gfc 20 YEARS
GAUTENG FILM COMMISSION SOUTH AFRICA

BIG IDEAS. PERFECT LOCATIONS.

ANNUAL REPORT 2023/24

UNITY IN DIVERSITY

GAUTENG
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

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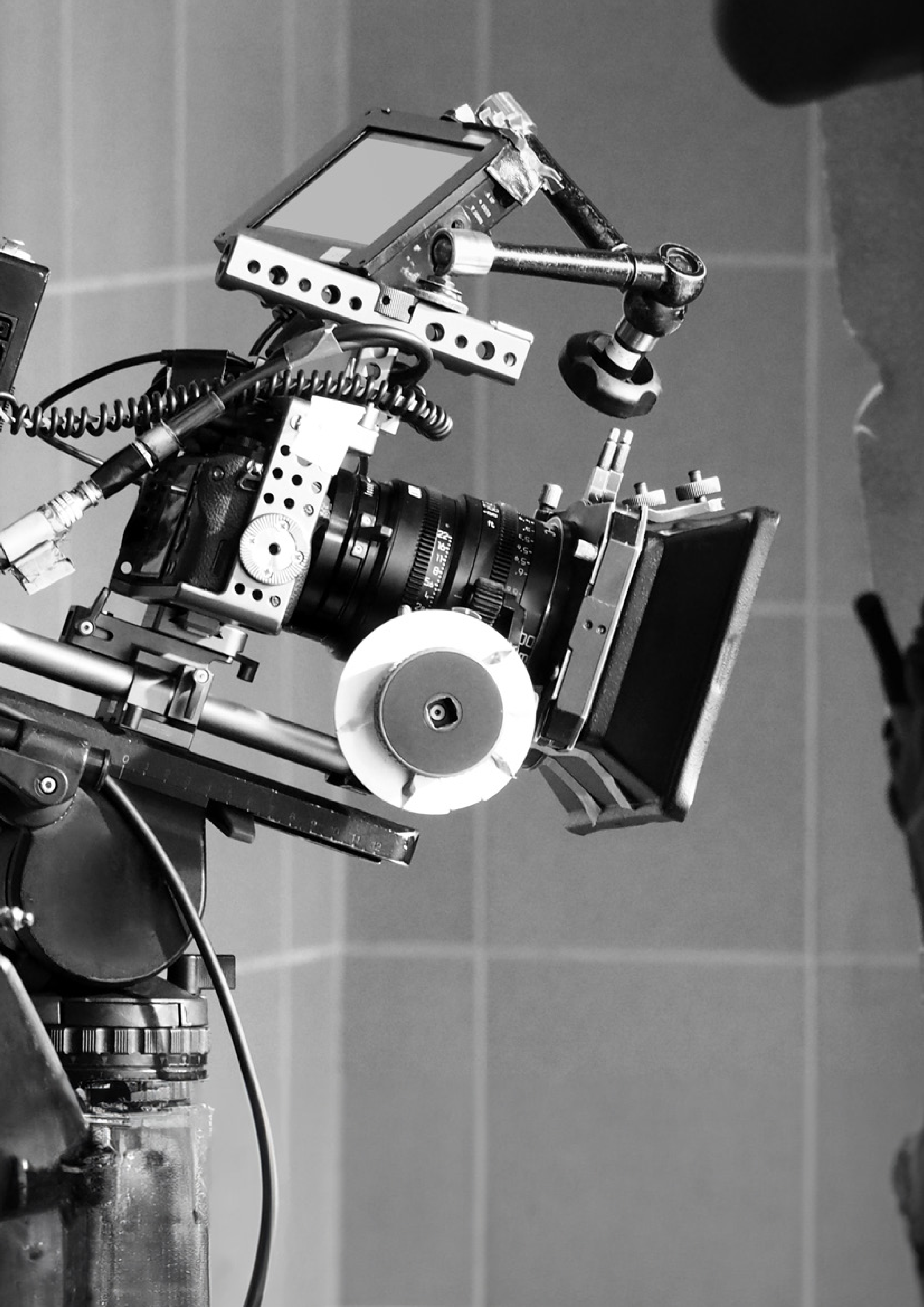

PART A

GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:
Gauteng Film Commission (GFC)

REGISTRATION NUMBER:
2001/013031/08

PHYSICAL ADDRESS:
35 Rissik Street, Johannesburg, 2108

POSTAL ADDRESS:
P.O. Box 61601
Marshalltown 2107

TELEPHONE NUMBER:
+27 11 833 0409

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

RP NUMBER:
223/2024

ISBN:
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TITLE OF PUBLICATION:
GFC Annual Report 2023/2024

2. LIST OF ABBREVIATIONS/ ACRONYMS

Abbreviation	Full Name
AFS	Annual Financial Statement
AGASA	Associate General Accountant South Africa
APP	Annual Performance Plan
APR	Annual Performance Report
AR	Annual Report
ARCO	Audit and Risk Committee
ASSU	Administration and Support Services Unit
B-BBEE	Broad-Based Black Economic Empowerment
BoD	Board of Directors
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
DFM	Durban Film Mart
DIFF	Durban International Film Festival
DSACR	Department of Sport, Arts, Culture and Recreation
DTIC	Department of Trade, Industry and Competition
FAME	Fashion, Art, Music, and Entertainment
GCRO	Gauteng City Region Observatory
GDED	Gauteng Department of Economic Development
GFC	Gauteng Film Commission
GMMP	Global Media Maker's Programme
GPG	Gauteng Provincial Government
GPPP	Gauteng Province Profiling Project
HOD	Head of Department
HR	Human Resources
HRM	Human Resource Management
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
ISD	Industry Support and Development
MCU	Marketing and Communications Unit
MANCO	Management Committee
MBA	Master's in Business Administration
M&E	Monitoring and Evaluation
MEC	Member of the Executive Council
MICT SETA	Media, Information and Communication Technologies Sector Education and Training Authority
MIP	Marché International des Programmes
MTEF	Medium Term Expenditure Framework
MTSF	Medium-Term Strategic Framework

Abbreviation	Full Name
NDP	National Development Plan
NPC	Non-Profit Company
NPO	Non-Profit Organisation
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act, Act 1 of 1999
POWA	People Opposing Women Abuse
PwC	PricewaterhouseCoopers
QPR	Quarterly Progress Report
SARS	South African Revenue Service
TOR	Terms of Reference
TIFF	Toronto International Film Festival
TISH	Township, Informal Settlements and Hostels
USA	United States of America


SHOT
TAKE
CAMERAMAN

3. FOREWORD BY THE MEC

Mr Matome Chiloane

I am thrilled about my deployment in the DSACR to which I am proud to not only witness the wells of wealth embedded in the film industry, but to also spearhead the billion-dollar pillar of contribution to the golden economy that is the arts industry.

I have been honoured to have been part of the drive to further entrench and expand the influence of this industry in the TISH communities of our province as mandated by our Premier, Mr Panyaza Lesufi, in last year's State of the Province Address. It is evident that although the industry boasts of a huge economic muscle, its spoils remain predominantly enjoyed by the established part of the sector while our emerging filmmakers experience of it remains limited.

It is for this reason that an entity such as the GFC continues to foster national and global relevance. A UNESCO study of the film industry sites Africa as a home to 1.4 billion people with a GDP of USD 3.1 trillion of which 5 billion is attributed to the film industry, employing 5 million people with the potential to create 20 million jobs and generate USD 20 billion per annum.

This potential remains uncharted largely due to lack of adequate training, skills, exposure and ultimately financial support, particularly for the less established. Ironically it is in our TISH areas where the richest gems of our culture are found and often appropriated. We see this in the many international blockbusters, wildlife productions and even lifestyle genres that have enjoyed much acclaim at the back of our locations, language and artistic talent. Our TISH communities continue to be the least benefactors of the success of the Gauteng film industry.

The industry, however, continues to feed so many parts of the economy far beyond itself including:

- The creative sector – this includes fashion, arts, music and food.
- Sports - which includes live games, indigenous games, social cohesion initiatives and school extracurricular programmes.

- Manufacturing – this includes equipment components, merchandising, and product development.
- Legal – particularly, intellectual property rights, licensing and contracting.
- Finance – which includes funding, financial management and insurance.
- Logistics – transport, security and accommodation.
- Tourism - which includes locations, concierge services, and hospitality.
- Marketing and distribution – which includes advertising, branding, and public relations.
- Innovation - led by technology equipment and AI integration.

It is for this reason that we should continue to create a conducive legislative environment for the industry to operate, forming an ecosystem of collaboration and inter-development. Through this strategic intent, we will be able to put the Gauteng film industry in a position to better attract foreign investment which will ultimately lead to growth.

Positioning the GFC as a provincial audio-visual agency

Our objective of inclusive growth can only be achieved if we accurately position the GFC as a key partner in the province. To this effect, the GFC must effectively serve as an audio-visual agency, supporting the various provincial clusters to communicate their programme and service delivery information to those hindered by the digital gap. The GP Profiling initiative proved the feasibility of this approach and I thus commend the GFC for undertaking this project.

Regularisation of the GFC

I take pride in my administration's effort to initiate the establishment process of the GFC as a Schedule 3C entity as this will further position it for operational stability and increased funding for growth of the industry. Though it is a complex and lengthy process, we have faith in our structures to ensure a timeous completion of the transition. We have also pledged that this will not interrupt service to the industry nor hinder GFC's ability to meet its mandate and targets in this financial year.

Congratulations to all award winners and game-changers, winning awards and making strides in all corners of the world in the film and television industries, including recipients of GFC awards (the Inaugural Discover Gauteng Film Merits 2024). Your relentless dedication and inspiring achievements deserve to be celebrated. No matter the scale of your success—big or small—your hard work and innovation are paving the way for a brighter future in the world of film and TV. Here's to the visionaries and storytellers who shape our world with their talent and passion.

I also send my heartfelt condolences to the fans and families who have lost loved ones in the industry: Zahara, Mbongeni Ngema, Prince Mangosuthu Buthelezi, Chef Lintswe Bengu, Mark Pilgrim, Zoleka Mandela, Gloria Bosman, Costa Titch, Vusi Ma R5, Patrick Ndlovu, Derek Watts, Bonginkosi Ntuli, Fatima Sydow, amongst others.

I conclude by thanking the hardworking team at the GFC under the leadership of their CEO, Ms. Lebaka, and its executive. May you continue serving the industry with diligence and vigour.

____

Mr Matome Chiloane
MEC of the DSACR
30 August 2024

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Ms Keitumetse Lebaka

The 2023/2024 financial year has proven to be one of our most challenging years though filled with great opportunity for both GFC and the film industry at large. Coming at the back of our 20-year anniversary celebrations in 2022/23, we geared up to create a remarkable new era, which we trust will span the coming decades.

Our allocation from the DSACR has again assisted us to fulfil our core business. The Budget allocated for 2023/24 was R50 million (41.1 million, 2022/2023). It should be noted that the budget for the current financial year includes a R10 million conditional grant received through Treasury budget adjustment processes. Total assets increased by R10.8 million to R17.1 million over the financial year (R6.3 million, 2022/2023).

After a long and hard battle to recover from post-covid disruptions, news of our economy finally reaching pre-covid levels comes as much relief. According to the International Monetary Fund (IMF), we may not be completely out of the woods, and this is certainly evident in an industry that remains clouded with challenges. It is therefore clear that it might be too early to celebrate as global baseline growth is forecasted to slow from last year's 3,5% to 3% this year. Together with the euro still reeling from last year's sharp spike in gas prices caused by the war in Ukraine as well as Israel and Palestine, the film industry is expected to experience further risk to its growth and strength. In line with our efforts to navigate these adverse conditions, we undertook an aggressive approach evident in some of our milestones.

Key Milestones

The GFC is at the tail-end of its Five-Year Strategic Plan of 2019/2020 to 2024/2025, making this year a critical one in the completion of its mandate. As such, we kickstarted the year with a deliberate Township, Informal Settlements and Hostels (TISH) programme highlighted by the equipment handover hosted by former MEC, Ms Morakane Mosupyoe. The event held at Tshwane University of Technology saw an empowerment of 25 small businesses whose enterprises are now fully equipped to compete in the film economy.

The Nasi iSpani program was launched in line with the June 16 celebrations to spur the GP Profiling Project aimed at repositioning the GFC as a central production agency that will provide audio-visual services across the province. We aim for this effort to greatly assist our administration and respective directorates to showcase their programs and provide better awareness of initiatives and activities for our youth, communities, and citizens to enjoy and fully explore.

The GP Profiling Project saw the filming of 3 eye-opening documentaries titled: The Happiness Index which profiled the role of SACR in contributing towards the province's health and productivity; The Road to Reggio Emillia, which told the story of over a hundred provincial students on a journey to Italy to participate in the social cohesion Olympic games; and My Kasi My Economy, which showcased the Department of Economic Development (DED) and its flagship township development programmes.

Most remarkable was our partnership with the United States of America's Embassy through the Global Media Maker's programme where we hosted a joint masterclass with a number of upcoming filmmakers now poised for international market access opportunities.

Proudly our partnership with MICT Seta saw us introduce 20 (twenty) interns into the film industry, some of whom are already in placement to date.

In our efforts to further instil a robust culture of leadership amongst women, we participated in a Women in Business programme at the Tshwane Business School.

Finally, our participation in FAME Week, Durban Film Mart (DFM), the Regio Emilia Games in Italy, Toronto International Film Festival (TIFF) and other festivals and markets entrenched our commitment to conducting the best industry benchmarks while positioning Gauteng as one of the leading film destinations in South Africa.

Challenges of the GFC

In November, the Pretoria High Court ruled that there is no legal obligation between the GFC, a Non-Profit Organisation listed in the Companies and Intellectual Property Commission (CIPC) and SACR as its historical funder. Over the years, several warnings had been served by the Treasury urging SACR to regularise the GFC by establishing it as a state-owned entity under section 3C.

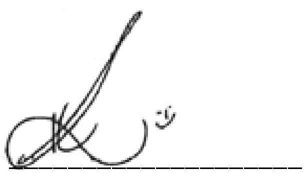
This posed a great challenge in our ability to fulfil our mandate in the last half of the year. However, with the stern commitment to ensure that the review process is handled with caution and minimum inconvenience to the film industry that depends on our aid, we are comforted in the progress that has been made towards the establishment process.

It is our hope that once finalised, the GFC will be in a better position to service the industry within all PFMA standards. Notwithstanding these challenges, the GFC staff together with the Department have worked tirelessly to maintain stability within the industry.

Acknowledgements

I conclude this report by once again thanking former MEC Ms. Morakane Mosupyoe for her support and commitment in ensuring the delivery of our mandate as an organisation. The input and guidance of the Head of Department, Mr. China Mashinini, can also not go unnoticed, while the hard work, resilience, and dedication of our lean staff are nothing short of sterling—all to whom I extend my greatest appreciation. I also warmly welcome our new MEC, Mr. Matome Chiloane, whose leadership will undoubtedly guide us to new heights as we continue to grow and advance our sector.

In closing, I urge the wonderful community of the film industry to continue not only supporting the GFC as they have done over these years but to not give up in their endeavours to entrench South Africa to the global stage.



Ms Keitumetse Lebaka
Chief Executive Officer
Gauteng Film Commission
31 July 2024

5. 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 (AFS) audited by the Auditor-General. The annual report is complete, accurate and free from any omissions.

The AFS (Part F) have been prepared in accordance with the International Financial Reporting Standards (IFRS) standards applicable to the public entity.

The accounting authority is responsible for preparing the AFS and the judgements based on this information.

The accounting authority is responsible for establishing and implementing a system of internal control that 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 in expressing 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 ending 31 March 2024.

Yours faithfully,

____
Ms Keitumetse Lebaka
Chief Executive Officer
31 July 2024

6. STRATEGIC OVERVIEW

a. 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 Gauteng Province."

b. Mission

The 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, and
- To attract investment into the Gauteng audio-visual industry.

c. Values

Our values complement the Batho Pele principles that all state employees must uphold.

OUR VALUES	
Value	**Description - What it means in practice**
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, • Displaying the right attitude to the task at hand, • Delivering the best that we can.
Team Focus	• Working together to assist each other and to enable all departments to succeed, • Sharing of knowledge and insights towards a common purpose.
Innovation	• Listen to and understand needs, and create new approaches to what we do, • A focus on cutting-edge, best in class and "outside the box" approaches and solutions.
Activism	• Use all available opportunities to promote and lobby for desired social and economic changes, • Strive to participate in all key government activities as an opportunity to lobby for our programmes.

7. LEGISLATIVE AND OTHER MANDATES

The GFC is a Non-profit Company (NPC). The strategic goals of the GFC were developed in response to the DSACR's mandate, the objectives of the National Development Plan (NDP), the revised provincial government's mandate, 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 with the DSACR and the 14 provincial Medium-Term Strategic Framework (MTSF) outcomes.

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

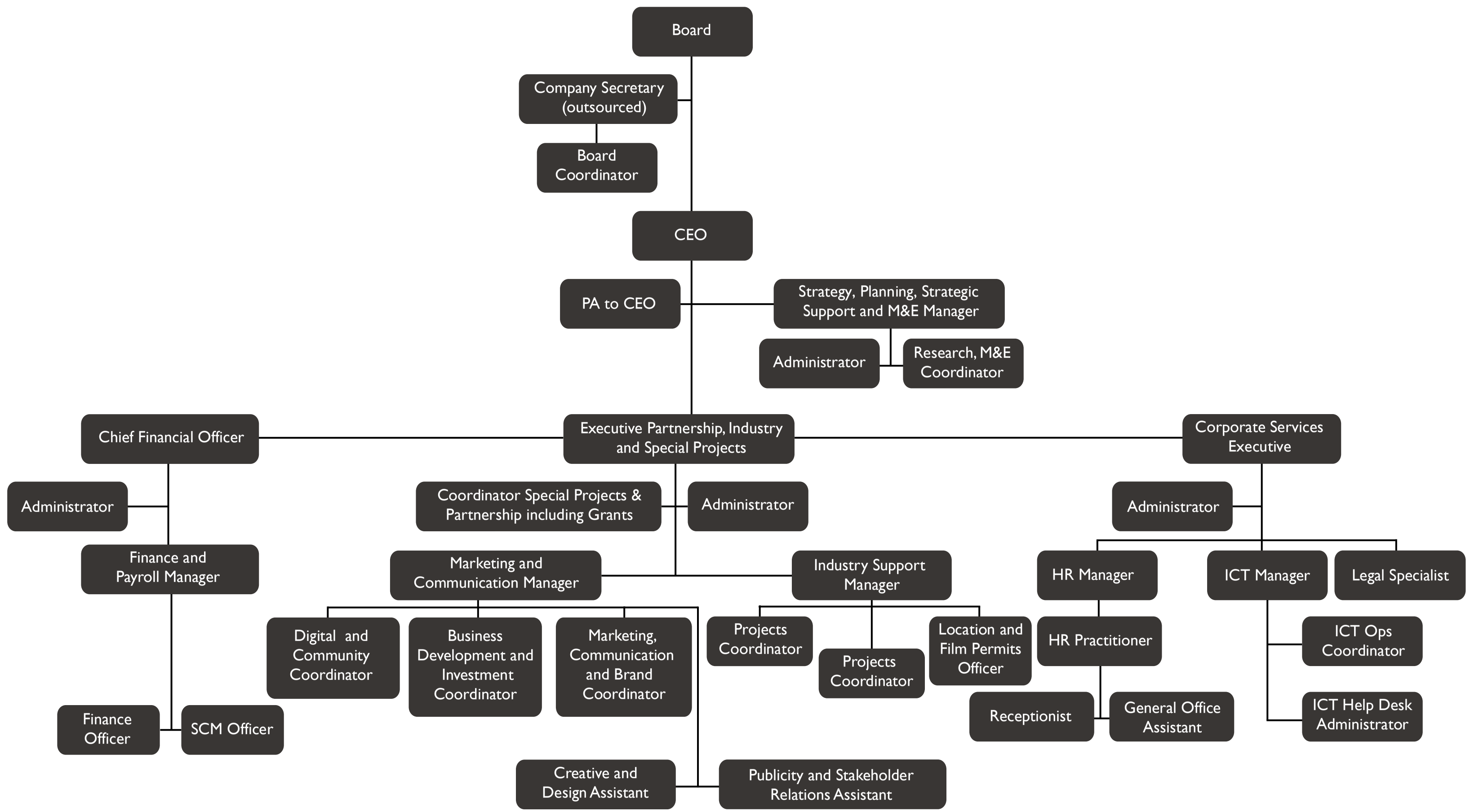
> ***To mediate between the interests of the state, industry, and society in the Gauteng audio-visual sector.***

Fulfilment of this mandate will 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, thereby contributing to job creation and socio-economic transformation."***

8. ORGANISATIONAL STRUCTURE

The following diagram illustrates the organisational structure for the GFC as at 31 March 2024.



PART B

PERFORMANCE INFORMATION REPORTING

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The GFC is required to prepare a report on its performance against predetermined objectives. Being subject to the provisions of the PFMA, the organisation is obligated to comply with all PFMA requirements as stipulated in our arrangement with the Department regarding the utilisation of public funds.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

In 2023 the entertainment and media industry regained its stability in the face of a global pandemic disruption, achieving a notable increase of 5% in global revenue, reaching USD 2.8 trillion. For the industry, this growth significantly surpasses the overall economic growth rate of the sector to date. A key player and contributor to this growth evolved from the strategic placement of the industry to support various global and sectoral advancements. Over time, the positive effects of this support and the industry's socio-economic investments have revitalised our core pillars, leading to significant economy-wide impact contributing towards economic transformation, job creation, skills development of creatives and an overall improvement of the industry.

In aggregate, this broad advancement has presented major areas of opportunity for various segments and markets such as advertising, over-the-top streaming, video platforms, gaming, virtual play, and several other key markets that offer opportunities for substantial growth.

In line with the year's national priorities, these advancements have driven significant growth in various geographies and segments, specifically TISH environments. The adoption of the Township Economic Development Act this year saw an enhanced involvement of these social communities in various creative and cultural activities. This included greater participation in tech-enabled experiences such as music and festival performances, theatre, cinema, and sports content. As a result, the sector made impressive strides in bridging the gap between creative and cultural territories.

While the industry experienced these impressive advancements, it also encountered a new set of challenges which affected various sectors – including broadcast, festivals, screenings and exhibitions, production processes as well as audience engagement and development. These challenges primarily included load shedding and the closure of one of South Africa's leading cinema chains. With the rise of loadshedding, various phases of the film value chain were affected, including production, distribution, and other forms of audience engagement. According to the Independent Producers Organisation (IPO), power outages had the most severe impact on low-budget productions, emerging filmmakers, and small-scale production houses, leading to a 38% decline in productivity and a corresponding increase in shutdown and closure rates. For traditional broadcasters, these power outages presented numerous challenges, including a substantial reduction in viewer engagement. As a result, some of the country's largest broadcasters faced a loss of nearly R8 billion in production value. Similarly, the widely enjoyed moviegoing experience was disrupted by blackouts at cinemas in shopping malls, and further affected by the closure of nine cinema locations amid these challenges.

Certainly, the constant efforts of the local film industry necessitated a reimagining of how key players collaborate to maintain their mandate. This led to the introduction of a new driving force across the entertainment and media sector, serving as an engine to support the earlier disrupted creative processes. And while the industry had previously witnessed the emergence of digital technologies and other technological advancements, it became increasingly clear how these innovations would translate into revenue and support the industry's efforts in creative development. Here, the sustained demand for video on demand (VOD) services led to significant growth for new market entrants such as Disney+, while established platforms such as Netflix, Showmax, and VIU continued to thrive. Some of these platforms reported a 3-4% increase in cumulative downloads and a 5% growth in app downloads, rising from 5 416 177 in September 2022 to nearly 6 million in August 2023. And, with the introduction of viewing on same day as live (VOSDAL) streaming, the industry demonstrated that the divergence of opportunities provided substantial growth potential for both the industry and the sector.

Over the next five years, the entertainment and media industries are expected to grow at a compounded annual rate of 3.9%, with total revenues projected to surpass USD 3.4 trillion by 2028. The GFC supported the integration of these high-potential advancements this year by fostering the growth of various segments outlined in the Annual Performance Plan (2024/25), which include:

- To support the industry through collaborative efforts, in providing tax rebates that simplify the business of film in Gauteng
- To support programs designed to develop and mentor emerging filmmakers, helping them achieve job security and economic empowerment through established enterprises
- To collaborate with training institutions in providing the best possible training and job opportunities for graduates upon completion of their studies
- To build strategic partnerships that advance the development of the production and post-production infrastructure sector
- To collaborate with key associations to ensure that the Film and Audio-Visual industry prospers and contributes significantly towards the growth of Gauteng and the South African economy

The GFC will also continue its mission to promote the creation and distribution of authentic South African stories, in line with its annual objectives.

2.2. Organisational Environment

Following the November court ruling by Judge Retief distancing the Department of Sport, Arts, Culture and Recreation as an authority of the GFC as a non-profit company under the NPC Act, the MEC undertook to initiate the registration of the GFC as a State-Owned Entity. The prevailing impasse that exists between the DSACR and the GFC has resulted in legal proceedings which have established that there is no legal relationship between both parties. This necessitates for the establishment of the GFC in compliance with Section 38(1)(m) of the PFMA to regularise the funding of the entity as per recommendation by GPT. The process of the registering of the SOE is currently underway.

In order to comply with provisions of the PFMA and prevent further irregularities, the Department has commenced the process of registering the GFC as an SOE.

SACR (and GFC) are currently working on transitional models including temporarily housing GFC under programme 2 of the Department.

Process Underway

Moving forward, the Department and Provincial Treasury plan to present the business case to the National Treasury once the new administration is in place in 2024. The legislative input process will involve the Executive Authority, Portfolio Committee, and GPL, while industry stakeholder inputs will also be solicited. Post the consultative process, the aim is to publish the Bill within 3-6 months.

2.3. Key Policy Developments and Legislative Changes

Launch of Revised Film and Television Production Incentive Guidelines

In September 2023, the Department of Trade, Industry, and Competition launched revised film and television production incentive guidelines. The guidelines broadly aim to support the film industry by aligning with South Africa's national priorities and creating a sustainable industry.

Repositioning of the Film and Publication Board (FPB)

The FPB unveiled a brand repositioning strategy, redefining it as a "Content Regulatory Authority of South Africa." The strategy emphasizes the FPB's mandate to protect the public, especially children, from what it deems harmful and prohibited content in films, games, and publications.

Amendments to Films and Publications Regulations

The amendments expanded the regulatory authority of the FPB to include digital platforms, including streamers like Netflix and Amazon Prime Video. This expansion signifies a shift from a traditional classification authority to a regulator of digital content.

Notices to Internet Service Providers

The FPB in South Africa issued a notice to all Internet Service Providers, requiring them to comply with specific sections of the Films and Publications Act. This includes moderating services aimed at children and preventing their platforms from being used to host or distribute what is deemed illegal or harmful content.

National Film and Video Foundation (NFVF) Policies and Legislation

The NFVF continues to adapt its policies to respond to industry changes. Revisions cover areas like marketing, distribution, production, and development funding. The NFVF also offers support for festival hosting and attendance, education and training, and has guidelines for co-productions and film incentives.

2.4 Progress Towards Achievement of Institutional Impacts and Outcomes

The following tables summarise the GFC's progress towards achieving institutional outcomes set out in the Five-Year Strategic Plan and 2023/24 APP and in alignment with GP 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 512 permits utilised for various projects such as commercials, documentaries, TV content, videos and films across Gauteng City Region, at an estimated production value of over R720 million for the broader sector • Played a key role in supporting 25 productions thereby fostering the growth of emerging and intermediate filmmakers and providing facilitation for established filmmakers • Increased the number of local and international productions produced in Gauteng by facilitating ease of doing business through three strategic partnerships • Developed a 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 emerging filmmakers across regions with editing and research support interventions • Awarded 25 emerging filmmakers with start-up equipment to enable them to create content, whilst seeking funding • 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

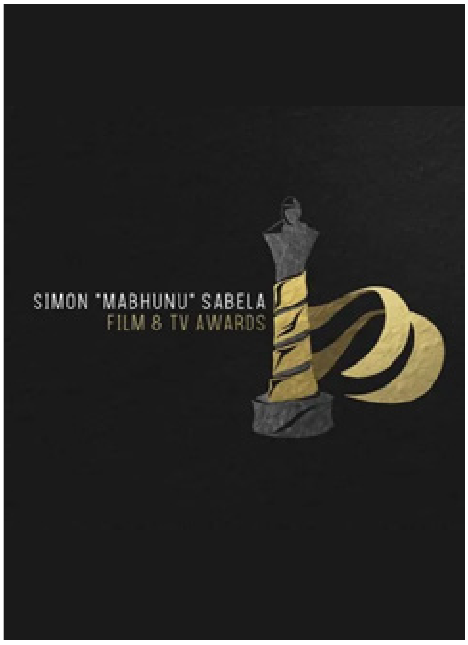
OUTCOME 3: ENHANCED MARKET PENETRATION OF GAUTENG-PRODUCED CONTENT	
Contribution to Gauteng provincial priorities (GGT2030)	**Key interventions and outputs of the annual performance plans during the year in review**
Priority 1: Economy, jobs and infrastructure • Exported Gauteng-created content to global and regional markets • Expanded in new and traditional creative industry markets	• Funded and supported projects that created 583 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 three online digital content outputs for streaming platforms • Implemented a marketing and festival strategy for local and international productions to support five signature film festivals • Supported 11 local productions attending festival markets to facilitate expansion in new markets • Supported 22 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 through capacity building master classes and workshops • Training and development of emerging content creators through partnerships with accredited training providers, towards sustainability and participation in the industry • Supported digital art and storytelling programmes training 25 emerging filmmakers at the intersection of art and technology • 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

SIMON “MABHUNU” SABELA AWARDS

The GFC supported and presented an award category at the star-studded Simon “Mabhunu” Sabela Award ceremony.



EQUIPMENT HANDOVER CEREMONY

The GFC, in collaboration with the former DSACR MEC, Ms. Morakane Mosupyoe, proudly handed over state-of-the-art filming equipment to deserving filmmakers, marking a significant milestone in supporting local talent.

GFC AT REGGIO EMILIA

The 7th edition of the Tri Color games were founded by Mr OR Tambo and Mr Soncini who held an affectionate comradeship and a passion for social cohesion. They are held every four years in the city of Reggio Emilia, Italy. They began due to admiration of the World Olympic Games and their ability to create peace and unity among the people. Each cycle the games rotate in their hosting between South Africa and Italy. This year they were held in Italy. DSACR took over 132 learners lead by MEC Mosupyoe to participate in the games. They were joined by other athletes across the globe.

SKILLS DEVELOPMENT GFC/GMM Workshop

GFC forged a partnership with Global Media Makers (GMM) in order to expose Gauteng filmmakers to Hollywood production standards and to allow South African filmmakers the opportunity to learn the skills we do not have in the South African film industry. The entities hosted a workshop in Gauteng to grant 50 filmmakers this learning opportunity.


FORTITUDE
There are no secrets that time does not reveal.
STARRING SIFISO ZIMBA I ZINTLE DINGILIZWE
SUPPORTED BY
gfc 20 YEARS GAUTENG FILM COMMISSION SOUTH AFRICA
LIFT-OFF GLOBAL NETWORK
SESSIONS OFFICIAL SELECTION
AUZWEKE
PRODUCER THAPELO TP MOLEFT DIRECTOR SAM SPARARA MODIEGINYANA DOP ABEL JAMES
ART DEPARTMENT CHARLIE LEPELESANE SOUND VALDO SANDILE MATHE

Four Walls was funded for production by the Gauteng Film Commission in association with the National Film and Video Foundation. The film won the Best New Media award at Scotland International Festival of Cinema, Best Episodic/Web Series at Denton Black Film Festival and Best Web Series award at the Winter Film Awards. The lead actress, Enhle Mlotshwa scooped the Best Actress at the 2023 Screen ATX.

GFC LOCATIONS TOUR

The Gauteng Film Commission (GFC) hosted Mr. Bas van der Ree, the National Commissioner of the Netherlands Film Commission and Chairperson of the Association of Film Commissioners International (AFCI), on a locations tour. This collaboration facilitated new opportunities for co-production between Black Brain and the Netherlands Film Commission.






4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

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

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.

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 in the following categories:

PRODUCTIONS SUPPORTED

Documentaries and Short Films

Title	Description
Documentary: Little Girls, By MISHUMO YANGA	A documentary exploring the lives of four young friends whose happy childhoods are disrupted by the actions of men and elders in their community. It examines how seeds of rape, abuse, body shaming, neglect, and self-hate—along with the pressures of black tax imposed by adults—shape the futures of these young girls. 25 people were employed
Documentary: Umuntu'omdala, By OKAY SHO! MEDIA	The documentary feature film delves into the complex life and contributions of Comrade Harry Thembeyakhe Gwala, a prominent leader of the South African Communist Party and steadfast ANC political figure. Over 30 people were employed
Documentary: A legacy in lyrics, By PASSION SEED COMMUNICATIONS	The life of Winnie Madikizela-Mandela, a beacon of the apartheid struggle, is recounted through a tapestry of global songs composed in her honour. This documentary reveals the multifaceted layers of an icon who was both revered and vilified by the struggle. 17 people were employed
Documentary: Heritage and historic content-Returned soldiers, By NAPWADIWA 9U9 PRODUCTIONS (PTY) Ltd	An authentic documentary film based on an advocacy story delivered in pure independent storytelling. 27 people were employed
Documentary: Heritage and historic content-Dreams and Omens, By SAKHILE PRODUCTIONS (PTY) Ltd	An enthralling global documentary series that explores the mysteries of the human mind and the captivating realms of dreams and omens. 12 people were employed
Short film: Fatherless father, By AFRO NOIR ENTERTAINMENT (PTY) Ltd	A comedy-drama with a surrealistic edge that follows a soon-to-be-father who decides to track down his absent father to make peace with his doubts, fears, and issues over parenthood. 28 people were employed

Title	Description
Short film: Fortitude, By AUZWEKE (PTY) Ltd	A compelling drama that explores the power of resilience, resourcefulness, and the transformative potential hidden within adversity. Through the captivating story of Sam, a hardworking individual facing the challenges of unemployment, the narrative takes viewers on an emotional journey of self-discovery, personal growth, and the strength of family bonds. 22 people were employed

Emerging Filmmakers

Title	Description
Amazeze, By SANKTUARY FILMS	A 15-minute dramatic short film following Senzeni, a young Zimbabwean boy living in a South African township.
What in the world is that? By BUSYMOON PRODUCTIONS	A short film designed to raise awareness of social anxiety, highlighting the importance of seeking help and support from loved ones.
Slightly awkward, By QUEENSGATE ENTERTAINMENT	A web series following a 30-year-old Black "geek" grappling with social anxiety as he navigates the film and TV industry. 7 people were employed
A thin line between love and death, By MANDLA STUDIOS	A short film set in a modest shack on the outskirts of Bronkhorstspruit, exploring themes of depression and love. It aims to raise awareness and provide education about the silent struggle of depression. 40 people were employed

Feature Films

Title	Description
Scammers, By SEAMLESS CUT (PTY) Ltd	An action-comedy film set in Johannesburg that revolves around Sello and Masechaba, two estranged friends who cross paths during a mugging gone wrong. 229 people were employed
Road to Jerusalem, By STORYSCOPE (PTY) Ltd	A feature length documentary that delves into the story behind one of the greatest songs of our time "Jerusalema". A stripped down, intimate introduction to Nomcebo Zikode, the artist behind the song, her world, her voice as an African female artist on a local and global stage. 4 people were employed
491 Days, By KANO LETHABO ENTERPRISE (PTY) Ltd	A gripping drama inspired by Winnie Mandela's book, "491 Days," depicting the psychological impact of solitary confinement. The film highlights the dehumanizing effects of imprisonment through an innovative narrative that explores Winnie's imagined mental breakdown. 40 people were employed
Guardians, By MKHOKELI TV (PTY) Ltd	A feature length film that highlights the dangers of social media and the internet in modern societies. 225 people were employed
Bridging the gap through audio description, By SHAZACIN ACCESSIBLE MEDIA	ShazaCin Accessible Media created Audio Description tracks for 10 films. In this way supporting inclusivity by expanding reach and accessibility for the visually impaired market. 12 people were employed

Digital Content

Title	Description
Entabeni, By COFFEE STAIN PRODUCTIONS	A beautifully told story about the power of the mind and friendship, set against the backdrop of Xhosa circumcision traditions. 14 people were employed
Democracy and the 4th Industrial Revolution, By SLIC EYE PRODUCTIONS CC	The film examines the impact of the Fourth Industrial Revolution on South Africans by sharing the stories of individuals from diverse backgrounds and stages of life. 21 people were employed
Umlindelo-The Virgil, By BEHIND HER LENS VISUALS (PTY) Ltd	An episodic anthology series focusing on two sisters mourning their father's death as they grapple with their differing memories of him. 6 people were employed
Oh Dear! By TRIKE FILMS	Through the story of a young hospice nurse struggling with her own inner demons, Oh Dear!, explores the complexities of addiction, trauma and the fragile nature of the human psychology. 120 people were employed
Killing of the beast, By TRIAL BY MEDIA	After her son's death during the ritual killing of a beast, Nora is haunted by the spirit of water. Consulting an oracle, she learns that her son's spirit is trapped underwater and is calling for a reburial. Nora must now defy the king, who is determined to prevent her from locating her son's remains. 120 people were employed

Content for Television

Title	Description
Fashion forward, By VISUAL VERBAL EXPRESSION	Fashion Forward delves into both the casual, relaxed side of fashion and the formal, exclusive high-end world experienced by a select few, showcasing the dynamic processes and contributors involved in producing stunning imagery. 34 people were employed
Rainbow in exile, By VIVA PICTURES	A captivating drama series consisting of 13 episodes set in South Africa. The series delves into the intricate lives of the Ibeh family as they navigate the multifaceted challenges on immigration, cultural identity, and integration. +50 people were employed
Tea with Advocate Lebakeng, By BLACK TAX MOTION PICTURES (PTY) Ltd	Tea with Advocate Mpati Lebakeng shines a spotlight on the powerful and inspiring women of South Africa, highlighting the stories of influential women who have made a significant impact in their communities and beyond. 23 people were employed
Madala, By TYMPHANIC VISION (PTY) Ltd	A quirky, charming short dramedy film about connection versus isolation, and demonstrates how connection can be made in the most unexpected places. 76 people were employed
Herstory female slate, By YELLOWBONE ENTERTAINMENT (PTY) Ltd	Female filmmaker slate series production featuring 30 films and set to air on SABC. The slate will include 10 films by 10 women, with the first set of films scheduled for release in 2023. 43 people were employed

Audience Development

Title	Description
Kasi to Kasi Queer Cinema, DOTI PRODUCTIONS	Kasi-2-Kasi Queer Cinema was a series of celebratory and informational sessions that screened queer films and documentaries. The sessions aimed to educate, challenge, and reflect on the lives of the marginalised queer community in townships **Outcomes:** • Created an environment that facilitated audience participation during film discussions. • Tailored discussion points to regional circumstances, addressing both queer and heterosexual issues in each area. • Supported the production of more films curated for younger audiences to help them better understand LGBTI+ communities. 300 attendees
Avijozi, By CHOCOLATE TRIBE	The AVIJOZI event was scheduled for September 16th and 17th, 2023, at the University of Johannesburg Arts and Culture Theatre. AVIJOZI offered a comprehensive program featuring a wide range of activities and attractions including large creative exhibitions. **Outcomes:** • Over 3,831 attendees, including students, job seekers, professionals, and industry experts. • Included 82 renowned local and international guest speakers, 53 talks, 10 exhibitors, 6 festival spaces, 7 food stalls, 5 DJs, 2 artists, a merchandise store, and a film screening. • Featured a second-year partnership with Netflix and announced a 3-year Netflix bursary for young artists.
Fakugesi Innovation festival, By WITS INCUBATOR	The Fak'ugesi African Digital Innovation Festival is an annual celebration of culture and technology, dedicated to advancing skills in technology, art, and culture across Africa. Established in 2014 as a collaboration between the Tshimologong Digital Innovation Precinct and the Wits School of Digital Arts, the festival is founded on the belief that successful technological innovation in Africa must be deeply connected to the continent's cultural practices and creative traditions. **Outcomes:** • Diverse Audience: The online edition in 2023 allowed the festival to reach a more diverse and global audience. • Global Networking: The program structure was specifically aimed at fostering networking within a global community. • Collaborations: Faku'gesi collaborated with CTIAF and Playtopia in Cape Town, CairoTronica in Cairo, AfroPixel in Senegal, and Maputo Fast Forward in Mozambique to offer a unique, Gauteng-based, and Africa-centric cross-sector development. • The festival attracted over 5,000 visitors and viewer engagements.
DocLove, By DOCUMENTARY FILMAKERS ASSOCIATION	The Documentary Filmmakers Association's docLOVE program is a free, public, monthly documentary film screening program that showcases thought-provoking content and facilitates meaningful discussions on the issues raised in the films. It provides an interactive space for engagement while celebrating outstanding documentary filmmaking. **Outcomes:** • Forged a meaningful partnership with Sunshine Cinema, a non-profit solar-powered media network addressing youth unemployment in Southern Africa. • Successfully held five screenings in the following locations: The Bioscope Independent Cinema, Milpark, Alexandra, Orange Farm, Soweto and Atteridgeville 148 attendees

Title	Description
Vaal movie nights, By TAMOL MEDIA	Vaal Movie Nights is an outdoor movie screening initiative in the Vaal, designed to showcase locally produced films to a large audience through drive-in or picnic-style seating. The initiative promotes local films, which are often not easily accessible to communities. **Outcomes:** • Vaal Movie Nights successfully acquired essential equipment, including projectors, screens and radio transmitters. • Vaal Movie Nights transitioned into a business-run entity starting from February 3, 2024. This initiative led to the hiring of 10 local individuals, contributing to job creation in the area. • Provided jobs for 10 people in the local community. 85 attendees
Sedibeng Sa Bana film screenings, By AVANT-GARDE RESEARCH AND DEVELOPMENT	The SEDIBENG SA BANA Cinema Screening Project is a free film festival dedicated to showcasing creativity to the children and youth of Soweto. By screening the best local films, the event aimed to inspire and educate attendees, including children, adults, and community leaders. **Outcomes:** • A selection of top local films to engage and inspire young audiences. • Opportunities for local filmmakers to host workshops and discussions with the audience. • Interactive sessions where local films are critiqued and discussed, fostering dialogue between filmmakers and guests. 164 attendees
Disability film screenings, By GODEZ Services	This collaboration between Godez Services and the Gauteng Film Commission represents a significant initiative aimed at enriching the lives of physically disabled communities within Gauteng. **Outcomes:** • Addressed and challenged negative stereotypes and misconceptions surrounding disability, fostering a more positive and accurate understanding of human potential. • Provided a platform for filmmakers with disabilities to share their unique voices and perspectives, contributing to a more diverse and representative film industry. • Promoted the adoption of accessible filmmaking practices, ensuring that film productions are inclusive of individuals with disabilities both on and off-screen. 150 people were reached: 110 attendees and 40 staff.
Umbono Film Screenings, By LOVE INFINITY MEDIA	Umbono Film Screenings hosted at the University of Johannesburg aimed to foster inclusivity and industry growth by addressing existing gaps. Key achievements included: • Enhanced opportunities for youth and community filmmakers in the province. • Showcasing and marketing local filmmakers through a dedicated youth development program. • Making community-produced films more accessible to wider audiences. • Encouraging a culture of film consumption within communities. • Providing youth with opportunities to step into the television and filmmaking industry. • Facilitating connection between community filmmakers and industry professionals. 1,821 attendees

Title	Description
Dark Beauty, By NJABULO MEDIA	Dark Beauty sought to address bullying and gender-based violence in schools and communities while empowering youth to utilise their skills and talents to achieve success. **Outcomes:** • The audience was empowered and developed on effectively using their skills and talents for a successful life. • Participants received training on combating school bullying and community violence. • Attendees were educated on building successful families, using the movie as a reference. 1,389 attendees
Film to Kasi, By NELO HOLDINGS	The Film to Kasi program aimed to bring the joy of cinema to residents of Krugersdorp, a vibrant area rich in history and supportive of local artists. Recognising that not everyone had access to movies or the ability to attend screenings, the program sought to ensure that all community members could enjoy the benefits of film. **Outcomes:** • Conducted 5 screenings across 5 different communities in the West Rand, rather than the initial plan of one. • Created approximately 28 jobs, with most hires occurring between October 30th and November 1st, 2023. • Engaged with three schools—Magaliesburg State School, Townview High School, and Raymond Mhlaba Secondary School—through school activation workshops. 344 attendees
Joburg Film Festival, By NATIVE YARD SOLUTIONS	The festival's flagship program, running 4 to 6 months prior to the festival, is designed to develop and expand the film industry. It focuses on providing exposure, training, and work opportunities for previously disadvantaged youth. **Outcomes:** • Workshops: Conducted a 2-day workshop led by industry professionals, which concluded with a free community film screening. • Nationwide Competition: Launched the "Young Voices" competition, where aspiring filmmakers created 5-minute videos using their mobile phones, capturing what inspires them about their township or city. • Scholarship Award: The competition winner received a scholarship to pursue a film-related course. 167 attendees
Monate December	Monate December Film screenings took place in the following communities to entertain and enlighten youth during the holiday season: • Alexson Kopano (Alexandra) Activation • Moses Molelekwa Arts Centre (Tembisa) Activation • Eldorado Art Centre (Sebokeng) Activation • Vukani Community Centre (Hammanskraal) Activation • Ramosa Community Hall (Mohlakeng) Activation 333 attendees

Skills Development

Non – Accredited skills training	
Beat Makers Market, By WHERE IS THE BEEF PRODUCTIONS	The Beat Makers Market offered a unique platform for aspiring composers in film, TV, music, and other visual media. **Outcomes:** • Held a beat-making workshop where students learned the fundamentals of beat creation. • Employment Impact: 5 people were employed directly by Beat Makers Market, 5 small and medium-sized enterprises were engaged for the project, and 20 artists were hired for the project. 64 people were trained
Impact skills workshop, By KHALO CREATIVES	The Impact Skills Workshop provided a comprehensive learning experience, offering participants valuable insights into the film and photography space, documentary film production, and various aspects of filmmaking. Designed for beginners, the workshop taught fundamental skills needed for documentary film production and digital storytelling techniques using video and photography. **Outcomes:** • Participants gained exposure to the process and fundamentals of documentary film production. • Participants created short video sequences, including interviews with fellow participants on the impact of the workshop. • Eight individuals were employed as a result of the workshop. 25 people participated
Video and photography workshop for unemployed youth in Gauteng Townships, By SOFT VIDEO PRODUCTIONS	The workshop targeted unemployed youth residing in townships across Gauteng and was conducted over a two-week period in each township. Participants engaged in a comprehensive video and photography program, where they learned essential skills including camera operation, video editing, photography techniques, social media marketing, and project management. **The key objectives were:** • To provide practical skills training to unemployed youth in Gauteng, enabling them to pursue freelance opportunities in the video and photography industry within their communities. • To empower youth to generate income by offering video and photography services for community events such as weddings and baby showers. • To contribute to reducing the high unemployment rate among youth in Gauteng townships by equipping them with marketable skills and entrepreneurial opportunities. 14 people participated
Sandova Film Skills, By SANDOVA FILMS	Sandova Films conducted a fact-finding mission to identify how the company could address various social issues. The project yielded the following outcomes: • Enhanced transformation in the film and television industry within the province. • Marketed Gauteng internationally, establishing it as a key source of advisory and development in the audiovisual sector. • Increased local and global recognition of the agency in the entertainment industry. • 44 students participated in the project, with all successfully passing. 44 people were trained

Accredited skills training	
SALSC Introduction to Film By SALSC	SALSC Film & Television Training for Imbokodo was a 12-week short skills training program designed to empower 8 female arts-entrepreneurs. The program aimed to equip them with the skills to independently shoot their own films despite limited funding and resources. **Outcomes:** • Learners produced two show trailers and a 30-minute talk show as part of their practical assessment before shooting their main film. They gained a clear understanding of the expectations for film production. • Successfully shot and completed a 45-60 minute student film by the end of January 2024. • Distributed the film to relevant film award organisers. 42 people were trained
Business leadership bootcamp, By WHEELS OF CHANGE	The Wheels of Change Business Leadership Program is designed for emerging filmmakers who have previously received funding from the GFC and have acquired start-up equipment. This focused initiative builds on their existing filmmaking foundation, aiming to further develop their business skills and elevate their projects to the next level. **Outcomes:** • Participants received extensive education on critical business aspects, including governance and finance, through a well-structured curriculum. • The Bootcamp facilitated meaningful connections and collaborations among participants, fostering a supportive community. 20 people were trained
Live Events Technical Productions, By EMPOWER NPO	Empower NPO are a film and media development company dedicated to empowering youth with essential skills for success in the film and TV industry. Their goal is to prepare individuals to work as employees for production companies or to manage their own production houses. The course provided four distinct pathways—Lighting Design & Technology, Live Sound, Live Visuals, and Event Management—allowing participants to specialise in their areas of interest. 26 people were trained
FDM Academy, FDM ACADEMY	FDM is strategically positioned to drive growth in the local film industry, fostering both employment and equality. It serves as a crucial link between training providers and the television industry, offering emerging filmmakers valuable hands-on production experience to enhance their skills. **Outcomes:** • Participants gained a broader understanding of filmmaking beyond just operating the camera. • Participants learned to operate cameras, use sound recording equipment, and employ post-production editing software. 21 people were trained

Accredited skills training	
Auzweke Film Training, By AUZWEKE	TAK Communications is a media hub dedicated to discovering and nurturing raw talent. By offering workshops and hands-on field training, TAK equips individuals with filmmaking skills to prepare them for the industry. Participants created 4 short films, handling all aspects from conceptualisation to shooting with mobile phones. The best film was selected to be featured in mobile film festivals to maintain engagement with these emerging filmmakers. 26 people were trained
Extreme Music and Film, By EXTREME MUSIC AND FILM	This initiative aimed to equip aspiring young filmmakers in Gauteng with the skills and knowledge needed to craft compelling screenplays. The five-day programme covered various aspects of storytelling, including screenplay structure, character development, dialogue writing, and script presentation. 98 people were trained

Mentorship	
Mollo 2D Animation Training, By MOLLO ANIMATION ACADEMY & STUDIO	This programme aimed to introduce emerging high school artists in Gauteng to the world of animation through immersive workshops on digital art and 2D animation. As an entry point into digital animation and the broader digital creative field, digital arts serve as a gateway for traditional artists to transition smoothly into the realms of computer-based art and storytelling. **Outcomes:** • The programme effectively introduced traditional artists to digital arts, reducing barriers to entry into the animation industry. • It aimed to drive significant change within the sector by leveraging the talents of individuals from marginalised communities. • The academy emphasised the importance of nurturing talent from high school years to enhance the quality of emerging artists in Africa, focusing on the development of art, animation, and digital arts. 20 people were trained

Script Development:

No script development projects were supported, although eight projects were recommended for approval. Under achievement was due to GFC transitional matters related to legal battle between the Board and MEC.

Enterprise Development (Equipment Handover):

GFC is tasked to develop audio-visual industries with a mandate to promote, coordinate and facilitate film and television production; attract local and international investments in the film and television industry; benefit previously disadvantaged people and contribute to socio-economic growth in Gauteng. Film is a business and through this initiative GFC assists emerging filmmakers to run their companies as a profitable business. This is achieved by introducing a SMME to start-up film kits that will enable them to function. The following 25 SMMEs were provided with start-up film equipment, including 10x Animation and Edition Packages, 10x Production Packages and 5x Drone Packages.

- 2TT Media Pty (Ltd)
- After Robots Cinema
- Bafenyi Tech Consulting
- Black Aquarian (Pty) Ltd
- Gold In Green Entertainment (Pty) Ltd
- Hamankale Advisory
- Kwazi Projects
- LamaBozza Konnekt
- Legae Media House (Pty) Ltd
- Lilwa Productions (Pty) Ltd
- Mosimotsana Events
- Nalithemba Productions (Pty) Ltd
- Nelo Holdings (Pty) Ltd
- Ngqanda Studios (Pty) Ltd
- Penologa Productions
- Queensgate Entertainment
- Richart Productions (Pty) Ltd
- SA Film Chronicles
- Sefolo Media House
- Showbiz Productions
- South African Women In Film Arts and Culture
- Tau Royal Entertainment
- Twopnm (Pty) Ltd
- Vusizwe film festival
- Yetser Productions

*Table 2.4.4.1: Annual summary against original APP targets 2023/24**

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2020/2021**	**Audited actual performance 2021/22**	**Audited actual performance 2022/2023**	***Planned annual target 2023/2024**	**Actual achievement 2023/2024**	**Deviation from planned target to actual achievement 2023/2024**	**Reasons for deviations**
1. Enhanced contribution of Gauteng's audio-visual industry to socio-economic development	One-stop-shop for filmmakers - 'the go to agency' for audio visual requirements in Gauteng	Number of crew members graded and added to the database directory for audio visual	New Indicator	New Indicator	New Indicator	300	229	(71)	Underachievement due to delay in development of the database
	Gauteng's location advantage optimised	Number of municipalities assisted through IGR to formalise film locations and permits processes	4	4	6	5	5	0	Not Applicable
		Number of permits and locations facilitated with municipalities	378	551	458	500	512	12	Overachievement due to higher submission facilitated in Q1 – Q3. No additional costs incurred by the GFC.
2. Increased support for regional content and the telling of South African stories	Script development and research support	Number of script development projects supported	9	8	8	8	0	(8)	Underachievement due to recommended projects not approved for implementation due to GFC transition.
	Audio-visual content productions supported	Number of documentaries and short films supported	6	6	6	6	6	0	Not Applicable
		Number of features films supported	4	3	3	3	3	0	Not Applicable
		Number of emerging filmmakers' productions supported	8	8	8	8	4	(4)	Underachievement due to recommended projects not approved for implementation due to GFC transition.

* Planned annual target as per revised APP 2023/24

PROGRAMME/SUB-PROGRAMME									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/22	Audited actual performance 2022/2023	*Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
		Number of contents for television supported	8	8	8	8	7	(1)	Underachievement due to recommended projects not approved for implementation due to GFC transition.
		Number of jobs created through projects supported	711	846	926	800	583	(217)	Underachievement due to recommended projects not approved for implementation due to GFC transition.
		Number of heritage and historic productions supported	0	4	4	4	2	(2)	Underachievement due to recommended projects not approved for implementation due to GFC transition.

* Planned annual target as per revised APP 2023/24

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2020/2021**	**Audited actual performance 2021/22**	**Audited actual performance 2022/2023**	***Planned annual target 2023/2024**	**Actual achievement 2023/2024**	**Deviation from planned target to actual achievement 2023/2024**	**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	20	19	8	8	3	(5)	Underachievement due to recommended projects not approved for implementation due to GFC transition.
	Enhanced audience development and awareness of local content	Number of audience development initiatives supported	20	19	27	16	22	6	Overachievement due to opportunities to implement smaller regional initiatives and support expression of interest projects.
		Number of individuals reached/views through audience development projects	81 762	4 370	4 272	5 500	13 732	8 232	Overachievement due to opportunities to implement smaller regional initiatives and support expression of interest projects.
4. Industry transformed through training, mentorship and enterprise development	Film as a career and master classes	Number of non-accredited training projects supported	11	9	10	10	11	1	Overachievement due to opportunity to support expression of interest projects.
		Number of individuals trained through non-accredited programmes	7 647	282	411	410	147	(263)	Underachievement due to recommended projects not approved due to GFC transition matters.
		Number of graduate interns supported in partnership with SETA for 12-months on the job training	0	30	20	22	20	(2)	Underachievement due to shortfall in internships supported by SETA.

* Planned annual target as per revised APP 2023/24

Table 2.4.4.1 - Annual summary against original APP targets 2023/24 – continued

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2020/2021**	**Audited actual performance 2021/22**	**Audited actual performance 2022/2023**	***Planned annual target 2023/2024**	**Actual achievement 2023/2024**	**Deviation from planned target to actual achievement 2023/2024**	**Reasons for deviations**
4. Industry transformed through training, mentorship and enterprise development (cont.)	Emerging content creators supported towards sustainability and participation in the industry, through partnerships	Number of accredited training projects supported	5	5	5	5	6	1	Overachievement due to opportunity to support expression of interest projects.
		Number of individuals trained through accredited programmes	207	87	197	175	233	58	Overachievement due to opportunity to support expression of interest projects.
	Emerging Film Production Mentorship Programme	Number of emerging filmmakers mentored	8	8	122	25	20	(5)	Underachievement due to fewer mentorship programmes supported.
		Number of emerging enterprises supported	33	35	25	25	25	0	Not Applicable

* Planned annual target as per revised APP 2023/24

Table 2.4.4.2: Linking performance with budgets

Industry Support and Development – PROGRAMME 1						
	2023/24			2022/23		
	Final appropriation R	Actual expenditure R	(Over)/under expenditure R	Final appropriation R	Actual expenditure R	(Over)/under expenditure R
Audiovisual Production	5 057 064	4 435 181	621 883	3 691 526	3 185 100	506 426
Audience Development	2 100 000	3 639 440	-1 539 440	2 000 000	1 306 034	693 966
Adjudication Fees	250 000	309 114	-59 114	0	0	0
Digital Streaming Content	0	100 000	-100 000	800 000	19 355	780 645
Post Production and Research Hub	89 250	0	89 250	85 000	305 657	-220 657
Skills Development	1 155 000	1 877 188	-722 188	1 100 000	1 962 902	-862 902
Content for Television	2 100 000	2 105 000	-5 000	2 000 000	2 231 000	-231 000
Script Development	987 000	0	987 000	940 000	756 340	183 660
Enterprise Development	1 312 500	1 282 922	29 578	1 250 000	1 113 428	136 572
Location and Permits	66 648	0	66 648	63 474	0	63 474
MICSETA	1 472 000	739 183	732 817	1 806 000	1 430 916	375 084
Heritage and Historical	0	0	0	0	450 000	-450 000
Women and LGBTIQ	0	0	0	0	120 000	-120 000
Total Industry Support and Development	**14 589 462**	**14 488 028**	**101 434**	**13 736 000**	**12 880 732**	**855 268**

4.2. PROGRAMME 2: MARKETING & COMMUNICATIONS

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

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

The marketing unit provides grants for the following categories:

Category
Marketing and distribution
Provincial festivals
Festival attendance - inbound - outbound
Awards
Signature festivals

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.

Outbound Missions

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

Festival/ Event	Description
Durban Film Mart (DFM)/ Durban International Film Festival (DIFF) 2023	In 2023/24, DFM highlighted the pillars of Africa's Film Industry, bringing African talent to the fore in one filmic landscape. GFC participated in panel discussions, exhibitions, talent workshops and networking sessions. GFC also supported five Gauteng based DIFF/ DFM attendees who engaged in networking sessions with potential buyers and distributors.
FAME Week/ MIP Africa 2023	For the first time, GFC participated in FAME Week Africa, which took place 3-10 September 2023. This prestigious event celebrates and showcases the exceptional talents, stories, and cultural richness of African creatives. Moreover, GFC also supported six Gauteng based FAME WEEK attendees.
Toronto International Film Festival (TIFF) 2023	The GFC attended the TIFF 2023, 48th edition which offered diverse and innovative perspectives on the art and business of film. TIFF projects included the annual TIFF in September; TIFF Bell Lightbox, which features five cinemas, learning and entertainment facilities; and the innovative national distribution programme film circuit.

Film Markets and Festival Attendance

The GFC supported filmmakers by inviting them to attend and participate in international film festivals such as the Durban Film Festival, Durban Film Mart and FAME Week.

Film Festival	Project
DFM/ DIFF 2023	• BASOP by 1Bridge Visuals Production • The Adventures of Z and Z by Moe Productions • People Opposing Women Abuse (POWA) by Mogale Pictures • Life of a Slay Bhinca by Sunrise Emandleni • Unchained, Ziyanda, and King Sekhukhune by Yilo Studios
FAME Week/ MIP Africa 2023	• Spirits Of Our Ancestors by Thase Media • Mrs Plum, White by Night & Apetown by Bump PTY (LTD) • Cancelled by Iron Hearts Films • Happy: The True Story of Happy Sindane by Trial By Media • Ukhulu noNana by Indilang • Cousins in Crisis by Awuzweke

Marketing and Distribution

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

Project	Description
Skierlik Film by Dikotla Originals	Skierlik Film is inspired by a true South African event that occurred on 14 January 2008, in the remote and informal settlement of Skierlik. Originally written as a stage production, Skierlik tells the poignant story of Thomas, a young and loving father and husband who lost his family in the violent, tragic shooting on that fateful day. The tragedy leaves him feeling hopeless and devoid of purpose.
The Adventures of Botshelo: The Movie by Kutsala	The Adventures of Botshelo is an animated film that celebrates and represents children of colour who identify with the township. This predominantly animated feature offers a positive and inspiring view of township life, presenting it as a springboard for endless possibilities and underscoring the powerful message that 'Representation matters!'.

Awards

The GFC supported the following Awards during the year under review.

Project	Description
Simon Sabela Awards	Under the auspices of our partnership with KZN Film Commission, the GFC sponsored and presented the Best African Film category.

Table 2.4.4.2 - Annual summary against the adjusted APP targets 2023/24

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2020/2021**	**Audited actual performance 2021/22**	**Audited actual performance 2022/2023**	***Planned annual target 2023/2024**	**Actual achievement 2023/2024**	**Deviation from planned target to actual achievement 2023/2024**	**Reasons for deviations**
3. Enhanced market penetration of Gauteng produced content	Enhanced marketing and distribution of Gauteng content	Number of film summit/awards supported	5	1	2	1	1	0	Not Applicable
		Number of signature festivals supported	10	2	3	3	5	2	Overachievement due to opportunity to support additional projects.
		Number of GFC supported productions assisted with Distribution and Marketing	14	7	10	10	2	(8)	Underachievement occurred because recommended projects were not approved for implementation. Also, in Q1 and Q2, applicants who were approved for both film production and marketing grants chose to accept the film production grant instead, due to its higher value.
		Number of outbound trade missions	New Indicator	New Indicator	2	1	4	3	Overachievement due to the opportunity to attend additional film festivals.

* Planned annual target as per revised APP 2023/24

Table 4.2.2. - Linking performance with budgets

MARKETING AND COMMUNICATIONS – PROGRAMME 2						
	2023/24			2022/23		
	Final appropriation R	Actual expenditure R	(Over)/under expenditure R	Final appropriation R	Actual expenditure R	(Over)/under expenditure R
Annual Report	157 500	107 583	49 917	150 000	149 390	610
Summit and Film Awards	198 000	48 418	149 582	760 000	1 392 593	-632 593
Digital and Social Media	210 000	74 767	135 233	200 000	166 168	33 832
Outbound Mission	420 000	690 064	-270 064	400 000	149 262	250 738
Communication Strategy	360 000	202 110	157 890	400 000	427 350	-27 350
Marketing Support of Film Production	325 000	348 596	-23 596	970 000	1 220 000	-250 000
Film Festivals and Markets	315 000	367 752	42 752	670 000	838 200	-168 200
Film City	420 000	290 327	129 673	400 000	0	400 000
Total	**2 405 500**	**1 916 022**	**489 478**	**3 950 000**	**4 342 963**	**(392 963)**

4.3. PROGRAMME 3: SUPPORT & ADMINISTRATION

The Administration and Support Services Unit (ASSU) aims to provide strategic support to the GFC. The five 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 a Profiling Impact Study during the 2023/24 financial year to support the execution of the organisation's mandate.

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 factors in women and youth
Key enablers to support delivery of the outcome	• Partnership with the Gauteng City Region Observatory (GCRO) 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 Information and Communications Technology (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 (OHS)
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 Quarterly Progress Reports (QPR) and Annual Reports (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 2023/24

PROGRAMME/SUB-PROGRAMME									
Outcome	**Output**	**Output indicator**	**Audited actual performance 2020/2021**	**Audited actual performance 2021/22**	**Audited actual performance 2022/2023**	***Planned annual target 2023/2024**	**Actual achievement 2023/2024**	**Deviation from planned target to actual achievement 2023/2024**	**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	8	8	7	10	3	(7)	Underachievement due to partnerships that were identified but could not be concluded due to transitional matters
		Percentage of revenue generated from strategic partnerships to support core programmes	New Indicator	New Indicator	4,3%	5%	3.2%	(1.8%)	Underachievement due to GFC transitional matters stated above for strategic partnerships
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	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	Annual State of the Gauteng Audio-Visual Industry Report produced	1 industry report produced: GP Profiling Legacy Study	0	Not Applicable

* Planned annual target as per revised APP 2023/24

PROGRAMME/SUB-PROGRAMME									
Outcome	Output	Output indicator	Audited actual performance 2020/2021	Audited actual performance 2021/22	Audited actual performance 2022/2023	*Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
6. Sound governance, operational excellence and high-performance	Internal control environment and financial management	Core to programme	1:0.40	1:0.40	1:0.39	1:0,39	1:0,39	0	Not Applicable
	External audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	In relation to external audit there have been two findings as per final management letter and progress of March 2024	One finding resolved and the other partially resolved.	Underachievement due to one finding resolved and the other partially resolved. Management has sent a submission to South African Revenue Services (SARS) and are awaiting approval.
	Business integration and optimisation, and ICT support	Multi-year (MTEF- aligned) ICT Master Plan approved and implemented	Master Plan implemented	ICT Strategy reviewed and implemented	60% of projects reviewed and implemented	80% of projects contributing to digital transformation	60% of projects contributing to digital transformation	(20%)	Underachievement due to planned projects halted due to GFC transition
	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	New Indicator	New Indicator	78%	60%	57%	(3%)	Underachievement due to insufficient funding to support employee training and study assistance.
	Promote good governance	% implementation of King IV Governance and Leadership principles training as per the approved plan and leadership principles	New Indicator	New Indicator	100%	100%	33%	(67%)	Underachievement due to board meetings and sub-committees not held as a result of GFC transitional matters

* Planned annual target as per revised APP 2023/24

Table 4.3.2. Linking performance with budget guidelines

ADMINISTRATION AND SUPPORT SERVICES - PROGRAMME 3						
	2023/24			2022/23		
	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	**21 296 818**	**21 538 902**	**(232 064)**	**19 957 870**	**20 107 290**	**(78 518)**
Administration services	235 600	224 650	10 950	217 457	210 435	7 022
Building, office maintenance and operations	33 205	5 000	28 205	25 205	17 557	7 648
Depreciation	255 000	(429 901)	(174 901)	255 000	325 902	(70,902)
Development and maintenance of IT services	835 501	676 832	158 669	1 180 672	1 146 543	34 129
Human resource cost	828 000	899 451	(71 451)	685 000	598 938	86 062
Printing and stationery	88 805	122 319	(33 514)	48 576	30 963	17 613
Professional services	756 959	682 776	74 183	627 913	642 405	(14 492)
Auxiliary services	685 345	638 658	46 687	598 665	584 628	14 037
Employee cost	17 553 403	17 849 295	(295 892)	16 294 382	16 480 897	(186 515)
Loss on assets write off	-	1	(1)	-	1 709	(1 709)
Fines and Penalties	-	-	-	-	52 070	(52 070)
Finance cost	25 000	10 019	14 981	25 000	15 243	9 757
LEGAL AND GOVERNANCE	**2 782 220**	**2 045 431**	**736 789**	**2 095 400**	**2 760 322**	**(664 922)**
Audit Committee Fees	119 500	100 950	18 550	119 500	95 100	24 400
Advice to the Board	-	-	-	-	-	-
Directors Remunerations	285 000	316 750	(31 750)	285 000	895 500	(610 500)
Legal Fees	750 000	621 444	128 556	400 000	646 408	(246 408)
Refreshment and Meetings	415 820	869 487	(453 667)	920 000	642 100	277 900
Remuneration Committee Fees	115 900	86 700	29 200	115 900	170 400	(54 500)
Governance & Investment	96 000	50 100	45 900	155 000	149 950	5 050
Training and Development - Board	1 000 000	-	1 000 000	100 000	160 864	(60 864)
ADVOCACY AND STRATEGY	**825 000**	**1 277 438**	**(452 438)**	**3 433 000**	**3 205 606**	**227 394**
AFCI	25 000	18 133	6 867	20 300	17 394	2 906
Research	380 000	0	380 000	330 000	163 450	166 550
Strategic Planning	240 000	869 210	(629 210)	170 000	9 167	160 833
Business Process	80 000	-	-	-	-	-
Special Projects	100 000	390 095	(290 095)	2 933 000	3 015 595	(82 595)
GRAND TOTAL ADMINISTRATION AND SUPPORT SERVICES	**24 904 038**	**24 861 771**	**42 267**	**25 486 270**	**26 073 218**	**(586 948)**

5. REVENUE COLLECTION

Sources of Revenue	Estimate	2023/2024 Actual Amount Collected	(Over)/ Under Collection	Estimate	2022/2023 Actual Amount Collected	(Over)/ Under Collection
	R'00	R'000	R'000	R'000	R'000	R'000
Government Grant	40 087	40 087	0	39 329	39 329	0
Conditional grant - MICSETA	698	698	0	1 719	1 719	0
Budget Adjustments	0	0	0	1 840	1 840	0
Interest received	280	386	(106)	367	417	(50)
Total	**41 065**	**41 171**	**(106)**	**43 255**	**43 305**	**(50)**


AVCHD
SLOT SEL

PART C

1. INTRODUCTION

Corporate governance is a process and system by which public entities are directed, controlled, and held accountable. 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 PFMA. It runs in tandem with the King Report on Corporate Governance Principles.

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

2. THE ACCOUNTING AUTHORITY / BOARD

2.1. Introduction

The section below outlines the functions of the Board up to November 2023. Post the judgement the Board and all its committees have remained dormant.

Pre the judgement as the Accounting Authority, the GFC Board is responsible for ensuring that the Commission prepares the AFS and for the judgements made on this information. The Accounting Authority is further responsible for approving the corporate strategy, business plans, and 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 role of the Board is as follows:

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 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 a manner as to represent the interests of the government and all business stakeholders.

Board Charter

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

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

Matters requiring approval by the Board shall be decided by 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 regarding such matters.

Composition of the Board

Ms Busi Mhaga
Chairperson

Date appointed:
Board - 01 October 2021
Joint Advisory Committee (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:
Board - 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, Audit and Risk Committee (ARCO), Nominations Committee

Ms Lebo Ndadana
Board Member

Date appointed:
Board - 01 April 2021
Joint Advisory Committee (JAC) - 08 February 2022

Contract Status:
Resigned 16 November 2023

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:
Board - 01 November 2020
Joint Advisory Committee (JAC)
01 October 2021

Contract Status:
Ongoing

Qualifications:
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:
Board - 01 October 2021

Contract Status:
Ongoing

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:
0Board - 1 October 2021

Contract Status:
Resigned on 16 November 2023

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 Resources

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:
Board - 01 October 2021

Contract Status:
Resigned on 1 January 2024

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:
Board - 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:
Board - 01 November 2020
Joint Advisory Committee (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:
Board - 01 October 2021

Contract Status:
Resigned on 22 November 2023

Qualifications:
Chartered Accountant, Honours in Accounting

Area of expertise:
Finance

Board directorships:
None

Other committees or task teams:
ARCO

Committees

COMMITTEE	NO. OF MEETINGS	NO. OF MEMBERS	NAME OF MEMBERS
Human Resource and Ethics Committee	4 meetings	4 members	Lufuno Nematswerani Nthabeleng Zondo Thato Molamu Elson Kgaka
Audit and Risk Committee	4 meetings	4 members	Lebogang Ndadana CA(SA) (Chairperson) Percy Manzini Keith Khoza Keitumetse Mahlangu Komatie Govender CA(SA)
Governance and Investment Committee	3 meetings	4 members	Busi Mhaga (Chairperson) Percy Manzini Lufuno Nematswerani Lebogang Ndadana CA(SA)

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 2022/23 and 2023/24 is presented below:

	2023/24		2022/23	
Name	**Remuneration**	**Total**	**Remuneration**	**Total**
Ms. B Mhaga	77 000	77 000	189 000	189 000
Mr. K Khoza	23 400	23 400	114 900	114 900
Ms. L Ndadana	58 150	58 150	150 500	150 500
Mr. L Nematshwarani	79 800	79 800	165 800	165 800
Ms. K Govender	51 600	51 600	74 300	74 300
Mr. E Kgaka	34 750	34 750	137 250	137 250
Ms. K Mahlangu	57 100	57 100	103 200	103 200
Mr. P Manzini	87 500	87 500	151 000	151 000
Mr. T Molamu	40 600	40 600	103 200	103 200
Ms. N Zondo	40 250	40 250	121 800	121 800
Total	**550 150**	**550 150**	**1 310 950**	**1 310 950**

3. RISK MANAGEMENT

In line with the Companies Act, Act No 71 of 2008, the Board is responsible for managing 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 is primarily responsible for identifying and managing risks inherent to his/her division's operations, the Audit Committee develops and reviews risk management strategies, policies, and procedures to ensure they are appropriate.

The Management Committee (Manco) reports 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.

4. INTERNAL CONTROL UNIT

GFC Management continues to strive towards sustainable improvement in its internal control. Nothing has come to the attention of the ARCO 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 ARCO, 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.

5. 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 of 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.

Under the direction of the Audit Committee, the internal audit function is outsourced to an independent service provider. It 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 of 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, HRs, compliance review, audit of performance information, AFSs review and supply chain and internal financial control reviews. The reports have been presented to the Audit Committee.

The key activities and objectives of the internal audit function are:
- 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 AFS to be included in the annual report; and
- Review significant adjustments on the AFS and APRs 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;
- Review the content, quality, adequacy, reliability and accuracy of financial and performance information provided to the Accounting Authority, the users of such information, and the DSACR through quarterly reports; and
- Make recommendations 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	Bcompt Honours Accounting Science, Bcom Financial Accounting	External	N/A	08 February 2022	Resigned 16 November 2023	4
Keith Khoza	Masters in Public Administration, Postgraduate Diploma in Administrative Studies	External	N/A	01 October 2021	Ongoing	2
Percy Manzini	Doctor of Business Administration (in progress), Master of Philosophy in Development Finance	External	N/A	01 October 2021	Ongoing	4
Keitumetse Mahlangu	Bachelor of Law (LLB), Management Advancement Programme (MAP)	External	N/A	01 October 2021	Ongoing	3
Komatie Govender	Bcompt Honours in Accounting	External	N/A	01 October 2021	Resigned 22 November 2023	3

6. COMPLIANCE WITH LAWS AND REGULATIONS

Compliance risk relates to the negative impacts of non-compliance with all applicable legislation and regulations. The ARCO assists the BoD to comply with all applicable statutory and regulatory requirements.

Compliance risk is managed by creating awareness of regulatory requirements and monitoring compliance with legislative requirements.

7. FRAUD AND CORRUPTION

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

8. MINIMISING CONFLICT OF INTEREST

The GFC uses a declaration of conflict system to minimise conflict of interest. Before every board and subcommittee meeting, members must declare their interest. The system is also utilised by the Project Committee members when they evaluate ISD Projects.

9. CODE OF CONDUCT

The GFC is managed ethically and in line with the Code, which upholds core principles of fairness, transparency, integrity, reliability, responsibility, and honesty. This Code obligates GFC governance structures, management, and staff to maintain high standards of behaviour in interactions with clients and stakeholders.

10. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The employer is legally obligated to provide a safe and conducive work environment that ensures that employees' and other stakeholders' well-being is protected at all times. In line with the OHS Policy of the GFC and the OHS 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. The GFC is continuously in consultation with the DSAR's Corporate Services Division (CSD) to ensure compliance with all relevant OHS standards as prescribed by the 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 the event a need arises and that in the event of a fire breaking out, it would be contained accordingly and timeously to ensure the safety of staff and other stakeholders in the premises. The OHS Team has received relevant training to empower them to discharge their functions effectively as and when necessary.

11. 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 manages the secretariat unit/section of the Board and its committees to ensure that they function effectively and comply with terms of reference (TOR); and
- Formulates meeting agendas, convenes Board and sub-committee meetings and ensures proper recording of minutes.

12. SOCIAL RESPONSIBILITY

As an NPC, this section is not applicable to the GFC.

13. AUDIT COMMITTEE REPORT

The audit and risk committee held their meetings up to the 16th of October 2023. Due to the prevailing impasse between the Board and the MEC that subsequently was dealt with by the court, Provincial Treasury has recommended that the GFC regularise its funding and ensure compliance to PFMA.

The GFC then entered into a transitional period to facilitate strategic repositioning and list as a schedule 3C public entity.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 77 of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The following internal audit work was completed during the year under review:
- Programme Performance Audit
- Human Resources and Payroll Audit
- Finance and Supply Chain Management Audit
- Annual Financial Statements Review

The following were areas of concern:
- Supply Chain Management
- Inconsistency in performance reporting

In-Year Management and Monthly/Quarterly Report

The public entity has submitted monthly and quarterly reports to the Executive Authority.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity.

The Audit Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

____

Ms Keitumetse Lebaka
Chief Executive Officer (CEO)
Gauteng Film Commission
31 July 2024

14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in compliance with the Broad-Based Black Economic Empowerment (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 licenses, concessions or other authorisations in respect of economic activity in terms of any law	No	GFC does not issue any license in respect of any economic activity in terms of the law
Developing and implementing a preferential procurement policy	No	GFC does not develop and implement a 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

1. INTRODUCTION

The objective of the Human Resources (HR) 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, and the HR Unit also 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. As the nature and make-up of the 21st Century evolves, there is a growing need for organisations to review and revise their policies, structures, processes, and systems such that these can harmoniously align with the changing workforce demands. This is to ensure that organisations, and employees, extract maximum value from employment relationships they enter into, such relationships being mutually beneficial and complementary in nature, rather than adversary and biased.

1.1. Priorities for the Year

During the period under review the HR Unit focused on the following, as per the annual HR Operational Plan:

- Monitoring and managing the leave management system and procedures;
- Recruitment and Selection;
- Implementing the Performance Management System as per the existing Policy;
- Implementing an employee wellness service and programmes;
- Supporting core-business in initiating, implementing, and monitoring the Internship Project in Partnership with MICT SETA;
- Migrating the SETA affiliation and subscription from Services to MICT SETA;
- Facilitating conflict and dispute management;
- Setting up an Occupational Health and Safety Structure; and
- Following up and finalising revision of critical HR Policies.

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

1.2. HR Policy Review

There were ten critical HR Policies that were reviewed and some revised. Six of the ten revised policies were approved by the Board, and four were returned for further review. The Corporate Services Division, and particularly the HR Unit, is following up to ensure that all the areas of concern with regard to the outstanding policies are addressed. In the meantime, the old policies apply, with regard to those revised policies that have not yet been approved.

1.3. Recruitment and Selection

The process of recruiting for four positions identified as critical and of great priority, also forming part of 'Nasi ispani' initiative of the Office of the Premier, was put on hold at the shortlisting stage due to the currently pending transition pertaining to the re-establishment of the GFC. These positions are: Executive: Corporate Services; Executive: Partnerships, Industry Support, and Projects; Industry Support Manager; and Publicity and Stakeholder Relations Assistant.

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 psycho-social 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 dependents psycho-social support on a 24-7 basis, while also providing a range of other programmes and initiatives. The services of Company Wellness Solutions unfortunately had to be terminated before the lapse of the contract period due to transitional reasons.

1.6. Achievements and Challenges

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

- Low staff morale, due to the re-establishment and transition process of the GFC, which came about during the course of the financial year and destructed normal operations, as well as due to limited budget allocation which was a challenge even prior to the transition,
- Shortage of human resources due to a moratorium on permanent staff appointments due to limited budget allocation and the re-establishment transition, which implies that the current workforce is overworked.

Despite the challenges, HR achieved some key goals including:

- Approval of 60% of the revised HR policies.
- Stable relationship between management and organised labour, which created a more conducive environment for focusing on organisational goals and strategy.
- Revival of an engaged organisational culture, one based on mutual trust, teamwork, and collaboration.
- Successful implementation of employee wellness programmes and initiatives that contributed to upliftment of staff morale.
- Fruitful partnerships with MICT SETA towards funding and supporting employees in personal learning and development initiatives, and also industry learning and development projects.
- The GFC, spearheaded by the HR Team and in collaboration with the Core-business Team, managed to implement a 20-learner internship project in partnership with MICT SETA.
- The HR Unit also spearheaded an organisation-wide project of reviewing and revising and re-engineering business processes for better efficiency and effectiveness.

1.7. Future Plans

The HR Unit will continue to lead change management interventions and spearhead the actual transfer of staff and their contracts of employment, and terms and conditions thereof, to assist the GFC in the pending transition process. HR will lead the GFC Team as it adapts to the re-established organisation. The HR Unit will drive the process of harmonising the new structure, policies, business processes and systems once the new organisation is established. The HR Unit will also drive the process of identifying and developing plans to fill skills gaps, followed by the placement of staff within the new structure once the transition is finalised.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1 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	14488	2672	6,5%	3	891
Marketing and Communications	1916	1470	3,6%	2	735
Finance	18839	3440	8,3%	3	1147
Legal	2045	0	0,0%	0	
ICT	676	2271	5,5%	2	1136
HR and Admin	1582	2391	151,1%	4	598
Office of CEO and Board Secretariat	1719	5605	326,1%	4	1401
TOTAL	**41265**	**17849**	**23,9%**	**18**	**992**

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	2399	13%	1	2399
Senior Management	3940	22%	1	3940
Professional qualified	5368	30%	5	1074
Skilled	4253	24%	6	709
Semi-Skilled	1391	8%	3	464
Unskilled	498	3%	2	249
TOTAL	**17849**	**1,00**	**18**	**8834**

Performance Rewards

Level	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	2399	N/A
Senior Management	0	3940	N/A
Professional qualified	0	5368	N/A
Skilled	0	4253	N/A
Semi-Skilled	0	1391	N/A
Unskilled	0	498	N/A
TOTAL	**0**	**17849**	**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	17849	160	1%	10	16

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

Employment and vacancies

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 2023/24	Vacancies 2023/24	Average personnel cost per employee (R'000)
Industry Support, Partnerships and Projects	14488	2672	6,5%	3	4	891
Marketing and Communications	1916	1470	3,6%	2	4	735
Finance	18839	3440	8,3%	3	2	1147
Legal and Corporate Services	2045	0	0%	0	2	0
ICT	676	2271	5,5%	2	1	1136
HR and Admin	1582	2391	5.8%	4	2	598
Office of CEO and Board Secretariat	1719	5605	13.6%	4	3	1401
TOTAL	**41265**	**17849**	**43.3%**	**18**	**18**	**992**

Employment by Level

Programme/activity/objective	2021/22 No. of employees	2021/22 Approved posts	2021/22 Vacancies	2023/24 Vacancies	% of Vacancies
Top Management	2	1	1	0	0%
Senior Management	5	3	1	2	12%
Professional Qualified	2	8	6	3	12%
Skilled	9	13	9	7	76%
Semi-Skilled	1	8	1	5	0%
Unskilled	1	2	1	1	0%
TOTAL	**20**	**35**	**19**	**18**	**100%**

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

Employment changes

The change in employment in the period under review was as a result of 1 employee going on retirement

Salary band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	0	0	1
Senior Management	6	0	0	1
Professional Qualified	1	0	0	5
Skilled	9	0	0	6
Semi-Skilled	1	0	0	3
Unskilled	1	0	1	1
Total	**18**	**0**	**1**	**17**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	0	0
Dismissal	0	0
Retirement	1	5.5%
Ill Health	0	0
Expiry of Contract	0	0
Other	0	0
Total	**0**	**5.5%**

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	0
Written warning	0
Final written warning	0
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	1	0	0	0	0	0	0
Professional Qualified	3	3	0	0	0	0	0	0
Skilled	2	2	0	0	0	0	0	0
Semi-Skilled	0	1	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	**6**	**7**	**0**	**0**	**0**	**0**	**0**	**0**

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	0	1	0	0	0	0	0	0
Professional Qualified	2	2	0	0	0	0	0	0
Skilled	4	7	0	0	0	0	0	0
Semi-Skilled	3	2	0	0	0	0	0	0
Unskilled	1	1	0	0	0	0	0	0
TOTAL	**11**	**14**	**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**

PART E

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	**-**	**-**

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	-	-
Total	**-**	**-**

b) Details of irregular expenditure (under assessment, determination, and investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	**-**	**-**

c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	-	-
Total	**-**	**-**

d) Details of irregular expenditure removed - (not condoned)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	**-**	**-**

e) Details of irregular expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	**-**	**-**

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional disclosure relating to Inter-Institutional Arrangements

g) 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	
N/A	-
Total	**-**

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

Description	2023/2024	2022/2023
	R'000	R'000
	-	-
Total	**-**	**-**

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken	
	-

1.2. Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable1	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	**-**	**-**

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	**-**	**-**

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	**-**	**-**

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	**-**	**-**

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	**-**	**-**

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

Disciplinary steps taken	

1.3. Additional Disclosures Relating to Material Losses in Terms of of PFMA Section 55(2)(b)(i) &(iii)

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	**-**	**-**

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
Nonapplicable	-	-
Total	**-**	**-**

c) Other material losses recoverable

Nature of losses	2024/2023	2022/2023
	R'000	R'000
Nonapplicable	-	-
Total	**-**	**-**

d) Other material losses not recoverable and written off

Nature of losses	2024/2023	2022/2023
	R'000	R'000
Nonapplicable	-	-
Total	**-**	**-**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	701	22,683
Invoices paid within 30 days or agreed period	701	22 683
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
Q1 Q2 Beneficiaries onboarding	Wits Incubator	Preferred	N/A	29
Internet Connection	Cosmo net (Pty) Ltd	Preferred	N/A	74
Total				**103**

3.2. Contract Variations and Expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s	Value of current contract expansion or variation
				R'000	R'000	R'000
GPG Profiling	Hip-Hop 411 (Pty) Ltd	Variation	N/A	140	0	15
Business Re-engineering process	Teksa Holding (Pty) Ltd	Variation	N/A	576	0	86
Grant Platform	(Godez Services)	Variation	N/A	600	0	7
Listing GFC as public entity	Abrams Madira	Expansion	N/A	858	0	112
GPG Profiling	Imbuso	Variation	N/A	100	0	15
GPG Profiling	Thembisa TV	Variation	N/A	108	0	15
Total				**2,382**	**0**	**250**


AVCHD
SLOT SEL


DIRECTOR
PROD.
DIRECTOR
CAMERA
DATE
ROLL
SCENE

PART F

GAUTENG FILM COMMISSION (NPC)
(Registration number 2001/013031/08)
ANNUAL FINANCIAL STATEMENTS (IFS)
For the year ended 31 March 2024

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.

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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 20 Fox Street Marshalltown 2001
EXTERNAL AUDITORS:	Auditor-General of South Africa (AGSA) 39 Scott Street Bramley 2190
BOARD SECRETARY:	Vacant.

STATEMENT OF RESPONSIBILITY

For the year ended 31 March 2024

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 Statements, 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 Strategic and Annual Performance Plan of the Gauteng Film Commission for the year ended 31 March 2024.The performance information for the year ended 31 March 2024 was examined by management.

______________________	______________________
Ms. Keitumetse Lebaka	**Mr. Elliot Maluleka**
Chief Executive Officer	Chief Financial Officer
31 July 2024	31 July 2024

REPORT OF THE DIRECTORS

For the year ended 31 March 2024

The Directors are pleased to submit their report, together with the Gauteng Film Commission (GFC) Annual Financial Statements for the year ended 31 March 2024. 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.

There has been an impasse between the Board and the Executive Authority that has resulted in court action. As such the Department and GFC are currently working on transitional models including temporarily housing GFC under Cultural Affairs directorate of the department to ensure continuation of essential services. The Board is currently active and post the registration of the public entity, a new Board will be established to oversee GFC operations.

It is necessary for the GFC to list as a public entity for the proper establishment of the GFC in compliance with Section 38(1)(m) of the PFMA, to regularise the funding of the entity as per recommendation by Gauteng Provincial Treasury. Indeed, some setbacks would arise through the transition, however I am confident that this will be the best possible outcome for the GFC in the coming year.

There has been previously a technical opinion by 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 part from 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) company incorporated in terms of the Companies Act. The main business of the Gauteng Film Commission is development and promotion of audio-visual industries in Gauteng Province. Gauteng Film Commission 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 during the year under review there has been a challenge in relation to GFC not having the Chief Executive Officer, this 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", this implies that's 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 realize its assets and discharge its liabilities in the normal course of business.

REPORT OF THE DIRECTORS

For the year ended 31 March 2024

Legal Standing

During the current financial year under review management prepared the business case for listing Gauteng Film Commission as a public entity regulated under section 3c, to date the submission has been made to Provincial Treasury, there has been feedback and all issues have been attended.

Company Secretary and Legal Manager resignation.

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

Business result summary:

	Mar 2024	Mar 2023
	R	R
Government grants	40,087,000	41,169,000
SETA Additional budget	697,600	1,719,238
Net Deficit for the year	(69,179)	21,927
Total Assets	17,109,603	6,390,602
Accumulated Surplus	784,003	2,021,179

Board of Directors and Committee Members:

The following persons served as Board of Directors and Committee members of GFC during the financial year ended 31 March 2024:

Directors	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	16 November 2023
Mr Lufuno Nematswereni	Non-Executive	01 October 2021	-
Mr Elson Kgaka	Non-Executive	01 October 2021	-
Ms Nthabeleng Zondo	Non-Executive	01 October 2021	16 November 2023
Ms Keitumetse Mahlangu	Non-Executive	01 October 2021	-
Mr Thato Molamu	Non-Executive	01 October 2021	01 January 2024
Ms Komathie Govender - CA(SA)	Non-Executive	01 October 2021	22 November 2023

Internal Audit and External Auditors.

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.

REPORT OF THE AUDITOR-GENERAL TO PROVINCIAL LEGISLATURE ON THE GAUTENG FILM COMMISSION 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 set out on pages xx to xx, which comprise the statement of financial position as at 31 March 2024, 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 as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with International Reporting Financial Framework (IFRS) and the requirements of the Companies Act of South Africa 71 of 2008 (the 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 non-profit company 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.

Emphasis of 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 set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules 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 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 officer 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 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. This description, which is located at page 97 forms part of my 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 and performance 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 of South Africa. The other information referred to does not include the financial statements and the auditor's presented in the annual performance report that have been specifically reported on in this auditor's report.
18. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
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, annual performance report 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 2024

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

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 on the NPC's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 a 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

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and 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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Companies Act 71 of 2008	Sections 46(1)(a); 46(1)(b); 46(1)(c); 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 129(7)

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Internal Audit and External Auditors (cont.)

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 no incidents that has been brought to the attention of the Board.

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 was 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).

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

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.
- Appointment 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 annual budget and longer term strategic and business plan.
- Ensuring that effective audit and compliance systems are in place to protect Gauteng Film Commission operation 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.

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. It 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 significant risk exposures and making recommendations to the Board of Directors on appropriate mitigation strategies.
- Appointment of Internal Auditors.

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

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.

This 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 legal provision, have executive and non-executive members, with majority being non-executive members of the governing body.

Bid Adjudication Committee (BAC)

This committee 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 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 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.
- Make other recommendations to the Accounting Authority.

Specification and Evaluation Committee

This 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.

Nomination Committee

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

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

Governance and Investment Committee

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

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Board of Directors composition and record of attendance:

Name	Designation in terms of GFC structure	Date of expiry of term office	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 - Diploma in Town and Regional Planning.	Business. Management. Public service.	None.	Governance & Investment	3 out of 4	1 out of 1
Ms. Anthea Mokoena	Company Secretary and Legal Manager	None.	- B Proc, Diploma in drafting contracts and MAPP.	Contracts and litigations.	None.	HR & Ethics, ARCO	0 out of 0	0 out of 0
						Governance & Investment		
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	3 out of 4	6 out of 6

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Name	Designation in terms of GFC structure	Date of expiry of term office	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of other Committees
Mr. Elliot Maluleke	Chief Financial Officer.	None.	- B Com. - SAICA Articles. - SAIPA. - AGASA.	- Finance. - Auditing. - Corporate. - Governance.	None.	Audit & Risk	1 out 3	3 out of 3
Mr. Keith Khoza	Board Member.	26 November 2020 until further notice.	- Masters in public Admin. - Post graduate diploma in administrative studies.	- Public Administration.	None.	Audit & Risk	3 out of 4	2 out of 4
Ms. Lebogang Ndadana CA(SA)	Joint Advisory Member.	30 Marember 2021.	B-Compt (CA) SA	Finance, Corporate Governance. Audit.	None.	Audit and Risk & Governance and Investment	4 out of 4	5 out of 6
Ms. Keitumetse Lebaka	CEO.	19 October 2020 until further notice.	- B. Com - Professional certificate in programme and project management - Professional certificate is public and development management - Management development programme - Global executive development governance - Post Graduate diploma in management practice - Masters (MBA), 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 & Investment	4 out of 4	5 out of 5

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Board of Directors composition and record of attendance.

Name	Designation in terms of GFC structure	Date of expiry of term office	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of other Committees
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 Admin and Private Sector	None.	Governance & Investment Audit & Risk	4 out of 4	6 out of 6
Mr. Thato Molamu	Board Member.	30 September 2024	- Masters in Postgraduate Diploma in Managerial practice, - Certificate in entrepreneurial Skills development, - Certificate in project Management	Executive positions in Private Sector.	None.	HR and Ethics	2 out of 4	4 out of 5
Ms. Komathie Govender CA(SA).	Board Member.	30 September 2024	Chartered Accountant, Honours in Accounting	Extensive Experience in Executive Level	None.	Audit and Risk Committee	4 out of 4	3 out of 4

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Name	Designation in terms of GFC structure	Date of expiry of term office	Credentials	Area of expertise	Other Board	Membership in Committees	No of Board meetings attended	No of Other Committees
Ms. Nthabeleng Zondo	Board Member.	30 September 2024	- Master of Science Degree, - BBA in International Tourism Management, - Associate of Science in International Tourism	Extensive Experience in Executive Level	None.	HR & Ethics	3 out of 4	3 out of 4
Mr. Elson Kgaka	Board Member.	30 September 2024	- B. Uris, - LLB	Extensive Experience in Executive Level	None.	HR & Ethics.	2 out of 4	3 out of 4
Ms. Keitumetse Mahlangu	Board Member.	30 September 2024	LLB	Extensive Experience in Executive Level	None.	Audit and Risk.	4 out of 4	3 out of 4

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

Details	Governance & Strategy	Governance & Investment Committee	Audit & Risk Committee	Human Resources & Ethics Committee	Other (Induction and Training)	Total
TOTAL MEETINGS	**4**	**3**	**4**	**4**	**4**	**19**
Ms B. Mhaga	3	3	-	-	4	10
Mr E. Maluleke	2	1	4	-	-	7
Ms L. Ndadana CA(SA)	4	2	4	-	-	10
Mr L. Nematswerani	3	2	-	3	2	10
Mr K. Khoza	2	-	2	-	-	4
Ms K. Lebaka	4	3	4	4	-	15
Mr P. Manzini	4	3	4	-	3	14
Mr T. Molamu	2	-	-	4	1	7
Ms N. Zondo	3	-	-	1	2	6
Ms K. Mahlangu	3	-	3	-	3	9
Ms K. Govender CA(SA)	4	-	3	-	2	9
Mr E. Kgaka	3	-	-	3	-	6

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

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 their 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.

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 fraud workshop during the current financial year under review.

CORPORATE GOVERNANCE REPORT

For the year ended 31 March 2024

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

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 year 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.

REPORT OF THE AUDIT AND RISK COMMITTEE

For the year ended 31 March 2024

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 oversight independent oversight of amongst others:

In the conduct of its duties, the Audit and Risk Committee has reviewed the following:

- The effectiveness of the GFC assurance functions and services, which particular focus on combined assurance arrangements, including external assurance service providers, internal and finance function.
- The integrity of Annual Financial Statements and, to the extend delegated by Board of Directors, other external reports issued by the GFC.
- A statutory Audit and Risk Committee has the power to make Decision 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.
- Audit and Risk Committee should oversee the management of financial and other risk 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 view and concerns that may be appropriate for Decision 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 year 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 Performance Reports of the Gauteng Film Commission for the year ended 31 March 2024. Based on the information provided and Annual Performance Reports the Audit and Risk Committee considers that they comply, in all material respects, with the requirements of the Companies Act.

Chairperson

31 July 2024.

STATEMENT OF FINANCIAL POSITION (SOFP)

For the year ended 31 March 2024

	Notes	Mar 2024	Mar 2023
		R	R
ASSETS			
Non-current Assets		**982,530**	**932,838**
Property, plant, and equipment	2	828,492	929,968
Intangible assets	3	154,038	2,870
Current Assets		**16,127,073**	**5,457,764**
Trade and other receivables	4	1,582,223	1,389,313
Cash and cash equivalents	5	14,544,850	4,068,451
TOTAL ASSETS		**17,109,603**	**6,390,602**
EQUITY			
Accumulated Surplus		**784,000**	**2,021,179**
Non- Current Liability			
Obligation of Finance Lease	8	-	28,340
Current liabilities		**16,325,603**	**4,341,083**
Trade and other payables	7	5,129,263	4,289,623
Obligation under Finance Lease	8	28,340	51,460
Deferred Income	7	11,168,000	-
TOTAL EQUITY AND LIABILITIES		**17,109.603**	**6,390,602**

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

For the year ended 31 March 2024

	Notes	Mar 2024	Mar 2023
		R	R
Government grants	**10**	**40,087,000**	**41,169,000**
Other Income	11	723,062	1,732,868
Depreciation	2	(383,033)	(323,036)
Amortization of intangible assets	3	(46,868)	(2,866)
Operating expenses	23	**(40,825,904)**	**(42,955,841)**
Operating profit		**(445 743)**	**(379,875)**
Interest received	14	386,583	417,045
Finance costs	15	(10,019)	(15,243)
Net (Deficit)/Surplus for the period		**(69,179)**	**21,927**

STATEMENT OF CHANGES IN EQUITY (SOCE)

For the year ended 31 March 2024

	Note	Mar 2024 R
Accumulated Profit:		
Balance at March 2022		1,999,252
Net surplus for the year		21,927
Balance as of 31 March 2023		**2,021,179**
Deferred Income	7	(1,168,000)
Net Deficit for the year		(69,179)
Balance as of 31 March 2024		**784 000**

STATEMENT OF CASH FLOW (SOCF)

For the year ended 31 March 2024

	Notes	Mar 2024	Mar 2023
		R	R
Receipts from Government		40,617,153	43,151,597
Cash paid to suppliers and employees		29,986,266	(40,299,977)
Cash generated from operations	17	**10,630,887**	**2,851,620**
Interest received	14	386,583	417,045
Finance cost	15	(10,019)	(15,243)
Net cash inflow from operations		**11,007,451**	**3,253,422**
Net cash outflows from investing activities		**(479,592)**	**(558,154)**
Purchase of Property, Plant and Equipment	2	(281,556)	(558,154)
Intangible assets	3	(198,036)	
Net cash flow from financing activities		**(51,460)**	**(45,250)**
Obligation of Finance Lease	8	(28,340)	(51,460)
Settlement of Finance Lease		(23,120)	6,200
Net (Decrease)/Increase in cash and cash equivalents for the year		10,476,399	**2,650,018**
Cash and cash equivalents at beginning of the year		4,068,451	1,418,433
Cash and cash equivalents at the end of the year	5	**14,544,850**	**4,068,451**

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

1. Presentation of Annual Financial Statement

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 cost 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.

Impairment testing, taxation and the residual value and useful lives of Property, Plant and Equipment. 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 year. In respect of those assets and liabilities, the notes shall include details of:

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

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 in the estimated future cash flows from financial assets.

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.

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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 periods.
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.
Printers	3 Years.

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 recognized 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 derecognized. This gain or loss is determined as the difference between the net disposal proceeds, if any, and the carrying amount of 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 2024: R1,641,969 March 2023: R 519,909. 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.

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 asset is expected to generate net cash inflow.

Amortisation is not provided for these intangible assets, but they are tested for impairment periodically 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.

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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. 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.

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).

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

l 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:

(b) 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

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 International Financial Reporting Standard, 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:

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 guarantee contracts. This information shall be provided separately for financial instruments:

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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 recognized 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 it is 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 amortization is recognized immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation Decision.

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

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortization other than goodwill is recognized 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

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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 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 an 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 obligation 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 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.

1.8 Government grants.

Government grants are recognised when there is reasonable assurance that:
- The company will comply with the conditions attaching 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

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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 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 commission. The standard is used on a full retrospective method. 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.

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

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

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 Period.

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.
I 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.

1.14 Financial reporting standards and interpretations issued but not yet effective.

Standard or interpretation	Detail of amendments	ANNUAL period beginning on or after
Amendment to IAS 1 Classification of Liabilities as Current or Non-current	Classification of Liabilities as Current or Non-current clarifies a criterion in IAS 1 Presentation of Annual Financial Statements for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.	1 January 2024
Amendment to IFRS 16 Lease Liability in a Sale and Leaseback	Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.	1 January 2024
Amendments to IAS 1 Non-current Liabilities with Covenants	Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.	1 January 2024

ACCOUNTING POLICY NOTES (APN)

For the year ended 31 March 2024

Amendments to IAS 7 and IFRS 7Supplier Finance Arrangements	Supplier Finance Arrangements amends IAS 7 Statement of Cash Flows to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments also add supplier finance arrangements as an example within the liquidity risk disclosure requirements of IFRS 7 Financial Instruments: Disclosures.	1 January 2024

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, 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

For the year ended 31 March 2024

2. Property, Plant, and Equipment

Mar 2024	Computer Hardware	Office Furniture	Office Equipment	Capitalised leased asset	Leasehold improvements	Total
	R	R	R	R	R	R
Carrying amount at beginning	250,264	14,683	565,527	99,494	-	929,968
Gross Carrying Amount at 1 April 2023	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)
Additions	223,254	-	58,304	-	-	281,558
Depreciation	(175,071)	(6,939)	(171,903)	(29,120)	-	(383,033)
Assets: Cost	(19,353)	-	-	-	-	(19,353)
Asset Written off:	19,352	-	-	-		19,352
Carrying amount at the end	298,446	7,744	451,928	70,374	-	828,492
Gross carrying amount	1,271,037	682,873	965,792	145,600	-	3,065,302
Accumulated Depreciation	(972,591)	(675,129)	(513,864)	(75,226)	-	(2,236,810)

Included in R828,492 carrying amount of assets above. As of the 31 March 2024 there has been a total number of three hundred and sixty four assets 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

For the year ended 31 March 2024

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

Mar 2023	Computer Hardware	Office Furniture	Office Equipment	Capitalised leased asset	Leasehold improvements	Total
	R	R	R	R	R	R
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)
Addition	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)	(877,545)
Asset Written off:	832,003	-	39,994	-	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)

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 year under review. The finance lease is disclosed under (note 8)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

3. Intangible assets.

Computer software.	**Mar 2024**	**Mar 2023**
	R	**R**
Summary		
Carrying amount at Beginning of the period	**2,870**	**5,737**
Cost	8,600	16,253
Accumulated Amortisation	(5,730)	(10,516)
Additions	198,036	-
Amortisation	(46,868)	(2,866)
Cost written off	-	(7,653)
Accumulated Amortisation Write off	-	7,652
Carrying amount at End of the period	**154 038**	**2,870**
Gross carrying amount.	206,636	8,600
Accumulated amortisation	(52,598)	(5,730)

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 2024	**Mar 2023**
	R	**R**
South African Revenue Services – VAT	637,209	1,226,317
Sundry debtors	55,138	77,621
Prepayments	227,476	85,375
Sundry Debtors MICT	662,400	-
	1,582,223	**1,389,313**

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

For the year ended 31 March 2024

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 2024	Mar 2023
		R	R
Cash at bank	- Current	14,504,536	4,030,603
	- Call	40,314	37,848
		14,544,850	**4,068,451**

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 2024	Mar 2023
	R	R
Trade and other receivables	717,538	77,621
Cash and cash equivalents	14,544,850	4,068,451
	15,262,388	**4,146,072**

It should be noted that prepayments, and South African Revenue Services Value Added Tax and prepayments does not form part of financial trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

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 fifteen and thirty days respectively:

	Mar 2024	Mar 2023
	R	R
Accruals - Medical	8,710	310
Sundry Accrual - Leave	1,165,163	472,883
Sundry Accrual - Other	3,955,390	3,816,430
Deferred Income - Advance	10,000,000	-
Deferred Income - Retention	1 168 000	-
	16,297,263	**4,289,623**

Deferred Income includes an amount of R1,1 million as the result of 2022/23 surplus retention that was previously approved by Treasury following submission from management. The total amount of R10 million is for Discover Film Summit which was paid into GFC account in March 2024 following Treasury budget adjustment process, this amount remains unspent as at year end hence it was raised as the liability.

8. Reconciliation between the total minimum lease payments and their present value.

GFC has a photocopy machines contract is classified as finance lease, minimum lease payment during the current financial year under review is R53,889 this was paid for twelve months. The agreement does not provide for contingent rental payments and there is also no escalation on the contract.

March 2024	Up to 1-Period	2-3 Periods	Totals
Minimum lease payments	29,394	-	29,394
Finance cost	(1,054)	-	(1,054)
Present value	**28,340**		**28,340**

March 2023	Up to 1-Period	2-3 Periods	Totals
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**

	Mar 2024	Mar 2023
	R	R
Curent liability	28,340	51,460
Non-curent liability	-	28,340
	28,340	**79,800**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

9. Financial liability by category.

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

Financial liabilities at amortised cost:

	Mar 2024	Mar 2023
	R	R
Trade and other payables	3,955,390	3,816,430
Finance lease	28,340	79,800
	3,983.730	**3,896,230**

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 of R 40,087,000 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 Virtual industry.

	Mar 2024	Mar 2023
	R	R
Government grant - Main allocation	40,087,000	41,169,000
	R 40,087,000	**41,169,000**

11. Other income.

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

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

	Mar 2024	Mar 2023
	R	R
Proceeds from Insurance Claims	25,462	13,630
Income from a MICSETA/CATHSETA Partnership	697,600	1,719,238
	723,062	**1,732,868**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

12. Other Operating expenses.

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

		Mar 2024	Mar 2023
		R	R
Depreciation	2	**383,033**	**323,036**
Computer hardware		175,071	193,602
Leasehold improvements		-	881
Office equipment		171,903	88,605
Office Furniture		6,939	10,829
Capitalized lease assets		29,120	29,119
Provident fund		1,581,808	1,540,520
Repairs and maintenance		-	5,557
Amortization of intangibles	3	46,868	2,866
Employee costs		16,107,488	14,940,467
Assets written offs.		-	1,708
Professional fees		**682,776**	**642,405**
Payroll Services		41,116	41,941
Consultants		-	12,561
Audit Fees			
External auditors		355,036	353,922
Internal auditors		286,624	233,981
Operating lease charges		**-**	**13,397**
Equipment		-	13,397
Directors Emoluments (Note 1)		**7,580,795**	**6,407,715**
Executive directors	13.1	7,030,645	5,096,765
Non-Executive directors	13.2	550,150	1,310,950

Note 1:

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

13. Executive Emoluments.

13.1 Executive directors' emoluments.

Mar 2024	Salary	Travel/ Leave Pay	Acting Allowance	13th Cheque	Medical Aid	Provident Fund	Total
	R	R	R	R	R	R	R
Mr E Maluleke	1,843,596	25,227	-	153,492	22,200	56,579	2,101,094
Ms K Lebaka	2,063,213	45,622	-	171,793	22,200	71,915	2,374,743
Mr F Mathe	884,698	8,335	296,909	71,599	15,522	29,609	1,306,672
Mr M Mogoba	884,698	-	263,919	71,599	-	27,920	1,248,136
	5,676,205	**79,184**	**560,828**	**468,483**	**59,922**	**186,023**	**7,030,645**

March 2023	Salary	Travel/ Leave Pay-out	Acting Allowance	13th Cheque	Medical Aid	Provident Fund	Total
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**

13.2 Non-Executive Directors Emoluments:

	Mar 2024	Mar 2023
	R	R
Ms B. Mhaga	77,000	189,000
Ms K. Govender	51,600	74,300
Mr E. Kgaka	34,750	137,250
Ms K. Mahlangu	57,100	103,200
Mr P. Manzini	87,500	151,000
Mr T. Molamu	40,600	103,200
Ms N. Zondo	40,250	121,800
Mr K. Khoza	23,400	114,900
Ms L. Ndadana	58,150	150,500
Mr L. Nematswerani	79,80	165,800
	550,150	**1,310,950**

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

13.3 Short term benefits - Key Management Emoluments:

	Mar 2024	Mar 2023
	R	R
Salaries	2,849,269	3,568,319
13th Cheque	237,400	284,041
Medical aid	54,696	33,300
Travel Claims	19,853	114,534
Acting Allowance	128,751	516,478
Provident fund	89,173	118,931
	3,379,142	**4,635,603**

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

14. Interest income

	Mar 2024	Mar 2023
	R	R
Interest received	386,583	417,045

15. Finance cost

	Mar 2024	Mar 2023
	R	R
Long term borrowings	10,019	15,243

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 year 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

For the year ended 31 March 2024

17. Reconciliation of net profit before taxation to cash generated from operations

		Mar 2024	Mar 2023
		R	R
Net (Deficit)/Surplus for the year		(69,179)	21,927
Adjusted for items Separately disclosed on face of the cash flow statement		**(376,564)**	**(401,802)**
Interest received.	14	(386,583)	(417,045)
Finance cost.	15	10,019	15,243
Adjusted for items not involving the flow of cash and cash equivalents		**429,902**	**327,610**
Depreciation	2	383,033	323,036
Amortisation of intangibles	3	46,868	2,866
Assets write offs	2	1	1,708
Adjusted for changes in working capital		**10,646,728**	**2,903,885**
Increase in accounts receivable		(192,192)	249,721
Increase in accounts payable		10,839,640	2,654,164
Cash generated from operations.		**10,630,887**	**2,851,620**

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, Arts, Culture and Recreation (DSACR) for main allocation, parking fees paid by GFC, Rental savings and Key Management Emolument's. All the transactions were within the normal day to day operations disclosed to Provincial Treasury:

	Mar 2024	Mar 2023
Transactions:	R	R
Government grant - Main allocation	40,087,000	41,169,000
Key Management Emoluments *(refer to Note 13.1 & 13.3)*	10,409,787	9,732,366
Parking fees - Department of Sports, Arts, Culture and Recreation	5,000	12,000
Rental and Municipality savings Department of Sport, Arts, Culture and Recreation (DSACR)	3,274,218	2,976,838

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

Government Grant.

The government is as per Provincial Treasury allocation as part of funding GFC for the during the year 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, 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 total cost of R3.3 million for the current financial year under review: (R2,9 Million March 2023.

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, 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 the 31 March 2024 both cash and cash equivalents and trade receivable amounted to R16,127,073 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

For the year ended 31 March 2024

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 2024		
Trade and other payables	3,955,390	-
Finance Lease	28,340	-
March 2023		
Trade and other payables	3,498,581	-
Finance Lease	51,460	28,340

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 R2,783 and (R2,783) respectively.

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

For the year ended 31 March 2024

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 recognized 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 the 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 2022/23 financial year.

It should be noted that during 2022/23 financial year under review Gauteng Film Commission incurred Surplus of R1,1 million, the motivation was subsequently submitted to Provincial Treasury to retain the funds, in line with regulations. Gauteng Film Commission followed a process to retain the surplus, this was subsequently approved by Provincial Treasury on the letter dated 8 November 2023.

20.3 Mr D Mthembu's Claim

During the current financial year under review management received notification from one of its employee Mr Desmond Mthembu who was heading the Industry Support and Development demanding retribution for 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 case for review at Labour court and in terms of the lawyers view the prospect of GFC having the CCMA award reviewed and set aside. There is more than 50% probability that the Labour Court my reach a different conclusion.

The labour court for Mr Desmond Mthembu was scheduled to sit on the 21 May 2024, to date the outcome has been ruled into the Gauteng Film Commission favour.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

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

	Mar 2024	Mar 2023
	R	R
ISD 2022/23 Projects		
Triangle Post & Animation Studios	75,000	75,000
ACCA (Pty)Ltd	105,000	105,000
Soon Agency	73,750	73,750
Eyethu Films (Pty) Ltd	39,000	39,000
Godo Mashesa Pictures	-	27,000
Sofiaworx (Pty) Ltd	-	30,000
The Black Supremacy	-	36,000
The Internet Studio (Pty) Ltd	30,000	30,000
Tarproots Projects (Pty) Ltd	75,000	75,000
Abantu Book Festival	-	75,000
MAP Blitz S1	75,000	75,000
Stream Learn	-	30,000
Edit Caffee Academy	45,000	45,000
	517,750	**715,750**

It should be noted that from prior outstanding balances for beneficiaries, only four managed to complete their projects during the current financial year under review, the outstanding beneficiaries confirmed that they will not be able to complete their project due to various reasons, management will decide on this matter.

	Mar 2024	Mar 2023
	R	R
ISD 2023/24 Projects		
Okay Show Media	54,000	-
Storyscope (Pty) Ltd	105,000	-
Trial by Media (Pty) Ltd	90,000	-
Mkholeli TV	90,000	-
Old Fashion Youngin	90,000	-
Passion Seed (Pty) Ltd	90,000	-
Viva Pictures	75,000	-
Black Tax Motion Pictures	75,000	-
Slic Eye Productions	30,000	-
Kano Lethabo Enterprise (Pty) Ltd	90,000	-
Trike Films	90,000	-
	879,000	**-**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

	Mar 2024	Mar 2023
	R	R
Discover Film Summit Commitments		
1Bridge Visual Production (Pty) Ltd	326,500	-
4Mzue Holdings (Pty) Ltd	599,300	-
Empowaworx (Pty) Ltd	1,638,405	-
Golaganang (Pty) Ltd	965,000	-
Marketing Well (Pty) Ltd	649,017	-
Melz Mel Trading (Pty) Ltd	999,000	-
RKL Enterprise (Pty) Ltd	988,000	-
Media Partnership	946,495	-
Blue Label Billboards	57,500	-
Audit Risk Management Solutions (Pty) Ltd	54,500	-
Modu Media	283,740	-
W9 (Pty) Ltd	990,000	-
Contingencies and interns	239,340	-
Dot Connect	598,900	-
Beat Makers	40,000	-
Filmmakers Awards	120,000	-
Spyland Jova	396,723	-
Phulo Placement	114,274	-
Total	**10,006,693**	**-**
Grand Total	**11,403,443**	**715,750**

22. Events after reporting.

It should be noted that GFC embarked on a special project called Discover Film Summit scheduled 08 and 09 May 2024. The amount of R10,000,000 was received from the Department of Sport, Arts, Culture and Recreation (DSACR), and recreation as part of a conditional grant through Treasury budget adjustment processes, all funds were committed as at year end. GFC managed to raise sponsorship amount of R250,000.00 from KZN Film Commission, National Film Video fund (NFVF) and FP SETA respectively, commitments as at year end was sitting at R10,006,693.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

UNAUDITED SUPPLEMENTARY SCHEDULE (USS)

Note 23: Detailed Operating Expenses.

	Mar 2024	Mar 2023
	R	R
Management of GFC	**22,376,423**	**22,971,824**
Bank Charges	28,222	27,197
Insurance	196,428	183,218
Employee Cost	**17,849,295**	**16,480,988**
Executive Directors		
Key Management Emoluments	7,030,645	5,096,765
Other Salaries	3,379,142	4,635,603
Office Equipment Maintenance	7,439,508	6,748,620
Staff Parking	-	5,557
Auxiliary Services	5,000	12,000
Courier and Cartage Cost	638,659	584,628
Printing - General	7,830	6,563
Stationery	-	5,680
Assets Write Offs	114,489	18,720
Employee Wellness	1	1,708
Professional Fees	60,566	92,187
Employee: Covid 19-PPE	682,776	642,405
Fines and Penalties	-	17,825
Staff Development Cost	-	52,070
Study Assistance Cost	160,155	312,298
Recruitment Cost	42,720	40,129
Strategic Planning	26,969	119,153
Research cost	887,344	17,394
Development and Maintenance of IT	-	163,450
Special Project	676,832	1,146,544
CEO Corporate Expense	390,096	3,015,596
Professional Registration	-	9,167
Business Process	28,016	17,346
	581,025	-
Legal and Governance	**2,045,431**	**2,760,323**
Audit Committee Fees	100,950	95,100
Board Training	0	160,864
Directors Remuneration	316,750	895,500
HR and Ethics, Social Committee	86,700	170,400
Refreshments and Meetings	869,487	642,101
Legal Fees	621,444	646,408
Investment and Governance	50,100	149,950

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

	Mar 2024	Mar 2023
	R	R
Industry Support and Development	**14,488,028**	**12,880,732**
Digital Content Screening	100,000	19,355
Skills Development and Mentorship	1,877,188	1,962,902
Audio Visual Production	4,435,181	3,185,100
Content for Television	2,105,000	2,231,000
Postproduction and Research Hub	-	305,657
Audience Development	3,639,440	1,306,034
Enterprise Development	1,282,922	1,113,428
Script Development	-	756,340
MICSETA Partnership	739,183	1,430,916
Woman and LGBTIQ	-	120,000
Heritage and Historical	-	450,000
Adjudication fees	309,114	-
Marketing and Communication	**1,916,022**	**4,342,962**
Annual Report	107,583	149,390
Local Film Festival	135,000	838,200
Outbound mission	690,065	149,261
Social Media and Digital	74,767	166,168
Film Awards	48,418	1,392,593
Marketing Distribution	367,752	-
Marketing Support Films Funding by GFC	-	1,220,000
Film City	290,327	-
Marketing Communication Strategy	202,110	-
Marketing and PR	-	427,350
Total Operating Expenses	**40,825,904**	**42,955,841**

This detail operating expenses information on page 49 and 51 is not for audit purposes.

NOTES

Compiled by
Gauteng Film Commission

Nano Mothibi:
Acting Executive, Partnership Industry Support Programmes

Mak Mogoba:
Strategic Support and M&E Manager

ADDRESS:
Gauteng Film Commission
35 Rissik Str, Johannesburg, 2108
South Africa

ONLINE:
hello@gautengfilm.org.za
www.gautengfilm.org.za

PHONE:
+27 11 833 0409

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GAUTENG PROVINCIAL GOVERNMENT REPUBLIC OF SOUTH AFRICA