulated Surplus	2,021,179	1,999,252

Board of Directors and Committee Members

The following persons served as Board of Directors and Committee members of GFC during the financial period ended 31 March 2023:

	Status	Appointment Date	Resignation Date
Ms Busi Mhaga - Chairperson	Non-Executive	01 October 2021	-
Mr Percy Manzini - Deputy Chairperson	Non-Executive	01 October 2021	-
Mr Keith Khoza	Non-Executive	01 October 2021	-
Ms Keitumetse Lebaka - CEO	Executive	01 July 2022	-
Ms Lebogang Ndadana - CA (SA)	Non-Executive	08 February 2022	-
Mr Lufuno Nematswereni	Non-Executive	01 October 2021	-
Mr Elson Kgaka	Non-Executive	01 October 2021	-
Ms Nthabeleng Zondo	Non-Executive	01 October 2021	-
Ms Keitumetse Mahlangu	Non-Executive	01 October 2021	-
Mr Thato Molamu	Non-Executive	01 October 2021	-
Ms Komathie Govender - CA(SA)	Non-Executive	01 October 2021	-

Report of the Auditor-General to the Gauteng Provincial Legislature on the Gauteng Film Commission (GFC) Non-Profit Company (NPC)

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Film Commission NPC set out on pages 91 to 117, which comprise the statement of financial position as at 31 March 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Film Commission NPC as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa 71 of 2008 (Companies Act).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the NPC in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

7. The supplementary information does not form part of the financial statements and is presented as additional information. I have not audited these set out on pages 118-119 and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting authority for the financial statements

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

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

Responsibilities of the auditor-general for the audit of the financial statements

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

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

12. In terms of the Companies act, the NPC is not required to prepare an annual performance report.

Report on compliance with legislation

13. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the NPC's compliance with legislation.

14. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

15. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial management of the NPC, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

16. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

17. The accounting authority is responsible for the other information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act. The other information referred to does not include the financial statements and the auditor's report presented in the annual performance report that have been specifically reported on in this auditor's report.

18. My opinion on the financial statements and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

19. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Internal control deficiencies

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

22. I did not identify any significant deficiencies in internal control.

Auditor-General

Johannesburg
31 July 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on the NPC's compliance with selected requirements in key legislation.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
   - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
   - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NPC's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
   - conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the NPC to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements.
   - My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause an NPC to cease operating as a going concern.
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Internal Audit and External Auditors

Business Innovations Group (BIG) (Pty) Ltd contract has been extended until 31 March 2023, while management finalise the process of appointing new auditors for the next three years. It should be noted that Audit Risk Management Solutions (ARMS Audit) has been appointed as GFC Internal Auditors for the next three years, to assist management with internal control and provide assurance to those charged with Governance.

The Auditor General South Africa (AGSA) has been appointed as Gauteng Film Commission External Auditors, in terms of section 188 of the Constitution of the Republic of South Africa, 1996.

Subsequent Events

It should be noted that during the current financial year under review there were no subsequent events.

Governance Principles

The Board has reaffirmed the Gauteng Film Commission's commitment to sound governance practices and to the Companies Act as well as the principles underlying the King IV Report on Corporate Governance published in 2016 which focuses on integrated reporting on social, health, ethical and environmental issues on reporting. In this regard, the Board is constantly reviewing its corporate governance structures and practices to align it with national best practice. The Gauteng Film Commission is committed to conducting its affairs with integrity and holds itself responsible and accountable towards its stakeholders and clients.

Code of Ethics

The Gauteng Film Commission is managed ethically and in line with the Code, which is based on the fundamental principles of fairness, transparency, integrity, reliability, responsibility, and honesty. The Code commits Gauteng Film Commission management and staff to high standards of conduct in their dealings with its clients and stakeholders. There have been incidents brought to the attention of the Board during the year under review.

Values

The Gauteng Film Commission promotes sound values and is committed to the Batho Pele principles.

Accountability to the Executive Authority

The Gauteng Film Commission is accountable to Gauteng Province through the Department of Sport, Arts, Culture and Recreation (DSACR), governed by a Memorandum of Agreement under the leadership of the MEC Ms Morakane Mosupyoe. The MEC in her capacity as representative of the Department of Sport, Arts, Culture and Recreation (DSACR), holds the Board accountable for managing and controlling the operations of the Gauteng Film Commission in compliance with its mandate.

The Annual Performance Plan (APP), Memorandum of Agreement (MOA) and a Budget for the Gauteng Film Commission were submitted to the Department of Sport, Arts, Culture and Recreation. These documents were subsequently approved by the Board of Directors, the Head of the Department (HOD) and the Member of Executive Council (MEC).

Board of Directors

The Board of Directors have a collective responsibility to provide effective corporate governance that involves a set of relationship between the Department and other relevant stakeholders, and is also responsible for the following:

- Setting strategic direction and goals for the Gauteng Film Commission and monitoring managements implementation to that strategy.
- Appointing committees of the Gauteng Film Commission as may be appropriate to assist in the discharge of its responsibilities and to determine their responsibilities.
- Ensuring that procedures and practices are in place that protect the Gauteng Film Commission assets and reputation.
- Monitoring financial outcomes and the integrity of reporting in particular approving the annual budget and the longer term strategic and business plan.
- Ensuring that effective audit and compliance systems are in place to protect Gauteng Film Commission operations beyond legal requirements or acceptable risk parameters.
- Monitoring compliance with regulatory requirements and ethical standards.
- The Board of Directors is constituted in such a manner as to represent the interest of government and all business stakeholders.
- Approving the corporate strategy, business plans, budgets, and monitoring management closely in implementing it.
- Ensuring that the Gauteng Film Commission complies with all relevant laws and regulations and Codes of Best Practice; and ensuring Risk Management processes are in place.

Chief Executive Officer (CEO)

The Chief Executive Officer is charged with the day-to-day management of the Gauteng Film Commission operations and assists the Board of Directors in providing Strategic and Policy direction to the Gauteng Film Commission. In terms of the operation of the Gauteng Film Commission, Industry Support Development and Marketing & Communications are regarded as the core function of the organisation in line with the mandate of the organisation.

The core function is assisted by the support function, i.e., Finance, Human Resources, Legal and Governance, Information Communication Technology (ICT) and Stakeholder Relations. The process of appointing a Chief Executive Officer has been finalised during the last quarter of the current financial year under review. Ms Keitumetse Lebaka who was been appointed on an Acting capacity is now the Chief Executive Officer.

Audit and Risk Committee (ARCO)

The Audit and Risk Committee oversees Financial Reporting, Internal Control, Risk Management, Funding Plans and Strategies, Compliance, Corporate Governance and Policies. ARCO is supported by the Management Committee in fulfilling its duties regarding financial Risk Management. Its responsibilities pertaining to risk management include, but are not limited to:

- Reviewing the Gauteng Film Commission Risk Management policy and strategy.
- Assisting the Board in evaluating the adequacy and effectiveness of the risk management process.
- Reviewing the Gauteng Film Commission's significant risk exposures and making recommendations to the Board of Directors on appropriate mitigation strategies.
- Appointment of Internal Auditors.

Human Resources and Ethical Committee

The governing body provide oversight in relation the overall remuneration of the entity. All members of the Committee for Remuneration are non-executive members of the governing body with the majority being independent non-executive members of the governing body. The committee is chaired by an independent non-executive.

The Human Resources and Ethical Committee is responsible for all social and ethical behaviour of the organisation. The responsibilities of the Social and Ethics Committee include statutory duties and any other responsibilities delegated to it by the Board of Directors. The Social and Ethics Committee should, subject to legal provision, have executive and non-executive members, with majority being non-executive members of the governing body.

Bid Adjudication Committee (BAC)

The Bid Adjudication Committee (BAC) is responsible for all competitive bids that are awarded by Gauteng Film Commission, according to Treasury Regulations 16A6.2a Government Entity's supply chain management systems and must, inter alia, provide for the adjudication of bids through a Bid Adjudication Committee, the establishment, composition and functioning of bid specification, evaluation and adjudication committees and selection of the bid adjudication members. According to paragraph 2.4 of the Code of Conduct for Bid Adjudication Committees, the Bid Adjudication Committee must consider the recommendations/reports of the Specification and Evaluation Committee and depending on the delegated powers make:

- A final award, or
- A recommendation to the Accounting Authority to make final award, and/or
- Make other recommendations to the Accounting Authority.

Specifications and Evaluation Committee

The Specifications and Evaluation Committee is accountable for monitoring and overseeing the implementation of the procurement policy, procedures, code of conduct and monitoring adherence whilst also making recommendations to the Bid Adjudication Committee.

Nominations Committee

The Nominations Committee is established and currently functional. Its roles and responsibilities are to oversee the following functions:

- The process for nominating, electing and appointing members of the governing body,
- Succession planning in respect of governing body members, and
- Evaluation of the performance of the governing body.

Governance and Investment Committee

The Governance and Investment Committee oversees the approval of both Industry Support Development (ISD) and Marketing and Communication projects, which have been evaluated by the Independent Projects Committee.

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Board of Directors composition and record of attendance

Name	Designation in terms of GFC structure	Date of Expiry of Office Term	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of other Committees
Ms. Busi Mhaga	Chairperson of the Board Committee	26 November 2020 until further notice	- Bachelor of Philosophy in Transport and Logistics - Diploma and Bachelor of Technology in Town and Regional Planning	- Business Management - Public Service	None	Governance & Investment	11 out of 11	6 out of 6
Ms. Anthea Mokoena	Company Secretary and Legal Manager	None	- B Proc - Diploma in Drafting Contracts and MAPP	- Contracts and Litigations	None	HR & Ethics; ARCO; Governance & Investment	1 out of 6	5 out of 9
Mr. Lufuno Nematswerani	Board Member	26 November 2020 until further notice	- Post Graduate Diploma in Management - Honours in Human Resource Development - Masters in Business Administration, Training and Development	- Human Resources - Strategy and Policy Development and Implementation - Disputes Management - Employee Relations	None	HR & Ethics; Governance & Investment	11 out of 11	15 out of 15
Mr. Elliot Maluleke	Chief Financial Officer	None	- B Com - SAICA Articles - SAIPA - AGASA	- Finance - Auditing - Corporate Governance	None	Audit & Risk	1 out of 11	4 out of 4
Mr. Keith Khoza	Board Member	26 November 2020 until further notice	- Master's in Public Administration - Post Graduate Diploma in Administrative Studies	- Public Administration	None	Audit & Risk	10 out of 11	5 out of 5
Ms. Lebogang Ndadana CA(SA)	Joint Advisory Member	30 September 2021	- BA-Compt - (CA) SA	- Finance - Corporate Governance - Audit	None	Audit & Risk; Governance & Investment	10 out of 11	9 out of 9

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Name	Designation in terms of GFC structure	Date of Expiry of Office Term	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of other Committees
Ms. Keitumetse Lebaka	CEO	19 October 2020 until further notice	- B. Com Professional Certificate in Programme and Project Management - Professional Certificate in Public and Development Management - Management Development Programme - Global Executive Development Governance - Post Graduate Diploma in Management Practice - Master's in Business Management	- Strategy Development - Policy Development - Project Management - Portfolio Management - Human Resource Management - Business Development - Grant Management - Business Management - Supply Chain Management - Contract Management	None.	Board; Audit & Risk; HR & Ethics; Governance and Investment	11 out of 11	13 out of 13
Mr. Percy Manzini	Deputy Chairperson of the Board	30 September 2024	- B Com - Doctor of Business Administration (in progress) - Master of Philosophy in Development Finance, MBA	- Executive positions in Public Administration and Private Sector	None.	Governance & Investment; Audit and Risk	10 out of 11	9 out of 9
Mr. Thato Molamu	Board Member	30 September 2024	- Postgraduate Diploma in Managerial Practice - Certificate in Entrepreneurial Skills Development - Certificate in Project Management	- Executive positions in Private Sector	None.	HR and Ethics	6 out of 11	6 out of 9

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Name	Designation in terms of GFC structure	Date of Expiry of Office Term	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of other Committees
Ms. Komathie Govender CA(SA)	Board Member	30 September 2024	- Chartered Accountant - Honours in Accounting	- Extensive Experience at Executive Level	None	Audit & Risk Committee	10 out of 11	1 out of 1
Ms. Nthabeleng Zondo	Board Member	30 September 2024	- Master of Science Degree - BBA in International Tourism Management - Associate of Science Degree in International Tourism	- Extensive Experience at Executive Level	None	HR & Ethics	10 out of 11	9 out of 9
Mr. Elson Kgaka	Board Member	30 September 2024	- B. Uris - LLB	- Extensive Experience at Executive Level	None	HR & Ethics	9 out of 11	8 out of 9
Ms. Keitumetse Mahlangu	Board Member	30 September 2024	- LLB	- Extensive Experience at Executive Level	None	Audit & Risk	11 out of 11	4 out of 5

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Board of Directors composition and record of attendance.

Details	JAC Committee	Governance & Investment Committee	Audit & Risk Committee	Human Resources & Ethics Committee	Board & other (Induction and Training)	Total
Total Meetings	**11**	**6**	**5**	**9**	**13**	**44**
Ms B. Mhaga	11	6	-	-	10	27
Mr E. Maluleke	4	-	1	-	-	5
Ms A. Mokoena (Note1)	1	2	2	2	-	7
Ms L. Ndadana CA(SA)	10	6	5	-	6	27
Mr L. Nematswerani	11	6	-	9	3	29
Mr K. Khoza	10	-	5	-	6	21
Ms K. Lebaka	3	2	2	6	-	13
Mr P. Manzini	10	6	5	-	3	24
Mr T. Molamu	6	-	-	6	6	18
Ms N. Zondo	10	-	-	9	2	21
Ms K. Mahlangu	11	-	4	-	3	18
Ms K. Govender CA(SA)	10	-	1	-	2	13
Mr E. Kgaka	9	-	-	8	6	23

Note 1: Ms Anthea Mokoena resigned on the 30th of September 2022.

Integrated Risk Management

In line with the Companies Act the Board of Directors is responsible for the management of the risks pertaining to the business of the Gauteng Film Commission. The Board has delegated this authority to the Chief Executive Officer.

Whilst the line manager of each division within the Gauteng Film Commission has the primary responsibility for identifying and managing risks inherent to the operations of his/her division, the Audit and Risk Committee develops and reviews risks management strategies, policies, and procedures to ensure that they are appropriate for the Gauteng Film Commission.

Management Committee (MANCO) reports to the Chief Executive Officer and submits Annual Reports to the Audit and Risk Committee, providing assurance on the management of significant risks or exposure. The internal audit function independently audits the adequacy and effectiveness of the Gauteng Film Commission's risk, internal control and governance processes and this function is outsourced.

Strategic Risks

Strategic risks can be defined as the uncertainties and untapped opportunities embedded in our strategic intent and how well they are executed. As such, they are key matters for the Board and impinge on the whole business, rather than just isolated unit.

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

Liquidity Risks

The liquidity risk is the risk that Gauteng Film Commission may be unable to meet short term financial demands. This usually occurs due to the inability to convert a security or hard assets to cash without a loss of capital and/or income in the process.

Compliance Risks

Compliance risk relates to negative impact originating from non-compliance with all applicable legislation and regulations.

The Audit and Risk Committee oversees the adherence and compliance with all applicable statutory and regulatory requirements.

The compliance risk is managed through creating awareness of the regulatory requirements, and monitoring compliance with legislative requirements.

Operational Risks

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people, and systems.

This risk category is managed through a system of internal controls, which is based on approved policies and procedures for initiation, verification and reconciliation of transactions, and adequate segregation of incompatible duties. The operational risk category includes the following risk areas: Fraud, Financial Management, Legal Risk, Human Resources Risk, Information Technology Risk, Business Continuity and Taxation. Management arranged a fraud workshop during the current financial year under review.

For the year ended 31 March 2023

The Audit and Risk Committee and Board of Directors have approved finance policies which include an anti-fraud and corruption policy and avoidance of wasteful and fruitless expenditure. No incidents of fraud or irregular activities were reported during the financial year under review.

Reputational Risk

Reputational risk is the risk of damage to the Gauteng Film Commission image which may impair its ability to retain and generate more business.

The Gauteng Film Commission manages its reputational risk through on-going evaluation and management of the significant risk types highlighted above.

Internal Controls

The Audit and Risk Committee assists the Board in discharging its duties to ensure that the Gauteng Film Commission maintains adequate accounting records, internal controls and systems designed to provide reasonable assurance on the integrity and reliability of financial information and to safeguard its assets.

CORPORATE GOVERNANCE REPORT

For the year that ended 31 March 2023

The effectiveness of these internal control systems is monitored through management reviews, formalised reporting, and internal audits. The Internal Audit function, under the direction of the Audit and Risk Committee, is outsourced to an independent service provider. It operates in terms of an Internal Audit Charter, which was reviewed and approved by the Audit and Risk Committee and approved by the Board of Directors during the financial period under review.

The Internal Audit function reports functionally to the Audit and Risk Committee and administratively to the Chief Executive Officer and its staff have full and unrestricted access to the Chairperson of the Audit and Risk Committee.

The Audit and Risk Committee conducts its own review of the effectiveness of the Internal Audit function.

All operations, business activities and support functions are subject to internal review. The Internal Audit plan is based on key risk areas identified from risk assessment and the audits are planned and executed to provide management with independent assurance on the adequacy and effectiveness of the internal control systems.

Vacant
Company Secretary and Legal Manager
30 May 2023

REPORT OF THE AUDIT AND RISK COMMITTEE

For the year that ended 31 March 2023

1. Audit and Risk Committee responsibility

The Audit and Risk Committee has discharged all its responsibilities set out in terms of applicable requirements of the King IV as well as in its adopted Terms of Reference, the role should provide independent oversight of amongst others:

- The effectiveness of the GFC assurance functions and services, with particular focus on combined assurance arrangements, including external assurance service providers, internal and finance functions.
- The integrity of Annual Financial Statements and, to the extent delegated by Board of Directors, other external reports issued by the GFC.
- A statutory Audit and Risk Committee has the power to make decisions regarding its statutory duties and is accountable for its performance in this regard.
- If the governing body delegates risk governance to the Audit and Risk Committee, the Audit and Risk Committee should satisfy itself that it dedicates time to its responsibility.
- The Audit and Risk Committee should oversee the management of financial and other risks that affect the integrity of external reports issued by GFC.
- The Audit and Risk Committee should meet with internal and external auditors respectively, without management being present, to facilitate an exchange of views and concerns that may be appropriate for decisions in an open forum.

2. Internal controls

The management of the Gauteng Film Commission continues to strive towards sustainable improvement in its internal control. Nothing has come to the attention of the Audit and Risk Committee to indicate that a material breakdown in the functioning of the internal controls, procedures and systems has occurred during the period under review.

In the opinion of the Audit and Risk Committee, the internal controls and procedures of the Gauteng Film Commission are appropriate in all material respects in relation to:

- Achieving the business objectives of the Gauteng Film Commission,
- Ensuring that the Gauteng Film Commission assets are adequately safeguarded, and
- Ensuring that transactions undertaken are recorded in the Gauteng Film Commission's records.

3. Evaluation of financial statements

The Committee has evaluated the annual Financial Statement and Annual Reports of the Gauteng Film Commission for the year ended 31 March 2023. Based on the information provided and the annual Performance Reports the Audit and Risk Committee. The Committee considers that they comply, in all material respects, with the requirements of the Companies Act.

Ms. Lebogang Ndadana CA (SA)
Chairperson
30 May 2023

STATEMENT OF FINANCIAL POSITION (SOFP)

For the year that ended 31 March 2023

	Notes	Mar 2023	Mar 2022
		R	R
ASSETS			
Non-current Assets		**932,838**	**702,295**
Property, plant, and equipment	2	929,968	696,558
Intangible assets	3	2,870	5,737
Current Assets		**5,457,764**	**3,057,475**
Trade and other receivables	4	1,389,313	1,639,042
Cash and cash equivalents	5	4,068,451	1,418,433
TOTAL ASSETS		**6,390,602**	**3,759,770**
EQUITY			
Accumulated Surplus		2,021,179	1,999,252
Non- Current Liability			
Obligation Finance Lease	8	28,340	79,800
Current liabilities		**4,341,083**	**1,680,718**
Trade and other payables	7	4,289,623	1,635,459
Obligation under Finance Lease	8	51,460	45,259
TOTAL EQUITY AND LIABILITIES		**6,390,602**	**3,759,770**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (SOCI)

As at the year ended 31 March 2023

	Notes	Mar 2023	Mar 2022
		R	R
Government grants	10	41,169,000	38,691,000
Other Income	11	1,732,868	3,548,639
Depreciation	2	(323,036)	(359,474)
Amortisation of intangible assets	3	(2,866)	(3,294)
Operating expenses	22	(42,955,841)	(42,890,840)
Operating loss		**(379,875)**	**(1,013,969)**
Interest received	14	417,045	208,661
Finance costs	15	(15,243)	(8,991)
Net (Deficit)/Surplus for the period		**21,927**	**(814,299)**

STATEMENT OF CHANGES IN EQUITY (SOCE)

As at the year ended 31 March 2023

	Notes	Mar 2023
		R
Accumulated Profit:		
Balance at March 2021		2,813,551
Net Surplus for the period		(814,299)
Balance as of 31 March 2022		**1,999,252**
Net Surplus for the year		21,927
Balance as of 31 March 2023		**2,021,179**

STATEMENT OF CASH FLOW (SOCF)

As at the year ended 31 March 2023

	Notes	Mar 2023	Mar 2022
		R	R
Receipts from Government		43,151,597	41,116,813
Cash paid to suppliers and employees		(40,299,977)	(43,229,800)
Cash generated from operations	**17**	**2,851,620**	**(2,112,987)**
Interest received	**14**	417,045	208,661
Finance cost	**15**	(15,243)	(8,991)
Net cash inflow from operations		**3,253,422**	**(1,913,317)**
Net cash outflows from investing activities		**(558,154)**	**(155,785)**
Purchase of Property, Plant and Equipment	**2**	(558,154)	(155,785)
Purchase Intangible Asset			
Net cash flow from financing activities		**(45,250)**	**125,059**
Obligation of Finance Lease	**8**	(51,460)	79,800
Settlement of Finance Lease		6,200	45,259
Net (Decrease)/Increase in cash and cash equivalents for the year		2,650,018	(1,944,043)
Cash and cash equivalents at beginning of the year		1,418,433	3,362,476
Cash and cash equivalents at the end of the period	**5**	**4,068,451**	**1,418,433**

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

1. Presentation of Annual Financial Statements

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Companies Act applicable requirements. The Annual Financial Statements have been prepared on the historical basis except for the measurement of certain financial instruments at fair value and incorporate the principal accounting policies set out below. They are presented in South African Rands.

An entity classifying expenses by function shall disclose additional information on the nature of expenses including depreciation and amortisation and employee benefits expenses.

The choice between the function of expenses method and nature of expenses method depends on historical and industry factors and the nature of entity. Both methods provide an indication of those costs that might vary directly and indirectly.

GFC shall disclose, along with its significant accounting policies or other notes, the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1.1 Significant Judgements and Sources of Estimation of Uncertainty

In preparing the Annual Financial Statements, Management is required to make estimates and assumptions that affect the amounts represented in and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from those estimates which may be material to the Annual Financial Statements.

An entity shall disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial period. In respect of those assets and liabilities, the notes shall include details of:

- Their nature,
- Their carrying amount as at the end of the reporting period,
- Estimated useful lives and residual values of assets,
- Effective Interest on Finance Lease, and
- Significant judgements.

Trade Receivables, Loans and Receivables

The GFC assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in a profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from financial assets.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

1.2 Property, Plant and Equipment

Property, Plant and Equipment are initially measured at cost.

The cost of an item of property, plant and equipment is recognised as assets when:
- It is probable that the future economic benefits associated with the item will flow to the company, and
- The cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and cost incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, Plant and Equipment are carried at cost less accumulated depreciation and any impairment losses; reassessment of assets is performed after every three-year period.

Property, Plant and Equipment are depreciated on a straight-line basis over their expected useful lives to their estimated residual values.

The useful lives of items of Property, Plant and Equipment have been assessed as follows:

Item	Average useful life
Computer Hardware	3 years
Capitalized Lease Assets	5 years
Office Furniture	5 years
Leasehold Improvement	5 years
Office Equipment	5 years

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

The residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The depreciation charge for each period is recognised in the profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from derecognition of an item of Property, Plant and Equipment is included in profit or loss when the item is derecognised. This gain or loss is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The gross carrying amount of the fully depreciated Property, Plant and Equipment at the end of the period amounted to the total of March 2023: R1,237,846, March 2022: R 1,538,273. The fully depreciated assets are still in use.

1.3 Intangible Assets

An intangible asset is recognised when:
- It is probable that the future economic benefits associated with the item will flow to the company, and
- The cost of the item can be measured reliably.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as expenses when it is incurred.

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

An intangible asset is regarded as having indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the assets are expected to generate net cash inflow.

Amortisation is not provided for these intangible assets, but they are tested for impairment yearly and whenever there is an indication that the assets may be impaired. For all other intangible asset's amortisation is provided on a straight-line basis over the useful lives.

The amortisation method of intangible assets is reviewed every period end.

An entity shall disclose in the summary of significant accounting policies:
(a) The measurement basis used in preparing the financial statements, and
(b) The other Accounting Policies used that are relevant to an understanding of the financial statements.

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

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Useful life
Computer Software	3 years

1.4 Financial Instruments

Categories of financial assets and financial liabilities

The carrying amounts of each of the following categories, as specified in IFRS 9, shall be disclosed either in the statement of financial position or in the notes: financial liabilities at fair value through profit or loss, showing separately.

(i) those designated as such upon initial recognition or subsequently in accordance with paragraph 6.7.1 of IFRS 9 and
(ii) those that meet the definition of held for trading in IFRS 9.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

Financial assets measured at amortised cost.

For each type of risk arising from financial instruments, an entity shall disclose:

(a) summary quantitative data about its exposure to that risk at the end of the reporting period. This disclosure shall be based on the information provided internally to key management personnel of the entity (as defined in IAS 24 Related Party Disclosures), for example the entity's board of directors or chief executive officer.
(b) the disclosures required by paragraphs 35A-42, to the extent not provided in accordance with (a).
I concentrations of risk if not apparent from the disclosures made in accordance with (a) and (b).

Credit risk

For each type of risk arising from financial instruments, an entity shall disclose:

(a) summary quantitative data about its exposure to that risk at the end of the reporting period. This disclosure shall be based on the information provided internally to key management personnel of the entity (as defined in IAS 24 Related Party Disclosures), for example the entity's board of directors or chief executive officer.
(b) the disclosures required by paragraphs 35A-42, to the extent not provided in accordance with (a).
I concentrations of risk if not apparent from the disclosures made in accordance with (a) and (b).

Scope and objectives

The credit risk disclosures made in accordance with paragraphs 35F-35N shall enable users of financial statements to understand the effect of credit risk on the amount, timing, and uncertainty of future cash flows. To achieve this objective, credit risk disclosures shall provide:

(a) quantitative and qualitative information that allows users of financial statements to evaluate the amounts in the financial statements arising from expected credit losses, including changes in the amount of expected credit losses and the reasons for those changes; and
(b) GFC shall explain its credit risk management practices and how they relate to the recognition and measurement of expected credit losses.

To meet this objective an entity shall disclose information that enables users of financial statements to understand and evaluate:

How the instruments were grouped if expected credit losses were measured on a collective basis asset.

For all financial instruments within the scope of this IFRS, but to which the impairment requirements in IFRS 9 are not applied, an entity shall disclose by class of financial instrument:

The amount that best represents its maximum exposure to credit risk at the end of the reporting period without taking account of any collateral held or other credit enhancements (e.g. netting agreements that do not quality for offset in accordance with IAS 32); this disclosure is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk.

To meet the objectives in paragraph 91, an entity shall disclose, at a minimum, the following information for each class of assets and liabilities (see paragraph 94 for information on determining appropriate classes of assets and liabilities) measured at fair value (including measurements based on fair value within the scope of this IFRS) in the statement of financial position after initial recognition.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

GFC shall explain the inputs, assumptions and estimation techniques used to apply the requirements in Section 5.5 of IFRS 9. For this purpose, an entity shall disclose:

(a) the basis of inputs and assumptions and the estimation techniques used to:
(b) measure the 12-month and lifetime expected credit losses.

To enable users of financial statements to assess an entity's credit risk exposure and understand its significant credit risk concentrations, an entity shall disclose, by credit risk rating grades, the gross carrying amount of financial assets and the exposure to credit risk on loan commitments and financial guaranteen contracts. This information shall be provided separately for financial instruments:

For trade receivables, contract assets and lease receivables to which an entity applies paragraph 5.5.15 of IFRS 9, the information provided in accordance with paragraph 35M may be based on a provision matrix (see paragraph B5.5.35).

1.5 Finance Lease

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or machinery, or if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term to produce a constant period rate of on the remaining balance of the liability.

In terms of the new standard, all leases should be classified as finance lease, unless the value is R 80,300 which is of low value, or the contract is less than twelve months (IFRS 16BC100).

Lease payments are recognised as expenses on a straight-line basis over the lease term. The differences between the amounts recognised as an expense and the contractual payments are recognised as operating lease assets. This liability is not discounted.

1.6 Impairment of Assets

The company assesses assets at the end of the reporting period whether there is any indication that any of the assets may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

GFC assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may be decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal impairment loss of a revalued asset is treated as a revaluation increase.

1.7 Defined Contribution Plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Provisions and Contingencies

Provisions

Provisions are recognised when:
- The company has a present obligation because of a past event.
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of provision is the present value of the expenditure expected to be required to settle the obligation.

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

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under contract shall be recognised and measured as a provision, contingent assets and contingent liabilities are recognised.

Provisions were raised and Management determined estimates based on the information available.

Contingent Liabilities

Contingent liabilities are possible obligations that arises from past events and whose existence will be confirmed by the occurrences and non-occurrences of one or more uncertain future events not wholly within the control of the entity.

Contingent Assets

Contingent assets are possible assets that arise from past events and whose existence will be confirmed by the occurrences and non-occurrences of one or more uncertain future events not wholly within the control of the entity.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

1.8 Government Grants

Government grants are recognised when there is reasonable assurance that:

- The company will comply with the conditions attached to them; and
- The grant will be received.

Government grants are recognised as an income over the periods necessary to match them with the related cost that they are intended to compensate.

Government grants are income related and are presented as a credit in a profit and loss.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost is recognised as income for the year ended in which it becomes receivable. In cases where the grant is more than expenses, it is recognised as deferred income, in our statement of financial position.

Grant Related Income is:

The repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as expenses.

The repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable.

The cumulative additional depreciation that would have been recognised to date as expenses in the absence of the grant is recognised immediately as an expense.

1.9 Revenue and other Income Recognition

IFRS 15 it establishes a single and comprehensive framework for revenue recognition to apply consistently across transaction, industries, and capital markets, with a core principle (based on a five-step model to be applied to all contract with customers). Gauteng Film Commission's major source of revenue is Note 2(B) therefore IFRS 15 does not impact significantly on the financial position and or financial performance of the GFC. The standard is used on a full retrospective method. The Company's other income recognition is as follows:

Interest Income

Interest is recognised as income in profit or loss using the effective interest rate method.

1.10 Related Parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. Because of the constitutional independence of the three spheres of government in South Africa, only entities within the national/provincial/local spheres of government are related parties. The Gauteng Film Commission is accountable to Gauteng Province through the Department of Sport, Arts, Culture and Recreation (DSACR), governed by a Memorandum of Agreement under the leadership of the MEC Ms Morakane Mosupyoe.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

An entity shall disclose key management personnel compensation in total for each of the following categories:
(a) Short term employees' benefits
(b) Post -employment benefit
(c) Other long -term benefits
(d) Termination benefits, and
(e) Share based payments

If an entity has had related party transaction during the periods covered by the financial statement, it shall disclose the nature of the related party relationship as well as information about those transaction and outstanding balances, including commitments, necessary for users to understand the potential of the relationship on the financial statement.

1.11 Presentation Currency

The Annual Financial Statements are presented in South African Rands, which is the functional and presentation currency of the Board and amounts have been rounded to the nearest Rands.

1.12 Accounting Policies, Accounting Estimates and Errors

When initial application of an IFRS influences the current period or any prior period, would have such an effect except that it is impracticable to determine the amount of the adjustment, or might influence future periods, an entity shall disclose:

(a) The title of the IFRS
(b) When applicable, that the change in accounting policy is made in accordance with its transitional provisions
(c) The nature of the change in accounting policy
(d) When applicable, a description of the transitional provisions
(e) For the current period and each prior presented, to be extent practicable, the amount of the adjustment
(f) For the current period and each prior period presented, the extent practicable, the amount of the adjustment

1.13 Fair Value Adjustment

An entity shall disclose information that helps users of its financial statements assess both of the following:

(a) For assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition, the valuation techniques and inputs used to develop those measurements.
(b) For recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the year.

To meet the objectives in paragraph IFR 9, an entity shall consider all the following:

(a) The level of detail necessary to satisfy the disclosure requirements.
(b) How much emphasis to place on each of the various requirements.
(c) How much aggregation or disaggregation to undertake; and
(d) Whether users of financial statements need additional information to evaluate the quantitative information disclosed.

If the disclosures provided in accordance with this IFRS 9 and other IFRS are insufficient to meet the objectives in paragraph 91, an entity shall disclose additional information necessary to meet those objectives.

ACCOUNTING POLICY NOTES (APN)

As at the year ended 31 March 2023

1.14 Financial reporting standards and interpretations issued but not yet effective

Standard or interpretation	Detail of amendments	Annual period beginning on or after
IFRS 17: **Insurance Contracts**	IFRS 17 Insurance Contracts (issued in May 2017): The Standard that replaces IFRS 4, effective for Annual periods beginning on or after 1 January 2021 (earlier application permitted only if IFRS 9 and IFRS 15 also applied), requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of consistent, principle-based accounting for insurance contracts, giving a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. As the Gauteng Film Commission, has neither issued insurance contracts nor held reinsurance contracts, the Standard is not expected to influence its financial statements.	1 January 2021
	The judgement and estimates made to recognise and measure the effect of uncertain tax treatment are reassessed whenever circumstances changes or when there is a new information that affects those judgement. New information might include actions by the Tax Authorities, evidence that the Tax Authority has taken a position in connection with a similar item, or the expiry of the Tax Authorities right to examine a tax treatment. IFRIC 23 states specifically that the absence of any comment from the Tax Authorities is unlikely to be, in isolation, a change in circumstances or new information that would lead to a change in estimates. There are no new disclosure requirements in IFRIC 23. However, entities are reminded of the need to disclose, in accordance with IAS 1. the judgement and estimates made in determining the uncertain treatment.	

Adoption of IFRS 9

IFRS 9 was issued by the IASB in July 2014 and is effective for accounting periods beginning on or after 1 January 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurements and introduces new requirements for:

1) The classification, measurements and derecognition of financial assets and financial liabilities;
2) The impairment of financial assets and financial liabilities; and
3) General hedge accounting.

Classification, measurements and derecognition

IFRS 9 introduces new measurements categories for financial assets, the impact of which illustrated note 3.7 From 1 April 2018, the company classifies financial assets in each of the IFRS 9 categories based on the company business model for managing the financial assets and the cash flow characteristics of the financial assets.

Impairment model

IFRS 9 introduces an expected credit loss model as opposed to an incurred credit loss approach in recognising any impairment of financial assets. The expected credit loss model requires the company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

2. Property, Plant, and Equipment Summary

Mar 2023	Computer Hardware	Office Furniture	Office Equipment	Capitalised Leased Asset	Leasehold Improvements	Total
Carrying amount at beginning	**286,554**	**25,512**	**254,435**	**128,613**	**1,444**	**696,558**
Gross Carrying Amount at 1 April 2022	1,741,827	682,873	547,785	145,600	4,403	**3,122,488**
Accumulated Depreciation	(1,455,273)	(657,361)	(293,350)	(16,987)	(2,959)	**(2,425,930)**
Additions	158,450	-	399,704	-	-	**558,154**
Depreciation	(193,602)	(10 829)	(88 605)	(29 119)	(881)	(323,036)
Assets written off Cost	(833,141)	(40 001)	-	(4 403)	(4 403)	(877,545)
Asset Written off - accumulated depreciation	832,003	(39 994)	-	(3 840)	(3 840)	875,837
Carrying amount at the end	**250,264**	**14,683**	**565,527**	**99,494**	**-**	**929,968**
Gross carrying amount	1,067,136	682,873	907,488	145,600	-	**2,803,097**
Accumulated Depreciation	(816,872)	(668,190)	(341,961)	(46,106)	-	**(1,873,129)**

Included in the R929 968 is the carrying amount of assets above. As of the 31 March 2023 there has been a total number of twenty-six with a R1 carrying amount. Management have assessed these assets and determined reviewing their useful life would not result in a material adjustment.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

2. Property, Plant, and Equipment Summary (cont.)

March 2022	Computer Hardware	Office Furniture	Office Equipment	Capitalised Lease Asset	Leasehold Improvements	Total
Carrying amount at beginning	**512,374**	**29,484**	**345,069**	**11,000**	**2,325**	**900,252**
Gross Carrying Amount at 1 April 2021	1,763,505	672,688	547,785	215,000	4,403	**3,203,381**
Accumulated Depreciation	(1,251,131)	(643,204	(202,716)	(204,000)	(2,078)	**(2,303,129)**
Additions	-	10,185	-	145,600	-	**155,785**
Depreciation	(225,818)	(14,157)	(90,634)	(27,984)	(881)	**(359,474)**
Write off- Cost	(21,678)	-	-	(215,000)	-	**(236,678)**
Write off- Accumulated Depreciation	**21,676**	**-**	**-**	**214,996**	**-**	**236,673**
Carrying amount at the end	**286,554**	**25,512**	**254,435**	**128,613**	**1,444**	**696,558**
Gross carrying amount	1,741,827	682,873	547,785	145,600	4,403	**3,122,488**
Accumulated Depreciation	(1,455,273)	(657,361)	(293,350)	(16,987)	(2,959)	**(2,425,930)**

The Gauteng Film Commission does not have any assets which have been pledged as security and there are no restrictions on any title of Property Plant and Equipment (PPE) during the current financial period under review. The finance lease is disclosed under (note 8).

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

3. Intangible Assets

Computer software

	Mar 2023	Mar 2022
	R	R
Summary		
Carrying amount at Beginning of the period	**5,737**	**9,031**
Cost	16,253	16,253
Accumulated Amortisation	(10,516)	(7,222)
Additions	-	-
Amortisation	**(2,866)**	**(3,294)**
Cost Write-Off	**(7,653)**	-
Accumulated Amortisation Write-Off	**7,652**	-
Carrying amount at End of the period	**2,870**	**5,737**
Gross carrying amount	8,600	16,253
Accumulated amortisation	(5,730)	(10,516)

There is no restriction on title of intangible assets and intangible pledges as security during the financial year under review.

4. Trade and Other Receivables

	Mar 2023	Mar 2022
	R	R
South African Revenue Services - VAT	1,226,317	391,536
Sundry debtors	77,621	54,210
Prepayments	85,375	73,125
Sundry Debtor: MICT	-	1,120,171
	1,389,313	**1,639,042**

The carrying value of trade and other receivables approximates the fair value.

Trade and other receivables impaired

During the current financial year under review there were no impairment on trade and other trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

5. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances. Cash and cash equivalents included in the cash flow statement comprise of the following balance sheet amounts:

	Mar 2023	Mar 2022
	R	R
Cash at the Bank - Current	4,030,603	1,382,205
Call	37,848	36,228
	-	-
	4,068,451	**1,418,433**

The carrying value of cash and cash equivalents approximates the fair value.

6. Financial Assets by Category

The accounting policies for financial instruments have been applied to the line items below:

Financial assets held at amortised cost

	Mar 2023	Mar 2022
	R	R
Trade and other receivables	77,621	1,174,381
Cash and cash equivalents	4,068,451	1,418,433
	4,146,072	**2,592,814**

It should be noted that prepayments and SARS Value Added Tax does not form part of financial trade and other receivables.

7. Trade and Other Payables

The carrying value of trade and other payables approximates the fair value. Trade and other payables have not been discounted since Gauteng Film Commission pays its suppliers within thirty days.

	Mar 2023	Mar 2022
	R	R
Accruals - Medical	310	10,672
Sundry Accrual - Leave	472,883	471,542
Sundry Accrual - Other	3,816,430	1,153,245
	4,289,623	**1,635,459**

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

8. Reconciliation Between the Total Minimum Lease Payments and their Present Value

GFC has a photocopy machines contract that is classified as finance lease, minimum lease payment during the current financial year under review was **R58,788** and this was paid for twelve months. The agreement does not provide for contingent rental payments and there is also no escalation on the contract.

	Up to 1-year	2-3 Years	Totals
March 2023			
Minimum lease payments	58,788	29,394	88,182
Finance cost	(7,328)	(1,054)	(8,382)
Present value	**51,460**	**28,340**	**79,800**
March 2022			
Minimum lease payments	58,788	88,182	146,970
Finance cost	(13,529)	(8,382)	(21,911)
Present value	**45,259**	**79,800**	**125,059**

Obligation of Finance Lease

	Mar 2023	Mar 2022
	R	R
Current liability	51,460	45,259
Non-current liability	28,340	79,800
	79,800	**125,059**

9. Financial Liability by Category

The accounting policies for financial instruments have been applied to the items below.

Financial liabilities at amortised cost:

	Mar 2023	Mar 2022
	R	R
Trade and other payables	3,816,430	1,153,245
Finance lease	79,800	125,059
	3,896,230	**1,278,304**

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

10. Government Grants

The government grant is received from the Department of Sport, Arts, Culture and Recreation for funding Gauteng Film Commission mandate in line with the approved business plan. The grant is not conditional and does not have other contingencies attached to it. The grant is used for the entity's day to day operations and Funding the Audio Visual industry.

	Mar 2023	Mar 2022
	R	R
Government grant – Main allocation	41,169,000	38,691,000

11. Other Income

Other income arises as the result of insurance settlements for assets lost during the period under review:

The amount also includes Income from MICSETA, a Partnership for bursary and internships for film and production students.

	Mar 2023	Mar 2022
	R	R
Proceeds from Insurance Claims	13,630	19,221
Income from a MICSETA Partnership	1,719,238	3,529,418
	1,732,868	**3,548,639**

Note: The amount received from MICSETA is R1,7m and the amount utilised is R1,4m.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

12. Other Operating Expenses

The operating surplus is stated after taking the following items into account:

	Notes	Mar 2023	Mar 2022
		R	R
Depreciation	2	**323,036**	**359,474**
Computer Hardware		193,602	225,818
Leasehold Improvements		881	881
Office Equipment		88,605	90,634
Office Furniture		10,829	14,157
Capitalized Lease Assets		29,119	27,984
Provident Fund		1,540,520	1,464,929
Repairs and Maintenance		5,557	7,064
Amortisation of Intangibles	3	2,866	3,294
Employee Costs		14,940,467	15,865,103
Assets Written Offs		1,708	2,744
Professional Fees		**642,405**	**679,211**
Payroll Services		41,941	48,619
Consultants		12,561	9,061
Audit Fees			
External Auditors		353,922	417,939
Internal Auditors		233,981	203,592
Operating lease charges		**13,396**	**13,397**
Equipment		13,396	13,397
Directors Emoluments *(Note 1)*		**6,407,715**	**5,049,535**
Executive Directors	13.1	5,096,765	4,189,485
Non-Executive Directors	13.2	1,310,950	860,050

Note 1:
Executive Directors emoluments is included under employee cost and provident fund as stated and disclosed above.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

13. Executive Emoluments

13.1 Executive Directors' Emoluments

	Salary	Travel/ Leave Pay	Acting Allowance	13th Cheque	Medical Aid	Provident Fund	Total
March 2023	R	R	R		R	R	R
Mr E Maluleke	1,791,399	16,888	-	147 588	22,200	22,164	**2,000,239**
Ms K Lebaka	2,035,198	54,883	-	-	22 200	83,140	**2,195,421**
Mr F Mathe	783,485	3,977	61,092	22 099	8 288	22,164	**901,105**
	4,610,082	**75,748**	**61,092**	**169 687**	**52,688**	**127,468**	**5,096,765**

	Salary	Travel/ Leave Pay	13th Cheque	Medical Aid	Provident Fund	Total
March 2022	R	R	R	R	R	R
Mr E Maluleke	1,789,218	3,901	145,407	22,200	10,218	**1,970,944**
Ms K Lebaka	2,085,674	24,949	-	22,200	85,718	**2,218,541**
	3,874,892	**28,850**	**145,407**	**44,400**	**95,936**	**4,189,485**

13.2 Non-Executive Directors' Emoluments

	Mar 2023	Mar 2022
	R	R
Ms B Mhaga	189,000	203,000
Ms K Govender	74,300	17,550
Mr E Kgaka	137,250	69,850
Ms K Mahlangu	103,200	58,150
Mr P Manzini	151,000	94,900
Mr T Molamu	103,200	81,550
Ms N Zondo	121,800	69,850
Mr K Khoza	114,900	87,750
Ms L Ndadana	150,500	58,500
Mr L Nematswerani	165,800	118,950
	1,310,950	**860,050**

All payments made to Board of Directors during the quarter under review is for Governance & Strategy, Remuneration and Audit meetings.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

13.3 Short term benefits - Key Management Emoluments

	Mar 2023	Mar 2022
	R	R
Salaries	3,568,319	4,772,154
13th Cheque	284,041	338,760
Medical Aid	33,300	48,100
Travel Claims	114,534	12,341
Acting Allowance	516,478	556,098
Provident Fund	118,931	127,061
	4,635,603	**5,854,514**

The Gauteng Film Commission Key Management Emoluments include the following management units' i.e., Marketing and Communications, Legal and Governance, Information Communication Technology (ICT) and Stakeholder Relations, Industry Support and Development, however, Human Resources is now part of the Executive Director schedule due to their acting in a senior position.

14. Interest Income

	Mar 2023	Mar 2022
	R	R
Interest received	417,045	208,661

15. Finance Cost

	Mar 2023	Mar 2022
	R	R
Long term borrowings	15,243	8,991

16. Taxation

Gauteng Film Commission is incorporated as a Non-Profit Company (NPC) which has as its main objective to facilitate and promote film production in Gauteng Province.

The Gauteng Film Commission has been granted tax exemption during the current financial period under review. The tax exemption has been granted in terms of the requirements of the Public Benefit Organisation (PBO) set out in terms of Section 30(3) of the Income Tax Act No 58 of 1962 (the Act).

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

17. Reconciliation of Net Profit Before Taxation to Cash Generated from Operations

	Notes	Mar 2023	Mar 2022
		R	R
Net (deficit)/Surplus for the period		21,927	(814,299)
Adjusted for items separately disclosed on face of the cash flow statement		**(401,802)**	**(199,670)**
Interest received	14	(417,045)	(208,661)
Finance cost	15	15,243	8,991
Adjusted for items not involving the flow of cash and cash equivalents		**327,610**	**362,772**
Depreciation	2	323,036	359,474
Amortisation of intangibles	3	2,866	3,294
Assets write offs	2	1,708	4
Adjusted for changes in working capital		**2,903,885**	**(1,461,790)**
Increase in accounts receivable		249,721	(1,122,824)
Decrease in accounts payable		2,654,164	(338,966)
Cash generated from operations		**2,851,620**	**(2,112,987)**

18. Related Party Transactions

During the current financial year under review the Gauteng Film Commission had the following related party transaction with the Department of Sport, Art, Culture and Recreation (DSACR) for main allocation, parking fees paid by GFC, rental savings and Key Management Emolument's. All transactions were within the normal day to day operations disclosed to Provincial Treasury:

	Mar 2023	Mar 2022
Transactions:	R	R
Government Grant - Main allocation	41,169,000	38,691,000
Key Management Emoluments (refer to Note 13.1 & 13.3)	9,732,366	10,043,999
Parking fees - Department of Sports, Arts, Culture and Recreation	12,000	20,400
Rental and Municipality savings	2,976,838	2,706,216
Department of Sport, Arts, Culture and Recreation (DSACR)	-	-

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

18. Related Party Transactions (cont.)

Government Grant

The government grant is as per Provincial Treasury allocation as part of funding GFC for the current period under review. The purpose is primarily for core business. i.e., ISD and Marketing and Communication and to also cover other overhead cost and compensation to employees.

Short Term Payments (Key Management Emoluments)

This is the for the payments of key management of GFC in exchange for their services for the current financial year under review. The key managements in relation to business units are as follows ICT, Marketing & Communications, Stakeholder Relations, Human Resources, Legal & Governance, and Industry Support & Development.

Parking Fees

The payments of parking fees are as the results of relationship between GFC and the Department of Sport, Arts, Culture and Recreation, which is governed by the Memorandum of Agreement (MOA).

Rental

There is mutual agreement that GFC will not be paying rental and municipal cost, this will be covered by the Department. Rental was waived to ensure that GFC increases its budget to funding the audio-visual industry, the disclosure is at market related value. The rental and municipal cost savings is estimated at a total cost of R2,9 million for the period (R2,7 million: March 2022).

19. Risk Management

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern to provide benefits for stakeholders to maintain an optimal capital structure. The capital structure of the company consists of debt and, includes the cash and cash equivalents disclosures in (note 5).

Financial risk management

The company's activities expose it to a variety of financial risks: interest risk and liquidity risk.

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Credit risk

Credit risk relates to the risk that we will suffer financial loss, this risk consists mainly of cash deposits, cash equivalents and trade receivables, as of 31 March 2023 both cash and cash equivalents and trade receivable amounted to R4,156,162. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter party.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

Liquidity risk

The company's risk to liquidity is because of the funds available to cover future commitments. The company manages liquidity risk through an on-going review of future commitments and credit facilities. The table below analyses the company's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Liquidity risk relates to the risk that the Gauteng Film Commission will not be able to meet their obligations:

	Less than 1 period	Between 2 and 5 periods
March 2023		
Trade and other payables	3,816,430	28,340
Finance Lease	51,460	-
March 2022		
Trade and other payables	1,153,245	-
Finance Lease	45,259	79,800

Market risk

The risk that fair value or future cash flows of financial instruments will fluctuate because of changes in price.

Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position.

The company's interest rate risk arises from short term investments. These investments are issued at variable rates which exposes the company to cash flow interest rate risk.

Based on the simulation basis and assuming other variables remain constant in the sensitivity calculations, the impact on the post-tax profit of a 1% shift either way would be a maximum of an increase and decrease of R4,390 and (R4,390) respectively.

Currency rate risk

Currency rate risk arises on financial instruments that are denominated in foreign currency.

Other price risk

Other price risk arises from financial instruments because of changes in commodity price or equity price.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

20. Contingent Liabilities

A contingent liability is:
A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Present obligation that arises from past events but is not recognised because, it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

20.1 Ms S Sekgobela Claim

As of 31 March 2020 GFC Board of Directors have received a claim amounting to R386,585, from former ACEO Ms S Sekgobela. The claim is in relation to voice, data, extra work, leave days and travel cost during the period February 2017 until October 2019 while she was appointed to Act by the MEC and Board of Directors. The matter is currently ongoing.

20.2 Surplus for 2020/21 financial year.

It should be noted that during the 2020/21financial year under review GFC incurred a total cash surplus of R1,419,517. The Gauteng Film Commission will therefore in terms of Treasury Regulations 53(3) of the PFMA Act, request approval to retain the surplus for 2020/21 financial year.

It should be noted that during the current financial year under review Gauteng Film Commission have incurred a Surplus of R21,927 and will therefore in terms of Treasury Regulations 53(3) of the PFMA Act, request approval to retain the surplus for the 2020/21 financial year.

20.3 Mr D Mthembu's Claim

During the year under review management received notification that one if its employees, Mr Desmond Mthembu, head of Industry Support and Development, was demanding retribution for an unfair employment contract. The matter is currently ongoing in the Labour Court. This is after CCMA have ordered GFC to pay Mr Mthembu a total amount of R510,985 as back pay and reinstate him. GFC took the decision for review at Labour court and in terms of the lawyers view the prospect of GFC having the CCMA award reviewed and set aside as high. There is more than 50% probability that the Labour Court my reach a different conclusion.

NOTES TO THE FINANCIAL STATEMENTS

As at the year ended 31 March 2023

21. Commitments

During the current financial year under review management have signed contracts with beneficiaries to support various projects, as part of Industry Support and Development programmes which is part of the core business for Gauteng Film Commission. In terms of the agreement, beneficiaries receives certain percentage upon signing the contract and the balance after completion, usually the contract runs from date of signature until February the following year.

Below is the outstanding balance for beneficiaries for the current financial year under review:

	Mar 2023	Mar 2022
	R	R
Animation SA NPC	-	15,000
Chipape Media Productions	-	40,500
Monalisa Productions	-	30,000
Quizzical Pictures	-	75,000
Stilleto Entertainment	-	39,000
HH Fillm Collective	-	30,000
Fanakalo Tours	-	43,200
Kyama (Pty) Ltd	-	32,100
Metrix Productions	-	27,000
Triangle Post & Animation Studios	75,000	-
MAP Blits SI	75,000	-
ACCA (Pty)Ltd	105,000	-
Stream Learn	30,000	-
Soon Agency	73,750	-
Eyethu Films (Pty) Ltd	39,000	-
Edit Caffee Academy	45,000	-
Gado Mashesa Pictures	27,000	-
Sofiaworx (Pty) Ltd	30,000	-
The Black Supremacy	36,000	-
Tarproots Projects (Pty) Ltd	75,000	-
Abantu Book Festival	75,000	-
The Internet Studios	30,000	-
Total	**715,750**	**331,800**

UNAUDITED SUPPLEMENTARY SCHEDULE (USS)

As at the year ended 31 March 2023

Note 22: Detailed Operating Expenses

	Mar 2023	Mar 2022
	R	R
Management of GFC	**22,971,824**	**20,954,756**
Bank Charges	27,197	29,155
Insurance	183,218	147,163
Employee Cost	**16,480,988**	**17,330,032**
Executive Directors	*5,096,765*	*4,189,485*
Key Management Emoluments	*4,635,603*	*5,854,514*
Other Salaries	*6,748,620*	*7,286,033*
Office Equipment Maintenance	5,557	7,064
Staff Parking	12,000	20,400
Auxiliary Services	584,628	608,210
Courier and Cartage Cost	6,563	8,179
Printing - General	5,680	2,157
Stationery	18,720	72,348
Assets Write Offs	1,708	2,744
Employee Wellness	92,187	-
Professional Fees	642,405	679,212
Employee: Covid 19-PPE	17,825	43,263
Fines and Penalties	52,070	-
Staff Development Cost	312,298	212,835
Study Assistance Cost	40,129	8,155
Recruitment Cost	119,153	187,734
Strategic Planning	17,394	224,262
Research Cost	163,450	138,600
Development and Maintenance of IT	1,146,544	1,123,326
Special Project	3,015,596	90,986
CEO Corporate Expense	9,167	-
Professional Registration	17,346	18,932
Legal and Governance	**2,760,323**	**1,467,534**
Audit Committee Fees	95,100	35,200
Board Training	160,864	77,742
Directors Remuneration	895,500	706,700
HR and Ethics, Social Committee	170,400	151,600
Refreshments and Meetings	642,101	57,350
Legal Fees	646,408	403,942
Advice to the Board	-	35,000
Investment and Governance	149,950	-

UNAUDITED SUPPLEMENTARY SCHEDULE (USS)

As at the year ended 31 March 2023

Note 22: Detailed Operating Expenses (cont.)

	Mar 2023	Mar 2022
	R	R
Industry Support and Development	**12,880,732**	**16,174,752**
Digital Content Screening	19,355	766,000
Skills Development and Mentorship	1,962,902	1,621,479
Audio Visual Production	3,185,100	3,155,500
Content for Television	2,231,000	1,540,000
Postproduction and Research Hub	305,657	274,543
Audience Development	1,306,034	2,759,929
Enterprise Development	1,113,428	1,260,000
Script Development	756,340	773,000
MICSETA Partnership	1,430,916	3,548,921
Woman and LGBTIQ	120,000	184,680
Heritage and Historical	450,000	265,700
Location and Permit	-	25,000
Marketing and Communication	**4,342,962**	**4,293,798**
Interim/Annual Report	149,390	126,350
Local Film Festival	838,200	-
Outbound Mission/Film City	149,261	-
Social Media and Digital	166,168	-
Film Awards	1,392,593	406,000
Marketing Material	-	397,800
Marketing Support Films Funding by GFC	1,220,000	1,341,013
Message On Hold	-	6,291
Hosting and Maintenance Website	-	184,950
Marketing and PR, Communication Strategy	427,350	1,831,394
Total Operating Expenses	**42,955,841**	**42,890,840**

This detailed operating expenses information on page 47 and 48 is not for audit purposes.

NOTES

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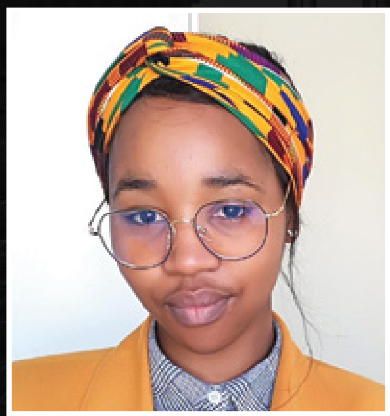

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