



**- JOBURG THEATRE-  
(SOC)LIMITED**  
Registration No: 2000/013032/07

trading as  
Joburg City Theatres

# the **JOBURG THEATRE**



## **THIRD QUARTER PERFORMANCE REPORT 2021/22**

**FINAL  
SUBMITTED ON 21 APRIL 2022**

**JOBURG THEATRE  
SOC LIMITED**

**COMPANY INFORMATION:**

**Registration number** : **2000/013032/07**

**Registered Address** : **163 Civic Boulevard  
Braamfontein  
Johannesburg  
2017**

**Postal Address:** **P O Box 31900  
Braamfontein  
2017**

**Telephone number** : **(011) 877-6800**

**Fax number** : **(011) 877-6812**

**Website** : [www.joburgtheatre.com](http://www.joburgtheatre.com)  
[www.sowetotheatre.com](http://www.sowetotheatre.com)  
[www.roodepoorttheatre.com](http://www.roodepoorttheatre.com)  
[www.joburgcitytheatres.com](http://www.joburgcitytheatres.com)

**Bankers** : **Nedbank Limited  
Investec**

**Auditors** : **Auditor-General**

Approval

<p><u>Vukani Magubane</u> Name &amp; Surname Acting Chief Financial Officer</p>	<p><u>[Signature]</u> Signature</p>	<p>Date of approval: <u>20/04/2022</u></p>
<p><u>Xoliswa Ndweni</u> Name &amp; Surname Chief Executive Officer</p>	<p><u>[Signature]</u> Signature</p>	<p>Date of approval: <u>20/04/2022</u></p>
<p><u>Zane Mees</u> Name &amp; Surname Chairperson of the Board</p>	<p><u>[Signature]</u> Signature</p>	<p>Date of approval: <u>20/04/22</u></p>
<p><u>[Signature]</u> Name &amp; Surname Member of Mayoral Committee</p>	<p><u>[Signature]</u> Signature</p>	<p>Date of approval: <u>22/4/2022</u></p>

## ABBREVIATIONS

Abbreviation/ Acronym	Explanation/ Description
AA	Affirmative Action
AFS	Annual Financial Statement
AG	Auditor General South Africa
AGM	Annual General Meeting
ARC	Audit and Risk Committee
BBS	Behaviour Based Safety
BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CATHSSETA	Culture Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
CCMA	Commission for Conciliation, Mediation and Arbitration
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COJ	City of Johannesburg
COVID-19	Coronavirus disease 2019, which is a virus (more specifically, a coronavirus) identified as the cause of an outbreak of respiratory illness first detected in Wuhan, China.
EAP	Employees Assistant Programme
EE	Employment Equity
EPWP	Expanded Public Works Programme
EXCO	Executive Management Committee
FY	Financial Year
GAC	Group Audit Committee
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IAC	Independent Audit Committee
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IT	Information Technology
JCT	Joburg City Theatres
JT	Joburg Theatre
KPA	Key Performance Area
GRAS	Group Risk and Assurance Services
KPI	Key Performance Indicator
MANCO	Management Team Committee
MFMA	Municipal Finance Management Act
MOE	Municipal Owned Entity
MOI	Memorandum of Incorporation
MSCMR	Municipal Supply Chain Management Regulations
NED	Non-Executive Director
PANSA	Performing Arts Network South Africa
RAC	Risk Assurance and Compliance
SAMRO	Southern African Music Rights Organisation
SCM	Supply Chain Management



<b>SDA</b>	<b>Service Delivery Agreement</b>
<b>REMSEC</b>	<b>Remuneration, Social and Ethics Committee</b>
<b>RT</b>	<b>Roodepoort Theatre</b>
<b>SETA</b>	<b>Sector Education and Training Authority</b>
<b>SHEQ</b>	<b>Safety Health Environment and Quality</b>
<b>SLA</b>	<b>Service Level Agreement</b>
<b>ST</b>	<b>Soweto Theatre</b>
<b>STAGES</b>	<b>Stages Restaurant</b>
<b>YTD</b>	<b>Year to Date</b>

## CHAPTER ONE: INTRODUCTION AND CORPORATE PROFILE

### Section 1: Corporate Profile / Overview of the entity

The City Council of Johannesburg initially constructed the Johannesburg Civic Theatre in 1962, creating a high-profile landmark on the top of the Braamfontein Hill, which grew to become one of the most technically proficient theatres in the southern hemisphere. The Johannesburg Civic Theatre Association operated it<sup>1</sup>.

In July 2000 – when theatres across the country were considered to be both creatively and financially moribund – through the iGoli process, the Johannesburg Civic Theatre (Pty) Ltd was corporatised from the then Johannesburg Civic Theatre Association, a Section 21 Company. Johannesburg Civic Theatre re-branded as Joburg Theatre in 2009.

Roodepoort City Theatre NPC t/a Joburg Promusica was founded in 1980. The renaming of the theatre to the Promusica Theatre was conducted through the iGoli process in 2000. The theatre operates as a 328-seat auditorium and an 80-seat box theatre. In 2009/10, the strategic positioning of the organisation was reviewed, resulting in a stronger focus on the receiving house aspects of Promusica and a more concerted effort to attract independent producers to the venue.

The Soweto Theatre in Jabulani, Soweto was officially launched in 2012.

In 2011, a high-level review of the City's institutional arrangements was commissioned, and it resolved that Joburg Theatre (SOC) Ltd and Roodepoort City Theatre NPC t/a Joburg Promusica be integrated into a single theatre management company; and further to institutionalise the operations of the newly established Soweto Theatre under the same structure.

The strategic rationale for this decision was as follows:

- 1) The governance structures of the entities were regarded as costly and perhaps not the ideal for small entity/ies that, by the nature of the service it offers to communities, will always rely on some funding from the City to be sustainable;
- 2) At the time, the relative independence of the entities had not facilitated an integrated strategic approach and plan for the (sic three) theatres, or indeed for integrated arts and culture advancement and resultant socio-economic benefit within the City.

Therefore, it was recommended that all the theatres be integrated under a single "Theatre Management Company", with one Board and "Group CEO/MD" to manage the three theatres. In addition, benefit would be realised by savings at executive level (i.e. single CFO, Company Secretary, Shared Services, etc.).

Council approved the merger of the Joburg Theatre (SOC) Ltd and Roodepoort City Theatre NPC t/a Joburg Promusica on 25 August 2011. This was pending the required due diligence and legal processes; and the integrated theatre management company – now called **Joburg City Theatres (JCT)** – was mandated to render the functions and services that, until 31 December 2012, were rendered by the three theatres. The effective date for the integration was 1 January 2013.

Joburg Theatre is also permanent home to Joburg Ballet, which is supported by an annual grant from Joburg City Theatres; as well as the Peoples Theatre Company – performing throughout the year to children between the

<sup>1</sup> *Joburg Theatre – the First 45 Years, 1962–2007. September 2007*

ages of 3 and 13 – and one of the country’s most respected community development projects in the arts, the tiny ‘black-box’ theatre known as space.com.

The Joburg Philharmonic Orchestra is also supported through an annual grant from Joburg City Theatres, since 2017.

While not its core mandate, over the period since 2013 the hospitality, catering and restaurant services provided by Joburg City Theatres have also matured and grown, contributing significantly to revenue generation and to the suite of services that Joburg City Theatres offers.

The Board of the integrated “Johannesburg City Theatres” (JCT) is the Accounting Authority in terms of the Municipal Finance Management Act (MFMA). The Board provides strategic direction, leadership and oversight, to enhance shareholder value and ensure Joburg City Theatres’ long-term sustainability, development and growth. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer and the executive team in implementing the approved Strategic Plan and policies.

Joburg City Theatres strives to comply with the principles contained in the King 4 code of Good Governance in South Africa. In line with good corporate governance practices, the Board of Joburg City Theatres developed a 5-year corporate strategic plan for the organisation, which covers the period between 2019/20 and 2023/24. The approved strategic plan focusses on the development of a series of aligned annual performance/business plans for the organisation, which reflects the medium-term and annual targets and responsibilities of the rolling milestones defined by the strategic plan.

In terms of its planning approach, historically, Joburg City Theatres has undertaken an annual process, led by the Board, to develop an Annual Business Plan, which includes the current year and two outer years. The challenge with this approach is that it is by its nature quite short-term (focused on the year at hand) and possibly lacks a longer-term (5-year and beyond) view of where the Theatres are going. The Board thus decided to lead a process for developing a longer-term strategic plan, which would provide a longer-term view of the Theatres. This would then inform the rolling Annual Business Plans over the period (1st for 2019/20) – which are then a series of progressive plans towards achieving the strategy.

The goal was to move beyond compliance driven planning to an integrated results-based approach to planning. While it is appreciated that the period of a Joburg City Theatres 5-Year Strategic Plan would extend even beyond the period of the Board’s tenure, this would form part of the Board “legacy”.

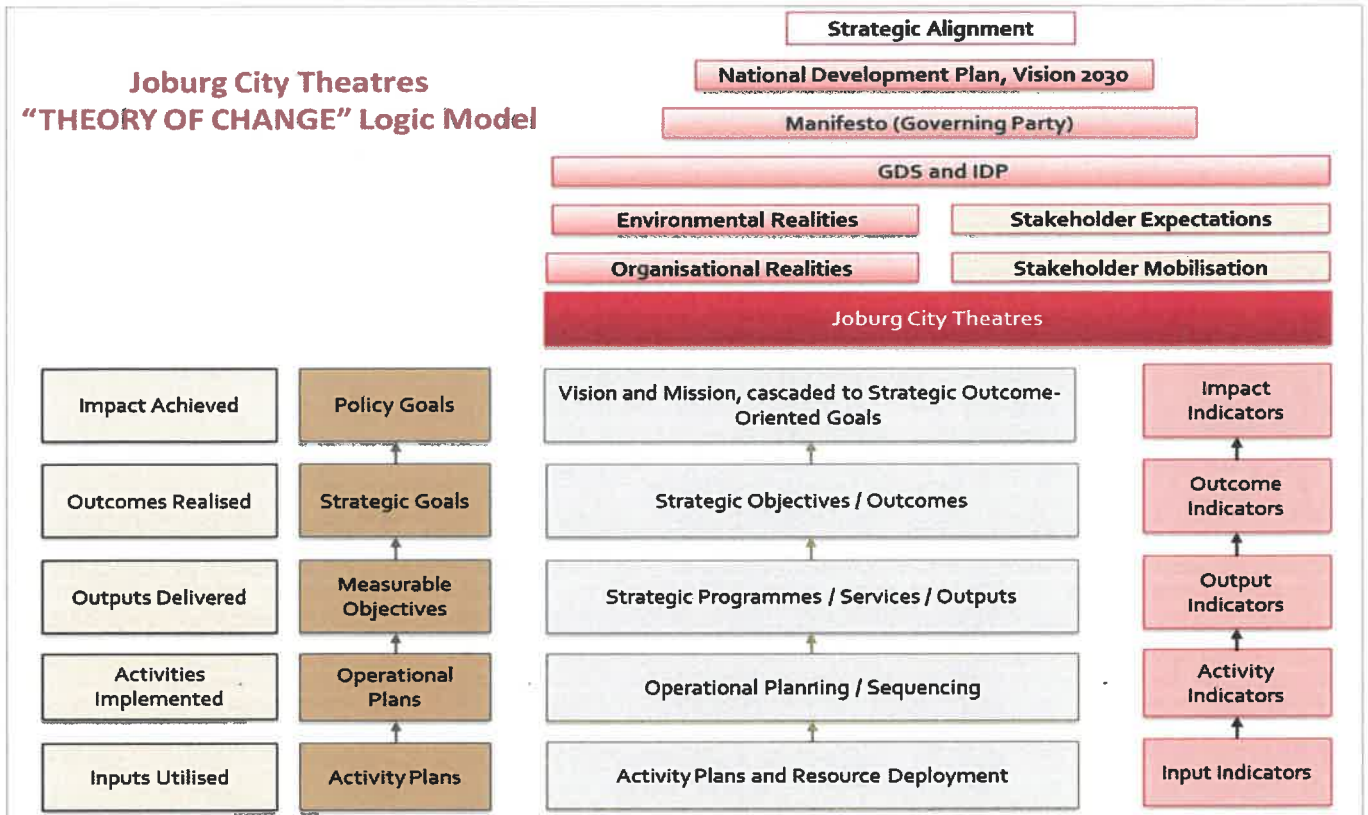
During November to December 2018, Joburg City Theatres thus embarked on an iterative process to critically examine its strategic posture and direction in line with its mandate, and in light of shifts in the environment, which have an impact on its planning and programme delivery. There was a need to examine and consider the changes in the performance environment, as well as the policy framework. The process culminated in the development of this strategic framework that is progressive in nature and practical to implement.

The overall aim of the process was to apply the principles of strategic review, analysis, planning, monitoring and evaluation in developing a strategic plan; reflecting aligned institutional arrangements and critical success areas to give effect to the strategic plan.

The planning process was necessarily iterative and focused on critically examining the strategic intent, goals, objectives and performance metrics to ensure that they are specific, measurable, achievable, and realistic and time bound – in accordance with “SMART” principles.

In facilitating the process towards the development of the Strategic Plan, a Theory of Change Logic Model was followed. This informed the approach to the discussions and to the packaging of the strategic data, as follows:

**Figure 1: The Theory of Change Logic Model Informing the Planning Approach**



In response to the various engagements and considerations, the Joburg City Theatres Strategic Plan presented below seeks to provide the organisation with clarity of purpose and describes:

- 1) A strategic framework for Joburg City Theatres that defines the character of the organisation, including a response to the regulatory, external and industry environment, and the expectations of the various partners and stakeholders;
- 2) An articulation of the mandate, vision, mission and values of Joburg City Theatres, in light of a carefully considered and defined response to its mandate and primary object;
- 3) The strategic role of Joburg City Theatres in relation to that of its partners from the state, civil society and the private sector, both domestically and internationally, in together delivering well-planned, effective and responsive programmes and services;
- 4) The Joburg City Theatres business model and service offerings, and a balanced and aligned set of strategic goals, focus areas, objectives and aligned performance metrics for the five year period, that seek to articulate:
  - a) How to reposition and enhance the visibility of the organisation both domestically and internationally;
  - b) How to enhance the efficiency and effectiveness of Joburg City Theatres and its operations; and

- c) How to best apply and leverage limited resources in order to grow the reach and impact of the organisation in the next five years and beyond;
- 5) The required institutional arrangements and organisational design considerations to give effect to the strategy.

This Business Plan, as approved by the Board, then serves as input to the management team, towards the development of an aligned Annual Performance Plan for 2021/22. Management will then actively pursue implementation of the approved Business Plan as aligned to the Five Year Strategic Plan of 2019/20-2023/24, under the oversight and guidance of the Board.

### **Mandate and Core Business**

In response to the National and City policy framework outlined above, Joburg City Theatres is governed in terms of its Memorandum of Incorporation and the amended Shareholder Agreement, that which outlines the role and primary objects of Joburg City Theatres. Read together, in terms of these documents, Joburg City Theatres focuses on the delivery of the following services:

- 1) The management and promotion of high-quality performing arts and entertainment facilities;
- 2) Provision of supportive hospitality infrastructure and services;
- 3) To enable Joburg residents to access and benefit from quality arts and culture facilities and experiences;
- 4) The hosting and showcasing of revenue generating local and international productions that have a positive impact on the financial sustainability of Joburg City Theatres, whilst also exposing Joburgers to globally recognised professional entertainment;
- 5) The hosting of quality performing arts and entertainment productions that are attractive to both traditional and regular theatre goers, but also to new and diverse audiences;
- 6) The promotion and development of local content and local markets through programmes that advance social cohesion and support the transformation of society;
- 7) The in-house and/or co-production and staging of arts and entertainment productions in collaboration with local arts practitioners, entrepreneurs and enterprises;
- 8) The acceleration of youth development through enhancing the teaching and learning experience of learners, programmes that stimulate an interest in the arts as a viable career path and the provision of opportunities for future arts practitioners and entrepreneurs;
- 9) To conceptualise, create, produce, market and disseminate content, both through own facilities and by taking shows to communities;
- 10) To generate revenue over and above the subsidy received from the City through the effective delivery of the above services.

The primary mandate of Joburg City Theatres is:

***To provide a high quality and innovative live entertainment and educational programmes, which serves the diverse communities of the City of Joburg and supports social cohesion, inclusivity and tolerance.***

In support of this primary mandate, the core business of Joburg City Theatres is:

- ***To provide high quality, well-managed and accessible theatre and live entertainment venues, and proactively work to develop new audiences and markets;***
- ***To provide high quality, well-managed and accessible theatre and live entertainment venues, and proactively work to develop new audiences and markets;***
- ***To identify, commission and produce relevant productions and experiences; and support youth development, including the development of future arts practitioners and entrepreneurs; and***
- ***To offer quality support and services that enable the acquisition and hosting of local and international professional productions and experiences that are relevant to diverse audiences.***

## **Vision**

Joburg City Theatres sets for itself the following vision:

***A leading World Class home of live entertainment, providing sustainable, development-oriented and diverse programming.***

## **Mission**

In achieving the above vision, Joburg City Theatres' mission is:

***To produce and present innovative and relevant indigenous and international entertainment programmes that promote diversity and social cohesion.***

In so doing, Joburg City Theatres' commits to:

- ***Conceptualise, manage, host and promote high quality performing arts and entertainment experiences and facilities;***
- ***Create opportunities for affordable access and use of theatres by all communities;***
- ***Provide opportunities for the youth, including the development of future arts practitioners and entrepreneurs;***
- ***Grow shareholder value by ensuring sound financial sustainability, good governance and;***
- ***Work in partnership with others to maximise the impact of our programmes.***

## **Values**

To support and drive its core strategy, Joburg City Theatres appreciates that values identify principles for the conduct of the institution in carrying out its mission. Joburg City Theatres' values define a citizen-oriented



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## Values

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approach for producing and delivering its services in line with the delivery improvement priorities of the CoJ, as follows:

Value	What it means in practice
<b>Service Excellence</b>	<ul style="list-style-type: none"> <li>▪ We will at all times render the quickest, responsive and best service to our customers. We will do so in a competent, timely, cost effective, efficient and professional manner.</li> <li>▪ We will strive for enhanced levels of customer satisfaction and responsiveness, and diligently strive to meet and exceed our service standards.</li> </ul>
<b>UBUNTU (Care and concern for people) -</b>	<ul style="list-style-type: none"> <li>▪ We will do our work with care, empathy and concern for the wellbeing of vulnerable communities, customers and stakeholders;</li> <li>▪ We will at all times display tolerance, respect and consideration of cultural diversity;</li> <li>▪ We will implement Batho Pele Principles.</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>▪ We will display punctuality, reliability, dependability and a commitment to meet deadlines;</li> <li>▪ We will act in a transparent manner and display ethical and consistent behaviour;</li> <li>▪ We will behave with integrity in all our actions, always acting in the best interest of the citizen and organisation.</li> </ul>
<b>Agility</b>	<ul style="list-style-type: none"> <li>▪ We will seek to be flexible, adaptable and responsive to our highly competitive environment;</li> <li>▪ We will value and promote innovative ideas and solutions in order to deliver exceptional results;</li> <li>▪ We will strive to identify opportunities to delivery services more economically and efficiently, and to respond to revenue opportunities, given the constrained fiscal environment;</li> <li>▪ We will seek to leverage the positive social benefit of the arts, and to use the arts to address societal issues and promote greater quality of life.</li> </ul>

Designed as a broad set of programmatic interventions, the National Development Plan (NDP) proposes a ‘virtuous cycle’ of growth and development, whilst reducing poverty and inequality. The enablers are strong leadership throughout society, national consensus, social cohesion and a capable state. Chapter 15 of the NDP asserts that:

*“Arts and culture opens powerful spaces for engagement about where a society finds itself and where it is going. Promoted effectively, the creative and cultural industries can contribute substantially to small business development, job creation, urban development and renewal.”*

The above strategy and policy imperatives inform this business plan of Joburg City Theatres for the financial year 2021/22. In this regard, Joburg City Theatres is a progressive, complementary and supportive intergovernmental partner of the Department of Arts Culture.



## The Aligned CoJ Priorities:

The priorities as approved in the 2021/22 Business Plan are further unpacked specific to the Theatres, as follows:

### Specific priorities focus areas for JCT to 2022:

The following table presents the Joburg City Theatres alignment to the above priorities, and outlines the specific focus areas to 2022 for each:

COJ PRIORITIES (Applicable Strategic Interventions)	JCT PROGRAMMATIC RESPONSE (Informing JCT Strategic Objectives and KPAs)
<p><b>COJ Priority 5: An inclusive City</b></p> <ul style="list-style-type: none"> <li>➤ Sports and arts facilities that promote activities we enjoy doing as a community</li> </ul>	<ul style="list-style-type: none"> <li>▪ Audience development</li> <li>▪ Arts education and arts talent skills development</li> <li>▪ Theatre open days</li> <li>▪ Mobile theatre truck – take theatre to communities</li> <li>▪ Soweto Theatre Amphitheatre launch</li> <li>▪ Leveraging major milestones/anniversary events of the theatres to promote the arts and theatre</li> <li>▪ Better leverage the Joburg Ballet and Philharmonic Orchestra into the group offering</li> </ul>
<p><b>COJ Priority 3: A caring City</b></p> <ul style="list-style-type: none"> <li>➤ Consistent support and uplifting of marginalised communities such as women, youth, people with disabilities and LGBTIQ+</li> </ul>	<ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Strengthen school set work offering across all theatres</li> <li>▪ Position arts alongside sport in schools for development of future audiences</li> <li>▪ Provide opportunities for the youth, including the development of future arts and theatre practitioners</li> </ul>
<p><b>COJ Priority 1: Getting the basics right</b></p> <ul style="list-style-type: none"> <li>➤ Create and maintain facilities that promote social cohesion</li> </ul>	<ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Host, develop and stage productions that tell the story – and promote civic pride/social cohesion</li> <li>▪ Customer care improvement</li> <li>▪ Integrated programming of the theatres</li> <li>▪ Ensure efficient and effective internal business processes and systems</li> <li>▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> </ul>
<p><b>COJ Priority 6: A well-run City</b></p> <ul style="list-style-type: none"> <li>➤ A financially sustainable City (by implication, a financially sustainable Theatre)</li> </ul>	<p>Anti-fraud and corruption:</p> <ul style="list-style-type: none"> <li>▪ Put mechanisms in place to verify observance of code of conduct and ethics and make it known within JCT</li> <li>▪ Perform a comprehensive fraud risk assessment as part of the operational risk assessment</li> </ul>

COJ PRIORITIES (Applicable Strategic Interventions)	JCT PROGRAMMATIC RESPONSE (Informing JCT Strategic Objectives and KPAs)
	<ul style="list-style-type: none"> <li>▪ Develop and deploy preventative and detective fraud control activities</li> <li>▪ Formulate and collate a fraud response plan to ensure a coordinated approach to investigation and corrective action</li> </ul> <p>Financial sustainability:</p> <ul style="list-style-type: none"> <li>▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue</li> <li>▪ Increase asset utilisation and leveraging investment.</li> <li>▪ Well planned and implemented Capex and maintenance programme.</li> <li>▪ Cost efficiency across the value-chain</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold / complimentary ticket ratio</li> <li>▪ Underground parking at Joburg Theatre for own use and revenue diversification</li> </ul>
<p><b>COJ Priority 4: A business-friendly City</b></p> <ul style="list-style-type: none"> <li>➤ More skills for jobs and programmes for young people to gain skills and experience</li> <li>➤ Fair access to EPWP opportunities and fair allocation of local contracts</li> <li>➤ Promote business and leisure tourism as important job creators</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expanded Public Works programmes (EPWPs) opportunities</li> <li>▪ Work opportunities created at JCT</li> <li>▪ SMME support</li> <li>▪ Ensure sound and consistent supply chain management processes that support preferential procurement, and enhance the contribution of JCT to enterprise development</li> <li>▪ Cultivate local entrepreneurs/suppliers</li> <li>▪ Strengthen tourist-focused marketing and promotion</li> <li>▪ Joburg festivals (Newtown cultural precinct), like Edinburgh and Adelaide festivals</li> </ul>
<p><b>COJ Priority 7: A smart City</b></p> <ul style="list-style-type: none"> <li>➤ A smart City that embraces ICT innovation as a force for good</li> </ul>	<ul style="list-style-type: none"> <li>▪ Theatre production streaming</li> <li>▪ Offering free Wi-Fi in theatre venues</li> </ul>
<p><b>COJ Priority 2: A safe and secure City</b></p> <ul style="list-style-type: none"> <li>➤ Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts and share capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Joburg Theatre participates in the Braamfontein improvement district, which focuses on safety in Braamfontein</li> <li>▪ Soweto Theatre collaborate with the Jabulani SAPS and the Community Policing Forum.</li> <li>▪ Roodepoort Theatre has a relationship with JMPD</li> </ul>

## Section 2: Strategic Objectives

As the organisation pursues its Vision and Mission, the Strategic Objectives are derived from the above strategic intent and business model, and are aligned to CoJ strategic priorities and outcomes of the COJ.

- JCT forms part of the City's Human and Social Development Cluster, integrating the work of the City departments and entities that take the strategic and practical lead on the City's constitutional mandate to promote the social development and upliftment of its residents.

This is a commitment to improving social, health and safety conditions city wide, with a targeted focus on poverty and deprivation, a strong push to promote social inclusion and an emphasis on self-sustaining transformation and building capacity amongst residents themselves to eliminate long-standing problems and handle new shocks. JCT's contribution in the cluster is ***"targeting deprived spaces and communities through Arts and Culture Programming"***.

For the period 2021/22 and beyond, five (5) Strategic Objectives have been developed in order to enable Joburg City Theatres to effectively focus and prioritise its options in delivering on its mandate and respond to the above strategic focus areas.

The Strategic Objectives are framed as statements that describe the outcome expected as a result of Joburg City Theatres' intervention and are elaborated upon in the table below:

The Strategic Objectives are framed as statements that describe the outcome expected, resulting from Joburg City Theatres' interventions and elaborated upon in the table below:

**Table 3: Joburg City Theatres Strategic Objectives**

JCT Strategic Objective	Objective Description and Focus Areas	COJ Priority Alignment
<ul style="list-style-type: none"> <li>● Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Support local content development.</li> <li>▪ Support for youth development programmes.</li> <li>▪ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT.</li> <li>▪ Implement structured opportunities for the development of the talents and skills of young people in the arts.</li> </ul>	<p>Priority 3: A caring City Priority 4: A business-friendly City</p>
<ul style="list-style-type: none"> <li>● Quality performing arts and entertainment experiences and facilities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Supporting the development and creation of work.</li> <li>▪ Strengthening the acquiring and hosting of local and international work.</li> <li>▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the Development of Productions from African stories.</li> <li>▪ Ensuring facilities and infrastructure are in excellent condition.</li> <li>▪ Monitor and enhance customer satisfaction and the achievement of service level standards.</li> <li>▪ Joburg festivals (Newtown cultural precinct), like Edinburgh and Adelaide festivals.</li> <li>▪ Soweto Theatre Amphitheatre launch and operationalisation.</li> <li>▪ Better leverage the Joburg Ballet and Philharmonic Orchestra into the group offering.</li> <li>▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg.</li> <li>▪ JCT touring circuit – annual showcase by taking at least one show nationally.</li> <li>▪ JCT annual legend tribute programme.</li> </ul>	<p>Priority 1: Getting the basics right Priority 5: An inclusive City</p>

JCT Strategic Objective	Objective Description and Focus Areas	COJ Priority Alignment
<ul style="list-style-type: none"> <li>• Affordable access to and use of theatres by communities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Thematic productions that address societal issues.</li> <li>▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes.</li> <li>▪ Develop future audiences by providing discounted tickets to learners.</li> <li>▪ Provide access to JCT venues.</li> <li>▪ Accessibility to theatres venues for people living with disabilities (universal access).</li> <li>▪ Mechanisms and approaches that assist to make theatre going practical for various communities.</li> <li>▪ Strengthen school set work offering across all theatres.</li> <li>▪ Position arts alongside sport in schools for development of future audiences.</li> <li>▪ Utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers.</li> </ul>	<p>Priority 1: Getting the basics right</p> <p>Priority 3: A caring City</p> <p>Priority 5: An inclusive city</p>
<ul style="list-style-type: none"> <li>• Good governance, financial sustainability and sound management.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance the imperative for revenue generation with socio-economic development.</li> <li>▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue.</li> <li>▪ Increase asset utilisation and leveraging investment.</li> <li>▪ Cost efficiency across the value-chain.</li> <li>▪ Integrate the programming and value chains of the theatres.</li> <li>▪ Ensure efficient and effective internal business processes and systems.</li> <li>▪ Enhance Joburg City Theatres hospitality, events, and catering services.</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio.</li> <li>▪ Underground parking at Joburg Theatre for own use and revenue diversification.</li> <li>▪ Sound and consistent supply chain management processes that support preferential procurement and JCT's contribution to enterprise development.</li> </ul>	<p>Priority 1: Getting the basics right</p> <p>Priority 4: A business-friendly City</p> <p>Priority 6: A well-run City</p>

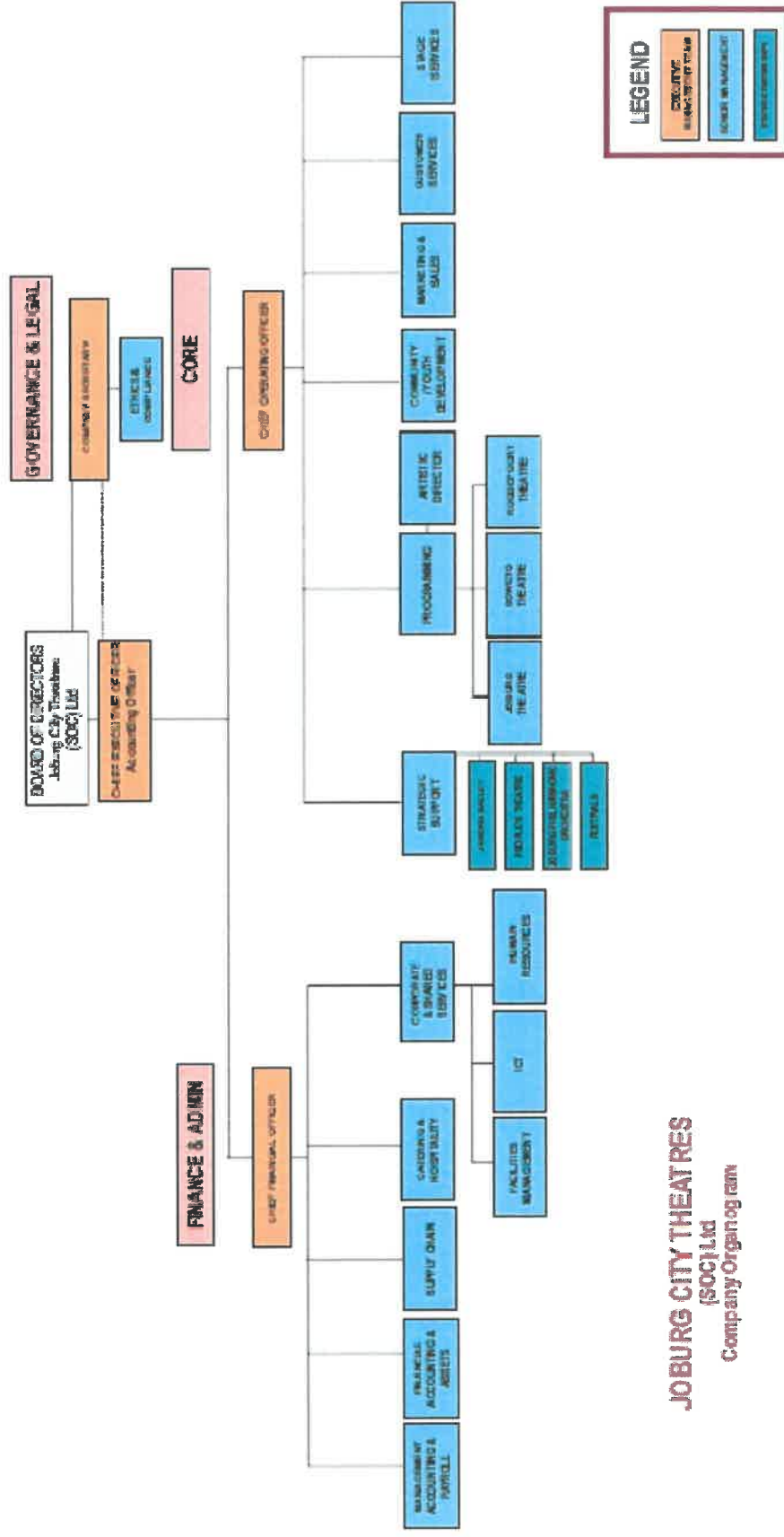
JCT Strategic Objective	Objective Description and Focus Areas	COJ Priority Alignment
<ul style="list-style-type: none"> <li>● Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Build JCT brand awareness and grow the market share of JCT as a leading brand.</li> <li>▪ Build JCT visibility through enhanced marketing, communication and stakeholder management.</li> <li>▪ Leveraging of mutually beneficial partnering agreements and joint programmes.</li> <li>▪ Fundraising and donations.</li> <li>▪ Strengthen tourist-focused marketing and promotion.</li> <li>▪ Leverage major milestones/anniversary events of the theatres to promote the arts and theatre.</li> </ul>	<p>Priority 1: Getting the basics right</p> <p>Priority 6: A well-run City</p>

### Section 3: Salient Features

- JCT managed to stream 1 production- Tribute to Archbishop Desmond Tutu
- **100% performance achievement of the entity's scorecard and Capex expenditure of 74% achievement**
- JCT had **sold out performances** for - CION, Isandlwana, Joyous Celebration and Amanda Black
- JCT presented a Take a Child to Theatre campaign in the month of March and partnered with ASSITEJ to celebrate the World Day of Theatre for Children and Young People
- **Joburg Theatre** celebrated black history month with **KILL Move Paradise** and Soweto Theatre with **King Cetshwayo** the musical.
- **The Inaugural Basadi in Music Awards** (BIMA was launched on 8<sup>th</sup> March in celebration of International Women's day. The awards celebrate the excellence of women in the music industry.
- During the 3<sup>rd</sup> quarter as part of Human Rights day commemoration Soweto Theatre presented **The Voice**
- **Youth and Community Development** programmes continued across all three theatres as detailed in the body of the report.
- JCT recorded a trading surplus of R 2 717 000 for the quarter against the budgeted surplus of R812 000
- The total revenue for 2021/22 3rd quarter was R52.514 million compared to R41.763 million in the same period in 2020/21 representing an increase of 25.74%.
- The earned revenue for 2021/22 3rd quarter was R 13.938 million compared to R 3.630 million in the same period in 2020/21 representing an increase of 284%.
- Hospitality and catering revenue for 2021/22 3rd quarter was R11.641 million compared to R2.954 million in the same period in 2020/21 representing an increase of 294%.



Section 4: High-Level Organisational Structure



**JOBURG CITY THEATRES**  
(SOC) Ltd  
Company Organogram



## Section 5: Chairperson's Foreword



It is with great pleasure and privilege to present the 2021/22 Third Quarter results of the Joburg City Theatres (JCT), such report being delivered, in accordance with legislative provisions as embodied in the MFMA, the Municipal Systems Act and various other regulatory requirements, as well as codes such as the King Codes. The Board of Directors executed oversight, interventions and guidance of the entity during the period under review as per the approved 2021/22 Business Plan.

Despite the negative impact of the COVID-19 pandemic, JCT continued to deliver on its mandate of providing a high quality and innovative live entertainment and educational programmes through the integrated management of the theatre venues as well as innovative and inclusive programmes. The programmes staged during the quarter as detailed in the CEO's foreword was a continuous effort by JCT to demonstrate an active pursuit of a caring City which serves the diverse communities of the City of Joburg and supports social cohesion. This report outlines performance of service delivery programmes and financial performance for the 3<sup>rd</sup> quarter of the 2021/22 financial year, which indicates 100% achievement of targets set in the Business Plan with 74% achievement on Capex.

At the 21st Annual General Meeting of the City's Municipal Entities, the shareholder, on behalf of the Multi-Party Government (MPG) reconstituted the boards of its thirteen entities, in line with defined corporate governance principles. Thus marking a significant milestone for the City's programme of building a well-run Johannesburg, making it the centre of clean, honest government that puts residents first, spends money wisely and is a pleasure to deal with. With this backdrop, I would like to express my appreciation for the support received from the shareholder, and looking forward to a well run institution.

Let me take this opportunity on behalf of the entire Board to thank all the outgoing Board members and independent audit committee members who were retired at the 21st Annual General Meeting held in March. I am pleased to congratulate and welcome the reappointed and new board of directors, and independent audit committee members. I am confident that with all our past experiences and business leadership, we will definitely serve Joburg City Theatres and the City of Johannesburg well.

The Board and Management conducted a Strategic Planning Workshop on March 30th 2022 to reflect on the 2021/22 financial year – so as to ensure the best is carried forward and not lost and to map a plan for the 2022/23 financial year. Thus ensuring that the company's strategic objectives were aligned to the Multi-party government priorities.

The board remains committed to achieving strong financial and operational results, ensuring good corporate governance, compliance to legislation while delivering on the mission of the company in charging out oversight roles and strategic guidance in order to manage the sustainability and governance of the entity.

Administratively, I extend my gratitude to the Executive Management and the entire JCT staff for collectively remaining committed to good governance and an efficient civil service.

Finally, I would like to acknowledge the new political administration, which we are looking forward to working with as JCT's strategic leadership representing the shareholder and the City Manager for guidance and continuous support.

### **Zane Meas**

Chairperson of the Board  
Joburg Theatre (SOC) Ltd

## Section 6: Chief Executive Officer's Report



The year 2022 marks an important milestone for Joburg City Theatres as we celebrate Joburg Theatre's 60<sup>th</sup> anniversary (diamond Jubilee) and Soweto Theatre's 10<sup>th</sup> year anniversary. JCT will collaborate with various partners to present a broad range of celebration activities under a theme that we will unveil in due course.



Joburg City Theatres has experienced an active quarter across all theatres, setting a good sign for a positive new year. The theatres were in operational mode for nine of the twelve weeks (the theatre reserves the early January period for traditional and essential annual stage maintenance programmes).

Notwithstanding the various levels of Covid-19 restrictions, all JCT shows ran smoothly, safely and on time with service standards meeting expectations. We continue to comply with all Covid-19 and other health and safety regulations, as well as ensuring venues are accessible to patrons with disabilities. The March amendments to the Covid-19 regulations have no effect on the current capacity for indoor events at all three theatres.

### SCORE CARD PERFORMANCE

JCT has 22KPIs however, for the period under review only 20KPIs were measured. The overall score for the third quarter is **100% achievement**; **74% achievement** on capital expenditure budget against the target of 70%; and **100% achievement** on service standards.

### ARTISTIC PERFORMANCE

During the third quarter, theatres celebrated World Theatre Day on March 27. This day celebrates the essence, beauty, and importance of theatre arts, their significant role in entertainment, and the symbolic impact that theatre has on life. This day also serves to inform governments, politicians, institutions, and stakeholders around the world who have not yet realized the value of theatre to the people and its potential for economic growth. The artistic programming at JCT for the third quarter was themed around Black History, International Women's Day and Human Rights commemorations.

The Youth Development departments in partnership with ASSITEJ (International Association of Theatre for Children and Young People) hosted a month long programme of fun and educational filled activities in celebration of Take a Child to Theatre. Centered around the World Day of Theatre for Children and Young People (20th March), the campaign invited artists, companies, theatre houses, education and the general public to join together in giving children and young people access to theatre in the month of March or at any point during the year. The world of theatre is opening up once more, and it is vital that we draw children and their families back into our theatres.

Festival of Lights at the Joburg Zoo closed on a high note with maximum audiences; both Vuyani Dance Theatre's CION and Mbuso Khoza's Isandlwana Musical Lecture were sold out in the month of January, even with adjusted seating plans allowing for social distancing. The demand for tickets far exceeded the amount of tickets available for sale. The launch of the inaugural Basadi in Music Awards (BIMA) founded by Hloni Modise took place at Joburg Theatre on 8 March, and celebrates the excellence of women in the music industry. JCT was delighted to welcome the Peoples' Theatre back to our stages for the first time since March 2020, with Beneath African Skies, catering for primary school and younger audiences. Joyous Celebration 26 Live at the Mandela enjoyed a sold out performance and the theatre could easily have sold additional tickets if the capacity was increased. Amanda Black enjoyed two sold out performances at Roodepoort Theatre.

This is the second cohort of Joburg Theatre's 3-year Applied Performing Arts and Arts Management (APAAM) programme graduated. Bearing witness to this remarkable achievement, peers and families joined in celebrating the difference that this project and its participants are making to the social transformation project in our country through the arts. This flagship collaboration between Joburg Theatre's Youth Development Programme and Drama for Life, University of the Witwatersrand, developed from mutual interest in youth, arts and development.

Musician and cultural activist Mbuso Khoza and the Afrikan Heritage Ensemble cast presented another thrilling Isandlwana Lecture the Musical with narration, music and dance. The audience was a mixture of young and old, with a number of university students among the audience. All three performances sold out.

TV and stage actor Sello Maake ka Ncube hit the right note with his latest play, *The Voice*, which tackles the issue of gender-based violence – behaviour he admits to having perpetrated when he was younger. The show opened late last year at Joburg Theatre for two days and it sold out. It returned for another run at Soweto Theatre in January 2022 due to popular demand and received great reviews from media houses and patrons. In an interview with Sowetan Sello Maake ka Ncube, said, "*The Voice* is an inspiring call to society to reflect, introspect and to repair the social and moral fibre".

CION: a unique creative fusion of contemporary African dance created and choreographed by the renowned Gregory Maqoma in collaboration with Nhlanhla Mahlangu delivered a compelling musical arrangement that took audiences on a musical journey. This production performed to sold out houses and an additional show was opened due to popular demand.

Joburg Theatre and 2nd Round Productions presented Kill Move Paradise, drawing inspiration from the Black Lives Matter movement, the story was told from a South African interpretation and perspective through the masterful director's lens of Ms. Lesedi Job. The multi-faceted South African Director and actress, Ms. Lesedi Job, secured the rights for Kill Move Paradise and became the first and only African director to lend her artistic prowess to the play.

A new play by widely travelled theatre director, producer and scriptwriter Bolokwe Kenneth Bogosi headed to Soweto Theatre in February. The play is about a war of succession that has befallen a Monarchy in a fictitious country known as Batswana land where the children of the deceased King are at each other's throat over who is the rightful heir to the throne. The playwright presented the story in his own words to give audiences a bit of the gist of this interesting story of succession gone wrong that many will easily connect with in contemporary South Africa.

Soweto Theatre in partnership with Wushwini Pan African Centre presented King Cetshwayo, the Musical, written and produced by playwright Jerry Pooe. The musical theatre follows the life and times of King Cetshwayo KaMpande, who was the ruler of the Zulu kingdom from 1873 to 1879 and its leader during the Anglo-Zulu War of 1879.

Roodepoort Theatre presented its first schools setwork production *My Children My Africa* bringing literature to life. The schools setwork festival aims to bridge the gap between the classroom and literature - offering students the opportunity to engage and relate to what they learn at school. Joburg City Theatres' schools setwork festival brings literature to life with young and new voices.

Joburg Theatre coordinated by Afro Arts SA with Discover TV recorded a memorial service tribute in celebration of the life of the global icon Arch-Bishop Desmond Mpilo Tutu. The livestream aired on three international television channels' social media platforms. Feedback received has been wonderful and the estimated viewership now exceeds 7.3 million. An exclusive screening took place at the Lesedi Theatre for under a 100 people.

The period under review at JCT has been exciting. It has been a period characterised by a balance of diverse programme offerings - a mix of music, theatre, dance, educational programmes, events and festivals. New audiences have been attracted, while maintaining good relations with regular patrons.

The Covid-19 restrictions have again forced Joburg Theatre and Showtime Australia further postpone 'The Greatest Love of All' starring Belinda Davids season, which was scheduled for March 2022. The full season will be presented from 21 to 31 July 2022. This is the third time the season has been postponed due to pandemic restrictions, which are continuing to heavily restrict the number of patrons allowed within the theatre.

THIRD QUARTER IN-HOUSE / CO-PRODUCTIONS HELD	
<b>JOBURG THEATRE</b>	<b>CIION: Requiem of Ravel's Bolero</b> <b>Isandlwana Lecture: The Musical</b> <b>Kill Move Paradise</b> <b>Joyous Celebration 26 recording</b> <b>Beneath African Skies</b> <b>Evolve</b> <b>SoliiDaD</b>
<b>ROODEPOORT THEATRE</b>	<b>Amanda Black</b> <b>My Children My Africa</b> <b>Rhapsody in Pink</b> <b>Human Rights Day Celebration</b>
<b>SOWETO THEATRE</b>	<b>The Voice</b> <b>Marangrang</b> <b>King Cetshwayo The Musical</b> <b>Vuma Zion</b> <b>Puss in the Boot</b> <b>Seven Colour Sundays</b>

We are looking forward to an exciting fourth quarter line up which includes:







### FINANCIAL PERFORMANCE

JCT recorded a trading surplus of R 2 717 000 against the budgeted surplus of R812 000; the third quarter revenue of R52 514 000 exceeded the budgeted revenue by 8%; cash and cash equivalents improved by 15% year on year and JCT continues to take significant steps to reduce expenses by eliminating non-essential costs.

### HUMAN RESOURCES

JCT is operating at 93% occupancy against the approved staff establishment with the remaining 7% recorded as vacancy rate. The vacancy rate recorded in the approved structure will be filled in a 2-year cycle.

### CONCLUSION

I want to take this opportunity to formally congratulate and welcome our Chairperson Mr. Zane Meas, the reappointed and newly appointed Board members to the JCT family. We are grateful and excited to have your leadership, guidance, and perspectives in taking Joburg City Theatres to new heights.

Finally to the management and staff of JCT, thank you for your high energies, great ideas, amazing dedication and unquestionable loyalty to the company. Together, let us scale new heights and make impossible possible.

**Xoliswa Nduneni-Ngema**  
**Chief Executive Officer**  
**Joburg Theatre (SOC) Ltd**




## Section 7: Chief Financial Officer's Report



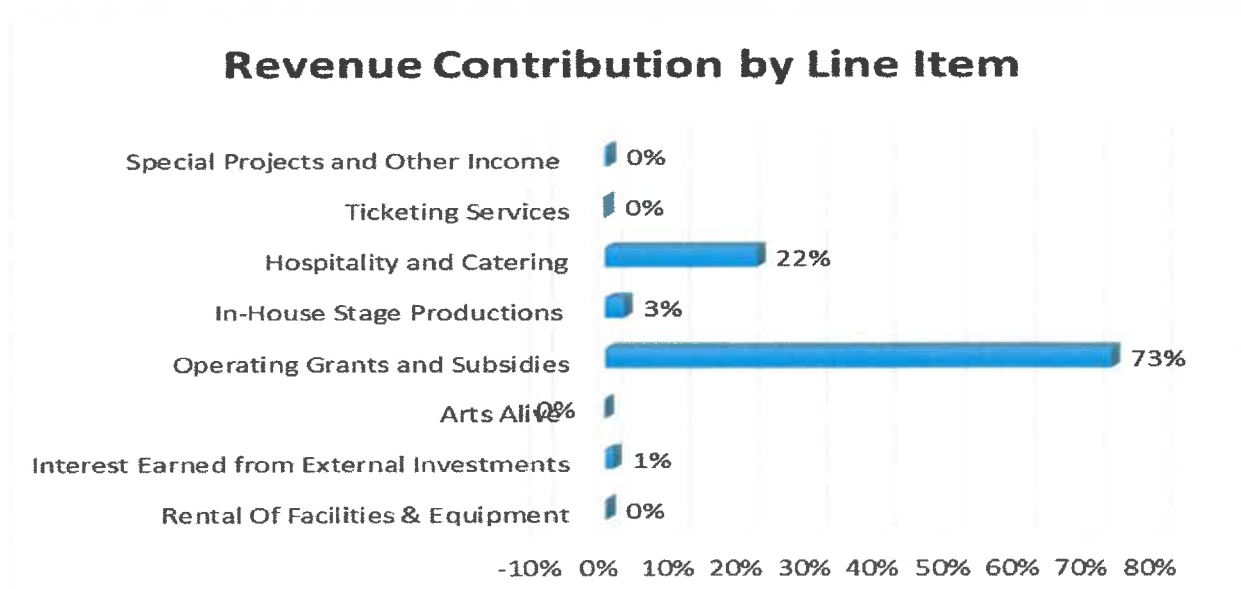
### Executive Summary

#### Revenue

The impact of the Covid-19 pandemic on the Entertainment industry, in which Joburg City Theatre operates has been hugely affected, and continues affecting the industry to this day. For most South African theatre makers, this is an extremely hard blow however; we are critically navigating through this storm. The more relaxed level 1 Covid 19 restrictions as per government Disaster Management Act has allowed the theatre to recover significantly, but the theatre is still operating at limited seating capacities as per regulations in the government gazette. Yet as has been the case at Joburg theatre, we have remained resilient and resourceful by taking actions that continue to enhancing liquidity and leverage and combined with our relentless focus on efficiency and cash management. The entity has taken and continues to take significant steps to reduce expenses by eliminating non-essential costs.

<b>Total Revenue 3rd Quarter 2021/22</b>	<b>R52.514 million up by 25.74%</b> 
•The total revenue for 2021/22 3rd quarter is R52.514 million and in the 2020/21 is R41.763 million representing an increase of 25.74%.	
<b>Earned Revenue 3rd Quarter 2021/22</b>	<b>R13.938 million up by 284%</b> 
•The earned revenue for 2021/22 3rd quarter is R 13.938 million and in the 2020/21 is R 3.630 million representing an increase of 284%.	
<b>Hospitality &amp; Catering 3rd Quarter 2021/22</b>	<b>R11.641 million up by 294%</b> 
•Hospitality and catering revenue for 2021/22 3rd quarter is R11.641 million and in the 2020/21 is R2.954 million representing an increase of 294%.	

Graph below is a summary of main revenue items:



Item Description	Actual_Qtr 3 2021/22 R'000	Budget_Qtr 3 2021/22 R'000	Actual_Qtr 3 2020/21 R'000	Actual to Budget %	Current to Prior %
<b>Income</b>	<b>52 514</b>	<b>48 643</b>	<b>41 763</b>	<b>8%</b>	<b>26%</b>
Rental Of Facilities & Equipment	103	848	13	-88%	689%
Interest Earned from External Investments	565	429	567	32%	0%
Operating Grants and Subsidies	38 576	38 690	38 133	0%	1%
Arts Alive	- 40	-	-	0%	0%
In-House Stage Productions	1 462	-	-	0%	0%
Hospitality and Catering	11 641	8 201	2 954	42%	294%
Ticketing Services	9	286	1	-97%	646%
Other Income	197	190	95	4%	107%

### Explanation of Variances

Our revenue streams come from several different sources like hospitality and catering services, producing shows and renting shows, and there is not much in terms of rental activities due to lockdown restrictions imposed by government to curb the spread of the corona virus, loss of revenue has had a serious impact on theatres operations. For most theatres, operating at a heavily reduced capacity makes productions financially unviable.

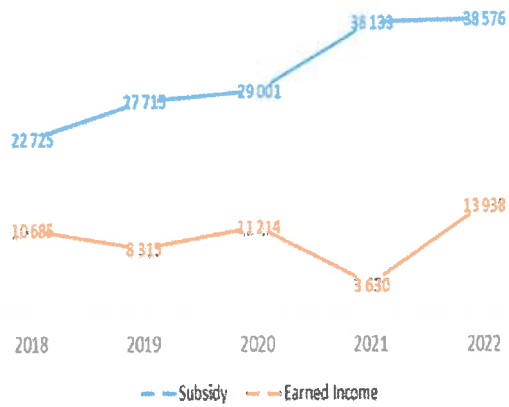
### Revenue

The revenue for the entity amounting to R52 514 000 has out-performed the budgeted revenue by a healthy 8 % this quarter. This is largely due to Interest Earned from External Investments and Hospitality and Catering line items out-performing their pre-determined target by 32% and 42% respectively. The revenue for the entity has been increasing for the past 5 years from R33 410 000 to R52 514 000 which translate to an average increase of 11.44% per annum.

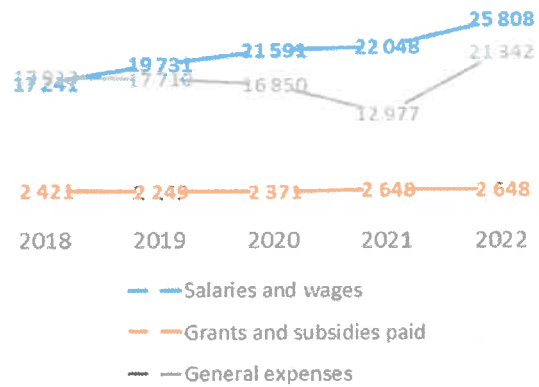
Consolidated Revenue JCT					
Quarter 3 Actuals R'000					
Revenue category	2022	2021	2020	2019	2018
Subsidy	38 576	38 133	29 001	27 715	22 725
Earned Income	13 938	3 630	11 214	8 315	10 685
	<b>52 514</b>	<b>41 763</b>	<b>40 214</b>	<b>36 030</b>	<b>33 410</b>

Consolidated Expenditure JCT					
Quarter 3 Actuals R'000					
Expenditure category	2022	2021	2020	2019	2018
Salaries and wages	25 808	22 048	21 591	19 731	17 241
Grants and subsidies paid	2 648	2 648	2 371	2 249	2 421
General expenses	21 342	12 977	16 850	17 710	17 933
	<b>49 797</b>	<b>37 673</b>	<b>40 811</b>	<b>39 690</b>	<b>37 595</b>
<b>Surplus for the period</b>	<b>2 717</b>	<b>4 091</b>	<b>-597</b>	<b>-3 660</b>	<b>-4 185</b>

QUARTER 3 REVENUE FOR THE PAST 5 YEARS



QUARTER 3 EXPENDITURE FOR THE PAST 5 YEARS

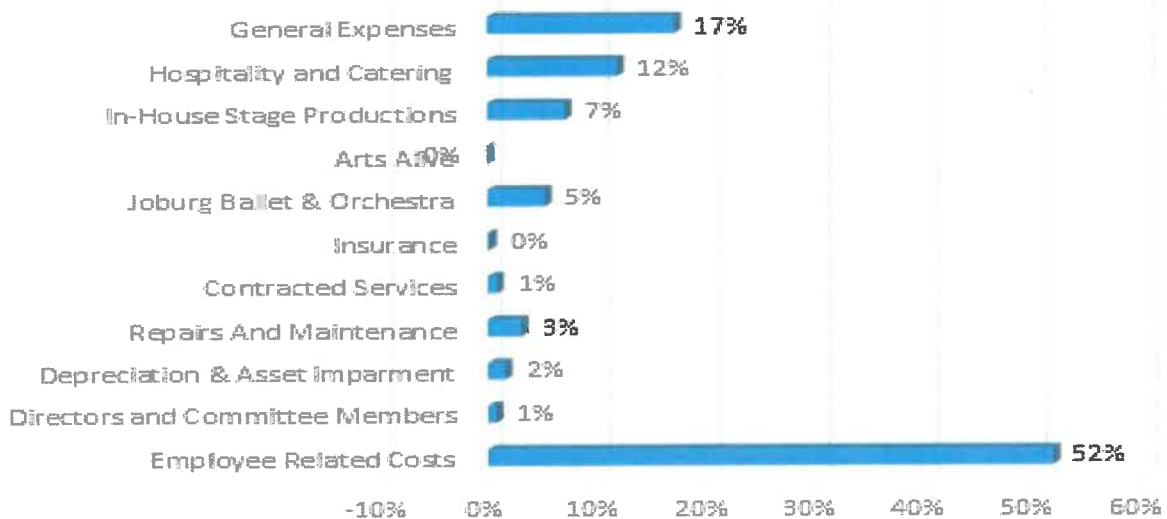


**Expenditure**

Joburg City Theatre total expenditure for the Third quarter of the 2021/22 is 4% above budget primarily because of Hospitality and catering service. Particularly cost of sales at 77% more than budgeted costs, repairs and maintenance at 67% as well as In-house stage productions but the rest of the cost items were controlled effectively.

The bar chart below depicts the expenditure contribution for 3rd quarter:

Expenditure by category





The table below depicts expenditure performance against target for the 3rd quarter:

Item Description	Actual_Qtr 3 2021/22 R'000	Budget_Qtr 3 2021/22 R'000	Actual_Qtr 3 2020/21 R'000	Actual to Budget %	Current to Prior %
<b>Expenditure</b>	<b>49 797</b>	<b>47 831</b>	<b>37 672</b>	<b>-4%</b>	<b>-24%</b>
Employee Related Costs	25 808	25 164	22 048	-3%	-15%
Directors and Committee Members	354	932	526	62%	48%
Depreciation & Asset Impairment	798	619	594	-29%	-26%
Repairs And Maintenance	1 538	918	679	-67%	-56%
Contracted Services	411	451	514	9%	25%
Insurance	88	88	109	0%	23%
Joburg Ballet	2 648	2 761	2 648	4%	0%
Arts Alive	- 6	-	-	0%	0%
In-House Productions	3 574	2 599	764	-37%	-79%
Hospitality and Catering	5 987	3 380	2 830	-77%	-53%
General Expenses	8 597	10 917	6 961	21%	-19%

- Employee related costs:** 3% adverse variance is caused by more activities at hospitality and catering department, which led to the employment of more ad hocs than planned. Also with more productions in the 3<sup>rd</sup> quarter, the entity had to employ stage crew / casuals.
- Depreciation:** 29% adverse variance on this line item is caused by the additions on property plant and equipment particularly computer equipment to allow staff to work from home during lockdown.
- Repairs and maintenance:** Major contributor to the adverse variance on repairs and maintenance is waterproofing project at R800k incurred in the 3<sup>rd</sup> quarter. This was prioritised to avoid development of cracks, paint peel off, air contaminants and flooding.
- In-house stage production:** The unfavourable variance of 37% is attributable to the CION production, which was initially planned to be staged in the first quarter. However due to Covid regulations it was moved to the 3<sup>rd</sup> quarter hence it was not budgeted for in the 3<sup>rd</sup> quarter. The limited capacity imposed by the Covid 19 regulation would have not allowed for a production of this size to be staged under alert level 3 of the risk-adjusted strategy.
- Hospitality and catering:** The adverse variance of 77% is attributable to the cost of sales, which should be linked to the revenue favourable variance. Hospitality and catering has also undertaken a lot of events on behalf of the city of Johannesburg which includes amongst others : mass participation healthy lifestyle games & social cohesion games; social development school sports and competitive /elite sports

#### Trading Surplus/Deficit

JCT recorded a trading surplus of R 2 717 000 for the quarter against the budgeted surplus of R812 000.

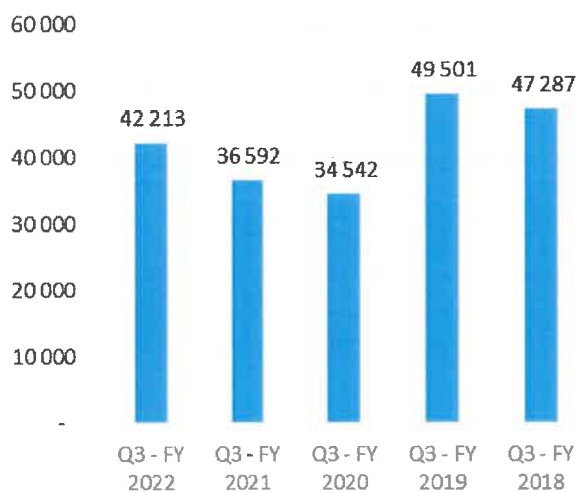
#### Statement of Financial Position 3rd quarter 2021/22

Cash and cash equivalents improved by 15% year on year. Current ratio for the entity has decrease by 1% from 1:18 to 1:16, the current ratio is below the norm of 1.5: 2.1 but this is not a challenge for the entity as some of the payables relates to subsidy and future shows. The solvency ratio has decreased by 6.8% from 1.47 to 1.37 and is also below the norm of 2:1, this does not pose a challenge for the entity as more than 90% of the payables is deferred income from the subsidy and futures as stated prior. Current assets has improved by 15% year on year due to significant improvement in cash and cash equivalent and current liabilities has shown an increase of 18% largely due to increased payables. Total assets increased by 4% year on year while total liabilities also gone up by 16% year on year due to deferred tax and increased payables.

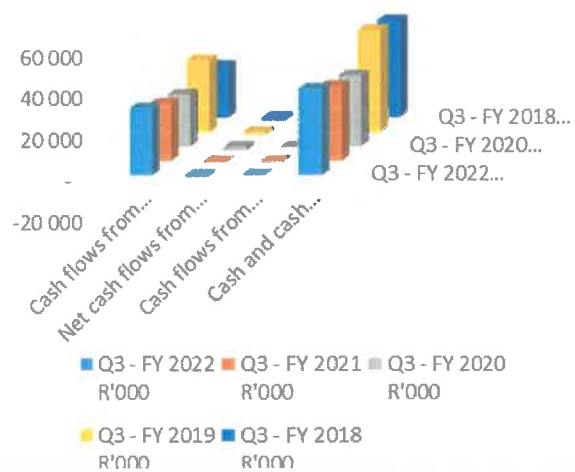
### Cash flow results for 3rd quarter Financial Year

Cash Flows	Q3 - FY 2022	Q3 - FY 2021	Q3 - FY 2020	Q3 - FY 2019	Q3 - FY 2018
	R'000	R'000	R'000	R'000	R'000
Cash flows from operating activities	32 879	28 039	25 402	35 100	25 263
Net cash flows from investing activities	- 705	- 283	- 1 913	- 1 329	- 1 260
Cash flows from financing activities	-	-	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>42 213</b>	<b>36 592</b>	<b>34 542</b>	<b>49 501</b>	<b>47 287</b>

### Cash Balances



### Cashflow analysis



### Statement on Compliance

For the quarter under review there were no invoices paid to suppliers, which were over 30 days from receipt of an invoice or statement.

### Joburg Ballet

Joburg Ballet submitted its quarter 2 management accounts in line with the Service Level Agreement. The management accounts reflected a surplus of R2 000 against a surplus budget of R16 000. The entity has R1 906 000 in the bank account and the tranche for the 3rd quarter has been released.

Joburg Ballet			Statement of Financial Performance for the period ending 31 March 2022				
Statement of Financial Position as at 28 February 2022			Actual CY	Budget CY	Actual PY	Variance	
	Feb 22	Feb 21		R'000	R'000	R'000	%
<b>Assets</b>	<b>R'000</b>	<b>R'000</b>	Revenue	80	118	299	-32%
Current assets	2 027	1 116	Grants	2 648	2 648	2 648	0%
Non current asse	814	288	Expenditure	2 726	2 750	2 717	1%
<b>Total assets</b>	<b>2 840</b>	<b>1 404</b>				<b>229</b>	<b>-85%</b>
<b>Liabilities</b>				<b>2</b>	<b>16</b>		
Current Liability	49	116					
Non current Liab	26	26					
<b>Total liabilities</b>	<b>75</b>	<b>142</b>					
<b>NET Assets</b>	<b>2 766</b>	<b>1 262</b>					
<b>Bank Balances</b>	<b>1 906</b>	<b>792</b>					

### Johannesburg Philharmonic Orchestra

Orchestra submitted its quarter 1 management accounts in line with the Service Level Agreement. The management accounts reflected a surplus of R4 717 000 against a surplus budget of R5 121 000. The entity has R17 994 000 in the bank account and the tranche for the 2nd quarter has been released.

Johannesburg Philharmonic Orchestra			Statement of Financial Performance for the period ending 28 February 2022				
Statement of Financial Position as at 28 February 2021			Actual CY	Budget CY	Actual PY	Variance	
	FEB 22			R'000	R'000	R'000	%
<b>Assets</b>	<b>R'000</b>		Revenue	1 032	991		4%
Current assets	18 215		Grants	5 696	5 696		0%
Non current asse	19 473		Expenditure	2 011	1 566		28%
<b>Total assets</b>	<b>37 688</b>			<b>4 717</b>	<b>5 121</b>		<b>-8%</b>
<b>Liabilities</b>							
Current Liability	1 030						
Non current Liab	-						
<b>Total liabilities</b>	<b>1 030</b>						
<b>NET Assets</b>	<b>36 658</b>						
<b>Bank Balances</b>	<b>17 994</b>						

### Audit opinion trends

The entity has achieved 5 unqualified audit opinion for the last 5 years of which 3 were clean.

Audit Opinion for the last 5 years					
Financial Year	2021	2020	2019	2018	2017
<b>Audit Opinion</b>	unqualified	unqualified	Clean	Clean	Clean

### Risk Management

The entity had 15 actions to be implemented in the quarter under review and 11 had been implemented resulting in 73% achievement.

### Insurance Claims:

During the quarter under review, there were no incident reported.

### Capital Expenditure (CAPEX)

The entity's capital allocation was R11.8m and 74% spent was achieved. Key projects include a continuation of stage upgrade, acquisition of new generators as an alternative power supply and acquisition of digital stage screens replacing the normal sets on the stage.

**In conclusion**

I wish to thank the MMCs for the political leadership and oversight, the Board particularly the Audit and Risk Committee for its stewardship over the financial management, internal controls and risk management, the EXCO for the support and guidance over the last nine months, the whole management team and staff at Joburg City Theatres for their sterling contribution in the 3rd quarter of the year.

**Solomon Mphakathi**

Chief Financial Officer

Joburg Theatre (SOC) Ltd

## CHAPTER TWO: DIRECTOR'S REPORT AND GOVERNANCE

### Section 1: Board of directors

JCT's board of directors provides the strategic direction for the effective planning as well as management and ethical governance of the entity. In addition, the board recognises that to deliver on ethical leadership and to achieve heightened operational performance, the entity requires advanced capabilities together with the capacity to leverage on new technological advancements.

As a result, the board is the focal point and custodian of the entity's corporate governance. In discharging its fiduciary duties and governance responsibilities, the board is supported in coordinating its efforts by the Company Secretary.

Fostering a resilient and sustainable municipal entity is on the agenda of JCT's unitary board, which is complemented by two executive directors, being the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). While the responsibility to lead on governance matters rests with the board Chairperson, the CEO is responsible for the day-to-day management of the entity. Accordingly, the roles of the Chairperson and the CEO are distinct and separate.

The total composition of JCT's board is made up of seven (7) Non-Executive Directors (NEDs). Prior to the entity's AGM held on the 11<sup>th</sup> of February 2022, the board was made up of twelve (12) NEDs and led by an Interim board Chairperson, Ms. Moipone Qhomane, who was nominated by the board, following the resignation of the substantive board Chairperson during the mid-year.

On 11 February 2022, the City of Johannesburg Metropolitan Municipality, being the Shareholder of Joburg City Theatres held an Annual General Meeting (AGM) for its entities on 11 February 2022. The board was re-constituted at the AGM and five (5) new board members were appointed to the entity, with two (2) members having been retained from the board prior to the AGM. Mr. Zane Meas was appointed as the board Chairperson.

The board Chairperson is independent; he is a Non-Executive Director and is not an employee of the entity or any other organ of the State. The board Chairperson does not perform any executive functions. The CEO as the Accounting Officer of the entity is responsible for managing JCT's operations.

The board is the accounting authority and governing body of JCT. It is entrusted by the Shareholder to lead the entity's strategy and perform oversight on the entity's overall performance, as well as the inculcation of an ethical culture in the organisation. This is done through the anticipation and deterrence of the entity's activities, with the potential to negatively impact on the socio-economic as well as environmental progress of the citizens of Johannesburg and ultimately, South Africa. More so, the board has the mandate to lead organisational accountability by driving compliance with applicable laws and regulations, affecting JCT as a private company and a state owned municipal entity.

In driving the entity's purpose for existence as defined in the Constitution, the reporting responsibilities provided in the Local Government: Municipal Finance Management Act (MFMA) and the Local Government: Municipal Systems Act (MSA), and laid out by the Shareholder in the Service Delivery Agreement (SDA) as well as the Shareholder Compact. The board demonstrates its accountability to the parent municipality, the City of Johannesburg Metropolitan Municipality ("the City of Joburg"), its stakeholders and the citizenry of Johannesburg. This accountability is demonstrated quarterly, monthly and annually, through the board's reporting to the parent municipality, on the performance of the entity. A Service Delivery Agreement (SDA), as well as the Shareholder Compact regulates the relationship between the Accounting Authority and the Shareholder.

Non-executive directors have unlimited access to the company's executive management in order for them to properly discharge their fiduciary duties.

In accordance with the Companies Act, which requires every state owned company to have a Company Secretary, the board is supported by a Company Secretary. The duties of the Company Secretary, who is the custodian of corporate governance, are codified under section 88 (1) and (2) of the Companies Act 71 of 2008 as amended.

The board is empowered to seek professional independent advice on any governance matter and such procurement processes are regulated by the MFMA as well as JCT's Supply Chain Management policies.

JCT's Shareholder has entrusted its Group Governance (GG) department to manage Shareholder services, perform oversight on board performance throughout a board's tenure. The board evaluations are performed annually by GG as a way to monitor board effectiveness and to ensure ongoing improvements. Board evaluations are also undertaken to plan for board development interventions, with a view to capacitating board members with the requisite skills and latest good practice global trends pertaining to governance.

At the February 2022 AGM, JCT's board was re-constituted with the following directors:

- Mr. Zane Meus (Non-Executive Director (NED) and Chairperson);
- Mr. Sean Kreuzsch (NED)
- Mr. Jabu Hlongwane
- Mr. Jabu Love Mathebula (NED)
- Ms. Ashley Hayden (NED)
- Ms. Itumeleng Malope (NED)
- Ms. Dineo Sitole (NED)
- Ms. X Nduneni-Ngema (Chief Executive Officer and Executive Director)
- Mr. S Mphakathi (Chief Financial Officer and Executive Director).

During the period under review, the board met three times on January 14, 2022, March 8, 2022 and March 30, 2022. The following matters amongst others were discussed at those meetings:

- JCT's 2021/22 mid-year performance assessment report;
- The review of company policies which were due for review;
- Key vacancies, in light of the Shareholder moratorium on the filling of senior positions; and
- The re-constitution of board committees.

The entity's induction following the AGM took place on March 8, 2022, while on March 30, 2022; the entity had a board strategic planning session, for the development of the entity's 2022/23 business plan.

## **Section 2: Board Committees**

JCT has two (2) statutory committees, which operate through terms of references approved by the board. The committees are the Audit and Risk committee (ARC) and the Remuneration, Social and Ethics Committee (REMSEC).

### **Audit and Risk Committee (ARC)**

The ARC has a dual function as, on one hand, it addresses the audit function element of the organisation, whilst on the other hand; it oversees the risk management framework of the organisation. The ARC assists the board in fulfilling its oversight role on risk-taking activities which the entity should pursue and/or avoid, ensuring the appropriate disclosure of organisational risks in the entity's reports and monitoring the effectiveness of the organisation's risk management practises, policies as well as processes, amongst other responsibilities. Regarding the audit function of the ARC, the committee is mandated by the MFMA in terms of legislation to,



perform oversight and keep the board abreast of the entity's policies, financial reporting in terms of performance and position. Furthermore, the ARC is responsible for performing oversight on the entity's internal control system/processes and compliance with the applicable legislative framework of JCT.

Following the AGM and the reconstitution of the board as well as board committees, the following members make up the ARC:

- Ms. Ashley Hayden-NED and Chairperson
- Mr. Seun Kreusch
- Mr. Mnikelo Moses Mazwane
- Mr. Dylan Tshithavhalani; and
- Mr. Krishen Sukdev

During the 3<sup>rd</sup> quarter, the ARC met once on the 12<sup>th</sup> of January 2022. It is imperative to note that the ARC that was constituted after the AGM will only have its first meeting in April 2022.

### **Remuneration, Social and Ethics Committee (REMSEC)**

REMSEC is empowered by the board through defined terms of references to perform oversight on the alignment of JCT's operations in promoting social and economic development. Thus advancing the cause of the ten principles of the United Nations Global Compact Principles, the Organisation for Economic Co-operation and Development (OECD) recommendations on corruption, the Employment Equity Act and the implementation of the Broad Based Black Economic Empowerment Act.

Post the 2022 AGM, the following members make up REMSEC:

- Mr. Jabu Love Mathebula;NED and Chairperson
- Ms. Dineo Sitole
- Ms. Itumeleng Malope
- Mr. Jabu Hlongwane

REMSEC met once on January 7, 2022.

The table below outlines the remuneration and attendances at Board meetings and board committees for the 2021/22 3<sup>rd</sup> Quarter:

Member's Name	Board of Directors Meeting 12 January 2022	Audit and Risk Committee (ARC) Meeting 12 January 2022	Remuneration, Social and Ethics Committee -07 January 2022	Group Audit Committee Meeting 04 February 2022 11 March 2022	Joint Group Performance Audit Committee (GPAC) and GAC 08 February 2022	Special Group Performance Audit Committee 22 March 2022	Data Fees January 2022	Total
**Desmond Ndzipho	R00.00	R00.00	R00.00	R00.00	R00.00	R00.00	R00.00	R00.00
Dineo Sitole	R12 000.00	R00.00	R00.00	R00.00	R00.00	R00.00	R300.00	R12 300.00
Ashley Hayden	R12 000.00	R8000.00	R00.00	R10 000.00	R00.00	R10 000.00	R300.00	R40 300.00
**Mabutho Sithole	R12 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Rabone Moripe	R12 000.00	R8000.00	R00.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Junior Ramovha	R12 000.00	R00.00	R10 000.00	R00.00	R00.00	R00.00	R300.00	R22 300.00
**Nomveliso Mpongo	R12 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Thembinkosi Masina	R12 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Mande Ndema	R12 000.00	R8000.00	R00.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Sebenzile Mkhonto	R12 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**Moipone Qhomane	R16 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R24 300.00
**Bonga Kweyama	R12 000.00	R00.00	R8 000.00	R00.00	R00.00	R00.00	R300.00	R20 300.00
**JC Weapond	R00.00	R00.00	R00.00	R00.00	R00.00	R00.00	R300.00	R300.00
<b>INDEPENDENT AUDIT COMMITTEE MEMBERS</b>								
**Chrystal Cape	R10 000.00	R10 000.00	R00.00	R10 000.00	R10 000.00	R00.00	R300.00	R43 000.00
**Frank Masibi	R00.00	R00.00	R00.00	R00.00	R00.00	R00.00	R300.00	R300.00
**Nompumelelo Mkhize	R00.00	R8 000.00	R00.00	R00.00	R00.00	R00.00	R300.00	R8 300.00
<b>Total</b>	<b>R146 000.00</b>	<b>R42 000.00</b>	<b>R58 000.00</b>	<b>R20 000.00</b>	<b>R10 000.00</b>	<b>R10 000.00</b>	<b>R4 500.00</b>	<b>R290 500.00</b>



**NOTE:**

The board Chairperson is not a member of any sub-committee but has a standing invitation to all sub-committees. Independent Audit Committee members only attend Audit and Risk Committee meetings.

\*\*The board members and IAC members who attended the January 2022 board and sub-committee meetings were retired at the 11 February 2022 AGM.

In the absence of the REMSEC Chair at the January 2022 REMSEC meeting, Mr. Junior Ramovha was nominated by the committee to chair the meeting and Ms. Moipone Qhomane was the interim board Chairperson, following the resignation of the then board chairperson in November 2021 until her retirement at the 22 AGM.

The table below discloses the 21/22 remuneration of executive management:

<b>EMPLOYEE COST BREAKDOWN</b>	<b>2022</b>
Net Salary	44 776 569,15
PAYE & UIF	13 257 662,17
SDL	721 523,47
PENSION & MEDICAL AID	15 209 079,66
THIRD PARTIES	374 214,13
Leave Accruals & Bonus Provisions	2 872 045,31
OTHER	156 107,68
	<b>77 367 201,57</b>

<b>EMPLOYEE RELATED COSTS</b>	<b>2022</b>
Salaries & Wages	77 367 201,57
Board Fees included in Employee Cost	1 312 000,00
	<b>78 679 201,57</b>

<b>Chief Executive Officer</b>	<b>2022</b>
Annual Remuneration	1 832 466,76
Performance Bonus	306 886,54
Contributions to UIF, Medical Aid & Pension	22 899,62
Other (Including Leave Pay)	253 699,68
	<b>2 415 952,60</b>

<b>Chief Financial Officer</b>	<b>2022</b>
Annual Remuneration	1 866 055,01
Performance Bonus	305 666,79
Contributions to UIF, Medical Aid & Pension	21 932,07
Other (Including Leave Pay)	93 220,10
	<b>2 286 873,97</b>

<b>Chief Operating Officer</b>	<b>2022</b>
Annual Remuneration	1 098 670,15
Performance Bonus	198 149,85
Contributions to UIF, Medical Aid & Pension	312 330,32
Other (Including Leave Pay)	68 766,71
	<b>1 677 917,03</b>

<b>Company Secretary</b>	<b>2022</b>
Annual Remuneration	810 871,48
Performance Bonus	158 000,98
Contributions to UIF, Medical Aid & Pension	189 620,14
Other (Including Leave Pay)	61 090,92
	<b>1 219 583,52</b>

<b>EMPLOYEE RELATED COSTS</b>	<b>2021</b>
Salaries & Wages	70 465 769,00
Employee Costs included in Other	1 014 000,00
	<b>71 479 769,00</b>

<b>Chief Executive Officer</b>	<b>2021</b>
Annual Remuneration	1 758 927,37
Performance Bonus	311 052,42
Contributions to UIF, Medical Aid & Pension	19 697,02
Other	28 371,89
	<b>2 118 048,70</b>

<b>Chief Financial Officer</b>	<b>2021</b>
Annual Remuneration	1 694 808,72
Performance Bonus	229 232,17
Contributions to UIF, Medical Aid & Pension	20 577,57
Other	262 368,11
	<b>2 206 986,57</b>

<b>Chief Operating Officer</b>	<b>2021</b>
Annual Remuneration	1 061 517,06
Performance Bonus	111 008,32
Contributions to UIF, Medical Aid & Pension	301 608,69
Other (Including Leave Pay)	60 342,71
	<b>1 534 476,78</b>

<b>Company Secretary</b>	<b>2021</b>
Annual Remuneration	911 544,11
Performance Bonus	148 706,80
Contributions to UIF, Medical Aid & Pension	10 842,13
Other (Including Leave Pay)	54 190,93
	<b>1 125 283,97</b>

<b>PAYE &amp; UIF</b>	<b>2022</b>
Opening Balance	948 585,97
Transactions for the Year	13 257 662,17
Amounts Paid - Current Year	(11 053 429,28)
Amounts Paid - Previous Year	(948 585,97)
Closing Balance	<b>2 204 232,89</b>

<b>PAYE &amp; UIF</b>	<b>2021</b>
Opening Balance	890 586,79
Transactions for the Year	7 905 891,33
Amounts Paid - Current Year	(4 709 762,05)
Amounts Paid - Previous Year	(890 586,79)
Closing Balance	<b>3 196 129,28</b>

<b>PENSION &amp; MEDICAL AID</b>	<b>2022</b>
Opening Balance	1 501 353,20
Transactions for the Year	15 209 079,66
Amounts Paid - Current Year	(13 610 985,26)
Amounts Paid - Previous Year	(1 501 353,20)
Closing Balance	<b>1 598 094,40</b>

<b>PENSION &amp; MEDICAL AID</b>	<b>2021</b>
Opening Balance	1 548 121,72
Transactions for the Year	9 815 302,67
Amounts Paid - Current Year	(6 972 377,11)
Amounts Paid - Previous Year	(1 351 693,19)
Closing Balance	<b>3 039 354,09</b>

### Section 3: Company Secretarial Function

The Company Secretary (CS) 's role extends to managing and advising on corporate governance, ethics and compliance monitoring and reporting to oversight bodies, through Group Risk and Assurance Services). In addition, the CS is contractually responsible for managing and advising management, the board and the Company on legal matters.

**Compliance monitoring and reporting on core legislation**

Legislation	Compliance requirement	Status
Section 7 (2) of the Occupational Health and Safety Act, 85 of 1993 as amended	(2) Any direction under subsection (1) shall be accompanied by guidelines concerning the contents of the policy concerned.	The implementation of the policy continued during the 3 <sup>rd</sup> quarter.
Section 8 (1) of the Occupational Health and Safety Act (OHSA), 85 of 1993 as amended	(1) Every employer shall provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to the health of his employees.	Complied and implementation of the policy continued during the quarter.
Section 8(2) (b) of OHSA	(2) (b) taking such steps as may be reasonably practicable to eliminate or mitigate any hazard or potential hazard to the safety or health of employees, before resorting to personal protective equipment.	Complied in accordance with the entity's Health and Safety policy requirements
Section 17 (1) of OHSA	(1) Subject to the provisions of subsection (2), every employer who has more than 20 employee in his employment at any workplace, shall, within four months after the commencement of this Act or after commencing business, or from such time as the number of employees exceed 20, as the case may be, designate in writing for a specified period health and safety representative for such workplace, or for different sections thereof.	Complied-JCT has health and safety representatives
Section 19 (1) of OHSA	(19) (1) An employer shall in respect of each workplace where two or more health and safety representative have been designated, establish one or more health and safety committees and, at every meeting of such a committee as contemplated in subsection (4), consult with the committee with a view to initiating, developing, promoting, maintaining and reviewing measures to ensure the health and safety of his employees at work.	Complied

Legislation	Compliance requirement	Status
Section 3 (4) of the OHSA	(4) Where more than 10 employees are employed at a workplace, the employer of such employees shall take steps to ensure that for every group of up to 50 employees at that workplace, or in the case of a shop or an office as contemplated in the Basic Conditions of Employment Act, 1983 (Act No.3 of 1983), for every group of up to 100 employees, at least one person is readily available during normal working hours, who is in possession of a valid certificate of competency in first aid, issued by (a) the SA Red Cross Society; (b) the St. John's Ambulance; (c) the SA First Aid League; or (d) a person or organization approved by the chief inspector for this purpose.	Complied-first aid training offered
Section 32 of the Local Government: Municipal Systems Act, No. 56 of 2003 (MFMA Circular 68)	"The processes to respond appropriately to fruitless and wasteful expenditure are similar to the following three processes outlined for irregular expenditure: (i) disciplinary charges against officials and political office bearers; (ii) criminal charges against officials and political office-bearers; and (iii) recovery of the fruitless and wasteful expenditure from the liable persons."	There were no instances of fruitless and wasteful expenditure encountered during the quarter under review.
	All instances of unauthorised, irregular, fruitless and wasteful expenditures must be reported to the mayor, the MEC for local government in the province, the Auditor-General, disclosed in the annual report, and to council as required by section 32(4) and 74 of the MFMA. This disclosure will assist in addressing challenges relating to expenditure control and transparent reporting in order to strengthen accountability.	Complied No incidents reported for the quarter under review.

Legislation	Compliance requirement	Status
Section 65(2)(e) of the Local Government: Municipal Finance Management Act, No. 56 of 2003	The municipality must pay all monies owed by it within 30 days of receiving the relevant invoice or statement	Complied
4(3)(a)-(b)- Local Government: Municipal Finance Management Act, No. 56 of 2003	"Council may not delegate or sub-delegate any supply chain management powers or duties – (a) To a person who is not an official of the municipality; and (b) To a committee which is not exclusively composed of officials of municipality"	Complied-the entity has a supply chain management policy, which only confers supply chain management powers to officials of the entity.
Section 85 (1) & section 85 (5) of the Local Government: Municipal Finance Management Act and Regulations Act, No.56 of 2003	(1) Entities must open at least one bank account in the name of the relevant entity. (5) Accounting Officers of entities must administer the entity's bank account	Complied

Legislation	Compliance requirement	Status
<p>Section 86 (1) (a); section 86 (1) (b); 86 (2) Local Government: Municipal Finance Management Act and Regulations Act, No.56 of 2003</p>	<p>Accounting officers of entities must within 90 days after entity has opened a new bank account submit to municipality the name of the bank where the account has been opened and the type and account number of account.</p> <p>The accounting officer must annually before the start of the financial year in writing inform the municipality of the name of each bank where the entity holds a bank account</p> <p>The accounting officer of the municipality must submit that information to national treasury, the Auditor General, and the relevant Provincial Treasury in writing.</p>	<p>Complied</p>
<p>Section 87(1); 87(2) &amp; 87(3) of the Local Government: Municipal Finance Management Act and Regulations Act, No.56 of 2003</p>	<p>Board of Directors must for each year submit a proposed budget for the entity to the municipality no later than 150 days before the start of the entity's financial year</p> <p>Municipality must consider the proposed budget and board of directors must submit a revised budget 100 days before the start of the financial year.</p> <p>The Mayor must table the entities proposed budget in Council at the same time of the tabling of the municipality's budget.</p>	<p>2021/22 budget was submitted and approved by Council</p>
<p>Section 13 (1) of the Companies Act, No. 71 of 2008</p>	<p>The Companies Act requires all companies to maintain their company records. A company must at all times have a copy of its Memorandum of Incorporation (MOI) and any amendments or alterations to it, as well as any rules that apply to the company in terms of its MOI. The company is also required to keep a register of its shares and its company secretary and auditor, to the extent that the company is required to make such appointments.</p>	<p>Complied-entity has an MOI in place</p>



Legislation	Compliance requirement	Status
Section 24; 24 (3) (b) and 24 (5) of the Companies Act, No. 71 of 2008	<p>In addition, the company is required to keep the following records for a period of seven (7) years:</p> <ul style="list-style-type: none"> <li>• A record of its directors, including the following detailed information about each director: <ul style="list-style-type: none"> <li>The full name and any former names, the identity number or date of birth, the nationality and passport, the occupation,</li> <li>the date of their most recent election or appointment;</li> <li>the name and registration number of any other company or foreign company that the director is a director of;</li> <li>the address for service for that director; and</li> <li>any professional qualifications and experience of the director in the case of a company required to have an audit committee.</li> </ul> </li> <li>• Copies of <ul style="list-style-type: none"> <li>All reports presented at an annual general meeting;</li> <li>Annual financial statements required by the Act;</li> <li>Any accounting records required by the Act;</li> <li>• Notices and minutes of all shareholder meetings, any resolutions taken at those meetings, as well as the documents made available to the shareholders in relation to those resolutions;</li> <li>• Copies of any written communication sent by the company to shareholders;</li> <li>• Minutes of meetings and resolutions of directors, directors committees, or audit committees.</li> </ul> </li> </ul>	Complied-secrariat maintains the requisite records
Section 33 of the Companies Act, No. 71 of 2008	<ul style="list-style-type: none"> <li>• Companies have 30 business days from the date that the entity become due to lodge annual returns before it is in non-compliance with the Companies Act.</li> </ul>	Complied
Section 92 of the Companies Act, No. 71 of 2008	<p>It is mandatory for a public and a state-owned company to appoint an auditor and a company secretary. A public company must appoint its auditors and its company secretary upon incorporation or within 40 business days of incorporation.</p>	Complied



Legislation	Compliance requirement	Status
<p>Section 93 &amp; 3 (3) of the Companies Act, No. 71 of 2008</p>	<p>A public or state-owned company must have an audit committee consisting of at least three members, unless it is a subsidiary of another company with an audit committee that will perform the functions of the audit committee of the subsidiary. The audit committee members must be appointed upon incorporation by the incorporators or within 40 business days after incorporation by the board of directors. Thereafter, the audit committee must be elected at each annual general meeting.</p> <p>Audit committee members must be directors of the company, meeting the requirements set out in regulations published by the Minister. The audit committee members must be non-executive and independent. Audit committee vacancies must be filled within 40 business days.</p>	<p>Complied-audit committee has three independent audit committee members.</p>
<p>Regulation 72 (4) in terms of the Companies Act, No. 71 of 2008</p>	<p>State-owned companies, listed public companies and private companies with the Public Interest Score (PIS) above 500 are required to have a Social and Ethics Committee.</p>	<p>Complied-JCT has a social and ethics committee in place with board approved terms of references.</p> <p>The entity's performance against social and ethics interventions is measured through a work plan approved by REMSEC at the beginning of the year.</p>

Key policies and procedures continued to be in place to manage operating risk involving segregation of duties, transaction authorisation, supervision, monitoring as well as financial and managerial reporting.

#### **Reporting on compliance with the MFMA and MSA by the Board of directors**

In accordance with the Service Delivery and Budget Implementation Plan (SDBIP), JCT reports on a quarterly basis to its Shareholder, through the City of Johannesburg Metropolitan Municipality's reporting structures. The quarterly, mid-year and annual reports are made public as a result of the accountability requirements JCT affirms to, in accordance with the provisions of the Constitution and the municipal legislation. Mitigation actions to monitor strategic, operational and emerging risks are reviewed every week by the Executive Committee (EXCO) at management's weekly meetings and quarterly by the board and its committees.

Accordingly, during the period under review, JCT fulfilled its regular reporting requirements to Council, in accordance with the Local Government: Municipal Systems Act.

#### **Risk Register**

The management of risks is the responsibility of the Chief Executive Officer who carries out this duty with the theatre's management team. The Finance Manager is the company's Risk Champion. The company's Risks Register is reviewed monthly by EXCO and quarterly at each meeting of the Audit and Risk Committee and the Board of directors.

The tables on the following pages spell out the areas of both the strategic and operational risks identified by the company for the 2021/22 financial year, including risk control measures:

ME Objectives	Risk Description	Root Causes	Consequences	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual Risk	Risk Owner	Actions to improve management of the risk	Action Owners	Action Deadline
High quality performing arts and entertainment experience and facilities and financial sustainability	Business disruption	1. Global pandemic (COVID-19) 2. Epidemic resurgence 3. Political instability 4. Loadshedding 5. Venter out	Loss of revenue Disruption of operations Threat to financial sustainability Disruption of property	Catastrophic	5 Almost Certain	High	<ol style="list-style-type: none"> <li>1. Processed the backup generator for the shows and it has been delivered on March 2022. It will be operational on July 2022.</li> <li>2. The country is currently operating under alert level 1 which allows for live performances to limited audiences as per the Disaster Management Regulation.</li> <li>3. Virtual meeting and remotely working</li> <li>4. Increase in subsidy allocation from shareholder.</li> <li>5. Implementation of health and safety regulations.</li> <li>7. A COVID19 Compliance Officer has been appointed.</li> <li>8. JT continuously engages and negotiates with City Power to conveniently schedule load shedding lighting</li> <li>9. ST has an emergency generator for lighting</li> <li>10. FIT has a generator however does not provide sufficient power to run all product and venue.</li> </ol>	Fair	High	CEO	<ol style="list-style-type: none"> <li>1. Backup Generator : 1.1 Mechanical installations 1.2 Medium voltage, live voltage &amp; gas installation 1.3 Commissioning 1.4 Handover</li> <li>2. Employees will be working in separate areas to observe social distancing.</li> <li>3. Continue to encourage online booking to avoid cash exchange.</li> </ol>	CFD COO	11 April 12 May 13 June 14 June 2. 263 Ongoing
Affordable access to and use of theatres by communities	Inconsistent attendance at theatre shows.	1. High cost of productions and the need to recover costs. 2. Effect of the country's economic status. 3. Lack of exposure of potential audiences to the theatre experience 4. Loadshedding 5. Fear of COVID-19 6. Fear of crime in the area. 7. Disaster Management regulations and limited audiences allowed in the theatre	Loss of revenue.	Major	4 Almost Certain	High	<ol style="list-style-type: none"> <li>1. Different pricing structures based on product and venue.</li> <li>2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens</li> <li>3. Mobile theatre truck used to take the arts to targeted diverse communities.</li> <li>4. Action to engage stakeholder to ensure safety in the precinct</li> <li>5. Customer satisfaction survey conducted after every show.</li> </ol>	Fair	Medium	CEO	<ol style="list-style-type: none"> <li>1. Implementation of sponsorship policy to target sponsorship</li> <li>2. Conduct comprehensive survey to establish audience needs</li> <li>3. To engage JYPD and SAPS to police the precinct.</li> <li>4. Implement a marketing plan for each production</li> </ol>	COO	Ongoing
Good governance, financial sustainability and sound management	Aged, obsolete and outdated stage machinery and equipment	1. Stage upgrade is now now at 35% completion	High Power consumption	Minor	2 Almost Certain	Medium	<ol style="list-style-type: none"> <li>1. Project plan to upgrade the stage machinery.</li> <li>2. The spare calendars are aligned with the project plan</li> <li>3. Project manager and steering committee is in place to oversee the implementation of the project</li> </ol>	Good	Low	CEO	The current controls look adequate to address the risk in its current form	N/A	N/A

ID	Risk Description	Root Causes	Consequences	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual risk	Risk Owner	Actions to improve management of the risk	Action Owners	Action Deadline
3	Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	1. Inadequate marketing budget 2. Ineffective involvement and the marketing strategy.	Reputational damage	Major	4 Likely	High	1. Media partnerships for productions at each theatre 2. Media database management 3. Continuous productions awareness campaigns. 3.2 Marketing strategy in place	Fair	Medium	CEO	1. To review marketing and communications strategy 2. To organ so on the promotional campaigns for brand awareness in line with the budget	CEO	1. Annually 2. 31 January/1st March on the new Logo
4	Good governance, financial sustainability and sound management	1. Conflict of interest 2. Inadequate segregation of duties/ inadequate or no supervision 3. Weak internal control environment - cash handling/ administrative procedures 4. Lack of accountability 5. Poor work ethics 6. Greed, collusion, bribery 7. Inadequate IT access controls 8. Inadequate physical security controls 9. Cyber attack	Reputational damage Financial loss Asset loss	Major	4 Possible	High	1. Anti-fraud and anti-corruption policy in place 2. Fraud prevention plan 3. Code of conduct 4. Segregation of duties 5. Declaration of interests 6. Gift register in place 7. Remuneration, Social and Ethics Committee 8. Fraud risk assessment conducted annually 9. Anti-fraud and corruption awareness workshops conducted	Fair	Medium	CEO	11. Continue to conduct anti-fraud and corruption awareness workshop 12. Continue to conduct Fraud risk assessment	Company Secretary Risk Champion (FM)	11. E-annually 12. Annually
5	Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	1. Various and changing legislative requirements to be complied with 2. There is a requirement to comply with MSCOA	Reputational damage Penalties	Major	4 Likely	High	1. Regulatory compliance register assessment led/monitored by the Company Secretary 2. Compliance policy and framework in place 3. Presented to the BOD the impact and progress on MSCOA compliance. 4. Quarterly reporting to oversight committees on compliance 5. E-ethics is currently reading on MSCOA	Fair	Medium	CEO	11. Review of Regulatory compliance register 12. Continuous monitoring reporting on compliance 2. Seamless integration of systems will be completed on implementation of SAP	1. Company Secretary 2. CFO	1. Annually/ as and when legislation changes 2. Quarterly and Monthly
6	Provision of opportunities for the youth, including arts practitioners and entrepreneurs	1. Limited in-house production to absorb newly trained practitioners	Limited opportunities for new entrants	Major	4 Likely	High	1. Applied Performing Arts and Arts Management partnership with WITS 2. Weekly drama workshops 3. Mentoring and upskilling of internal staff in key positions on in-house productions	Fair	Medium	CEO	1. Establish partnership with other role players in the industry	CEO	Quarterly

## Section 5: Sustainability Report

### Sustainability Vision

The entity's operations are centered on giving effect to the Shareholder's vision as detailed in Chapter 1 (Introduction and Corporate Profile) and Chapter 3 (Service Delivery Performance) sections of this report.

### Stakeholders Report

JCT's stakeholder can be ground into five (5) categories, which are government departments at the three levels (i.e. national, provincial and local), Artists, practitioners and associated bodies for arts, funding partners/business, contractors, media, patrons, board and employees.

Stakeholder engagement by JCT takes the form of offering continued accessibility, education, partnerships and co-production opportunities.

The following capabilities aid JCT in meeting its mandate:

Applicable Stakeholder	Stakeholder Reporting Requirements & Manner of Engagement
Government Departments, Local Government and COJ	JCT is committed to delivering its services with care, empathy and concern for the well-being of the entity's stakeholders. This is in line with the entity's values of Dignity, Ubuntu, Professionalism and Agility.
Artists, practitioners and Organised Performing Arts bodies	Opportunities are continuously provided to artists in support of creating work, performing, increasing accessibility, facilitating partnerships and co-production opportunities, incubating youth projects and addressing youth unemployment. JCT is an active member of PANSA, the Performing Arts Network of South Africa.
Funding Partners / Business	JCT is always identifying strategic partners to support the delivery of JCT's mandate.
Professional service providers, contractors and suppliers	Continuous effort is put towards strengthening enterprise development and support, improving contract negotiation, management and reporting, compliance to fair supply chain management processes and timeous payment for work done as legislated.
Media	JCT's marketing strategy is a long-term communication strategy which incorporates listening, engaging, branding, mobilising, motivating, promoting, acknowledging and informing audiences, patrons and stakeholders
Patrons / General Public	Live entertainment/ programs were staged, during the period under review, subject to the regulated COVID-19 protocols during that time.
Board	The board was re-constituted during the 3 <sup>rd</sup> quarter as highlighted earlier in this report. The board was inducted by the entity on 08 March 2022 and the Shareholder held a group induction for all the entities on the 23 <sup>rd</sup> of March 2022.
Employees	JCT values its employees as a key human resource asset, which makes possible service delivery and the attainment of the entity's strategic objectives. An Employee Assistance Program delivered by ICAS supports employees. JCT's human resources policy framework acknowledges and reinforces the significance of human resources. Skills development and training

Applicable Stakeholder	Stakeholder Reporting Requirements & Manner of Engagement
	<p>interventions offered to staff during the 3<sup>rd</sup> quarter are reported under the Human Resources Management section of this report.</p> <p>The entity's human resources policies and practices are in place primarily to acknowledge and reinforce the strategic importance of human resources. Skills development and training interventions are offered to staff within the organisation and details of the training that took place during the 4<sup>th</sup> quarter are reported under the Human Resources Management section of this report.</p>

## Section 6: Anticorruption and Fraud

JCT observes zero tolerance approach to fraud and corruption. The City of Johannesburg's Group Forensic and Investigations Services (GFIS) department manages the entity's fraud prevention hotline. Allegations of fraud and corruption are investigated by the entity and disciplinary action taken against transgressors of organisational policies.

Misconduct for any breach of conduct expected of municipal staff members is managed in terms of the disciplinary policy and procedures of the entity. Disciplinary matters for the quarter under review are reported in the Human Resources Management section of this report.

The disciplinary policy and procedure was reviewed during the 3<sup>rd</sup> quarter and will be presented to REMSEC and the board for approval in the 4<sup>th</sup> quarter.

## Section 7: Building and Maintenance

Capex	Action Taken
<p><b>Stage Machinery Upgrade</b></p> <p><u>Overall</u></p> <p>Approximately 99 % of the work has been completed</p> <p>Upper Machinery is 100% complete</p> <p>Lower Machinery is 95% complete</p> <p>Software development is 98% complete</p> <p>Fly Floor conversion is 100% complete</p> <p>Hardware in the storage area is 100% complete</p>	<p>BSW commissioning in final commissioning stage</p> <p>Batten software in the commissioning stage and ongoing</p>
Automated swing doors at main entrance of the Joburg Theatre	Doors to be installed 2 <sup>nd</sup> week of April 2022
Gas Generator Tender	Generator was delivered and put in place. – Discussions with City Power and City Gas is ongoing.
Waterproofing on the Front of House roof of the Joburg Theatre	Waterproofing was done



Health and Safety	Action Taken
<b>1. Incidents</b>  1.1) Injury on Duty: Nomfazi Sanah Mabunu	Taken to hospital, WCL2 form filled and submitted to HR and Finance
<b>2. Condoms</b>  2.1 Stock received	Received stock and distributed to all restrooms
<b>3. Evacuation Drill</b>  3.1 Evacuation drill was conducted on  Next Evacuation Drill	15 February 2022  17 May 2022
<b>4. Safety Meeting</b>  4.1 Safety Meeting  4.2 New meeting scheduled for	29 March 2022  24 May 2022
<b>5. Security matters</b>  5.1 No security incidents were reported in the second and second quarter of 2021.	Security staff are working normal shifts
<b>6. Maintenance</b>  January 2022 Job cards February 2022 Job cards March 2022 Job Cards  Stage Machinery servicing and Cleaning	328 Job cards completed 395 Job cards completed 415 Job cards completed  Maintenance / Commissioning Outstanding load testing was done on the battens and BSW is in the final stage of commissioning
<b>7. Disaster Management</b>  7.1 Covid-19 Procedures  7.2 Hand Sanitizers  7.3 Face masks	<ul style="list-style-type: none"> <li>- Implement all the COVID-19 regulation as stipulated by government in the government gazette and in conjunction with SHE at COJ</li> <li>- New automated Hand Sanitizers was installed. The hand sanitizers are continuously filled.</li> <li>- All staff were issued with cloth face masks. Request to issue staff with new face masks.</li> </ul>



7.4 Issuing of Face masks	- Process to issue new face masks to all JCT Staff
7.5 Staff working in the Theatre	- Security staff are working a two-shift work week. Maintenance staff is working full week with standby support on weekends when needed.
7.6 Cleaners are working full time in shifts to accommodate the cleaning of the Mandela Theatres and dressing rooms during the Pantomime season.	- Cleaning staff working a five-day week. Currently all cleaning staff is on show call and working two shifts daily
7.7 Registers for staff and Public put in place FOH and at security control room	- Screening done daily and registers filled in when staff and public arrive. The OHS manager keeps registers for safe-keeping.
7.8 Signs	- All warning signs and information signs was put up throughout the building. Social distancing floor signs was put in place at FOH and Metro Stages Restaurant.
7.9 Perspex Screens	- All area where necessary Perspex screens were installed e.g. Receptionist, Box Office, and Coffee Bars at all theatres, Finance Office.
7.10 The OHS Manager who is the COVID-19 Co-coordinator pension date was extended for 12 months Covid risk assessment	- New Appointment letter for the COVID-19 compliance officer issued
7.11 Covid Risk Assessment	- Covid-19 Risk assessment was done.
7.12 COVID-19 Positive cases for Third quarter 2022	- Two positive cases were reported
7.13 New Automated face recognition and temp units was installed at the entrances of all the venues in all the theatres in the group	- Installations completed

## Section 8: ICT Governance

JCT has an established Information and Technology Steering Committee, which is responsible for recommending effective performance management mechanisms on Technology and Information governance to the entity's EXCO.

In line with King IV, information technology (IT) governance forms an important part of Joburg City Theatre's (JCT) governance structures, policies and procedures. It is crucial that the current and future use of ICT is carefully directed and controlled in order for ICT to be aligned to the business goals of the entity.

ICT governance is not just an IT problem; it is at its broadest sense part of the overall governance of an entity with specific focus on improving the management and control of ICT for the benefit of stakeholders. ICT governance spans the culture, organisation, policy and practises that provide for the management and control of ICT. Creating an environment where ICT governance is an integral part of corporate governance is critical in ensuring alignment with business objectives, value delivery, accountability, risk management and overall performance management.

For the effective implementation of IT governance, and in order to improve the value of governance and sustainability, Joburg City Theatres aligns the strategic framework and IT policy in the following objectives:

**Improved value and strategic delivery:**

**Upgrading of Stage Machinery at Joburg Theatre (long term project 2017 – 2022)**

The building department, in consultation with the contractor, schedules downtime around the stage machinery to ensure business continuity. Ironically, South Africa's lockdown status, due to Covid 19, has allowed more time to be dedicated to this project. The entire project is ongoing and monitored by the building department's technical staff with reports submitted to Chief Financial Officer.

Currently the upgrading of the Joburg Theatre machinery upgrade is standing at 99% completed. The 1% outstanding consists of the backstage wagon commissioning, and the commissioning of the batten software. The entire project is on target to be completed by the end of Q4.

This upgrade was a mammoth task and is an example of an engineering design that is of a world-class standard. The software program, which is designed and commissioned by Mocon Systems, is one of the largest PLC programs in existence worldwide. The network system is so complex that Mitsubishi's Japanese engineering team has indicated that they would like to use this installation as an example of what can be done with the technology in the future.

**COJ Free Wi-Fi**

Different sets of Network infrastructure for Free Wi-Fi have been installed at the Theatre by the COJ over the last 10 years. JCT has engaged with MTC to get feedback on mutual projects. JCT and MTC meet every 2<sup>nd</sup> week concerning connectivity status, as well as feedback on issues that have been reported as problem areas. The Free Wi-Fi concerns was discussed and MTC pass information through to Group ICT. Currently the meetings are ongoing and progress is slow. One COJ Wi-Fi signal had been switched on and we are now aiming to remove the other APs if they are no longer relevant. MTC advises that not all of the AP's belong to them and that COJ may have other contracts. MTC advised against removing the AP's for now.

**COJ A647 SAP Business Transformation Programme**

JCT is ready and waiting for the COJ SAP project to commence. The SAP project was put on hold until farther notice by COJ. The CIO Forums provide feedback on progress when information becomes available. Timeline provided for JCT to start with Payroll migration are currently marked for September 2022.

**SAP – Connectivity to COJ**

JCT entered into a contract agreement with MTC to provide JCT with a VPN between the three Theatres and to access physical rack space in a Datacentre for JCT's backup hardware.

All phases have been completed and are functional. JCT monitors outages and reports to MTC directly. Outages are normally restored within hours. Some outages caused by load shedding experienced longer time outs as backup power can run out due to the time taken to restore the power.

In some cases, fibre cables were damaged by third-party contractors and took longer than expected to repair. The situation can be volatile as MTC cannot provide security for fibre cables in the ground or protect against construction that causes damage. The situation seems to be at this stage a (best effort) situation. JCT is dependent on MTC to connect to the COJ for SAP and to the Datacentre via the Fibre links.

Soweto Theatre is mostly affected by outages, cable theft and damage as the area around Jabulani is under significant development.

### **Jozinet**

JCT with COJ completed the Active Directory Federation Server setup and users at JCT can access Jozinet through the MTC fibre connection. Jozinet services remain functional on the JCT network.

### **Active Directory synchronization with COJ Azure tenant**

JCT required licensing from the COJ to use the full functionality of the Microsoft Teams application. On request for licensing on the COJ E3 license with Microsoft, JCT was informed that the onsite Active Directory needed to be synchronized with the COJ Azure tenant. The synchronization was done and completed via the MTC Fibre connection into the COJ environment and Microsoft Teams Licenses were allocated to JCT users. Both technicians from Microsoft and the COJ assisted in completing this project

JCT will in future leverage on this synchronization to make use of additional licensing requirements when needed.

### **Cell phone signal boosters and Internal Wi-Fi expansion**

As part of the process to improve on connectivity, JCT completed the Wi-Fi and Cell phone signal boosters project at Soweto Theatre. JCT established centralised control over guests Wi-Fi access systems for visiting producers and has also improved on the roaming capabilities for staff when they move from one theatre to another. The same Wi-Fi signal that is available to Joburg Theatre staff, is now available to Soweto and Roodepoort users, allowing staff to roam between theatres.

The above project was completed and to date JCT successfully provided our staff and guest producers who required streaming facilities at Soweto Theatre the ability to stream functions onto YouTube and other social media platforms via the Wi-Fi expansion.

In addition, JCT continues to implement Wi-Fi expansion and rolled out additional Access Points to the Peoples Theatre.

When new areas within theatre space are identified as requiring streaming facilities, JCT will add Wi-Fi APs to that area. JCT has to date rolled out 18 access points at Joburg Theatre, 6 access points at Roodepoort Theatre and 8 access points at Soweto Theatre. The Wi-Fi system is voucher driven, and vouchers are allocated on request to Producers or companies who hire the venues. In order to protect resources against abuse, the vouchers issued are subjected to expiration dates.

### **Temperature scanning of visitors and staff members**

JCT took delivery of portable digital temperature scanners. The scanners can detect temperature as well as detect the presence (or lack) of a facemask. The scanners are placed at strategic places to scan patrons entering JCT buildings. The scanners were issued to Joburg Theatre, Roodepoort and Soweto Theatre.

## Risk Register

JCT procured a cloud-based version of the Anti-Virus management console with the annual license renewals. A cloud-based dashboard now allows central management of systems when infections are detected without the need of the system being connected to the JCT network via VPN. The upgrade of the Anti-Virus software provides better protection against ransomware and has an artificial intelligence component. Next-gen technologies such as AI-powered predictive prevention, Enterprise-level detection and automated incident response is now enabled.

To date the management of remote systems has improved over the previous onsite dashboard.

### Access Control for staff into Joburg Theatre.

JCT has two access control systems that are end-of-life and need to be replaced with current, more modern systems. The two systems will be consolidated into one new, smarter system. The project is still in its early stages. JCT established the specifications for a modular base system for access control that can be built on and expanded in the future. The base system specifications will be drafted for the BID document. The access control system can accommodate smart technologies such as number plate recognition, face recognition and also be diverse enough to allow for both biometric access and traditional access card scanning. Roodepoort and Soweto Theatre are included in the specifications.

## Capex

Capex was generously allocated for IT projects in the current financial year. The following projects were identified for procurement:

1. Stage Software has been procured for Roodepoort, Soweto and Joburg Theatres during Q3
2. Software upgrades to all servers – move from Server 2012 R to Server 2019, and move from Exchange 2013 to Exchange 2019 is due to be finalised in Q4
3. Network upgrades on TV network from analogue to digital in conjunction with Building & Security Department was completed in Q3
4. The procuring of units for automatic temperature screening was completed in Q2 in conjunction with Building & Security Department

### Readiness for compliance legislation:

Internal audit findings were resolved.

### Business and technology strategies

#### Software Licensing

JCT, in partnership with COJ, procure software licensing under the COJ's Enterprise agreement with Microsoft. Any future projects requiring licensing need to be covered by COJ. The E3 license agreement that COJ has with Microsoft expires within 16 months and COJ is in the process of mapping out a new agreement with Microsoft.

Due to budgets being cut, it is apparent that MOE's may receive a charge back for the licenses that they currently have with COJ when the new agreement is signed in the future with Microsoft. COJ issued licenses to JCT as they had capacity to issue Office365 licenses under their current agreement. However, JCT will need to cover the costs of the licenses beyond the 16 months period if COJ do not allow for the inclusion of JCT within the renewal scope of the licensing within their budgets. This matter is ongoing and pressing as JCT was issued with full Office 365 licenses when JCT requested licensing for Microsoft Teams in Q2.

## **Risk management – Internet Security**

All JCT systems are now running Windows 10 and supported by WSUS updates. The entire network can be maintained with one standard throughout. The team can focus on keeping the systems up to date, patched with the latest security updates, and monitored by the new Anti-Virus software.

### **Server and end-user protection**

Our Sophos security solution comes with useful and flexible options designed specifically to protect infrastructure and provide safety. Sophos provide the following primary services.

- Unified Threat Management.
- Intrusion prevention.
- Content Filtering.
- Firewall.
- Virtual Private Network.
- E-mail Security.
- Browser Security.
- Antivirus with Exploit protection

### **Network entry point protection**

JCT deployed SonicWall Firewalls to all three theatres. The SonicWall TZ series of firewalls is designed specifically for the needs of SMBs and branch locations, delivering enterprise-class security, which detects sophisticated threats, including encrypted attacks, with advanced networking and security features, like the multi-engine Capture Advanced Threat Protection (ATP) service with Real-Time Deep Memory Inspection

### **JCT Firewall for gateway protection.**

The section below outline the protection provided by JCT firewalls and Antivirus software.

- [Capture Advance Threat Protection \(Capture ATP\) Overview](#)
- [Gateway Anti-Virus \(Firewall\)](#)
- [Configure Content Filtering Service](#)
- [Intrusion prevention services \(IPS\)](#)

The Firewall is the first line of defence and this is why it is important to keep the service subscriptions up to date. In the event of something unwanted passing through, or when users are off the network at remote places like their homes, the next level of protection is at the endpoints.

Laptops need to have an Anti-Virus subscription and protection that is updated on a daily basis. Paid for Anti-Virus subscriptions provide far more protection compared to a free subscription.

JCT implemented subscription-based technologies that receives regular updates and technologies with both local and international support channels.

JCT also sends out regular monthly security advisers to all users informing them of the best practices when dealing with emails, websites and external drives. The security advisor also addresses the known fact that the weakest link in the chain is often the behaviour of users.

End user security awareness is ongoing and forms an important part of the partnership with the security technologies applied to prevent attacks within the JCT environment.

The annual IT awareness workshops are scheduled to take place in Q4 at all 3 theatres.



## Operating system and maintenance

JCT staff actively check that WSUS updates run on all PCs and that PCs have the latest security patches applied. Windows 10 will be end of life in 2025 and Windows 11 was released in October 2021. Windows 10 will still be supported until 2025 and JCT will have a systematic approach to upgrading from Windows 10 as with the previous Windows 7 to Windows 10 upgrades.

## Business continuity

JCT implemented the latest virtualized systems technologies, which by design enables server virtualization, reduces the dependency of legacy hardware architecture and reduces hardware costs. On completion of the fibre connectivity between theatres, as well as links to the offsite datacentre provided by MTC, JCT is now in a position where vital backup equipment is located off site to ensure business continuity.

Positive and consistent results with regular Disaster Recovery testing to the datacentre confirms that we mitigated the risk of having backup equipment on site by moving the backup equipment to the datacentre and better protecting our data.

The first disaster recovery test for 2022 is scheduled to take place in Q4.

## Challenges

The Covid 19 pandemic has also necessitated a critical rethink of what it means to work successfully. Joburg City Theatres assisted employees to work from home during the pandemic by rolling out of iPads and laptops to allow virtual meetings to take place via Microsoft Teams. The rollout of the equipment enables users to stay safe at home and ensuring that business can continue. Broadband Internet is required for the remote sessions and JCT's current connection is in process of being upgraded to facilitate the requirements.

## Smart City

The Smart City is part of the COJ IDP 2021-26. The Smart City Strategy seeks 3 principal outcomes:

- To enhance and accelerate the delivery of quality municipal services
- To enhance the quality of life for all COJ residents, especially youth, women and the poor
- To rectify the longstanding spatial and economic barriers inherited from our apartheid past.



**There are 8 different Pillars of the Smart City Strategy.**

This quarter JCT has focused on the following sets of projects relating to the Smart City.

- **The first is around COJ's Pillar 7 Green, Resilient, and Sustainable COJ**

The quarter JCT saw the installation of the gas generator at Joburg Theatre. This is a first in South Africa, in conjunction with City Power. A gas generator is cost effective, produces less noise pollution and is more environmentally friendly than a diesel generator. The generator will allow productions to take place during load shedding. In addition, extra power will be used by City Power to assist the power grid during peak periods.

The project commenced and contractors broke ground to build the foundations and generator room for the housing the generator. In the beginning of March 2022, the generator was delivered to Joburg Theatre and placed in the room specifically constructed.

JCT is currently engaging with City Power to plan the timelines for connecting the generator to the power grid. A request was made for JCT to install a 280 meter long fibre connection from the generator to the JCT's firewall. The connection will enable the supplier to monitor the generator. JCT will cover this requirement as an IT project and will commence with the project as soon as trenching from the generator location to the substation is completed.

- The second is around COJ's Pillar 8 Digital Joburg & Smart Governance

Tickets for all JCT productions is available online and accessible via desktop, and all mobile devices, as well as call centre. Patrons don't need to purchase tickets in person. Tickets can be downloaded to mobile phones. Virtual tickets can be scanned at the theatre for entrance to productions

Joburg Theatre also load its production programmes online for patrons to download. These programmes are available online at no cost and across all social media platforms. Patrons do not need to physically purchase a programme, or exchange money in order to view the programme.

### **A smarter stage and a smarter building - Equipment upgrades and system enhancements on the Nelson Mandela Stage)**

The technology on the Nelson Mandela stage became end-of-life and suppliers could no longer support the technology. Procuring of spare parts became impossible and the availability of parts could not be guaranteed. JCT invested into upgrading the Nelson Mandela stage machinery and replacing outdated DOS operated systems and controllers with modern up to date PLC technologies. The stage equipment upgrades, combined with our continuous upgrades on sound and lighting software and equipment, brings the stage equipment in line with today's available smart technologies and brings the stage from a non- serviceable state to a serviceable state.

In addition to the physical stage upgrades, Joburg City Theatres invested in cost reduction by moving away from physical stage sets and making the transition to digital sets through acquisition of digital screens.

Digital screens replace the traditional bulky and costly set designs ensuring faster scene changes and enhanced theatrical experience.

Janice Honeyman's Pantomime Cinderella was the first production that made use of the Digital Screens in Q2, with huge success acclaimed through media reports and patrons alike. This quarter the screens were used to positive effect for both the Joyous Celebration 26 Live at the Mandela DVD recording and the Sound HQ recordings. The decision to move to digital sets attracts more producers as Joburg Theatre is now leading with innovation and technology on stage.

Joburg City Theatres continually address outdated technologies within the theatre and recently replaced the building evacuation system with a modern evacuation system. The system provides pre-recorded voice messages when triggered, that are clearly audible and with clear instructions. The system drastically improves evacuation drills and is more efficient. Regular evacuation drills are exercised and the evacuation system can be heard clearly within office areas where it previously did not function as expected.

The new evacuation systems contribute to public safety and is tested on a regular basis.

### **Theatre productions and the communities – The citizen centric approach**

Citizen centricity is an approach in which citizen participation, through the explicit or implicit expression of their needs by different means, plays an essential role in the design of strategies. Joburg City Theatres align our strategy with being citizen centric by taking the theatre productions to the community. A mobile stage is fully equipped with sound and lighting equipment. It is a smarter way to address the inequalities for citizens who do



not necessary have the means of traveling to our Theatre buildings. Communities can experience a theatre production in the areas close to home. The theatre truck can be deployed to stadiums, schools and other areas that can be utilized as venues.

The mobile truck is also assisting the following COJ departments to take the department's core messages out to communities.

1. COJ Community Development for the launch of the Saheed Foundation drumming launch
2. COJ Community Development for a GBV activation in Diepsloot
3. COJ Community Development Claremont Park – community empowerment campaign

### **COJ Smart City App**

The COJ Smart City Office and the office of the COO will provide funding for development. MTC was tasked with the implementation of COJ core departments and COJ entities to the Smart City App on behalf of the City. MTC is currently in their feasibility study stage of the project and JCT and other MOE's are waiting for the outcome of the study.

On completion, Joburg City Theatres will have a footprint under entertainment on the Smart City application, providing citizens with more JCT entertainment information and hopefully the ability to purchase tickets for shows via the application.

Following the latest CIO forum meeting MTC is busy with the project however no completion dates could be committed to, as the project in nature is complex and subjected to external parties' enrolment and commitment to the project.

### **Section 9: Compliance with Laws and Regulations**

To ensure accountability and governance arrangements are in place, Section 121(2) (c) of the MFMA supports the requirements of Section 18(1) (d) of the MSA: information on matters of governance should be communicated to communities. This should, according to Sections 65(1) (a) of the MFMA and 46 of the MSA be undertaken through the compilation and publication of the Annual Report. The purpose of such an annual report is to promote accountability to communities for decisions taken by the Council and matters relating to administrative structures, throughout a financial year.

The board of directors embraces the principles of corporate governance and considers these as the underlying philosophy in creating organisation excellence at all levels within JCT. The board of directors and the Executives recognise and are committed to the principles of openness, integrity and accountability advocated by the Code of Corporate Practices and Conduct in the King Report. The board remains steadfast in maintaining high standards of corporate governance and implementing corporate governance principles, policies and practices. Through this process, the City of Johannesburg Metropolitan Municipality as a sole shareholder and other stakeholders may derive assurance that the entity is being ethically managed according to prudently determined risk parameters in compliance with generally accepted corporate practices. Monitoring the entity's compliance with King Code on Corporate Governance forms part of the mandate of the COJ group audit committee. The board is satisfied that the company has complied with all legislation relevant to or affecting the company, as well as all regulations and codes of practice.

Compliance reporting is assessed on a monthly and quarterly basis by the City's Group Risk and Assurance Services' (GRAS) compliance division.

On a quarterly basis, the entity reports to the ARC, Board and the City (through GRAS) on compliance with the priority regulatory register, which is a tool identifying the MFMA, the Companies Act and the Occupational Health and Safety Act and Regulations (85 of 1993) and (181 of 1993) as the primary compliance pieces of legislation for purposes of reporting.

In addition, a corporate governance checklist in terms of King VI and compliance against the checklist was for the first time developed and reported on in the entity's draft annual report.

### **Statement of Compliance**

The board is responsible for ensuring that the entity complies with applicable laws and adheres to binding rules, codes and standards.

The board is committed to good corporate governance, which promotes the interests of all JCT stakeholders, upholds the principles of accountability, effectiveness, transparency, efficiency and public confidence in the entity's operations.

Accordingly, the board has established corporate governance instruments which provide a framework for the effective governance of the company and which comply with the laws and regulations applicable to JCT.

JCT strives for the highest standards of corporate governance as adopted in King IV Report. The Board of directors has incorporated the City of Johannesburg's Corporate Governance Protocol (the Protocol) in its Board Charter, which inter alia regulates its relationship with the City of Johannesburg as its sole shareholder and parent municipality in the interest of good corporate governance and good ethics.

The Protocol is premised on the principles enunciated in the King Report for Corporate Governance for South Africa. The Company steadfastly consolidated its position in respect of adherence to the King IV report on Corporate Governance. JCT's practices are, in most material instances, in line with the principles set out in the King IV Report. Ongoing steps are however taken to align practices with the Report's recommendations and the Board continually reviews progress to ensure that the company improves its Corporate Governance.

Compliance is an integral part of good governance, providing assurance on the effectiveness of the control environment through the Audit and Risk Committee.

### **Subsidiaries or associations with other companies including trusts**

There are no subsidiaries or trusts in which Joburg City Theatres is a participant.

### **Timeous notification with respect to resolutions to its members**

Minutes of the meetings of the Board of directors and its subcommittees - including resolutions - are to be circulated to members of the Board within 21 days following a meeting.

### **Financial Irregularities**

The cost of the expenditure that was identified by auditors and which should be declared as irregular expenditure amounted to R70 500 and the supplier was Tshumisano & Pottery Design CC. The Advert for this service did not stipulate local content requirement as per PPPR 8 hence it was categorised as irregular expenditure.

### **Report on Resolutions passed with the Registrar of Companies beyond expected time frame**

There have been no resolutions passed with the Registrar of Companies beyond the expected time-frame in the period under review.

## **Report of the documentation procedures and processes**

Minutes and appropriate minute books are kept for all meetings of the Board of directors and subcommittees.

### **Internal Audit Function**

JCT outsourced its internal audit function in terms of section 165 (3) of the MFMA to the Group Risk and Assurance Services GRAS from the shareholder. GRAS has a specific mandate from the Audit and Risk Committee and independently appraises the adequacy and effectiveness of the company's systems, financial internal controls and accounting records, reporting its findings to the Auditor General as well as the Audit & Risk Committee. GRAS interacts with the Chief Financial Officer, and reports to the Audit and Risk Committee on a functional basis and has direct access to the Chairperson of the Board.

The Joburg City Theatres' internal audit coverage plan is based on risk assessment performed at each operating unit. The coverage plan is updated annually, based on the risk assessment and results of the audit work performed.

## **Corporate Ethics and Organisational Integrity**

### **Code of Ethics**

The board provides effective leadership based on a principled foundation and the entity subscribes to high ethical standards. Responsible leadership, characterised by the values of responsibility, accountability, fairness and transparency, has been a defining characteristic of the entity since the company's establishment in 2000.

The fundamental objective has always been to do business ethically while building a sustainable company that recognises the short- and long-term impact of its activities on the economy, society and the environment. In its deliberations, decisions and actions, the board is sensitive to the legitimate interests and expectations of the company's stakeholders.

The company has a Code of Conduct ("the Code") which has been fully endorsed by the Board and applies to all directors and employees. The Code is regularly reviewed and updated as required to ensure it reflects the highest standards of behaviour and professionalism.

Upon commencement of employment, all new employees receive a contract of employment and a Policies and Procedures Manual and sign acknowledgment of receipt of both documents. The contract of employment contains clauses referring to the Code of Conduct, as well as other Policies and Procedures applicable to all employees. A copy of the signed contract, together with a document stating that the employee has received the Policies and Procedures Manual, is kept on the individual's personnel files.

The Policies and Procedures Manual is updated on a regular basis by the Governance department in consultation with other departments. The updated policies are communicated with management as well as all employees; thereafter all employees receive copies of the updated policies and sign an acknowledgement of receipt.

It is the responsibility of the theatre's heads of departments (HODs) to monitor compliance with the Company's Code of Conduct in conjunction with the Human Resources Manager. Employees committing a breach of the Company's Code of Conduct are dealt with in a fair and consistent manner by management, in accordance with the Disciplinary Code and Procedures. Joburg City Theatres service providers, suppliers and trade partners are subject to the Code. It is the opinion of the Board of directors that the company complies with the highest ethical standards in all matters of business.

In terms of the Code of Conduct and Ethics Implementation Plan, mechanisms are being developed to verify observance of code and make it known within JCT. After adoption, the code was sent to all employees in electronic and hard copy formats and Mr Makhaola Ndebele was appointed as ethics officer for the company. He is responsible for ensuring compliance and creating innovative ethics training formats, and setting up ethics

help line amongst other responsibilities. Ethics remain a standing agenda item in the Remuneration, Social and Ethics committee meetings to monitor adherence to the Code.

#### **Register of Directors interest in contracts**

Directors of the company are continuously advised to declare any interests they hold in any contracts that the company might enter into. To this end, the directors are supplied with a form on which to declare their interests and declared interests are then entered into the company register. There has not been any material interest declared as at the date of this report.

#### **Report on the prohibition of disposal of assets contained in Section 115 of the Companies Act**

No assets as contained in Section 115 were disposed.

#### **Compliance Monitoring and Reporting**

The Joburg City Theatres has established and maintains a system of risk management in accordance with the provisions of the Municipal Finance Management Act, the King IV report on Corporate Governance and Risk Management Standards as applicable.

The Audit and Risk Committee carry out oversight over the governance and management of risk in Joburg City Theatres, which is a committee of the Board of Directors. The Audit and Risk Committee meets on a quarterly basis (or as regularly as may be agreed between the Board and the Committee) and operates in accordance with an approved term of reference.

#### **Risk Management Framework and Policy and the Compliance Advisory and Assurance Framework**

- The entity is using **Group Risk Management Framework and Policy**.
- Similarly, the ME's **Compliance Framework** is aligned to the CoJ Group Compliance Advisory and Assurance Framework.
- The Risk Management Framework and the Compliance Monitoring Framework are reviewed annually.




#### **Annual Risk Management Plan**

The Committee oversees progress on the implementation of the annual plan at each quarterly meeting and has confirmed that the entity's plan is aligned to the City's Group Risk.

As at end of 3<sup>rd</sup> Quarter, the progress against the plan was as follows:

<b>Activity</b>	<b>% completed</b>
Operational Risk Register Monitoring	100% and or fully implemented
Strategic Risk Register Monitoring	100% and or fully implemented

**Table 1: Quarterly Risk Management Status Update**

 <b>LOW</b>	 <b>MODERATE</b>	 <b>HIGH</b>
↔ Residual risk remains unchanged	↑ Residual risk has improved	

**Status on implementation of the risk response / treatment plans for significant risks reported**

Risk name	Causes/background to the risk	Residual rating				Within risk tolerance	Status of implementation of treatment plan
		Q1	Q2	Q3	Q4		
Business disruption	Global pandemic (COVID-19), Lockdown regulations, Political unrest /Criminality, Load shedding, Water cut.	High	High	High		No	↔ Backup Generator has been delivered and will be fully operational in the 1 <sup>st</sup> quarter of 2023

Risk name	Causes/background to the risk	Residual rating				Within risk tolerance	Status of implementation of treatment plan
		Q1	Q2	Q3	Q4		
Inconsistent attendance at theatre show.	High cost of productions and the need to recover costs, Effect of the country's economic status, Lack of exposure of potential audiences to the theatre experience, Load shedding, Fear of COVID-19, Fear of crime in the area, Disaster Management regulations and limited audiences allowed in the theatre	High	Moderate	Moderate		Yes	
'Aged, obsolete and outdated stage machinery and equipment	Stage upgrade is now at 95% completion	Low	Low	Low		Yes	
Lack of brand positioning and brand awareness of JCT	Inadequate marketing budget, Ineffective implementation of the marketing strategy.	Moderate	Moderate	Moderate		Yes	



Risk name	Causes/background to the risk	Residual rating				Within risk tolerance	Status of implementation of treatment plan
		Q1	Q2	Q3	Q4		
Theft, fraud and corruption	Conflict of interest, Inadequate segregation of duties / Inadequate or no supervision, Weak internal control environment - cash handling / administrative procedures, Lack of accountability, Poor work ethics, Greed, collusion, bribery, Inadequate IT access controls, Inadequate physical security controls, cyber attack	Moderate	Moderate	Moderate		Yes	↕
Non-compliance with applicable legislation	Various and dynamic legislative requirements to be complied with. There is a requirement to comply with MSCOA	Moderate	Moderate	Moderate		Yes	↕
Limited programmes available for newly trained Arts Practitioners.	Limited in-house production to absorb newly trained practitioners	Moderate	Moderate	Moderate			↕

**Information on emerging / new risks**

None.

**Major projects and contracts risk profiles**

JCT does not have major projects that have a significant risk exposure to the entity and the COJ.

**ICT risk governance & ICT risk management**

Risk name	Causes/background to the risk	Impact on the entity	Treatment plan	Q1	Q2	Q3	Q4
Business interruptions	MTC has a backup power now for its network equipment in Jabulani civic centre.	Soweto theatre's connectivity to Jabulani Civic Centre and to Joburg Theatre is lost when there is power outage	Backup power during load shedding Container installed at Civic Centre, Container has UPS and keeps network equipment.	Moderate	Moderate	Moderate	

**Fraud risk management / fraud prevention**

The entity has an approved fraud prevention policy and fraud hotline. During fraud risk assessment conducted, the following fraud risk exposure has been identified:

Risk name	Causes/background to the risk	Impact on the entity	Treatment plan	Q1	Q2	Q3	Q4
Fraud and Corruption	There could be a possibility of Car theft, nepotism, collusion, overtime payment, false travel claims, etc.	Reputational damage and financial loss	Continue doing workshops. Monitoring of compliance	Low	Low	Low	

### **Risk transfer – exposures**

There were two incidents reported in this quarter under review.

### **Legal and regulatory compliance**

The City's Group Risk and Assurance Services' (GRAS) compliance division assess compliance reporting on a monthly and quarterly basis.

On a quarterly basis, the entity reports to the ARC, Board and the City (through GRAS) on compliance with the priority regulatory register, which is a tool identifying the MFMA, the Companies Act and the Occupational Health and Safety Act and Regulations (85 of 1993) and (181 of 1993) as the primary compliance pieces of legislation for purposes of reporting.

The entity relies on a Priority Regulatory Register which is a measurement tool adopted by the City of Joburg group for measuring compliance with various pieces of legislation and regulations. The Priority Regulatory Register for the entity measures compliance with the Companies Act, the MFMA and the Occupational Health and Safety Act (OHSA). Compliance per the register is measured on a quarterly basis and where compliance is claimed relevant evidence for assurance purposes by GRAS supports the claim.

The results of the compliance register are reported to the ARC and the board on a quarterly basis. Similarly, on a monthly basis, the entity rates its compliance with Circulars 668 and 65 of the MFMA. Submission of these reports is done to GRAS for assessment. These reports are also presented to the ARC and the board.

Performance reporting against the entity's Service Delivery and Budget Implementation Plan (SDBIP) is done to the Mayoral Committee and Council on a quarterly basis.

For the period under review, regular reporting requirements to Council as prescribed by the MSA were fulfilled.

### **Compliance Monitoring and Reporting**

The Entity has established the following mechanisms to monitor compliance with applicable laws and regulations:

- Compliance tool

#### **Circular 68**

##### **(i) Fruitless and Wasteful Expenditure**

The Entity identified the following instances of fruitless and wasteful expenditure:

- None

## **(ii) Unauthorised Expenditure**

The Entity identified the following instances of unauthorised expenditure:

- None

## **(iii) Irregular Expenditure**

- None identified in the quarter under review

## **(iv) Payments exceeding 30 days of receipt of invoice**

No incidents of payments exceeding 30 days have been identified.

## **Priority Legislation**

The Entity has established the following mechanisms to monitor compliance with applicable laws and regulations:

- Compliance Framework and tool
- Compliance SOP (Standard Operating Procedure)
- Compliance Profile Assessment Tool

## **Occupational Health and Safety Act and Regulations (85 of 1993)**

- Every employer shall provide and maintain, as far as is reasonably practicable, a working environment that is safe and without risk to the health of his employees.

## **Municipal Finance Management Act and Regulations Act of 56 of 2003**

- The accounting officer of the municipality must submit that information to national treasury, the Auditor General, and the relevant Provincial Treasury in writing.

## **Companies Act**

- The Companies Act, 2008 requires all companies to keep accurate and complete accounting records, which must be kept and be accessible at the company's registered office.
- All companies (including external companies) and close corporations are required by law to lodge their annual returns with CIPC within a certain period time every year. An annual return is a statutory return in terms of the Companies and Close Corporations Acts and therefore MUST be complied with. Failure to do so will result in the Commission assuming that the company and/or close corporation is not doing business or is not intending on doing business in the near future. Non-compliance with annual returns may lead to deregistration, which has the effect that the juristic personality is withdrawn and the company or close corporation ceases to exist.

## **Combined and Integrated Assurance and Oversight**

An integrated and combined assurance approach has been adopted for the purposes of maximising assurance provision and therefore aggregation of assurance outcomes.

## **Joburg City Theatres Top Strategic risks**

The top strategic risk areas for the financial year 2021/22 have been re-evaluated and monitored continuously during the 3<sup>rd</sup> quarter. This entailed the re-evaluation of the strategic risk landscapes and the identification of new emerging risks.

The measurement, prioritisation and ranking of the risk exposures has been in accordance with the formally adopted group risk assessment methodology. The prioritisation of the top risks is to ensure that adequate assurance resources can be directed to those risks that need more attention of management, and therefore combined assurance mapping is adequate and effective.

### **Discussion**

The consolidation of assurance outcomes is based on the work done as at the end of 3<sup>rd</sup> Quarter of 2021/22 and are summarised herein. The report therefore covers the following:

- strategic risks and residual risk profile for 3<sup>rd</sup> Quarter of 2021/22;
- Strategic and operational risk monitoring;
- Strategic risk mapping to the Priorities.

### **Joburg City Theatres Top Strategic Risks Monitoring**

The top strategic risks are monitored continuously and communicated to management on a monthly basis. The Top Strategic risks are mapped to the Specific priorities focus areas for JCT and have been assigned risk ownership and action ownership at Departmental level.

The risk and action ownership was agreed to with the Executive Management Team during the risk assessment workshop. Management is apprised on an-ongoing basis of the progress being made to implement risk mitigation actions and therefore management of associated risk exposures. For the purposes of monitoring risks and risk movements, Key Risk Indicators have been identified for each strategic risk area:

### **Quarterly Risk Management Status Update – Management (Level 1 Assurance)**

The Audit and Risk Committee confirms that the Committee has reviewed the Strategic risk profile of the ME, ensuring that these are aligned to the citywide top strategic risks as applicable. During the quarter under review, Joburg City Theatres experienced the following significant highlights from a risk management perspective:

#### **i) Business Disruption:**

The root cause for business disruption are as follows: Global Pandemic (COVID-19), Lockdown regulations, Political unrest/Criminality, Load shedding and water cut.

**Progress on implementation per action plan-** The country is currently operating under alert level 1 in terms of the risk-adjusted strategy, which allows live performances to limited audiences as per the Disaster Management Regulation. Procured the backup generator for the shows and it was delivered on March 2022, Virtual meeting and remotely working has become a practice to avoid large gatherings in small spaces, Increase in subsidy allocation from shareholder, Implementation of health and safety regulations, A COVID19 Compliance Officer has been appointed, JT has successfully procured backup generator, ST has an emergency generator for lighting, RT has a generator however

does not provide sufficient power to run all the operations, Implementation of the Business Continuity Plan. Employees are working in separate areas to observe social distancing. Theatre is continuously encouraging online bookings to avoid cash exchange.

According to the action plans in the risk register, the following is still to be done by end of the financial year so that the generator can be operational:

2MVA Genset Outstanding Activities: 2022	Dates
<b>Mechanical Installations</b> Generator Installation <u>Waterpipe</u> work Installation Radiator Installation on roof Neutral Earth Resistor Installation	<b>Apr-22</b>
<b>Medium Voltage, Low Voltage &amp; Gas Installation</b> MV Switchgear Installation LV Panel Installation Electrical Isolator Installation MV, LV Power, Control Cables & <u>Earthing</u> Communication Cables (fibre optics) High Pressure Gas Pipeline Installation Onsite Gas meter station Installation	<b>May-22</b>
<b>Commissioning</b> Gas Generator & Accessories Control System Configuration Gas Generator Testing and Optimization Customer Training	<b>Jun-22</b>
<b>Handover</b> <u>Gas Genset</u> Documentation submission Completion of handover	<b>Jun-22</b>

ii) **Inconsistent attendance at theatre show:**

High cost of production and the need to recover costs, Effect of the country's economic status, Lack of exposure of potential audiences to the theatre experience, Load shedding, Fear of COVID-19, Fear of crime in the area, Disaster Management regulations and limited audiences allowed in the theatre.

**Progress on implementation per action plan**– Different pricing structures based on product and venue, offering a limited number of discounted and/or free tickets to the youth and senior citizens, mobile theatre truck used to take the arts to targeted diverse communities, action to engage stakeholder to ensure safety in the precinct, customer satisfaction survey conducted after every show, marketing plan developed for each production.

Sponsorship policy is implemented to target sponsorship. A comprehensive survey is being conducted to establish audience needs. Theatre is currently engaging with JMPD and SAPS to police the precinct. A marketing plan for each production is being implemented.



**iii) Aged, obsolete and/or outdated stage machinery and equipment:**

The stage upgrade is now at 95% completion.

**Progress on implementation per action plan**– The project plan to upgrade the stage machinery. Theatre calendars are aligned with the project plan and the project manager and steering committee is in place to oversee the implementation of the project.  
The current controls look adequate to address the risk in its current form.

Inadequate marketing budget and ineffective implementation of the marketing strategy.

**iv) Lack of brand positioning and brand awareness of JCT:**

Inadequate marketing budget and ineffective implementation of the marketing strategy.

**Progress on implementation per action plan** - Media partnerships for productions at each theatre, media database management, continuous productions awareness campaigns, marketing strategy in place.

**v) Theft, fraud and corruption resulting in financial and non-financial loss:**

Conflict of interest, Inadequate segregation of duties / Inadequate or no supervision, Weak internal control environment - cash handling / administrative procedures, Lack of accountability, Poor work ethics, Greed, collusion, bribery, Inadequate IT access controls and Inadequate physical security controls, Cyber-attack.

**Progress on implementation per action plan** - The Anti-Fraud and Anti-Corruption policy in place, Fraud prevention plan, Code of conduct, Segregation of duties, Declaration of interests, Gift register in place and Remuneration, Social and Ethics Committee, conduct fraud risk assessment annually and anti-fraud and corruption awareness workshops.

Management is continuously conducting antifraud and corruption awareness workshop and fraud risk assessment.

**vi) Non-compliance with applicable legislation:**

Various and changing legislative requirements to be complied with and there is a requirement to comply with MSCOA.

**Progress on implementation per action plan** - Regulatory compliance register/ assessment tool monitored by the Company Secretary, compliance policy and framework in place, presented to the BOD the impact and progress on MSCOA compliance, quarterly reporting to oversight committees on compliance and entity is currently transacting on MSCOA.

Review of regulatory compliance register, continuous monitoring reporting on compliance and seamless integration of systems will be completed on implementation of SAP.

**Limited programmes available for newly trained Arts Practitioner:**

Limited in-house production to absorb newly trained practitioners.

**Progress on implementation per action plan** - Applied Performing Arts and Arts Management partnership with WITS, weekly drama workshops and mentoring and upskilling of internal staff in key positions on in house productions.

The entity is establishing partnership with other role players in the industry.

## **Quarterly Risk Management Status Update – Group Risk and Assurance Services (Level 2 Assurance)**

- **Group Risk Services**

Group Risk Services continuously conducts risk assessment of Joburg City Theatres to 5 strategic risks, this entails assessing the mitigating actions and progress on implementation of action plans.

The table below depicts the Joburg City Theatres risk highlights for the quarter under review based on the assessment conducted by Group Risk Services.

Ref	Risk Description	Mitigating actions	Progress on implementation per action plan
1	<b>Business disruption</b>	<ol style="list-style-type: none"> <li>1. Global pandemic (COVID-19)</li> <li>2. Lockdown regulations</li> <li>3. Political unrest / Criminality</li> <li>4. Load shedding</li> <li>5. Water cut</li> </ol>	<ol style="list-style-type: none"> <li>1. live performances are allowed to limited audiences as per the Disaster Management Regulation,</li> <li>2. Procured the backup generator for the shows and it was delivered on March 2022,</li> <li>3. Virtual meeting and remotely working has become a practice to avoid large gatherings in small spaces,</li> <li>4. Increase in subsidy allocation from shareholder, Implementation of health and safety regulations, A COVID19 Compliance Officer has been appointed,</li> <li>5. JT has successfully procured backup generator,</li> <li>6. ST has an emergency generator for lighting,</li> <li>7. RT has a generator however does not provide sufficient power to run all the operations,</li> <li>8. Implementation of the Business Continuity Plan.</li> <li>9. Employees are working in separate areas to observe social distancing.</li> <li>10. Theatre is continuously encouraging online bookings to avoid cash exchange.</li> </ol>
2	<b>Inconsistent attendance at theatre show.</b>	<ol style="list-style-type: none"> <li>1. High cost of productions and the need to recover costs.</li> <li>2. Effect of the country's economic status.</li> <li>3. Lack of exposure of potential audiences to the theatre experience</li> <li>4. Load shedding</li> <li>5. Fear of COVID-19</li> <li>6. Fear of crime in the area.</li> <li>7. Disaster Management regulations and limited audiences allowed in the theatre</li> </ol>	<ol style="list-style-type: none"> <li>1. Different pricing structures based on product and venue.</li> <li>2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens</li> <li>3. Mobile theatre truck used to take the arts to targeted diverse communities.</li> <li>4. Action to engage stakeholder to ensure safety in the precinct</li> <li>5. Customer satisfaction survey conducted after every show.</li> <li>6. Marketing plan developed for each production</li> <li>7. Implementation of sponsorship policy to target sponsorship.</li> <li>7. Conduct comprehensive survey to establish audience needs</li> <li>8. To engage JMPD and SAPS to police the precinct.</li> <li>9. Implement a marketing plan for each production.</li> </ol>

3	<b>Aged, obsolete and outdated stage machinery and equipment</b>	1. Stage upgrade is now at 95% completion.	<ol style="list-style-type: none"> <li>1. Project plan to upgrade the stage machinery.</li> <li>2. Theatre calendars are aligned with the project plan</li> <li>3. Project manager and steering committee is in place to oversee the implementation of the project.</li> <li>4. The current controls look adequate to Address the risk in its current form</li> </ol>
4	<b>Lack of brand positioning and brand awareness of JCT</b>	<ol style="list-style-type: none"> <li>1. Inadequate marketing budget</li> <li>2. Ineffective implementation of the marketing strategy.</li> </ol>	<ol style="list-style-type: none"> <li>1. Media partnerships for productions at each theatre</li> <li>2. Media database management</li> <li>3.1. Continuous productions awareness campaigns.</li> <li>3.2. Marketing strategy in place.</li> <li>4. To review marketing and communication strategy</li> <li>5. To organise online promotional campaigns for brand awareness in line with the budget</li> </ol>
5	<b>Theft, fraud and corruption.</b>	<ol style="list-style-type: none"> <li>1. Conflict of interest</li> <li>2. Inadequate segregation of duties / Inadequate or no supervision</li> <li>3. Weak internal control environment - cash handling / administrative procedures</li> <li>4. Lack of accountability</li> <li>5. Poor work ethics</li> <li>6. Greed, collusion, bribery</li> <li>7. Inadequate IT access controls</li> <li>8. Inadequate physical security controls</li> <li>9. Cyber attack</li> </ol>	<ol style="list-style-type: none"> <li>1. Anti-fraud and anti-corruption policy in place.</li> <li>2. Fraud prevention plan</li> <li>3. Code of conduct</li> <li>4. Segregation of duties</li> <li>5. Declaration of interests</li> <li>6. Gift register in place</li> <li>7. Remuneration, Social and Ethics Committee</li> <li>8. Fraud risk assessment conducted annually</li> <li>9. Anti-fraud and corruption awareness workshops conducted</li> <li>10.1. Continue to conduct anti-fraud and corruption awareness workshop</li> <li>10.2. Continue to conduct Fraud risk assessment</li> </ol>
6	<b>Non-Compliance with legal legislation</b>	<ol style="list-style-type: none"> <li>1. Various and changing legislative requirements to be complied with.</li> <li>2. There is a requirement to comply with MSCOA</li> </ol>	<ol style="list-style-type: none"> <li>1. Regulatory compliance register/ assessment tool monitored by the Company Secretary.</li> <li>2. Compliance policy and framework in place</li> <li>3. Presented to the BOD the impact and progress on MSCOA compliance.</li> <li>4. Quarterly reporting to oversight committees on compliance.</li> </ol>

7	<p><b>Limited programmes available for newly trained Arts Practitioners</b></p>	<p>1. Limited in-house production to absorb newly trained practitioners</p>	<p>5. Entity is currently transacting on MSCOA          6.1 Review of Regulatory compliance register          6.2 Continuous monitoring reporting on compliance.          7. Seamless integration of systems will be completed on implementation of SAP</p>
		<p>1. Limited in-house production to absorb newly trained practitioners</p>	<p>1. Applied Performing Arts and Arts Management partnership with WITS.          2. Weekly drama workshops          3. Mentoring and upskilling of internal staff in key positions on in-house productions.          4. Establish partnership with other role players in the industry</p>

- **Internal Audit**

Due to the disruptions of Covid- 19, internal audit for 2021/22 is still in progress.  
 The assurance outcomes by internal audit are based on the work done in fourth quarter of the 2020/21 financial year.

- **External Audit (Auditor General of SA)**

The officer of the Auditor General has completed their audit of 2020/21 in the 3rd quarter of the current financial year.  
 The assurance outcomes by the auditor general are now based on the 2020/21 audit, Joburg City Theatres regressed in terms of the audit outcome to unqualified audit opinion in 2020/21.

**TABLE 1: SUMMARY ASSURANCE OUTCOMES – QUARTER 3 OF 2021/22**

 <b>LOW</b>	 <b>MODERATE</b>	 <b>HIGH</b>
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Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q3 2021/22	Level 2 – External Assurance	Level 1 and 2 Combined Assurance
	<b>Business disruption</b>	Global pandemic (COVID-19), Lockdown regulations, Political unrest /Criminality, Load shedding, Water cut.	Q3 Residual Risk High	Internal Audit High Risk Advisory Services High	Level 2 – integrated assurance High Auditor General High Combined Assurance High



Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes – Q3 2021/22	Level 2 – External Assurance	Level 1 and 2 Combined Assurance			
			Q3 Residual Risk	Internal Audit	Risk Advisory Services	Level 2 – Integrated assurance	Auditor General	Combined Assurance
	<b>Inconsistent attendance at theatre show.</b>	High cost of productions and the need to recover costs, Effect of the country's economic status, Lack of exposure of potential audiences to the theatre experience, Loadshedding, Fear of COVID-19, Fear of crime in the area, Disaster Management regulations and limited audiences allowed in the theatre.	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate
	<b>Aged, obsolete and outdated stage machinery and equipment</b>	Stage upgrade is now at 95% completion	Low	Low	Low	Low	Low	Low

Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q3 2021/22		Level 2 – External Assurance		Level 1 and 2 Combined Assurance		
			Q3 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 – integrated assurance	Auditor General	Combined Assurance
	<b>Lack of brand positioning and brand awareness of JCT</b>	Inadequate marketing budget, Ineffective implementation of the marketing strategy.	Moderate	↕	Moderate	Moderate	Moderate	Moderate	Moderate
	<b>Theft, fraud and corruption</b>	Conflict of interest, Inadequate segregation of duties / inadequate or no supervision, Weak internal control environment - cash handling / administrative procedures, Lack of accountability, Poor work ethics, Greed, collusion, bribery, Inadequate IT access controls, Inadequate physical security controls, cyber-attack.	Moderate	↕	Moderate	Moderate	Moderate	Moderate	Moderate

Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes – Q3 2021/22		Level 2 – External Assurance			Level 1 and 2 Combined Assurance		
			Q3 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 – integrated assurance	Auditor General	Combined Assurance	
	<b>Non-compliance with applicable legislation</b>	Various and dynamic legislative requirements to be complied with. Non-compliance could be detrimental to the company. Shelving of RCT has been hanging for some time. This poses a challenge of wasteful expenditure. There is a new requirement to comply with MSCOA.	Moderate	↕	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate
	<b>Limited programmes available for newly trained Arts Practitioners.</b>	Limited in-house production to absorb newly trained practitioners.	Moderate	↕	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate

## **Summary Discussion of Operational Risks**

### **Operational Risks - Monitoring and assurance**

Operational risk assessment reviews for all the departments for the current financial year have been completed. These are key operational risks that have been highlighted herein to evidence the implementation of a combined assurance; and the integrated assurance approach within JCT.

#### **• Group Internal Audit**

Group Internal audit commenced with the audit during the second quarter of the current financial year. The internal audit coverage plan is linked to the top 5 strategic risks of Joburg City Theatres, even though the audit is still in progress at the end of the quarter, certain components were complete, and therefore assurance could be provided on completed components, by the end of the period under review assurance from internal audit could only be provided on completed components.

## CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

### Section 1: Highlights and Achievements

# JOBURG THEATRE

For the third quarter, we welcomed the new calendar year with a commemoration of the Isandlwana Lecture returned onto the Lesedi Stage. Joburg Theatre had an honour and privilege to host **Isandlwana Lecture: The Musical** again as we welcomed back the audiences that have been highly anticipating this show. The opening night and the nights following were a success as the theatre was a full house and the show received a standing ovation each night. Musician and cultural doyen Mbuso Khoza led The Afrikan Heritage Ensemble in reliving the story of the battle of Isandlwana where Zulu warriors outthought the British army in Africa's most famous anti-colonialist clashes.

The award-winning Khoza, who is also a heritage consultant, regaled audiences with intimate details of the national psyche leading up to, as well as during, and the aftermath of this historical event occurrence. He achieved the above mentioned by using lyrics and harmonies written and performed during the battles of Isandlwana. It is of utmost importance to bring such legendary stories to the people in an effort to continue educating the young people as well as reviving the spirit of the older generation by creating platforms for such historic events to be relived.





Afro Arts SA in association with Joburg Theatre, Palestine Festival South Africa, Discover TV, Narr8 Studio, and South African, Palestinian, and international artistes and social justice initiatives presented a **Memorial service tribute in celebration of the life of the global icon Arch-Bishop Desmond Mpilo Tutu**. Desmond Mpilo Tutu was a South African Anglican bishop and theologian known for his work as an anti-apartheid and human rights activist. This was a mammoth undertaking under very close timeframes that was pulled together in less than a month involving multiple technical teams in SA and elsewhere volunteering their time and services. Interviews and recordings of the artists with the national team from Narr8 Studios were carried out. Afro Arts SA with Discover TV coordinated the recordings at the Joburg Theatre. All this has been self-funded with technical and other services being volunteered and artists generously producing dedicated offerings all in honour of the Archbishop.

The livestream was carried live on 3 international television channels (including Palestine TV that recorded a viewership of over 4 million, Look-UpTV in Kenya about a million and a half and it continues to be shared on social media platforms by the participant artistes, their followers and the civil society organisations that endorsed the event. Feedback received has been wonderful and the estimated viewership now exceeds 7, 3 million. There has been wide coverage prior to and following the livestream that was supported by arts and media agencies along with radio and TV channels that undertook interviews with the organisers and artistes.

The tribute was streamed in all our social media pages for South Africans to join. This tribute marked a life well lived and the impact that the bishop had on people all over the world. The celebration was done with contributions by [Angélique Kidjo](#), [graB iaN](#) [البرغوثي](#), Susan Abulhawa, [Diana Ferrus](#), [Chester Missing](#), [Dignidad Rebelde](#), [Mak Manaka](#), Nicki Wells, [Pieter-Dirk Uys](#), [Zapiro](#), [Vuyani Dance Company](#), [Silke Heiss](#), [Bokani Dyer - Artist Page](#), [Zuko Dolls](#), Carlos Latuff, [Nomcebo Zikode](#), Nanda Soobben, [Forward Mazuruse](#), [Concord Nkabinde \(Artist page\)](#), [Luisa Morgantini](#), Jayesper Moopen, [Zain dagga](#), [mahershawamreh](#), Kamila Shamsie, [Amer Zahr](#), [Marc Lottering](#), [Neo Motsatse](#) and many more!

An exclusive screening took place at the Lesedi Theatre for under a 100 people. The exclusive screening comprised of the string quartet KAMVA, performer and a keyboard player, a couple of speeches and many international videos and recordings.







The return of **CION: Requiem of Ravel's Bolero** finally took place after countless postponements due to the global Covid-19 pandemic. Joburg Theatre's Nelson Mandela stage was set alight with this much-anticipated masterfully choreographed dance piece by Gregory Maqoma, which looks to take its place on global stage. CION became the first production on the renewed Mandela Stage and what a way to kick off 2022. Even though so many have watched this piece before, this version was absolutely amplified and has created its own experience of a kind.

From the thoroughly thought provoking, resplendent of tragic death mood with crosses epitomizing the 'requiem' - a mass for the repose of the souls of dead people set design of the stage by Oliver Hauser to Mannie Manin's extensive experience of lighting designer, the motion is brightened only slightly after a spell to show its mournful figure walking through a graveyard effervescent to figures chanting and singing to the amazing sound from an accomplished sound designer Ntuthuko Mbuyazi. "Dance appreciation among local audience with CION: Requiem of Ravel Bolero summits a new high and flawless exhibition of local talent after long months of movement restrictions due to Lockdown regulations. This piece boasted an impressive tapestry of all the performance art forms from poetry to rap, from accapella to vocal styles of Isicathamiya and Mbube, from African spirituality to western religious forms of healing, from storytelling to musicality of greatest order from an award winning musical composer Nhlanhla Mahlangu and GRAMMY award winning Soweto Gospel Choir." – Wrote Chepape Makgatho

The production left many in awe of its indescribable beauty with its well-deserved standing ovations night after night. Gregory Maqoma, the founder of Vuyani Dance Company shared that he drew inspiration from creations by two artists: the character Toloki in South African author Zakes Mda's novel Cion, and music from French composer Maurice Ravel's Boléro. This production was brought to life in collaboration with the City of Joburg's Arts Culture and Heritage Department. The production had three sold out shows and an additional show due to popular demand had to be added which also sold out. The performances were nothing short of amazing as patrons raved on the excellence of the entire production,

*"Watching Cion is an outer body experience. Some needed therapy. We don't value enough, the world class brilliance in our own people my goodness..."* - Refilwe Modiselle.

*"You made a spectacular piece here, CION. It is magical, big up to the entire production. It was epic #CION"* - Billy Monama.



Gauteng Department of Sports, Arts, Culture and Recreation held final auditions for the **Central Corridor Ishashalazi & Motjeko** festival at The Peoples theatre. The judges selected five poetry ensembles from fifteen poets and five drama shows from ten drama shows, and on the last day of the auditions they selected five dance groups from twenty-two dance groups who came in for the auditions. The selected five of each discipline represented Central Joburg Corridor during the provincial Festival in February 2022 where all five corridors were competing. The auditions ran smoothly as they were well structured, and everyone seemed well prepared for their different roles in the audition. The adjudicated productions further had a run at the Lesedi theatre a few weeks later.



Jozi Food and Music Saturdays at Stages Restaurant continued and this quarter it started with covering the theme of World Leprosy Day with the amazing and talented groups. The poet and vocalist Nomashenge and her band as well as the Ark of Arts band entertaining and keeping the audience captivated while sipping on drinks and enjoying Stages finest menu prepared specially by our chef for these kind of Saturdays.

To celebrate Valentine’s Month, Joburg Theatre ended with a fully booked event. Sliq Angel and Bongi Mthobeni graced the patrons with love songs and a bit of pop music covers. This was definitely a night to remember at the Stages restaurant with lots of sing along and happy dancing. All covid-19 protocols were followed with strict social distancing. The patrons have really missed live music concerts and it shows through their relentless “we want more” chants at the end of each performance.



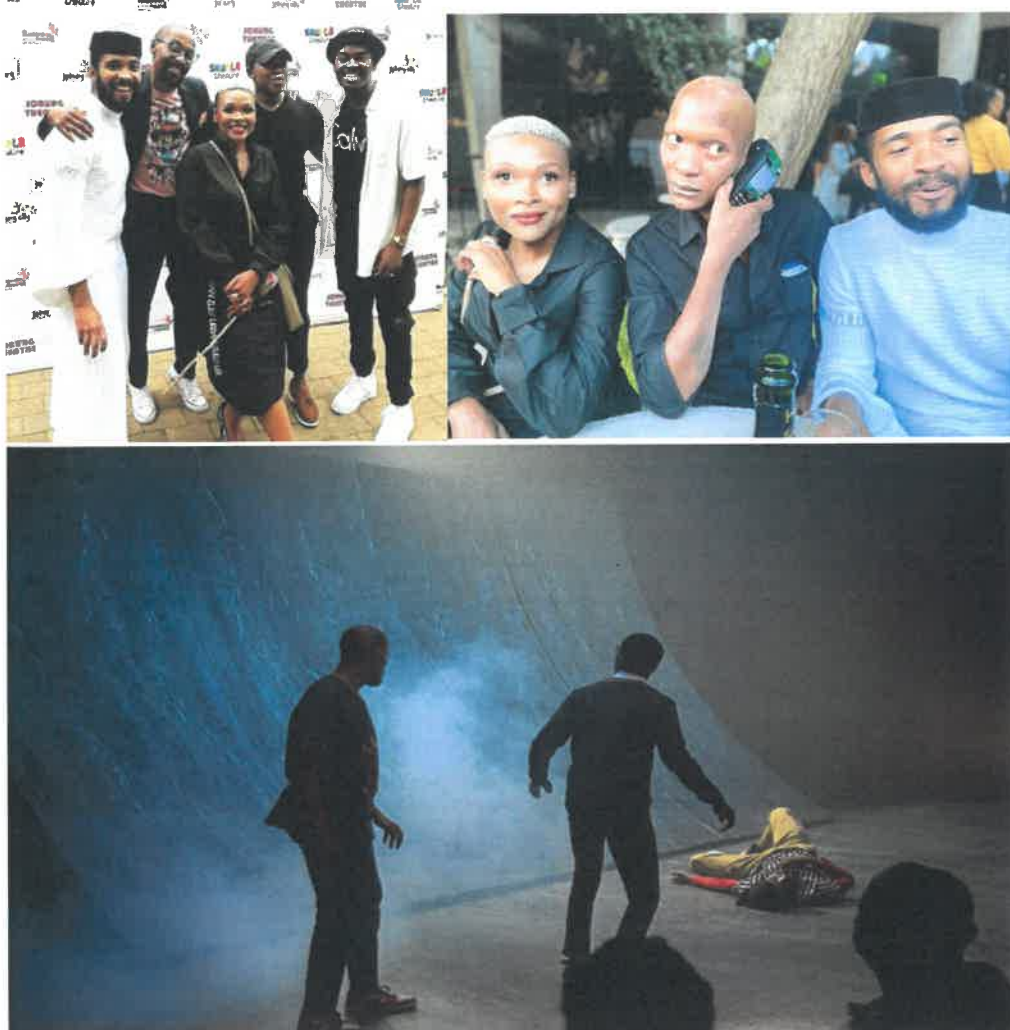


**Annual General Meeting 2022** of the City of Joburg entities was held at the Nelson Mandela Theatre. Executives were invited to join the Executive Mayor of the City of Joburg Cllr Mpho Phalatse. Joburg AGM 2022 was in line with the City's multi-party government commitment to provide clean, transparent and accountable governance in the City of Joburg. Highlighted attendees were the Chairpersons of the Municipal Entity Boards, Members of the Mayoral Committee(MMC's), Acting City Manager and senior officials.



In commemoration of Black History month **Kill Move Paradise** was co-produced with 2<sup>nd</sup> Round Productions at the Lesedi Theatre with a prestigious opening and closing night, directed by an award winning Ms. Lesedi Job. Kill Move Paradise illustrated the potential for collective transformation and radical acts of joy. A story of four black men who find themselves stuck in a waiting room for the after-life as they attempt to make sense of their new paradise. Isa, Daz, Grif, and Tiny are forced to confront the reality of their past, and how they arrived in this unearthly place.

While balancing the reality of their past and the uncertainty of their future, their souls try to find peace from senseless action and hope in the life they left behind. Inspired by the ever-growing list of slain black men and women, Kill Move Paradise illustrates the potential for collective transformation and radical acts of joy. Media, industry players and Naledi Awards judges to name a few, attended a successful season.



The award winning **MTN Joyous Celebration** hosted its 26th album "*JOY*" recording and DVD shooting on the Mandela Theatre. The songs were a hybrid of revamped traditional and contemporary hymns / songs, as well as original compositions whose combination and presentation set an exclusive evening of high praise, celebration, worship, Joy and spiritual upliftment. The tickets for the night sold out within 24 hours of openings bookings online as patrons simply could not wait to come in numbers to be part of this joyous album recording. The production had outstanding costumes with a contemporary African style and earthly colours. AV screens elevated the quality of the production in terms of scenery and also added to the Joburg Theatre as a theatre that is moving with the times and not conforming to conventional heavy sets. With the restricted capacity allowed, strict Covid-19 protocols were still followed accordingly. This was indeed a successful partnership of an amazing healing through song.





The 1st Annual Basadi in Music Awards launch took place on International Women’s Day. These newly formed awards aims to celebrate female talent in the music industry through upliftment and celebration. The launch was graced by the presence of the City of Johannesburg Executive Mayor Dr. Mpho Phalatse accompanied by the MMC for Community Development, Mr. Ronald Harris. All performers were female as well as the service providers such as public relations and social media management. These awards are a vehicle to showcase what women can achieve when given a platform to shine. Also honoured were generations of ladies who have played heroic roles in the liberation of women in the country, the continent of Africa and the world at large celebrating female talent in the music industry. Performances for the night included [@winnie\\_mashaba](#), [@hollyreymusic](#), [@brendamtambo](#), [@nhlanhla\\_nciza](#) [@candytsamandebele.za](#) [@boohlesa](#) [@makhadzisa](#) [@leratokganvago](#) and [@mamosadikb](#).





Still in the same breath of celebration women, **ARMC Women in Music** held an International Women’s Day dialogue that took place at the Lesedi Theatre. The dialogue aimed at empowering women in the industry. The event featured female artists across the country where they shared their experiences in topics such as sexual harassment, being objectified and finding recognition as women within the industry. This event was produced by the Indie Foundation and Paradise Africa, and was aimed at fostering equality in the music industry through the support and advancement of women.



**FEDA**, sponsored by Easy Equities, I too and Business Arts South Africa (BASA) held their preparation meeting for FEDA Festival 2022 at the Lesedi Theatre. High schools’ Drama Departments around Johannesburg enter each year. The festival is due to take place in May. However, the preparation and induction of the learners has started. As some of them are entering the theatre for the first time, it was important to introduce them to the stage.



Peoples Theatre is having both children and parents on lock with **Beneath the African Skies** season. Keith Smith and Jill Girard brought an ensemble of great African stories that are created particularly for children. The play is based on an African landscape that transforms itself as the wonders of the land becomes the backdrop to the myths and legends acted out by a group of amazingly talented professional actors. The play seeks to educate young people about the wonderful stories that belong to South Africa and have existed for many years and it will be running until the next quarter. Actors transform into many different animals using puppets and crafted masks. Incorporating covers of African songs sung by greats such as the late Brenda Fassie, during this quarter, the cast captivated the crowd and allowed them to sing along and dance. The production incorporated puppetry and crafted masks to portray different animals such as Lions, Monkeys and Giraffes to portray the land that the animals inhabit. Parents brought their children to watch this production both for entertainment and for education. The storytelling element of the production is fun and exciting yet very informative and enlightening



The second edition of **Kulture Blues** Festival took place at the Lesedi Theatre hosted by comedian Roni Modimola featuring Malcom Jiyane, Luyolo Lenga, Tumi Mogorosi and Gabi Motuba. Luyolo Lenga showed his appreciation for Xhosa culture and African spirituality in his music, stemming from exuberance and humility. His music pays homage to the IsiXhosa language accessing ancestral sounds from ancient bow and percussion instruments. He performed 2019's *Siphiwo Sam* and 2020's *Sabela* projects. Malcom Jiyane sonically articulated the multitudes of black blues from his album *Jiyane's* seminal debut as *Umdali*, *Spaza* and leader compositions. Tumi Mogorosi and Gabi Motuba performed selections from their repertoire, exploring ideas around the sacredness of family and Black communion. The production had a jazz feel fused with authentic African sounds from ancient African instruments. Patrons were really amazed by the talent that was presented before them.



Vincent Sekwati Mantsoe, an accomplished seasoned Dancer, Artistic director and Choreographer adorned Lesedi Theatre with his solo dance piece, **Solliidad**. Produced by Joburg Theatre and supported by the National Arts Council and The French Institute of South Africa, Mantsoe celebrated his 30<sup>th</sup> anniversary in the dance industry and during Joburg Theatre's 60<sup>th</sup> Anniversary with *Solliidad*, a story about solitude and oblivion. It was a quest to an emperor's elegant path to oblivion. The piece depicted a story where Lions preyed, Dogs howled, winds and dust raised in silent storm. Mantsoe shared his life journey in very rhythmic, passionate, and polished dance moves. It was a hybrid of Afro Fusion and Contemporary Dance with very emotive sounds that compelled the audience member to be in touch with the story being told. The production had a successful run with the likes of Vuyani Dance Company's founder Gregory Maqoma in attendance with other dance legends and enthusiasts. Vincent also facilitated master classes of "KOBA" – a dance class coined by the master himself.



Arts organisations and schools, Moving into Dance, Vuyani Dance Theatre, Oakfield College, Market Lab, Sibikwa Arts Centre were among dance enthusiasts that came to witness the magic brought by Vincent Mantsoe.



Telkom sponsored production **Sound HQ Recording** took place on the Mandela stage. The production was a free entrance by invitation only held over three days. The live recording event featured well-known gospel musicians such as Dumi Mkokstad, Busi Radebe and Tshwane Gospel Choir. The musicians covered well-known gospel songs from their collections, which led to patrons dancing and singing their hearts out. The production incorporated LED screens, which ensured very remarkable visuals and background. The recording will be featured on SABC channels over the Easter weekend.



### Mobile Theatre Truck

MMC for Community Development took to the streets of Jozi embarking on different campaigns that affect the community. The campaigns aimed to engage communities in activities by the city for the people. Two such programmes undertaken through the use of the mobile theatre truck were the Community Empowerment programme, which took place in Claremont Park in February as well as the GBV Awareness campaign that took place in Diepsloot in March.



After a successful run at the Joburg Theatre and due to public demand, the GBV Awareness production, 'The Voice' moved to the Soweto Theatre.





The production is the brainchild of award-winning veteran actor **Sello Maake Ka Ncube** and **Abafazi Bengoma**, which brings attention to the vestiges of colonization and apartheid on the black family, using a multidisciplinary approach of powerful storytelling in song, spirited dance, and audiovisuals.

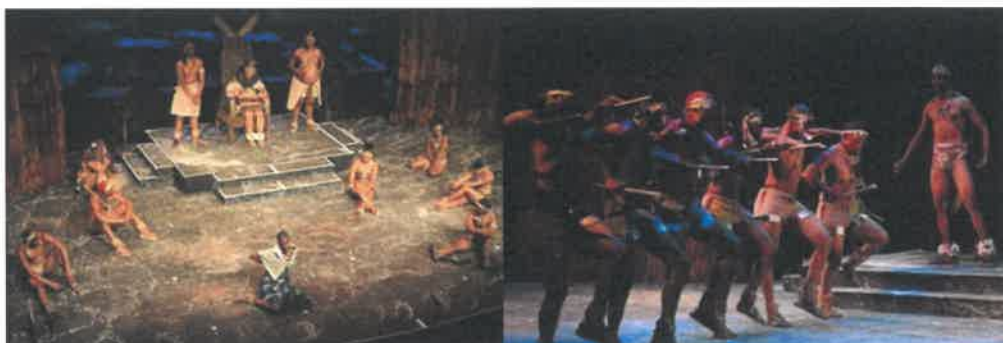
“The Voice” reverberates with songs of redemption and consciousness, an inspiring call for society to reflect, introspect and take responsibility for repairing our social and moral fiber.

During the quarter under review, Joburg City Theatres mourned the passing of Patrick Shai. It was a day filled with emotion as close friends and family members gathered at the Soweto Theatre to honour the late **Patrick Shai at his funeral service**. Shai became a household name after appearing in numerous television series, including *Generations*, *Mission Top Secret*, *Zero Tolerance*, *Hillside*, *Soul City* and *Yizo Yizo*.



Long before modern theatre came into the picture, traditional theatre existed. People watched shows such as *Mathari*, *One Must Die* and *Ifindo* that were staged in community halls. When protest theatre became dominant during apartheid, traditional stories died down. It is why playwright and director **Bogosi Bolokwe**, who also acted in *Mathari*, decided to bring the style of theatre back to introduce young people to it and remind those who have seen in the 1970s and '80s.

**Marangrang** is about a war of succession that has befallen a Monarchy in a fictitious country known as **Batswanaland** where the children of the deceased King are at each other’s throat over who is the rightful heir to the throne.



**Miss Soweto pageant** hosted an exclusive ceremony in partnership with Toyota to hand over their brand new Toyota Starlet XR model to the new reigning queen, Ludina Ngwenya. The intimate car handover ceremony took place at the Soweto Theatre in Jabulani, on Wednesday, 9 February.



The radiant beauty queen took to the stage as she delivered an emotional speech of thanks to White Star and Toyota for presenting her with her first car. She shared that she was one of the first members of her family to not only obtain her driver's license but to also drive and have a vehicle, which she noted as a great accomplishment that makes her feel very empowered as a young black female.

NATVOM utilized Soweto Blue Theatre to host one of their sessions with media personnel as they stand for National Association Township Villages and online media. Their purpose is to provide more information, knowledge and introduce the unjust structures in the media sector and the current operandi that undermines community.



The **Mzantsi Jazz Awards Company - MJAC** hosted two award-winning musicians for their Live DVD recording of their debut albums at Soweto Theatre. This is as part of their award as winners for the 5th Mzantsi Jazz Awards - MJA. Featuring a delicious mix of some of South Africa's great musicians, including Mongezi Conjwa, Siya Makuzeni and Dalisu Ndlazi among others, this was a night like you will never experience again.





Assitej South Africa and Soweto Theatre are dedicating the month of March to children in Soweto and surrounding areas with productions at Soweto Theatre till the 27<sup>th</sup> March 2022. World Theatre day is celebrated worldwide through the campaign “Take a child to Theatre” is a global initiative by Assitej on the artistic, educational and cultural rights of children and young people across South Africa.



Internationally acclaimed production, *King Cetshwayo, the Musical*, finally made its debut at the Soweto Theatre for a limited season in March. Written and produced by playwright Jerry Poe with Mbuso Khoza and Sandile Mpungose as musical directors, the musical celebrates the legacy of King Cetshwayo.



King Cetshwayo the Musical is the story of life and times of King Cetshwayo KaMpane who was the King of the Zulu kingdom from 1873 to 1879 and its leader during the Anglo-Zulu War of 1879. The Musical highlights the events that led to the war, Isandlwana victory, and banishment of the king, the visit of King Cetshwayo to the Queen of London and the celebration of the Zulus defeating the great English soldiers.

In celebration of Human Rights Month, An all-day live reggae music and dancehall experience, **Catch A Fire: Soweto Reggae Festival** in partnership with Lioness Productions and Soweto Theatre featured Mzansi’s finest reggae artists, bands, poets & selectors. The line up included the likes of Nkulee Dube, African Storm Sound Systems, the inseparable legendary reggae duo Jahseed & The Admiral. Nkulee Dube - daughter of the international reggae award winning African reggae legend, the late Lucky Dube - has been making a name for herself, and representing the South African flag internationally and on the continent, performing at well-known Reggae and African festivals each year.. The two have been DJ’ing together since 1996 and are responsible for the weekly reggae nights at Bassline in Newtown.



In partnership with Soweto Theatre, **Vuma Zion** recorded and showcased talent of their journey of presenting **Indigenous Gospel Music** in platforms where it has never been, with an aim to give history of Zion in Africa, genre and its traditions while raising awareness of gender based violence and promoting positive mental health to the audience and community at large. **Vuma Zion** is a multiple award-winning artist. Known by his single “Adam Ukuphi Na” and many other songs and albums including their latest album “Makhosi Akithi”.



The monthly dose of **Seven Colour Sundays** remains a hit and is a favourite spot to hangout and experience outdoor food and music. Catering to all different music genres, the artists have been dishing up nothing but beautiful music.



**Seven Colour Sundays** is a food market that showcases local South African and Kasi Foods. A number of local chefs and food artists set up food stalls and sell their Kasi Foods outside the forecourt of Soweto Theatre. This is an exciting family event that encourages people to come out and spend their Sundays enjoying great music from guest DJs who play relaxed jazzy lounge music. The event presents a chilled atmosphere and relaxed environment.

Following the maintenance period, Roodepoort Theatre started the year with Ps Michael David’s praise and worship production **Worship Encounters in Zion**. The audience came in their numbers to support and to catch their familiar favourites like, “Wave after Wave, King of Glory, Great in Battle, Oh Worship Him and Wayekhona”. The audience were further awed as Pastor Michael David shared the stage with some well-known artists on the night, and introduced some new songs, which had the fans moved. The repository of the Zion was inspired by intimate encounters with God that was launched at Roodepoort Theatre three years ago. What was meant to be the theatre’s first show of the year became the blessing and prayers needed after a tumultuous 2021 for most, the session left music lovers feeling hopeful and energized. The production was also a DVD recording to be distributed far and wide, what a better place to end of a Friday evening than at the beautiful Roodepoort Theatre.



Amanda Benedicta Antony, known professionally as Amanda Black, an award winning musician was front and centre at the Roodepoort Theatre stage for two nights on the 25th and 26th of February 2022 with **Amanda Black - The Mnyama Experience**. Music lovers came in their numbers decked out in all black in support of the dress code and Amanda. Roodepoort Theatre was host to the iconic art piece of African storytelling in ‘The Mnyama Experience’, which was an emotive live performance, curated as a musical journey of Amanda Black’s successes, struggles and aspirations. It was articulated through powerful vocals and song, as a reflection on her five years in the industry she sang songs such as, Amazulu and the Roodepoort Theatres producer’s favourite Power and Vuka, which capture the power of being brave, patient, persistent and accountable in ones journey.

The Roodepoort Theatre and TTC Productions host the best comedy show in the West Rand with the **Westside Comedy Jam**, hosted by Tebego Ntlhane. The show featured South Africa’s established and up-and-coming comedians. Westside Comedy Jam, which takes place every last Friday of the month as a youth development partnership. The comedy shows demonstrated that laughter remains the greatest escape and perhaps more relevant now in these tricky times and this was evident as the patrons could be heard laughing all the way out in the parking.





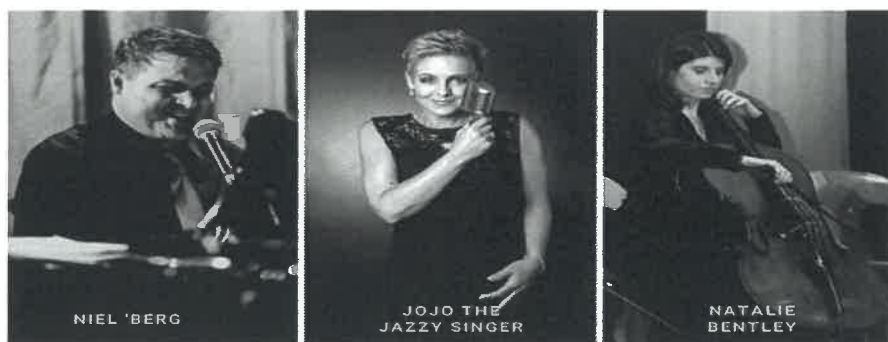
The **World Lyrical Dance Federation (WLFDA)** is an international organisation that is committed to the Growth and Development of Lyrical Dance Internationally, with a goal is to create a one-stop shop for Dancers of all ages and a vital resource for teachers and studios right across the globe. WLDf is located in Dublin, Ireland and is the creation of Alan Healy. Alan has been actively involved in dance for over 40 years and is one of the top International Promoters of young people's Dance Events. The World Lyrical Dance Federation is the culmination of all this time, hard work and wealth of experience and dedication that has seen the growth of Lyrical Dance explode in the recent years. The aim of WLDf is to bring this unique Style of Dance to every corner of the Globe and to bring together the very Best Dancers every two years to celebrate and compete at the WLDf World Championships.

The Roodepoort Theatre was host to the first round of the year for this International dance competition. The rivalry was heated and very competitive, the level of technique was A grade and so was the adjudication. The world standards were prevalent and the criteria for the winner was set extremely high, when evening fell the winners were announced and all dancers were declared by the theatre crew world champs, what a gruelling session, the dancers did well.



The first school festival was staged at Roodepoort Theatre, which reached new audiences, students attended in their numbers and were thoroughly educated and entertained. **My Children! My Africa!** is set in South Africa toward the end of apartheid, the period of white supremacist rule that lasted from 1948 to 1994. The uprising that forms a central plot point in *My Children! My Africa!* was part of a long wave of violent revolts that shook South Africa. This piece was presented as a set work for school children and schools made their way to the theatre in honour of this piece and its educational and historic value.

**Rhapsody in Pink** is Dance Inc.'s 9th theatre production to celebrate teacher Carla Turner's 25th year of sharing the magic of ballet with children of all ages! A show by kids, for kids with glorious orchestrated hits like *My Favourite Things*, *Dancing Queen*, *Swan Lake*, *Barbie Girl*, *Bossa Nova*, *All about the Bass* and *Isn't She Lovely!* Plus their studios theme song "Better When I'm Dance Inc.!" The star was a 5yr old performer who melted hearts and left the audience toe-tapping along and dancing in their seat. There was no doubt, that the audience enjoyed themselves as they were clapping non-stop and were constantly on their feet.



**Here and Now** a new production by Niel Berg, was in the Basement Theatre. Jojo the Jazzy Singer and Natalie Bentley joined Niel on stage. This performance explored the one thing we believe we have but don't, time. The performance highlighted the importance of the "Here and Now" and making the most of what we have. The musicians took the audience on a journey of love, life, sadness, and hope with exquisite interpretations of well-known songs learned over the years to never-heard-before original compositions. Niel's deep voice and piano accompaniment, as well as Jojo's silky, jazz-infused vocals along with the dramatic ebbs and flows of Natalie's cello, left the audience speechless.



**Legends and Superstars** - No matter what your age – or where you live in the world – the concert was certain to be a treat for all music lovers and by purchasing a ticket, the audience were giving back to the music industry. Legends of the past are those famous people who have touched other peoples’ lives, who are remembered, are cherished and have made an unforgettable impression that goes on, even after they have passed away. Living Legends are those making the same impression, even while they are still alive...and a Superstar? A Superstar is a high-level celebrity who is extremely famous and successful and has great popular appeal. The audience were treated to a stage show full of fun and entertainment for the whole family and enjoyed the dancing of variety, song tributes, Arts Elevation presented a beautiful tribute to history in the form of Legends, and Superstars sold out production.

## YOUTH DEVELOPMENT



### TAKE A CHILD TO THEATRE – ANNUAL CAMPAIGN

Joburg City Theatres partnered with ASSITEJ to celebrate the World Day of Theatre for Children and Young People on 20 March, and uses this day to spread its campaign of “Take a child to the theatre today”. JCT contributed to the campaign by programming a month long programme, creating access and opportunity for young theatre makers while providing a fun filled experience for the youth.

The activities and programmes that formed part of 2022 take a Child Theatre campaign ranged from theatre productions, to story-telling sessions and book give away as well as puppetry and music workshops. We had a positive turnout in audience numbers for the campaign.

The age groups that were invited to experience the month activities ranged from 5 – 17 years. The month long programme of activities consisted of the following:

- **ASSITEJSA** hosted a series of applied creative workshops for four days at the Soweto Theatre. These included Puppetry workshops and the music and mime workshop. The workshops included elements of creating theatre, strategies to use in a classroom to teach young children as well as edutainment. The skills rendered were targeted to early childhood development centres.



- **Lit'somong Senior Showcase** – Lits'omong is a theatre training programme for children and the youth. As part of the campaign, the programme had its senior group showcase their play to its peers.
- **Mandelwa story-telling** and book give away - In partnership with Stepi kids, they facilitated book reading and story-telling sessions to mark the importance of storytelling in making theatre. The session activities included playing ice breaking games, storytelling in both English and indigenous languages and the participants had an opportunity to take some of the books home.
- **Puss In Boots** – A children's theatre production presented by the National Children's Theatre
- **Beneath African Skies** - The aim of this production is to introduce the magic and joy of live theatre to young audiences. The emphasis is on the value of books and reading. Familiar stories are acted out in a creative format told with Peoples Theatre's trademark wit and great musical numbers. Audience participation is encouraged, gently reminding learners that reading and books are filled with magic and fun!

**youth development at  
JOBURG THEATRE**

**The DNA Actor's workshops** is a tutorial programme that serves as a bridging course between those who graduate from institutions of drama and the performing arts industry, the programme is facilitated by Dr Duma Ndlovu. The programme seeks to advance and maintain excellence in learning, teaching and research through artistic practice that engages in transformative ways with our African and global context. The programme is interdisciplinary allowing students to participate in the creative Arts industry.

Auditions for the 2022 intake for DNA Actor's workshops were held on the 9th of February and 157 youth came for Auditions. Students who auditioned for the 2020 year were called to audition again for this year. 70 students were selected to be part of 2022 intake and started classes on 17 February. Classes are held every Thursdays from 09:00-16:00.

#### **Applied Performing Arts and Arts Management (APAAM)**

APAAM is a three-year NQF level 4 to 6 program in partnership with Drama for life and Wits School of Art. Over a three-year period, community theatre groups are capacitated in performance, writing, technical and business modules.

On the 29th January 49, students who constituted the second cohort of APAAM graduated. 53 students started the program in 2017 and a total number of 49 Students graduated after what was a challenging and long 4 years. The retention rate for the program is encouraging with only a few students leaving the program because of work commitments. The 2017 cohort of APAAM was challenged with meeting the needs of their communities during Covid and the demands to explore new modes of performance and engagement when people could not gather. As a result, this group presented the first digital APAAM festival in 2020. The newly accredited students are ready to go out into the world skilled and equipped to work and create for the communities despite the conditions and challenges.



The students made their final showcase presenting exciting new work finding expression in telling the stories of their communities. The plays performed includes, Hopes and Dreams from Litsomong group, In too Deep from Perfect Storm group, Iphixi phixi from Alex Youth in Action and Iphelandle Republic from Grace of destiny group.

Joburg City Theatres' former Board Chairperson Moipone Qhomane-Goliath ushered the groups out into the world with words of encouragement. Seeing students graduate after 2 years of the programme being put on hold showed perseverance and patience and growth from our students who have gone above and beyond to come to this final milestone

#### **APAAM Call out and Auditions – and now to the future**

The third cohort of community groups to become part of the Joburg Theatre family and APAAM will start in September 2022. 27 community groups presented 10-minute plays for their 2022 APAAM auditions. APAAM has proven to be a meaningful for the groups, the individuals and the Joburg Theatre. Young people continue to grab the opportunity and consider APAAM one of the city's most meaningful arts training programs.



### Space.com Productions

Space.com is a unique space offering working space, stage and technical support for young theatre makers. Space.com is a space for artists to create and test new work as well as experiment and push their creativity and the theatre audience.

Sipho Hlatshwayo's **The Love Show** displayed his natural ability, a strong will, and intense determination; all qualities that propel Sipho Vokal an unsigned singer/songwriter from Soweto, Johannesburg. He began his music career singing in church and later the school choir where he got his music and classic training as a choral singer learning how to read and write sheet music this is also, where he developed a flair for stage and performance. His musical journey has seen him splash onto our television screens on Mzansi magic's season 8 and season 10 of Idols S.A and later SABC 1's X Factor, He is known for his soulful melodies and musical versatility, fusing unexpected melodies and styles to produce unique sounds. The Love Show marks the beginning of an annual landmark for the muso as an advocate for love and music.



**What was is no more** explores the relationship between the living and the dead. Dizamahlebo (Mthwazi's grandfather) and Nqaba (Mthwazi's father) both love Mthwakazi but believe in protecting and saving her in different ways. After 12 years, Mthwakazi returns home seeking answers that can relieve her from the burden she carries. Determined to find her truth, Mthwakazi fails to see the pain she causes to her father, opening old wounds for Nqaba. The Madiba's are forced to live in that thin line that keeps the living and the dead connected.



A former DNA student Mbongeni Hlongwane produced **Nongqawuse**. A story about two distinguished Religion and Spiritual figures that existed in the late 1850s and whose lives brought a huge Change in the Landmark of South Africa. The Great young Prophetess Nongqawuse which history points fingers at her, to be the cause the mass cattle killings that took place in 1856/7 in the Xhosa landscape and Tiyo Soga who was the first black person to be ordained in the ministry of the Presbyterian Church in South Africa.



**Confession** - A woman finds herself murdering her mother & her husband unintentionally, after finding out that they were having an affair. She is now confronted by guilt & regrets to the face consequences of having their blood on her hands. She instantly scrambles to church to confess a dark sin that she committed, as she chronologically unfolds a memory of her love journey, which transformed to a wheel of broken vows, anguish, abuse & murder.

**Moprsta (Priest)** guides her spiritually; meanwhile Morweetsana (Prophet) spiritually cleanses her soul. After seeking for spiritual forgiveness & guidance, she decides to take a merciless step that will permanently degrade her life. In this piece, Tshegofatso Kolotse explores themes of guilt, atonement and morality in a society with no clear lines of black and white.

**Bits and Pieces**, brought by Nomvuyo Hlophe, is a play that explores the lives of two young man who grew up in different environments and were exposed to different cultural teachings. The two young men encounter lives challenges that land them behind bars. The themes and issues encountered in their respective lives is explored through physical theatre, symbolism, and abstract theatre. Bits & Pieces also mirrors flashbacks of their childhood traumas that are emotional and psychological bits and pieces and reasons they find themselves in their current situation. It remains an unsolved puzzle and question; that if the revelation of these triggering bits and pieces will ever bring them healing.

Kagiso Lebota's **Embodied Conversations** is a creative platform where a series of Performance Arts works created by young upcoming performers is explored and reworked through engaged conversations and practical conceptual interpretation for the purposes of growth and development. The theme explored in this season is SPACE



## YOUTH AND COMMUNITY DEVELOPMENT AT SOWETO THEATRE

The Soweto Theatre's Youth and Community Development department has been working tirelessly to improve and expand its programmes' offerings to provide development and access to the theatre for the youth of Soweto. During the third quarter of the financial year the department conducted auditions for the 2022 new intake of learners and resumed learning and teaching, and facilitating classes physically while observing all COVID-19 and social distancing protocols. The aim is to prepare its drama development, music development and poetry mentorship programme learners for their first term lessons, exams and mid-year showcase and presentations.



### Lits'omong

Lits'omong held auditions on the 29<sup>th</sup> January and had a total of 84 participants from in and around Soweto ranging from the ages of 7 to 21 years old. Only 64 of these were selected as the programme can only take a maximum of 100 learners including the returning learners from last year. Learner orientation and lessons resumed in the first week of February and returning learners also had to go straight into rehearsals for the showcase scheduled for the 27<sup>th</sup> March. The showcase was scheduled to take place in December 2021, but could not due to precautions around the Omicron variant break-out.

The programme's senior group aged 20 – 21 years had an opportunity to perform as part of the 'Take a Child to Theatre campaign. This opportunity was to also help the group prepare for their APAAM auditions as they will now be moving on to the programme as the next level or phase of their development in theatre. We look forward to many more new stories and performances to come from the group during their APAAM training.





### Music Tutorial Programme (MTP)

2022 began with many potential students, who were eager to audition for the MTP programme. A total number of 30 students came to audition, and only 19 were successful. The program then kicked off with 71 students for the year 2022. An orientation session was held for the new students, to go through the enrolment forms, code of conduct, commitment fee, and introduction to the programme team. The programme has also added an artist residency, which commenced in January, a selected number of players from our Soweto Theatre Junior Orchestra have been selected to be part of the residency program with world renowned and acclaimed Jazz singer and composer Gabi Motuba.



The Programme's focus during the period under review was music theory and practical lessons in preparation for the theory exams scheduled for June, as well as the artist residency presentation performance with Gabi Motuba scheduled to take place on the 30<sup>th</sup> June. Learners currently attend weekly physical sessions with their facilitators. The physical classes take place in the four respective centres i.e. Soweto Theatre, Emndeni, Eldorado Park and PJ Simelane High School in Dube.

The Music Tutorial Programme makes music education available to an increasing number of children and youths from the ages of 10-21, the programme is a great space for artistic and emotional growth. The programme also provides music qualification support through UNISA music foundation in a need to ensure that we empower our future artists in their quest to also be educated. The programme works in partnership with Structuring Society through Music (SSM) to coordinate, facilitate music lessons, providing training in wind instruments i.e. saxophone, clarinet, trumpet and trombone; with the recorder as the entry-level instrument.

One of the MTP program students, who joined in 2019, has been accepted into Rhodes University to do a BA in Music.

- The coming Artist Residency Media Launch featuring Msaki, who upon seeing the social media posts about the residency instantly requested to contribute one workshop to the programme as well as feature it onto her planned composer's series of workshops and performance.
- Through the above mentioned we have managed to conduct successful lessons in all our centres and ensured that students are up to date with all music syllabus requirements.



### **The Brave Spoken Youth**

The Brave Spoken Youth (BSY) is a poetry development programme in partnership with Poetry Zone ZA, designed to harness the culture of the poetic spoken word among the youth. The programme aims to cultivate a youth spoken word culture as a way of addressing the underrepresentation of young and marginalised voices in South Africa's spoken word scene.

In a series of workshopped sessions, Soweto youth participants engaged with established poetry facilitators in the process of penning down rhythmic expressions. Learners ascended into their safe space where they explored and rhymed, imagined and conveyed all that was emotive and passionate, sometimes sensational and sentimental. These workshops culminated into a safe space and an open mic session sharing experience. Every week, the youth participants jumped with much jubilation at this opportunity to share with their facilitator and their peers what the spoken word bestowed upon their imagination.

The programme works as a mentorship programme targeting learners to participate every last Thursday of each month.

### **Highlights in this quarter - Commencement after lockdown restrictions**

- This quarter, the programme's attendance has grown from 24 to 35 of the youth participants that started with the program last year.
- In addition to the poetry workshops, we have also successfully launched the Brave Spoken Youth poetry podcast, hosted by the GenBrave Youth and will be broadcasted on social media platforms in the beginning of the fourth quarter. The BSY team is growing as we are developing more strategic partnerships and relationships that enable us to fulfil the groundwork.



### **The Art Revival SMME Workshops –17 February and 15 March**

The Art Revival bridges a gap between the community, arts and entrepreneurship. This programme provides a balance between the business of the arts and youth development and skill transfer as mandated and classified as part of JCT service delivery. The Art Revival plays a significant developmental role by means of providing a venue for community theatre initiatives in the area. It also hosts new and upcoming productions that provide opportunities in instrumental, vocal, dance and drama for students from disadvantaged backgrounds. This quarter the basement theatre was utilised as a venue for workshops and seminars in partnership with Siqalo

opportunity centre, who has collaborated with SARS, CIPS, Innovation Hub, Productivity SA, SEDA, South African Institute of Chartered Accountants (SAICA), ABSA, TUHF, GenAfrica, Discovery, Umastandi and Smart Procurement World.

### **RT Ballet Classes - (Every Saturday)**



The aim for this youth development programme to gain discipline, fitness and learn the fine art of classical ballet. The class is structured fun. Primary Audience are ballerinas in surrounding areas between the ages of 4 (pre-primary level) up to teenagers (advanced level), males + females. Roodepoort Theatre and the Misty School of Ballet Teaches through the RAD (Royal Academy of Dance) which is a highly discipline art and consisting of qualified dancers and facilitator.

### **Comedy Jam - (Every Friday of the month)**

The aim for this youth development programme is to use the theatre space as a grooming ground for future comedians; this is in partnership with the west side comedy. This development programme consists of highly skilled and experienced comedians in the industry, specifically those based in the West- rand. The programme mentors and coaches young comedians from the West- rand who are aspirational performers, through workshops on voice projections, timing and stage technique for a one-man performance. Following the workshops, the young comedians are given an opportunity to perform at Roodepoort Theatre with a full live audience every last Friday of the month with the top three performing at the year-end Roodepoort Theatre Westside Youth Comedy festival.





**Education & Community Upliftment**-Throughout the disruptions that COVID-19 has unsolicitedly brought upon us, the Johannesburg Philharmonic Orchestra has actively sought ways in which it can continue its projects and programmes. In particular, performances at schools have become completely impossible at times, and we have needed to pivot creatively in finding new ways to continue our work.

To continue to attain these objectives with excellence, the JPO has initiated a number of new projects. We are pleased to announce the completion of our **Edu Video**, which is now being distributed to any education facility who would consider it useful. Additionally, we have put together **recorded material** that has been broadcast in hospitals throughout the province. This serves as a tribute to the doctors and nurses who have selflessly given of themselves through some of our country’s darkest hours. It will also be encouragement to those patients who may feel alone and scared as they endure much suffering. It is the great privilege and responsibility of the arts to inspire hope, to entertain, and to point the way for society — emboldening us all as we journey through life.

Our partnership with **Buskaid Strings and St Matthew’s School** in Soweto continues, offering individual teaching for the Thabang Ka Mmino Music and Culture Project (TKM) — a project based at the School, which provides extra-mural activities and constructive social outlets for the children of the community. Specifically, TKM has a dynamic music programme, now almost two decades old, which provides music education to learners.



**EduConcerts Return**- The Johannesburg Philharmonic Orchestra has earned a special place in the hearts of schools throughout the province, exposing learners to the magnitude of the Orchestra, and the possibilities that exist in life because of it. In the new normal that lies ahead, we foresee a tandem approach to our Education Concerts that will likely include both live and pre-recorded events.

January Concerts: none

February Concert Reach: 500 Students

25<sup>th</sup> February 2021 - Culembeeck Primary School, Roodepoort - 500 students

March Concerts: none

TOTAL SCHOOL AUDIENCE REACH FOR 2022 to date

500





The Johannesburg Philharmonic is pleased to announce the completion of the Edu Video, which is being distributed to any education facility who would consider it useful. Edu-Video - a free digital production aimed at educators and students alike, in both the primary and high school spheres, as well as parents and music schools. The video, around 60 minutes in duration, was recorded in November 2020 and is endorsed by the Department of Education. It features South African musicians and conductors performing at Mdluli Lodge in the Kruger National Park vicinity.

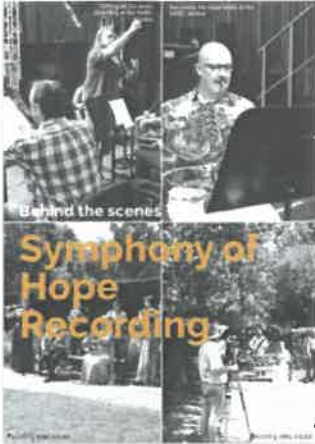
*On behalf of JHB West District director Mr Lehlohonolo Ramokhoase I wish to extend our greatest gratitude to JPO CEO Mr Tembe, the admin staff and all members of the Orchestra for the great partnership which aims to enhance the music knowledge of our learners."*

Message from Mr Charles Sedimo, Senior Education Specialist, Gauteng Department of Education, Johannesburg West District.

The approval of the JPO teaching programme was motivated by Mr. Charles Thabang Sedimo to Education Support Service Unit, which is led by CES Mr. Dumisani Tshabalala and DCES Mr Stephen Mogoai. Our senior phase learners (grade 7 – 9) and intermediate phase (3 – 6) are taught music during creative arts and life skills period, which aims to expose learners to different career opportunities in the arts. The JPO music programme assists with practicality in music because learners can see some of the instruments for the first time, the sound they produce and how they are grouped into families. Schools that participate in District programs such as SA Schools Choral Eisteddfod and Segarona Competition, which include instrumental playing, were considered to be part of this programme. Some educators within our schools have a passion for music but, lack the knowledge and how to go about teaching it and this programme is of a great assistant to them.







**Symphony Of Hope**-Symphony of Hope (SOH) concerts are aimed at various centers throughout the province who are in need of more than just entertainment: these concerts are also an opportunity for them to experience a sense of community, to be encouraged, and to be valued as important members of society. At these concerts (which are usually live performances), which are free of charge to its audiences, the Orchestra performs a number of light classical pieces, popular favourites, and highlights from the silver screen. The Johannesburg Philharmonic recorded a Symphony of Hope programme, featuring specially curated music aimed at hospital workers and patients. These videos have been distributed via a soft launch to Zuid Afrikaans Hospital, Baragwanath Hospital, Nelson Mandela Children’s Hospital, Charlotte Maxeke and Edenvale Hospital.

*“Thank you for thinking of our healthcare workers and their patients in this time – it is certainly uplifting and harmonious and such a joy to listen to” - Elzaan de Villiers, Public Relations Officer, Zuid-Afrikaans Hospital.*

**Bryanston Country Club-Concert for the Seniors**-In keeping with their annual tradition, an ensemble from the Johannesburg Philharmonic Orchestra performed a Christmas Serenade for the Seniors of the Bryanston Country Club on 30 November.



**Thabange ka Mmino Music Project (TKM) – Soweto**-The TKM project is made up of children from Grade 2 – Grade 12 and takes place every Saturday morning at St. Matthew’s Catholic School in Soweto. This is the only opportunity available to the children from this underprivileged township with excessive levels of unemployment to participate in any form of extra-mural activities. The project relies on sponsorships in order to continue to provide the various music instruments required to the children, as well as to pay the tutors that teach the children how to read and play music. Music is crucial in childhood development and more so, learning to play music instruments. This project ensures that the children are occupied and engaged in a constructive way. In September 2020, The Johannesburg Philharmonic was approached by Ms Nkulileg Bogopa – TKM fundraiser – with a request to help organise the school’s end of the year fundraising concert at the Design Quarters in Fourways on Saturday, 12 December. After helping to perform at this event, the JPO embarked on a long-term commitment to the project. This currently involves donations of music and theory books, music stands, as well as sponsoring JPO players to teach at the project.



Each week musicians from the Johannesburg Philharmonic assist with lessons for violin, viola, cello, flute, clarinet, and trumpet. An additional musician is providing music theory tuition to the children. This brought much needed relief to overly full classes.



**Buskaid Strings Workshops & Masterclass with Ye-Eun Choi – Soweto-**The Johannesburg Philharmonic Orchestra is proud to embark on a teaching project with Buskaid Strings. Buskaid is a charitable trust registered in both South Africa and the United Kingdom with a vision to give township children the opportunity to channel their creative energies and talents through learning and playing classical music to the highest international standards. Each week, a musician from the JPO provides lessons and coaching to Buskaid students, coaching them in both their instrument and in orchestral/ensemble playing.



**Fellowship Programme-** In keeping with the Johannesburg Philharmonic Orchestra’s resolution to contribute to music excellence in the City of Joburg, the Orchestra is keenly aware of the need to create career paths for young musicians who show promise in the field of music performance. The Orchestra currently has two fellows, who are music students at international schools, receiving financial and artistic support from the JPO. They also perform as members of the Orchestra from time to time (when they are not abroad). These individuals have shown distinction in their field and great promise as professional musicians who are part of South Africa’s future.



Pendo Masote joined the JPO as a Violin Fellow in 2017. Since 2017, he has been a pupil of Akiko Ono at the Yehudi Menuhin School, Britain's flagship specialist music school, where he recently completed his GCSE (formerly known as O levels) with distinctions in Music and Physical Science. He is currently doing his A levels in Music, English Literature and History.



Kamogelo Maraba started playing the cello at the age of 8. He has performed at festivals throughout South Africa, and has participated in the South African National Youth Orchestra courses and Pro Corda North Chamber Music Course in North Yorkshire, England. He is the former principal cellist of the Johannesburg Youth Orchestra and was awarded a fellowship by the Johannesburg Philharmonic Orchestra in 2020. He is currently an undergraduate at The Royal Birmingham Conservatoire, studying under Ben Davies.



**Showcasing emerging Talent-** The Johannesburg Philharmonic Orchestra is proud to continue its long-standing relationship with the UNISA Music Foundation. The foundation regularly hosts competitions, which attract both local and international talent, and acts as a platform, which showcases artists of the highest caliber. Many winners of the various UNISA Music Competitions go on to become established performers on both the local and international stage. The winners of the 3rd UNISA National Strings Competition, which was held from 14th-21st August 2021, were recorded with the JPO, for virtual use in the future. Jeffrey Armstrong and Thapelo Masita were the winners of the violin and cello categories respectively, and were featured in the JPO's recording performing under conductor Daniel Boico.

This year, the Orchestra performed for the 6th UNISA International Strings Competition, which took place at the ZK Matthews Hall in Pretoria from 24<sup>th</sup> January — 5th February 2022. The finalists for this year's competition



were Bryan Cheng (Canada), Clara Saitkoulov (France) & Yeongkwang Lee (South Korea). Polish conductor, Maestro Mariusz Smolij, conducted the performance.



**Valentine’s Gala Concert-** The Johannesburg Philharmonic Orchestra was delighted to host a Valentine’s Gala Concert on 12th February 2022 at the Linder Auditorium. The concert programme included popular light classics and vocal pieces conducted by Daniel Boico. The event featured soloists Zandile Mzazi (soprano), Karendra Devroop (saxophone) and Khanyi Mthetwa (flute). In attendance was Chairman of the JPO Board of Directors, Justice Dikgang Moseneke, JPO CE & AD Bongani Tembe, Shudufadzo Musida (Miss South Africa 2020) — who was the MC for the evening — and various other prominent community members, including members of the JPO Board of Directors. **Justice Dikgang Moseneke and Bongani Tembe address the audience Shudufadzo Musida,**



**Live-The World Symphony Series (WSS)** is fundamental to the work that the Johannesburg Philharmonic Orchestra does. With four seasons being presented annually, the series brings the cream of local and international talent to the South African stage and showcases the full artistic capability of its members, both individually and as a unit, with substantial works of art performed. The World Symphony Series was first inaugurated in Durban more than 20 years ago. It was introduced to Johannesburg audiences by Bongani Tembe in August 2017 with the relaunch of the Johannesburg Philharmonic Orchestra. Since then, the Orchestra has seen more than 22 conductors and 27 soloists grace the Linder Auditorium (including South African and international artists), with performances that have garnered the praise of the Johannesburg public and attracted the attention of both local and national press. This shows, once again, the power of the Orchestra to showcase

the best of South African and international talent, taking Africa to the world and bringing the world to Africa. It was with joyful hearts that the Johannesburg Philharmonic announced their upcoming Summer Season, heralding the start of 2022's World Symphony Series and a much anticipated return to regular programming. The season was a feast for music lovers, displaying both local and international talent, and presenting works that would appeal to a wide range of audiences to the work that the Johannesburg Philharmonic Orchestra does. With four seasons being presented annually, the series brings the cream of local and international talent to the South African stage and showcasing the full artistic capability of its members, both individually and as a unit, with substantial works of art performed. The orchestra takes seriously its responsibility to serve the people of Johannesburg well, and is delighted to see an increase in attendance, especially by younger audiences, and those from difference social and ethnic backgrounds, welcoming a more eclectic audience. Due to safety concerns around Covid-19, the JPO decided to host another Virtual Symphony Season. Once South Africa moved to Alert Level 1, the Orchestra was thrilled to host a live Spring Symphony Season, with two concerts on 28<sup>th</sup> October and 4<sup>th</sup> November 2021.

**World Symphony Series**

**SUMMER SEASON**

THURSDAYS, 3 - 24 MARCH, LINDER AUDITORIUM



Limited Seating & all Covid-19 protocols to be observed | Kindly take note that proof of your fully vaccinated status is required for entry onto the Wits campus.

**More info: [jpo.co.za](http://jpo.co.za) | 011 484 0446 | Tickets: Quicket**



The period under review, kick- started with the rehearsal process for EVOLVE that had been initiated 2021. Due to the pandemic, it was decided to postpone the production to 2022. The Joburg Ballet's first major season of 2022, EVOLVE, will be presented for eight performances at the Joburg Theatre from 25 March to 3 April. Offering a scintillating blend of the new and the classical, EVOLVE, brings together four ballets, three of them new works created for Joburg Ballet, as well as a glittering showpiece from the classical repertoire.





**MARKETING, PUBLICITY AND PUBLIC RELATIONS**

**Joburg Ballet Schools-** Classes continued as normal, however the Operation Dudula Protests put a spanner in the works and we had to take classes to the online platforms for 3 days. For the safety of both teachers and students. Students who auditioned and were successful are slowly entering into the program at all the schools. Nonetheless, Intake in Alexandra is still most worrying as the numbers are low and students are auditioned as they come to make enquiries. All students are working on both exam and show work. The exams will take in May 2022 with entries for exams the due date is 4 April 2022.



**JOBURG BALLET SCHOOL INTERACTIONS-** Following a period of interrupted contact due to the pandemic, Joburg Ballet has resumed School Interactions as part of our CSI programme. We have contacted (5) for possible visits. Joburg Ballet looks forward to a year of fruitful interactions with schools in 2022.

**Year End Show-**

Two shows were held and the students performed extremely well. These shows were a great preparation for their upcoming examinations. It highlighted what students learn in class and parents understand why it is imperative for their kids to attend classes on a regularly. The importance of in person classes has been proving even though we have had to use online as a means to keep the school going nothing beats in person training.



## JCT SERVICE STANDARDS

### Summary of the overall performance for the quarter under review

1. Joburg City Theatres continues to adhere to all regulations regarding the Covid-19 pandemic, in the interest of safeguarding the health and safety of our staff, patrons and community, as well as any other occupational health and safety legislation.
2. Joburg City Theatres continues to provide accessible spaces for all guests, staff and performers with disabilities
3. Joburg City Theatres continues to be a welcoming environment for patrons of all abilities
4. Joburg City Theatres continues to monitor in-house productions for timeous starting times

### Service Level Standard Performance

Reporting Period -					
Performance Status	Q1	Q2	Q3	Q4	YTD Performance
Target Achieved	100%	100%	100%		100%
Target Not Achieved	0	0	0		0
KPI not measured	0	0	0		0
Total no. of KPI's	3	3	3		3
Total no. of KPI's Measured	3	3	3		3

### Performance Highlights

- JCT prides itself on placing customer service at the forefront of it's service delivery to performers, patrons and other visitors to it's various sites. Easy accessibility for all citizens, prompt starting times of performances, and providing a safe and healthy environment has long been the calling card of an entity that prides itself on delivering excellent service to all who enter the doors.
- JCT has also changed the means of delivery of tickets for their productions. Instead of physical tickets needing to be presented to gain access to events, tickets can now be sent to patrons mobile phones. The bar code on the virtual ticket can then be scanned for entry into the event.
- Free, online, digital programmes are offered to patrons where feasible, to further increase the contact-less experience.

- Where payment is made at the restaurants, bars and box offices, JCT encourages a cashless experience, and provides the use of tap-and-pay devices
- Several performances were sold this quarter.

**Performance Challenges and Mitigations** Covid-19 has presented with additional challenges with regards to safe and healthy regulations, as well as the health and safety of staff and external visitors. JCT has risen to the challenge. The additional demands and regulations have not hampered the entities ability to meet KPIs this quarter.

The current COVID-19 regulations affect the seating capacities for both indoor and outdoor events, but the recent increase in venue capacity has yielded positive results.

**Challenges and mitigations**

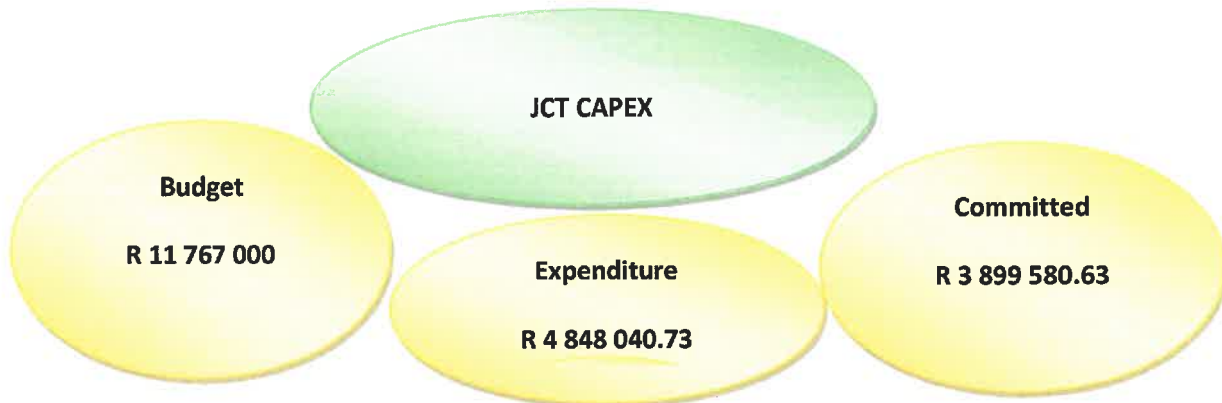
SLS KPI not achieved	Challenges	Mitigations
NOT APPLICABLE	-	-

**JCT SERVICE STANDARDS**

<b>Core Service</b>	<b>Service Level Standard Target</b>	<b>Jan</b>	<b>Feb</b>	<b>March</b>	<b>Q3 Actual date</b>	<b>Variance explanation</b>	<b>Mitigations</b>
1.	100% Theatres accessible to people with disabilities	100%	100%	100%	100%	N/A	
2.	100% of all shows start within 15 minutes as per schedule - measured only on in-house productions and co-productions over which JCT has control	100%	100%	100%	100%	N/A	
3.	100% compliance to health and safety legislation	100%	100%	100%	100%	N/A	

## Section 2: Capital Projects & Expenditure

Joburg City Theatres' capital expenditure for 2021/22 quarter three is at 74% as at 31 March 2022, which is above the target.



	Budget	Expenditure	Committed	Available balance	Total
BUILDING RENOVATIONS AND UPGRADES OF NEW BUILDING ALTERACTIONS (JT)	2 188 319.54	0	1 783 319.54	405 000.00	81%
UPGRADE OF STAGE MACHINERY , RENEWAL PLANT & EQUIPMENT (JT)	4 514 680.46	4 123 074.76	0	391 605.70	91%
TECHNICAL EQUIPMENT NEW OPERATIONAL (JT)	955 000.00	0	0	955 000.00	0%
INFORMATION TECHNOLOGY NEW COMPUTER SOFTWARE (JCT)	955 000.00	328 359.54	486 039.76	140 600.70	85%
BUILDING RENOVATIONS AND UPGRADES OF NEW BUILDING ALTERACTIONS (RT)	575 248.83	0	575 248.83	0	100%
UPGRADING OF TECHNICAL EQUIPMENT (SOUND & LIGHTING)(RT)	530 000.00	32 613.90	233.40	-52 847.30	110%
BUILDING RENOVATIONS AND UPGRADES (ST)	1 101 251.17	49 820.00	50 000.00	1 001 431.17	9%
UPGRADING OF TECHNICAL EQUIPMENT (ST)	947 500.00	314 172.53	454 739.10	178 588.37	81%
	<b>11 767 000</b>	<b>4 848 040.73</b>	<b>3 899 580.63</b>	<b>3 019 378.64</b>	<b>74%</b>

<b>Spent to date</b>	<b>R 4 848 040.73</b>	<b>41%</b>
<b>Committed Budget</b>	<b>R 3 899 580.63</b>	<b>33%</b>
<b>Total</b>	<b>R 8 747 621.36</b>	<b>74%</b>

Therefore, the total spend to date is R8 747 621.36 representing 74% spend. The 4th quarter should see acceleration of spend



### Section 3: Performance against game changers

The Executive Mayor has pledged to see the plight of Joburg as a City of Opportunity where every person irrespective of his or her background would be able to realise his or her potential and enjoy a quality standard of living. To achieve such a vision, the Multi-party government committed to adhere to seven priorities, which included inter alia, quality services to all residents, a caring, supportive City, an integrated, inclusive City and an innovation smart City. JCT's objectives are informed by and built upon the foundation laid by the 2015 JCT "transformation charter" which aimed at transforming the organisation to be commercially viable and relevant within a changing society. While Joburg City Theatres has traditional audiences, it must be an environment, which is accessible to all members of society; and transformation and relevance must be integral to the organisation's focus.

In alignment with the Multi-Party government priorities, JCT has identified the following commitments for the period 2021/22 and beyond:

Moral Imperative	Impact	JCT Focus Areas	2021/22 Target	Means of Verification	Unit Responsible for Reporting	2021/22 Performance Targets				Comment	
						Reporting Period	Q1 Jul - Sep 2021	Q2 Oct - Dec 2021	Q3 Jan - Mar 2022		Q4 Apr - Jun 2022
Social - Greater quality of life and dignity for previously marginalised sections of our society	Contribute to rebuilding the Inner City as an apex project: (Ballet)	Outreach programmes to champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	8 Integrated Festivals Per annum	Attendance registers / SLA, Quarterly report / Contracts and marketing material	COO	Annually	2 programme	1 programme	3 programmes		
Social - Greater quality of life and dignity for previously marginalised sections of our society	Contribute to rebuilding the Inner City as an apex project: (Orchestra)	To champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	1 Per annum	Attendance registers / SLA, Quarterly report / Contracts and marketing material	COO	Annually	2 programme Contribute to rebuilding the Inner City as an apex project				Annual KPIs was achieved in the first quarter
Social - Greater quality of life and dignity for previously marginalised sections of our society	Maximised collaboration with other stakeholders	To champion social cohesion and contribute to building a better society through the arts. To be accessible to communities. To promote diversity in content creation and curatorship.	2 programmes per annum	Attendance registers / SLA, Quarterly report / Contracts and marketing material	COO	Annually	2 collaborative programmes	2 collaborative programmes			KPI achieved with collaborative programmes with First Quarter - CoJ Community Development Second Quarter – JCPZ & City Power

## Section 4: Performance against Institutional SDBIP

IDP Programme	Result Area	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets		Means of Verification	Reporting Period	2021/22 Performance Targets				2021/22 Budget	
				Baseline 2020/2021 Estimate	2021/22 Target			Q1 Jul - Sep 2021	Q2 Oct - Dec 2021	Q3 Jan - Mar 2022	Q4 Apr - Jun 2022		
				Unit Responsible for Reporting	Target			Actual	Target	Actual	Target		Actual
<b>Strategic Objective 1: Provision of opportunities for the youth, including future arts practitioners and entrepreneurs.</b>													
Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty	Increase work opportunities at JCT	Number of Expanded Public Works programmes (EPWP) work opportunities created at JCT	Job opportunities	220 Expanded Public Works programmes (EPWP) work opportunities created at JCT	200 Expanded Public Works programmes (EPWP) work opportunities created at JCT	Employment contracts / HR/ Payroll information	Quarterly	Target	Actual	Target	Actual	Target	Actual
	Increase youth development	Number of youths attending arts programmes (Non-Cumulative)	Youth development in the art sphere	556 of youths attending arts programmes (Non-Cumulative)	200 (Jul-Dec) 250 (Jan - Jun) of youths attending arts programmes (Non-Cumulative)	Attendance registers Tutor reports on programme content. Programme summary	Quarterly	Target	Actual	Target	Actual	Target	Actual
<b>Strategic Objective 2: High quality performing arts and entertainment experiences and facilities.</b>													
COVID-19 Response	Continuation of JCT Services	Number of livestreaming/ Online productions	To make JCT relevant during the Covid-19 Pandemic	6	8	Contracts Marketing material Show reports	Quarterly	Target	Actual	Target	Actual	Target	Actual
	Improved service delivery	Percentage achievement on service level standards (Non-Cumulative)	Service standards turnaround time improvement <sup>2</sup>	90% achievement service level standards	90% achievement service level standards	Service Level Standards Reports	Quarterly	Target	Actual	Target	Actual	Target	Actual
Create a culture of enhanced service delivery with pride and dignity	Continuation of JCT Services	Number of livestreaming/ Online productions	To make JCT relevant during the Covid-19 Pandemic	6	8	Contracts Marketing material Show reports	Quarterly	Target	Actual	Target	Actual	Target	Actual
	Improved service delivery	Percentage achievement on service level standards (Non-Cumulative)	Service standards turnaround time improvement <sup>2</sup>	90% achievement service level standards	90% achievement service level standards	Service Level Standards Reports	Quarterly	Target	Actual	Target	Actual	Target	Actual

### 2 CORE BUSINESS

### SERVICE LEVEL STANDARD

- Theatres accessible to people with disabilities 100% accessibility
- Production start times 100% of in-house productions commence within 15 minutes as per schedule
- Safety of patrons 100% compliance to health and safety legislation

IDP Programme	Result Area	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets		Means of Verification	Unit Responsible for Reporting	2021/22 Performance Targets				2021/22 Budget		
				Baseline 2020/201 Estimate	2021/22 Target			Q1 Jul - Sep 2021	Q2 Oct - Dec 2021	Q3 Jan - Mar 2022	Q4 Apr - Jun 2022		Capex Opex	
														Target
Create a culture of enhanced service delivery with pride and dignity	Improved audience development and accessibility to venues. Promote positive social local content	Number of Arts and Culture festivals and themed productions held / in-house production	To make venues more accessible. Promotion of positive social local content	27 Arts and Culture festivals and themed productions / in-house production	20 Arts and Culture festivals and themed productions held / in-house production	Contracts Marketing material Show reports	Executive Producer	Quarterly	Target	Target	Target	Target	Target Achieved	
									6	15	18	20		
									Actual	Actual	Actual	Actual		
Promote economic development	Number of Ballet seasons	Image building of the Colby Joburg Ballet	Image building of the Colby Joburg Ballet	4 ballet seasons	4 ballet seasons	Quarterly report and marketing material	Executive Producer	Quarterly	Target	Target	Target	Target	Target Achieved	
									1	2	3	4		
									Actual	Actual	Actual	Actual		
Promote economic development	Number of Philharmonic Orchestra seasons	Improved access to professional concerts of classical and choral music	Improved access to professional concerts of classical and choral music	4 Philharmonic Orchestra seasons	4 Philharmonic Orchestra seasons	Quarterly report and marketing material	Executive Producer	Quarterly	Target	Target	Target	Target	Target Achieved	
									1	2	3	4		
									Actual	Actual	Actual	Actual		
<b>Strategic Objective 3: Affordable access to and use of theatres by communities</b>														
Create a City that responds to the needs of the citizens, customers, stakeholders and businesses	Improved audience development and accessibility to venues	Number of attendees	Public access to theatres	23,500 attendees to theatres	80,000 attendees	Ticket reports	COO	Quarterly	Target	Target	Target	Target	Target Achieved	
									10,000	50,000	60,000	80,000		
									Actual	Actual	Actual	Actual		
									8,821	65,504	81,462			
<b>Strategic Objective 4: Good governance, financial sustainability and sound management</b>														
Enhance our financial sustainability	Improved financial planning and project management	Percentage spent on operating budget against approved operating budget	Operating project programme	Operating project programme	OPEX expenditure report Financial statements	Operating project programme	COO	Quarterly	Target	Target	Target	Target	Target Achieved	
									≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget		
									Actual	Actual	Actual	Actual		
									91%	97%	102%			





IDP Programme	Result Area	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets		Means of Verification	Unit Responsible for Reporting	2021/22 Performance Targets					2021/22 Budget
				Baseline 2020/2021 Estimate	2021/22 Target			Q1 Jul - Sep 2021	Q2 Oct - Dec 2021	Q3 Jan - Mar 2022	Q4 Apr - Jun 2022		
												Target	
Internal control improvement process	Audit mitigation initiatives	Percentage of predetermined objectives achieved	Strategy improvement plans	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	Annual financial statement	COO	Target	Unqualified Audit Opinion – With Material Findings	Target		Capex	
				85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	Quarter reports / evidence files		Annually	Target	85% of pre-determined objectives achieved	Target	Not measured in this Quarter	Opex
Improved financial planning and project management	Percentage of resolution of AG findings	Strategy improvement plans	Strategy improvement plans	NEW	100%	Quarter reports / evidence files	CFO	Target		Target		Target Achieved	
				NEW	100%	Quarter reports / evidence files		Quarterly	Target	30%	Target	100%	Target Achieved
Improved financial planning and project management	Percentage of resolution of Internal Audit (IA) findings	Strategy improvement plans	Strategy improvement plans	NEW	100%	Quarter reports / evidence files	CFO	Target		Target		Target Achieved	
				NEW	100%	Quarter reports / evidence files		Quarterly	Target	30%	Target	100%	Target Achieved
Increased entrepreneurial support of small businesses	Percentage of procurement spend on SMME's against total procurement expenditure	Business Support to SMME's	Business Support to SMME's	NEW	30% of procurement spend on SMME's against total procurement expenditure	Procurement reports	CFO	Target		Target		Target for Midyear was Achieved	
				NEW	30% of procurement spend on SMME's against total procurement expenditure	Procurement reports		Quarterly	Target	30%	Target	30%	Target for Midyear was Achieved



IDP Programme	Result Area	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets		Means of Verification	Unit Responsible for Reporting	2021/22 Performance Targets				2021/22 Budget	
				Baseline 2020/201 Estimate	2021/22 Target			Q1 Jul - Sep 2021	Q2 Oct - Dec 2021	Q3 Jan - Mar 2022	Q4 Apr - Jun 2022		
	Increased entrepreneurial support of small businesses	Percentage of procurement spend on BBBEE against total procurement expenditure	Business support to BBBEE's	75% of procurement spend on BBBEE against total procurement expenditure	75% of procurement spend on BBBEE against total procurement expenditure	Procurement reports	CFO	Quarterly	Target	Target	Target	Target	Capex Opex
								Actual	Actual	Actual	Actual		
									75%	75%	75%		
									98%	100%	98%		
<b>Strategic Objective 5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT</b>													
Create a City that responds to the needs of the citizens, customers, stakeholders and businesses	Improved stakeholder mobilisation	Number of strategic partnerships created	Partnerships / Collaborations / productions / programmes / events	26 strategic partnerships created	20 Partnerships / Collaborations / productions / programmes / events	Signed MoA / MoU / contract	Executive Producer	Quarterly	Target	Target	Target	Target	Target Achieved
								Actual	Actual	Actual	Actual		
									5	10	15	20	
									6	10	15		

### Summary

Quarterly KPIs	20
Annual KPIs	02
Total number of KPIs	22
Total number of KPIs Measured	20
Number of Quarterly KPIs Achieved	20
Number of Quarterly KPIs Not Achieved	0
Total achieved constitutes	100%

## **Section 5: Supply Chain Management and Black Economic Empowerment**

The company adheres to a procurement system that is fair, equitable, transparent, competitive and cost effective in terms of Chapter 11 of the Municipal Finance Management Act, No 56 of 2003, read together with the Municipal Supply Chain Management Regulations.

The company has a supplier database in order to afford all prospective suppliers registered on the database an equal opportunity to submit quotations. Preference will be given to suppliers registered on the database, but it does not necessarily follow that suppliers who are not registered yet will be totally excluded.

It is however envisaged that this database will contribute to efficient administration and compliance to prescribed policies, procedures and legislations. A Supplier Registration Form was created to assist in updating or obtaining detailed supplier information for the database in accordance with the company's Supply Chain Management Policy and applicable legislations.

The Bid Adjudication Committees were established in terms of the provisions of Local Government: Municipal Finance Management Act (MFMA). This Committee consist of officials with delegated authority to recommend bids in accordance with their terms of reference. The Bid Adjudication Committee considers the bids and makes recommendation to the Accounting Officer / CEO to make final awards.

Bids were evaluated in accordance with criteria set out in the Preferential Procurement Policy Framework Act (Act No: 5 of 2000) and the Preferential Procurement Regulations 2011, published in terms of Government Gazette No 34350, JCT's approved Supply Chain Management (SCM) Policy and also in terms of the criteria set out in the Construction Industry Development Board (Act No 38 of 2000).

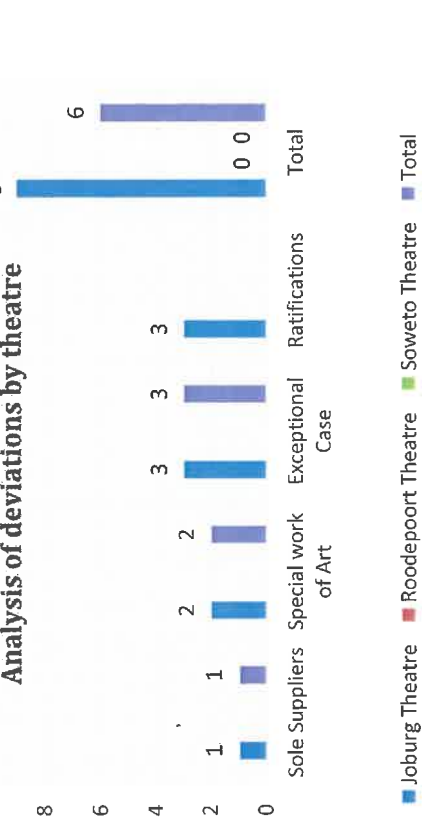
In terms of Regulation 6 (1) read with Regulation 6(2) of the MSCMR issued in terms of the Local Government MFMA 56 of 2003, the Board of Directors of the Municipal entity must maintain an oversight role over the implementation of its SCM Policy.

All bids approved by the CEO are in accordance with the approved budget provisions.

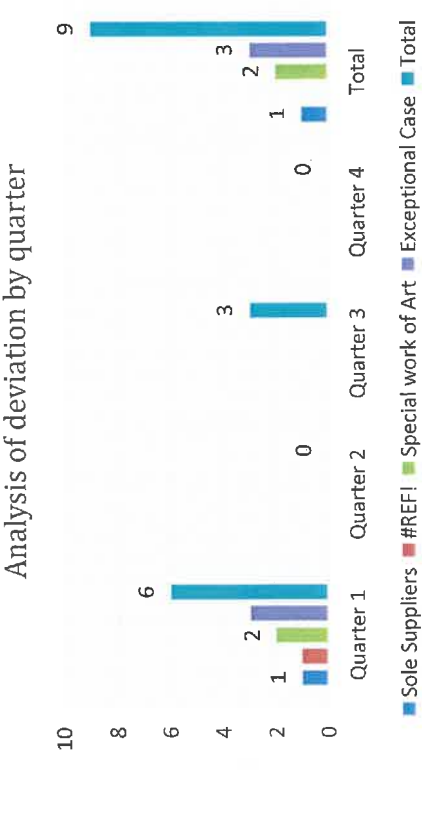
### **PROCUREMENT FROM RELATED PARTIES**

During the period under review, there were no payments processed on procurement from related parties.

Analysis of deviation by quarter



Analysis of deviations by theatre



Category	Joburg Theatre	Roodepoort Theatre	Soweto Theatre	Total
Sole Suppliers	1			1
Special work of Art	2			2
Exceptional Case	3			3
Ratifications	3			3
<b>Total</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>

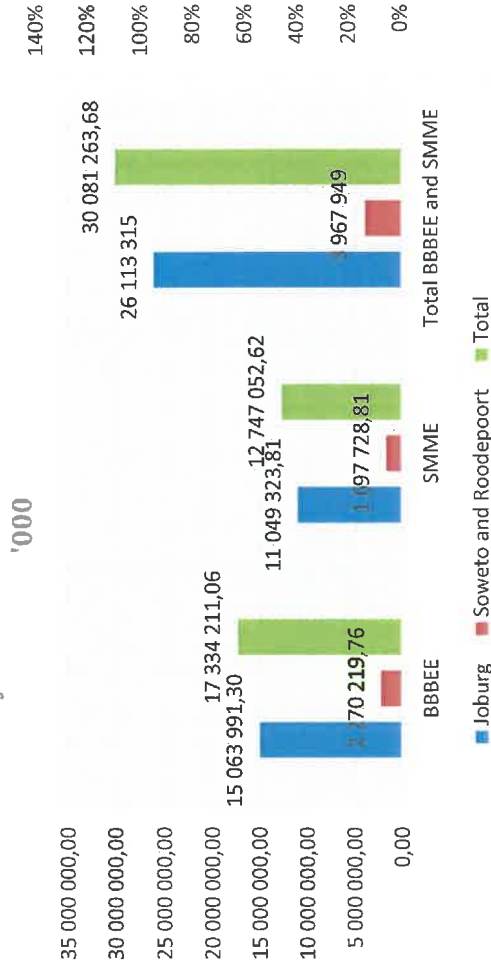
Category	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Sole Suppliers	1				1
Special work of Art	2				2
Exceptional Case	3				3
<b>Ratifications</b>			<b>3</b>		<b>3</b>

Joburg City Theatres approved a total of 6 deviations and 3 ratifications during the 3<sup>rd</sup> quarter ending March 2022. All the deviations raised were classified as Special work of Art, Exceptional case, sole supplier, emergency and ratification where it is impractical to follow a procurement process. The deviations includes goods and services relating to Renewal of licenses, in-house productions, marketing partners or barter arrangements, marketing partners and maintenance and Sole Suppliers. All details provided on page 5 and 6 of this report.

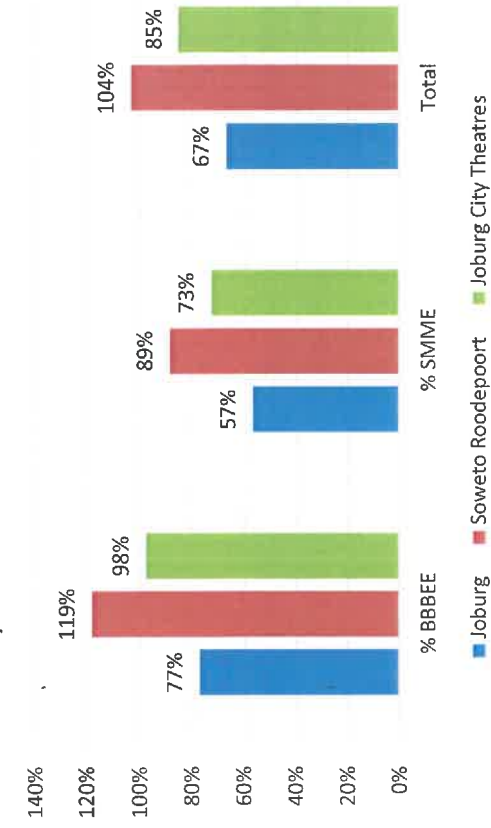
**Tenders, RFQs AWARDED, AND THE CONTRIBUTION TO BBBEE AND SMMEs**

Joburg City Theatres awarded RFQs amounting to R1 126 971.01 and tenders amounting to R3 063 311.98, during the quarter under review. The expenditure to both BBBEE and SMME has increased exponentially. Both Joburg theatre and its other sister theatres do primarily spend on BBBEE and SMME. The average spend for Joburg City Theatres on -BBBEE is 98% which is 23% had better than the scorecard target while spend on SMMEs averages at 73% and this is 43% above the scorecard target of 30%. Joburg City Theatres have supported 144 companies during the 3<sup>rd</sup> quarter of 2021/2022 financial year. This achievement has been consistent throughout the years and maintenance of phenomenon is critical for the advancement of the objectives of South African Constitution, Preferential Procurement Framework Policy Act, MFMA, BBBEE codes. This ultimately translates into the economic transformation of citizens of the city of Johannesburg. This contributes towards job creation and the reduction of poverty as one of the imperatives and priorities of the city of Johannesburg.

**Analysis of BBBEE and SMME SPEND**



**Analysis of BBBEE and SMME SPEND BY PERCENTAGE**



Theatres	% BBBEE	% SMME	Total
Joburg	77%	57%	67%
Soweto Roodepoort	119%	89%	104%
Joburg City Theatres	98%	73%	85%

#### DEVIATION FROM SCM POLICY

The CEO in terms of Regulation (36) (1) (a) of the MSCMR and Section 20 of the company's SCM Policy approved dispensing with official procurement processes established by the policy.

Provisions of Section 20 (2) (d) of the company's SCM Policy requires reporting of such deviations to the next meeting of the Board of Directors and their inclusion as a note to the financial statements.

During 3<sup>rd</sup> quarter of 31 March 2022, Joburg City Theatres had a total of 6 deviations and 3 ratifications, reported to the Board of Directors. The total value of the deviations during the 3<sup>rd</sup> quarter end is R 38 762 952.92 but does not necessarily mean that the total amount has been spent.

The deviation for Joburg City Theatres for 3<sup>rd</sup> quarter 31 March 2022 are as follows:



**CATEGORY: SPECIAL WORK OF ART**

**JOBURG THEATRE**

<u>Description</u>	<u>Value of the Project (Incl Vat)</u>	<u>Date Approved by Chief Accounting Officer</u>	<u>Reasons</u>
Joburg City Theatres Productions 2021/22	R34 276 797.92	20 July 2021	<p>The theatres rent its spaces to promoters, entrepreneurs and producers, providing technical and logistical services, but also facilitates in-house and co-productions. The sponsorship facilitation fees, creative personnel fees, acquisition of sets, sound and lighting equipment hire, paintings, props, special effects, specialised souvenir programmes, musical arrangements and costumes for theatre productions are special works of art and standardised specifications are difficult to compile and procure.</p> <p>The reasons set out in the report and on the basis that the procurement in question is regarded as an exceptional case where it is impractical to follow the normal procurement processes. The Chief Executive Officer, in terms of Regulation (36)(1)(a) of the Municipal Supply Chain Management Regulations, and Section 21(2)(a) of the company's Supply Chain Management Policy, approves the dispensing with the normal procurement processes..</p>
Marketing Partners / Special Barter Arrangements	R4 000 000.00	01 July 2021	<p>Joburg City Theatres promotes many productions in-house, co-productions, external productions (including rentals and door deals), festivals, special events and newspaper advertisements and it is therefore necessary to identify marketing and other partnerships in order to reduce costs. Advertising and such other theatre contribution, including hotel accommodation and travel, publicists' fees and expenses, souvenir programmes and other miscellaneous costs are hugely expensive. Each in-house production(s), co-productions, external productions (including rentals and door deals), festivals, special events and newspaper advertisements is different; selective partnerships offering barter arrangements ('in-kind' sponsorships) are recognised and formed.</p> <p>The reasons set out in the report and on the basis that the procurement in question is regarded as an exceptional case where it is impractical or impossible to follow the normal procurement processes. The Chief Executive Officer, in terms of Regulation (36)(1)(a) of the Municipal Supply Chain Management Regulations, and Section 20(2)(a) of the company's Supply Chain Management Policy, approves the dispensing with the normal procurement processes i.r.o the acquisition of services from marketing partners / special barter arrangements.</p>

**CATEGORY: SOLE SUPPLIER**

**JOBURG THEATRE**

<u>Description</u>	<u>Value of the Project (Incl Vat)</u>	<u>Date Approved by Chief Accounting Officer</u>	<u>Reasons</u>
Sole Suppliers	Varies as per orders placed	01 July 2021	<p>Joburg City Theatres uses various products from Sole Suppliers for operational purposes. These products are produced or available from a single provider only. Sole Supplier letters of the various products required are attached to the deviation in file. The list of sole suppliers are as follows:</p> <p><b>Hospitality and Catering items:</b></p> <ol style="list-style-type: none"> <li>1. Slo Jo</li> <li>2. The Flavour Lab</li> <li>3. Frozen Drinks</li> <li>4. Ola Cool Runners</li> <li>5. Bottoms Up</li> </ol> <p><b>Theatre items:</b></p> <ol style="list-style-type: none"> <li>1. DWR – specific stage technical equipment. Antibacterial solution for DWR 230V Vaporizer W/EU</li> <li>2. Electrosonic - specific stage technical equipment</li> <li>3. Pan Business Communications (Pty) Ltd – PABX</li> </ol> <p>That for the reasons set out in the report and on the basis that the procurement in question is regarded as an exceptional case where it is impractical to follow the normal procurement processes. The Chief Executive Officer, in terms of Regulation (36)(1)(a) of the Municipal Supply Chain Management Regulations, and Sections 20(2)(a) of the policy, approves the dispensing with the normal procurement processes in respect of various products provided by Sole Suppliers only.</p>

**CATEGORY: EXCEPTIONAL CASE**

**JOBURG THEATRE**

<u>Description</u>	<u>Value of the Project (Incl Vat)</u>	<u>Date Approved by Chief Accounting Officer</u>	<u>Reasons</u>
Repairs and maintenance	Varies as per orders placed	01 July 2021	<p>Joburg City Theatres owns equipment that needs to be repaired and maintained in order for service delivery not to be hampered. It is not always practical to obtain three quotations for repairs and maintenance because the equipment needs to be taken apart for diagnosis which is charged at ± R500.00 per call out and which needs to follow the procurement processes. This has disadvantages when suppliers diagnose the equipment and can ultimately damage the equipment if, hypothetically, three suppliers have to do their individual diagnosis to determine what the problem is and quote accordingly. It will also potentially lead to losing the warranty on the product, should anyone other than the original supplier work on the product.</p> <p>The equipment that requires repairs and maintenance are as follows:</p> <ol style="list-style-type: none"> <li>1. IT hardware Equipment (Screens, desktops, Laptops, UPS, Projectors, Servers, Access control system)</li> <li>2. Stage Machinery (Stage wagon wheels, Switches, Controllers, Firewalls, NAS Devices)</li> <li>3. All pumps (Sump pumps, cooling water pumps and water tanks, hot and cold water chill pumps)</li> <li>4. Plumbing (blockages)</li> <li>5. Air-conditioning (Trane chillers, Hitachi Chillers and Boilers)</li> <li>6. Break down on standby generator and fire engine</li> <li>7. Lifts and Escalators</li> <li>8. Fleet repairs and maintenance (including Mobile Theatre Truck)</li> <li>9. Operating Electronic Systems (inclusive of Building Management System) (Cameras and equipment)</li> <li>10. Soweto Theatre Forecourt Canopy structure and cables</li> <li>11. Roller doors</li> <li>12. Gardening equipment</li> </ol>

<p>Renewal of Licenses for Electronic Operating Systems and Miscellaneous Licenses</p>	<p>R486 155.00</p>	<p>01 July 2021</p>	<p>That for the reasons set out in the report and on the basis that the procurement in question is regarded as an exceptional case where it is impractical to follow the normal procurement processes. The Chief Executive Officer, in terms of Regulation (36)(1)(a)(ii) of the Municipal Supply Chain Management Regulations, and Section 20(2)(a)(i) of the Policy, approves the dispensing with the normal procurement processes in respect of the repairs and maintenance of the Theatre equipment.</p> <p>Joburg City Theatres has to annually renew various licenses for utilizing its operating electronic systems. Many systems that were installed by the manufacturers are impractical to renew through other suppliers. It is imperative that JCT renew its licenses for utilizing these very vital Operating Electronic systems and miscellaneous licenses to ensure sound management.</p> <p>Joburg City Theatres cannot procure the annual licenses on its operating electronic systems and miscellaneous licenses from any other companies other than the installers / manufacturers of these respective systems. The license that needs to be renewed on an annual basis are as follow:</p> <ul style="list-style-type: none"> <li>3.1.1 Caseware Licenses</li> <li>3.1.2 Theatre Logo's</li> <li>3.1.3 Driver PDP</li> <li>3.1.4 All Sage Licenses</li> <li>3.1.5 ERS Biometrics Licenses</li> <li>3.1.6 Post Box Licenses – South African Post Office</li> <li>3.1.7 TV Licenses - SABC</li> <li>3.1.8 License for Glider Trailer</li> <li>3.1.9 SAMRO</li> <li>3.1.11 Pilot Software</li> <li>3.1.12 Mobile Theatre Truck License</li> </ul> <p>That for the reasons set out in the report and on the basis that the procurement in question is regarded as emergency cases where it is impractical to follow the normal procurement processes. The Chief Executive Officer, in terms of Regulation (36)(1)(a) of the Municipal Supply Chain Management Regulations, and Section 21(2)(a)(ii) of the company's Supply Chain Management Policy, approves the dispensing with the normal procurement processes in respect of renewal of licenses for Joburg City Theatres Electronic Operating Systems and Miscellaneous licenses.</p>
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Specialised training	Varies as per orders placed	16 September 2021	<p>Joburg City Theatres, as part of its skills development plan, at times need to acquire specialized training from a specific institutes and therefore cannot follow the normal procurement processes. Joburg City Theatres presents world-class productions and have to ensure that its employees are equipped and skilled to produce quality productions. The arts industry is a highly competitive industry and therefore training of specialized skills are imperative. All other/ normal training will follow the normal procurement processes.</p> <p>The specialized training is, but not limited to:</p> <ol style="list-style-type: none"> <li>1. Training issued by National Government</li> <li>2. Technical training for theatre</li> <li>3. Board Members training</li> <li>4. Artistic Training</li> <li>5. Health and Safety</li> </ol> <p>It is therefore imperative that a deviation for this purpose be in place for one calendar year. Regulation 36 (1) (a) (ii) of the Supply Chain Management regulations makes provision for the accounting officer to dispense with the official procurement processes established by the policy and to procure any convenient process, which may include direct negotiations, but only -</p> <p>(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes</p>
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**CATEGORY: REGULATION 32**

**JOBURG THEATRE**

<u>Description</u>	<u>Value of the Project (Incl Vat)</u>	<u>Date Approved by Chief Accounting Officer</u>	<u>Reasons</u>
SAP Implementation and COJ Connectivity Provider (MTC)	Varies as per call out		<p>Section 36(1)(a)(v) of the supply chain regulations and policy allows for a municipal entity to dispense with the official procurement processes established by the policy and to procure any required goods and services through any convenient process, which may include direct negotiations, but only -</p> <ul style="list-style-type: none"> <li>(i) in an emergency;</li> <li>(ii) if such goods or services are produced or available from a single provider only;</li> <li>(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;</li> <li>(iv) acquisition of animals for zoos, or</li> <li>(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and</li> </ul> <p>Therefore, allows for MTC (Metropolitan Trading Company) to be utilised as the service provider to provide connectivity to the COJ internal network and other related service as set out within this report.</p>

**CATEGORY: RATIFICATION**

**JOBURG THEATRE**

<u>Description</u>	<u>Description</u>	<u>Description</u>
Payment of goods and Services Under Soweto Gay Pride.	R 905 423.90	17TH February 2022
<p>To request the Accounting Officer in terms of Regulation (36) (1) (b) of the Municipal Supply Chain Management Regulations to ratify actions of officials, for a breach of the procurement processes. Thus by continuing with operational expenditure for the payment of transactions for the Soweto Gay Pride event held at Dorothy Nyembe Park in Dobsonville on 25 September 2021, without following the normal procurement processes.</p>		

Payment of goods and Services To Savuka Managed Solutions & Zakwe Events & Services	R86 825.00	09th March 2022	To request the Accounting Officer in terms of Regulation (36) (1) (b) of the Municipal Supply Chain Management Regulations to ratify actions of officials for a breach of the procurement processes by continuing with operational expenditure for the payment of transactions to Savuka Managed Solutions and Zakwe Events, without following the normal procurement processes.
Payment of Goods and Services To Mshengu Movers Creative and Eldna Security Services CC	R109 438.15	11th March 2022	To request the Accounting Officer in terms of Regulation (36) (1) (b) of the Municipal Supply Chain Management Regulations to ratify actions of officials for a breach of the procurement processes by continuing with operational expenditure for the payment of transactions to Mshengu Movers Creative and Eldna Security Services CC, without following the normal procurement processes.

**SOLE SUPPLIERS – HOSPITALITY AND CATERING**

<u>Description</u>	<u>Value of the Project (Incl Vat) (Varies as per call out)</u>	<u>Reasons</u>
Slo Jo - Supply of Slo Jo syrups and powders -Joburg City Theatres	R 16 038.65	Slo Jo is the Sole supplier of Slo Jo Syrups. The syrups are being used in all cocktails smoothies and milk shakes. The Slo Jo Syrups are a preferred product. Sole supplier letter has been received.
Frozen Drinks Africa	R 49 792.95	Frozen Drinks Africa is the Sole Supplier of the Slush Puppy Syrups. Sole supplier letter has been received.
The Flavor Lab	R 39 596.80	The Flavour Lab sells a unique blend of sauces and spices. These products are used in the recipes of Stage restaurant. Sole supplier letter has been received.
Slo Jo - Supply of Slo Jo syrups and powders -Joburg City Theatres	R 16 038.65	Slo Jo is the Sole supplier of Slo Jo Syrups. The syrups are being used in all cocktails smoothies and milk shakes. The Slo Jo Syrups are a preferred product. Sole supplier letter has been received.

**BIDS (Tender) ADVERTISED**

Department	Contract No.	Description	Contracted Service Provider(s)	Period	BSEE LEVEL	Reasons	Value of the project (Vat Inc)
Joburg Theatre	00214/21	Appointment Of A Panel For Travel Management For Joburg City Theatre (Re-Advert)	Club Corporate Travel (Pty)Ltd	12 months	1	Evaluated in accordance with the PPPFA and regulations	R 627.75 per line items transaction
Joburg Theatre	00218/21	Supply & Installation Of Automatic Double Swing Door System (Re-Advert)	Ntokozoyothando Trading (Pty)Ltd	Once off	1	Evaluated in accordance with the PPPFA and regulations	R 550 000.00
Joburg Theatre	00219/21	Sports Equipment's And Collateral For Various Sporting Kits On An "As And When Needs Basis"	Azzar Global Suppliers	12 months	1	Evaluated in accordance with the PPPFA and regulations	R 15 903.35 per line item transaction
Joburg Theatre	00222/21	Ticketing Solutions For Joburg City Theatres	Webtickets-Inf (Pty)Ltd	12 months	4	Evaluated in accordance with the PPPFA and regulations	Total cost depends on quantity of tickets sold
Roodepoort Theatres	00224/21	Supply, Customization, Delivery & Installation Of Storage Containers	Container Conversions (Pty)Ltd	Once off	2	Evaluated in accordance with the PPPFA and regulations	R 1 066 435.25
Roodepoort Theatres	00225/21	Upgrading Of Dressing Rooms For Roodepoort Theatre	Ntokozoyothando Trading (Pty)Ltd	Once off	1	Evaluated in accordance with the PPPFA and regulations	R 575 248.83
Roodepoort Theatres	00226/21	Supply & Delivery Of True Hybrid Beam/Spot Stage Lights	DWR Distribution (Pty)Ltd	Once off	4	Evaluated in accordance with the PPPFA and regulations	R 465 096.80
Joburg Theatre	00227/21	Newsletter Management For Joburg City Theatres	VXC Express (Pty) LTD	12 Months	Level 1	Evaluated in accordance with the PPPFA and regulations	R32 500.00 per month

**REQUEST FOR QUOTATIONS**

Department	Contract No	Description	Contracted Service Provider	Period	BBBEE Level	Reasons	Value of the Contract (Vat Incl)
Joburg Theatre	00811/21	Digital Satellite Television Installation	Mamoe Holdings (Pty) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R87 061.90
Joburg Theatre	00812/21	Supply & Delivery Of It Hardware (Re-Advert )	Mavhunga Holdings (Pty) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R197 997.70
Joburg Theatre	00816/21	Supply And Delivery Of Stage Hardware	Notha Business Solutions (Pty ) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R187 593.90
Joburg Theatre	00817/21	Supply And Delivery Of Vectorworks Spotlight Professional 2021	DWR Distribution (Pty ) LTD	Once Off	Level 3	Evaluated in accordance with the PPPFA and regulations	R171 854.99
Soweto Theatre	00818/21	Supply & Installation Of Air-Conditioners	EP4 Mphile Trading (Pty) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R56 800.00
Roodepoot Theatre	00819/21	Electrical Works For Roodepoot Theatre	Mothokwa ET Trading (Pty) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R64 975.00
Soweto Theatre	00820/21	Supply, Delivery And Installation Of Irrigation System For Soweto Amphitheatre	Tshumisano Pottery & Designing CC	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 105 950.22

Joburg Theatre	00821/22	Renewal, Supply & Delivery of Creative Cloud License	Mavhunga Holdings (Pty) LTD	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R39 716.10
Soweto Theatre	00822/22	Supply & Delivery of Acrylic Lectern/Podium With LED	Notha Business Solutions	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R86 681.20
Joburg Theatre	00823/21	Facilitation Of JCT's Strategic Planning Session And Development Of Transformation Charter	Vortex Training Systems CC	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 128 340.00

### SPENT REPORT

The percentage of BBBEE and SMME companies respectively, supported during the 3rd quarter (01 January 2022 - 31 March 2022) are as follow:

<b>JOBURG THEATRE</b>							
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION		
R 19 473 513.45	R 15 063 991.30	R 4 409 522.15	R 11 049 323.81	R 3 309 505.97	R 2 612 278.17		
123 suppliers	77%	29%	57%	17%	13%		
<b>ROODEPOORT &amp; SOWETO THEATRE &amp; ZOO</b>							
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION		
R 1 914 231.23	R 2 270 219.76	-R 355 988.53	R 1 697 728.81	R 1 697 728.81	R608 118.75		
45 suppliers	119%	-16%	89%	89%	32%		
<b>JOBURG CITY THEATRES (CONSOLIDATED)</b>							
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION		
R 21 387 744.68	R 17 334 211.07	R 4 053 533.61	R 12 747 052.62	R 5 007 234.78	R 3 220 396.92		
144 suppliers	98%	7%	73%	53%	23%		



**Note:**

A total of 144 service providers, supplied goods / services for both Joburg Theatre and Roodepoort & Soweto Theatre.

**Section 6: Statement on Amounts Owed By and To Government Departments and Public Entities**

The table below depicts Amounts Owed by Government Departments and Public Entities

Name of Department	Amounts owed	Account Status	Comments
City of Johannesburg	10 627 721.67	<ul style="list-style-type: none"><li>▪ 37.87% is sitting under currently</li><li>▪ 9.13% is sitting under 30 days on the debtors age analysis</li><li>▪ 0.52% on 60 days,14.56% is sitting 90days</li><li>▪ 37.91% is sitting in over 120 days</li></ul>	100% of this balance is for COJ department and COJ entities The amount relates to catering services provide to COJ, Arts and Culture collaborative program, capex and customer deposit
Gauteng government	7 560.01	100% is sitting in over 120days	The amount relates to catering services

The table below depicts Amounts Owed by Joburg City Theatres to Government Departments and Public Entities

Name of Department	Amounts owed	Account Status	Comments
City of Johannesburg	4 119 349.87	73.80% is sitting under current and 26.20% is sitting under 30 days on the creditor's age analysis.	The amount relates to insourcing, fibre connection, insurance and rental

## CHAPTER FOUR: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

### Section 1: Human Resources Management

Joburg City Theatres (JCT) Human Resources (HR) Management function is responsible for creating, delivering and sustaining the value proposition for the organisation's strategic objectives. The department was engaged in recruitment and selection, training and development, implementing the employee wellness programmes, labour relations, and implementation of approved HR policies and procedures.

The entity's overall objective as set out in its employment policy is to ensure that the company's employment practices and remuneration policies motivate and retain talented employees and create an attractive environment for all employees. The employment policy is periodically reviewed to ensure that it remains relevant and practical for the changing needs of current and potential employees. Our vision is to be the employer of choice in our field. Our vision is to stay at the top end of compliance by including such requirements into our working practices.

### Section 2: Employee Remuneration

<b>EMPLOYEE COST BREAKDOWN</b>	<b>2022</b>
Net Salary	28 062 528.37
PAYE & UIF	9 490 617.91
SDL	455 948.01
PENSION & MEDICAL AID	10 069 408.25
THIRD PARTIES	234 914.96
Leave Accruals & Bonus Provisions	3 041 859.88
OTHER	204 423.51
	<b>51 559 700.89</b>

### Section 3: Key Vacancies

All key vacancies are filled. The total number of JCT's approved positions is 260. The number of filled positions is 241 in this quarter. (4) Permanent appointments and (2) terminations were recorded. The number of vacant posts stands at 19 (Table 2 provides a status report on the outstanding vacancies). A detailed staff establishment per department is provided in Table 1 below to indicate occupancy and vacancy percentages as per the approved structure.

**Table 1: Detailed analysis on occupancy and vacancy report**

Department	Approved Positions	Occupied Positions	Vacant Positions	Temporary Staff	Interns / Learners	Total
Governance	8	6	2	0	0	6
Human Resources	4	3	1	0	0	3
Stage	29	27	2	0	2	29
Finance and SCM	17	16	1	3	4	23
Building & Security	62	56	6	0	1	57
Customer Services	9	8	1	23	2	33
Client Services (Programming)	10	9	1	0	3	12
Hospitality & Catering	31	28	3	135	0	163
Soweto Theatre	60	59	1	20	3	82
Roodepoort Theatre	30	29	1	19	1	49
<b>Total</b>	<b>260</b>	<b>241</b>	<b>19</b>	<b>200</b>	<b>16</b>	<b>457</b>
<b>Vacancy and Occupancy %</b>		<b>93%</b>	<b>7%</b>	<b>44%</b>	<b>4%</b>	

JCT is operating at **93%** occupancy against the approved staff establishment with the remaining **7%** recorded as vacancy rate. In addition to the above staffing, **4%** of human capacity comprises of interns, which are placed within various departments and **44%** of temporary/Adhocs staff members.

JCT has **200** temporary/Ad hocs employees in this quarter under review. The majority of these temporary employees are working in the Hospitality and Catering department (i.e. **135**). Nineteen (**19**) temporary terminations and fourteen (**14**) appointments were recorded in this quarter under review (**reflected in table 4(b) and 3(b) below**). The appointment of temporary employees is dictated by the needs of the business. The number of temporary employees fluctuates on monthly basis due to the nature of the business.

#### Recruitment Process

The table below summarises the recruitment activities and progress towards filing of vacant positions. The filing of vacant posts highlighted in blue has been deferred due to **operational reasons**.

**Table 2: (a) Recruitment progress report: Permanent employees**

Department	Position	Mode of recruitment	Progress
Governance	Senior Legal Advisor	External	Appointment has been concluded. Employee starts work on 19 April 2022
	General Manager: Strategic & Relations projects	External	The City Manager has issued a provisional moratorium not to fill vacant post for senior manager positions. However, where operational requirements warrant the filling of position to mitigate risks of any nature, a motivation to the City Manager can be made requesting approval to fill the applicable post.

Department	Position	Mode of recruitment	Progress
Building & Security	Building & Facilities Manager	External	Recruitment is in progress.
	Building Technician	External	Employee has accepted an appointment. Commencement work date is 1 April 2022.
	Security Officer	External	Employee has accepted an appointment. Commencement work date is 1 April 2022.
	Security Officer	External	Employee has accepted an appointment. Commencement work date is 1 April 2022.
	Health & Safety Officer		Recruitment is deferred
	Health & Safety Officer		Recruitment is deferred
Stage	Stage Manager	External	Response handling is in progress
	Senior AV Technician	External	Response handling is in progress
Customer Services	Customer Services Assistant	External	Job description submitted to the City for evaluation process to grade the position. Grading will commence in April 2022. Recruitment commences April 2022
Client Services	Artistic Director	External	Advert closed 24 March 2022. Response handling is in progress
Finance	Payroll Administrator	External	Advert closed 23 March 2022. Response handling is in progress
Corporate and Shared Services	Corporate and Shared Services Manager		Recruitment is deferred
Soweto Theatre	Cleaner	Internal	Recruitment is in progress. Advert closes 13 April 2022
Roodepoort Theatre	Marketing Assistant		Recruitment is deferred.
Hospitality & Catering	Junior Sous Chef	External	Recruitment is in progress. Response handling in progress
	Hospitality Manager	External	Recruitment is in progress. Response handling in progress.
	Food & Beverage Manager	External	Recruitment is in progress. Response handling in progress.

**Table 2: (b) Recruitment progress report: 2 Interns**

Department/Section	Mode of Recruitment	Progress	
Technical - RT	External	Response handling in progress	

## Appointments

Four (4) permanent and fourteen (14) temporary employees recorded during the quarter as shown in the tables below.

**Table 3(a) permanent appointments**

Department	Position	Number of appointees	Effective Date
Client Services and Programing	Assistant Producer	1	01/02/2022
Governance	Strategic Support Manager	1	19/01/2022
Soweto Theatre	Stage Crew	1	01/02/2022
	Building and Facilities Officer	1	01/03/2022

**Table 3(b): Temporary appointments**

Department	Position	No of appointees	Effective Date
Finance	Payroll Administrator	1	06/01/2022
Customer Services	Ushers ST	5	01/01/2022
	Ushers RT	7	01/01/2022
Soweto Theatre	Adhoc electrician	1	15/03/2022

The table below reflects the number of interns appointed in this quarter.

**Table 3: (c) Interns appointment: Interns**

Department/Section	Intern	No of appointees	Effective Date
Client Services	Graphic Design	1	10/01/2022

## Staff Turnover

Two (2) permanent and twelve (19) temporary terminations of employment recorded during the quarter as shown in the tables below.

**Table 4 (a) Terminations of permanent employees**

Department	Position	Reason for termination	Effective Date
Finance	Payroll Administrator x1	Resigned	07/01/2022
Hospitality and Catering	Hospitality Manager x 1	Resigned	11/01/2022

**Table 4(b): 19 Terminations of temporary employees**

Department	Position	Reason for termination	Effective Date
Client Services / Programing	Casuals x 2	Special Project ended	31/12/2021



Finance / Asserts	Casual x1	Contract ended	31/012/2021
Governance	Casuals x 1	Contract ended	31/12/2021
Customer Services – Head Office	Seasonal workers (ushers) X 15	Seasonal projects (Pantomime and Festival of lights shows) contracts ended	02/01/2022

The second largest group of temporary employees is found in the Hospitality and Catering department. The total number stands at **135**. These groups of employees consist of waiters, scullers, bartenders, commie chefs, kitchen staff, banqueting staff and general assistants, etc. The Department currently utilizes Fixed Term Contract due to the business requirements for the following reasons –

- There is no fixed patron capacity in the theatre bars as the business in this area is determined by the shows that are on the stage at any given time, hence this area is treated as seasonal work based on the seasonal run of any given show.
- The restaurant business is managed on a day-to-day basis based as per point 1, as well as the daily take up of the restaurant by the surrounding businesses.
- Unfortunately, the department often experiences an extreme fluctuation of business volumes that occur over a period of any one year due to the area of the hospitality it works in, namely, the theatre.
- There are very few foreign nationals in the workforce and their fixed term contracts are based on their current valid work permits.

The number of temporary employees fluctuates on monthly basis due to the nature of the business. The table below summarises the recruitment activities and progress towards filing of vacant positions.

## 1.1 WORKFORCE PROFILE PER THEATRE

### 1.1.1. Joburg City Theatres

Table 2: Workforce Profile

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	1	0	0	0	0	0	1
Senior Management	1	0	0	0	1	0	0	0	0	0	2
Professionally Qualified / Middle Management	9	1	2	6	7	1	0	1	0	0	27
Skilled Technically and Academically Qualified	19	1	1	5	23	1	1	0	1	0	52
Semi-Skilled	47	1	0	0	25	0	0	0	4	0	77
Unskilled	55	0	0	0	27	0	0	0		0	82
<b>Total</b>	<b>131</b>	<b>3</b>	<b>3</b>	<b>11</b>	<b>84</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>241</b>
<b>% Gender Representation</b>	<b>54%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>5%</b>	<b>35%</b>	<b>0.8%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>2%</b>	<b>0.0%</b>	

### 1.1.2. Joburg Theatre

Table 3: Workforce Profile

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	1	0	0	0	0	0	1
Senior Management	1	0	0	0	1	0	0	0	0	0	2
Professionally Qualified / Middle Management	8	1	0	5	5	1	0	1	0	0	21
Skilled Technically and Academically	15	0	1	4	12	0	0	0	0	0	32
Semi-Skilled	27	1	0	0	14	0	0	0	0	0	42
Unskilled	16	0	0	0	11	0	0	0	0	0	27
<b>Total</b>	<b>67</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>44</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>125</b>
<b>% Gender Representation</b>	<b>54%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>5%</b>	<b>35%</b>	<b>0.8%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>2%</b>	<b>0.0%</b>	

### 1.1.3. Soweto Theatre

Table 4: Workforce Profile

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally Qualified / Middle Management	1	0	0	0	0	0	0	0	0	0	1
Skilled Technically and Academically	2	0	0	0	7	0	0	0	0	0	9
Semi-Skilled	7	0	0	0	3	0	0	0	0	0	10
Unskilled	28	0	0	0	11	0	0	0	0	0	39
<b>Total</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>% of Gender Representation</b>	<b>64%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>36%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

#### 1.1.4. Roodepoort Theatre

Table 5: Workforce Profile

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally Qualified / Middle Management	0	0	1	0	0	0	0	0	0	0	1
Skilled Technically and Academically Qualified	1	0	0	0	3	1	0	0	0	0	5
Semi-Skilled	4	0	0	0	2	0	0	0	0	0	6
Unskilled	12	0	0	0	5	0	0	0	0	0	17
<b>Total</b>	<b>17</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>10</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>
<b>% of Gender Representation</b>	<b>59%</b>	<b>0.0%</b>	<b>3.4%</b>	<b>0.0%</b>	<b>34%</b>	<b>3.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

#### 1.1.5. Hospitality and Catering

Table 6: Workforce Profile

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally Qualified / Middle Management	0	0	1	1	1	0	0	0	0	0	3
Skilled Technically and Academically Qualified	3	1	0	2	3	0	0	0	1	0	10
Semi-Skilled	6	0	0	0	5	0	0	0	4	0	15
Unskilled	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>28</b>
<b>% of Gender Representation</b>	<b>32%</b>	<b>4%</b>	<b>4%</b>	<b>11%</b>	<b>32%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0%</b>	<b>18%</b>	<b>0.0%</b>	

The appointment of temporary employees is dictated by the needs of the business. The number of temporary employees fluctuates on monthly basis due to the nature of the business.

The table below summarises the recruitment activities and progress towards filling of vacant positions. The filing of vacant posts highlighted in blue has been deferred due to **operational reasons** while those that are highlighted in red were phased out.

#### **Section 4: Employment Equity**

Section 20 of the Employment Equity Act, 1998, provides that the employer must prepare and implement an employment equity plan, which will help to reach employment equity in the workplace. The company encourages promotion within the core employment base, with particular attention given to the opportunities of promoting those staff members from historically disadvantaged communities.

All the relevant employment equity reports, return of earnings and work skill plans are submitted to the Department of Labour and Culture, Arts, Tourism, Hospitality and Sport SETA (CATHSSETA). The company receives SETA rebates on a regular, fully monitored basis. The Chief Executive Officer, together with the Chief Operating Officer, is responsible for the monitoring of the implementation of the employment equity plan. The company is committed to the principles of equity, anti-discrimination and diversity as enshrined in the Constitution and the Employment Equity Act. In this context, Joburg Theatre seeks to create an institution that reflects the diversity of South African society, and which contributes to maximising the human resource potential of its entire people.

The Company has employment policies that it believes are appropriate to the business and the market in which it trades. Equal employment opportunities are offered to all employees. The company firmly endorses the four key areas of employment equity identified by the Employment Equity Act:

- elimination of discrimination in decision-making;
- promotion of employee diversity;
- reduction of barriers to advancement of the disadvantaged; and
- Introduction of measures and procedures for transformation.

The implementation of JCT's three-year employment equity plan is on track. The implementation of the plan is monitored on quarterly and annual basis through the reports submitted to the City and to the Department of Labour to ensure compliance requirements are fully met. The theatre's management team is inclusive and representative of the demographics of the country. The members of the support management team comprise of staff members from a diverse background.

JCT is committed to the principles of equity, anti-discrimination and diversity as enshrined in the Constitution and the Employment Equity Act. In this context, JCT seeks to create an institution that reflects the diversity of South African society, which contributes to maximising the human resource potential of its entire people. JCT is committed to appointing a fair representation of employees in terms of race and gender in order to comply with its employment equity plan. The tables and graphs below are based on the formats prescribed by the Employment Equity Act, 55 of 1998 and the Department of Labour.

#### **Employment Equity and Affirmative Action plans**

Joburg City Theatres' Human Capital objective is to have a workforce profile reflective of the demographics of South Africa and Gauteng region. JCT is committed to appointing a fair representation of employees in terms



of race and gender in order to comply with its employment equity plan. The Employment Equity is profiled according to gender, disability, race, and by occupational levels. The employment equity targets are aligned to the country's Economically Active Population (EAP) percentage distribution within the Gauteng region. The EAP includes people from 16 to 65 years of age, who are either employed or unemployed and seeking employment and is used to assist employers in the analysis of their workforce to determine the degree of under-representation of the designated groups. It is important to note that the analysis of the section of this report focuses on the EAP as depicted in the tables below.

**Table 7: Employment Equity Profile**

Occupational Level	Male				Female				Foreign Nationals		Grand Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	1	0	0	0	0	0	1
Senior Management	1	0	0	0	1	0	0	0	0	0	2
Professionally Qualified / Middle Management	9	1	2	6	7	1	0	1	0	0	27
Skilled Technically and Academically Qualified	19	1	1	5	23	1	1	0	1	0	52
Semi-Skilled	47	1	0	0	25	0	0	0	4	0	77
Unskilled	55	0	0	0	27	0	0	0		0	82
<b>Total</b>	<b>131</b>	<b>3</b>	<b>3</b>	<b>11</b>	<b>84</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>241</b>
<b>%Gender Representation</b>	<b>54%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>5%</b>	<b>35%</b>	<b>0.8%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>2%</b>	<b>0.0%</b>	

**Table 8: Disability Profile**

Occupational Level	Male				Female				Total PWDs
	A	C	I	W	A	C	I	W	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally Qualified / Middle Management	0	0	0	0	0	1	0	0	1
Skilled Technically and Academically Qualified	0	0	0	0	1	0	0	0	1
Semi-Skilled	0	0	0	0	0	0	0	0	0
Unskilled	1	0	0	0	1	0	0	0	2
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>

The target for employment of Persons with disability is 2%. It should be achieved against the institution's entire staff compliment. The employment of the persons with disabilities is currently at 1.7%.

To balance the Employment Equity within the company, JCT will give preference to designated people, women and persons with disabilities when opportunities arise. These targets will be achieved by way of replacing employees who leave the organization due to natural attrition and reasons related to staff turnover.



In order to achieve the equitable representation, Joburg Theatre will ensure that the following strategies are adopted and implemented:

- Where gender and racial underrepresentation exist in the Workforce, targeted recruitment for the EE Targeted candidate shall be enforced unless the suitably qualified candidate from the Targeted Group was not found;
- Identify training which is aimed at addressing the imbalances within the organisation –train individual in order to create a pool of suitably qualified employees from the Targeted Group and give them an opportunity for growth in line with the EE Targets.

**Table 9: Employment Equity and Economically Active Population (EAP) Targets**

Description	Total number of employees	Gauteng EAP EE Target %	JCT EE Actual %	Variance
Africans	220	81.0%	91%	10%
Coloureds	5	2.6%	2%	- 0.6%
Indians	4	2.9%	1.7%	-1.2%
Whites	12	13.5%	5%	-8.5%
Persons with disability	4	2.0%	1.7%	-0.3%
Male	152	55.9%	63%	7.1%
Female	89	44.1%	37%	-7.1%

**Table 10: Gender representation**

Gender	African		Coloured		Indian		White		TOTAL	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Male	45.3%	56%	1.3%	1.2%	1.9%	1.2%	7.4%	5%	55.9%	63%
Female	35.7%	35%	1.3%	0.8%	1.0%	0.4%	6.1%	0.4%	44.1%	37%
TOTAL	81.0%	91%	2.6%	2%	2.9%	1.6%	13.5%	5%		
			Target Achieved							
			Requires Improvement							

To balance the Employment Equity within the company, JCT will give preference to designated people, women and persons with disabilities when opportunities arise. These targets will be achieved by way of replacing employees who leave the organization due to natural attrition and reasons related to staff turnover. In order to attract PWDs, adverts will also be pinned in the City's library. We will also request the Department of Labour to send applications as per the inherent requirements of the position, whenever there are vacancies.

**Table 11: Age Analysis profile per race and gender**

Age Groups	No of Staff	% Representation	Gender		Race			
			Male	Female	A	C	I	W
18-25	3	1%	1	2	3	0	0	0
26-35	71	29%	41	30	68	2	1	0
36-45	91	38%	61	30	85	2	2	2
46-55	55	23%	32	23	48	0	1	6
56-65	21	9%	17	4	16	1	0	4
<b>Total</b>	<b>241</b>	<b>100%</b>	<b>152</b>	<b>89</b>	<b>220</b>	<b>5</b>	<b>4</b>	<b>12</b>

JCT employees aged between 18-35 years of age (youth) represent 30% of the staff population, 36-55 years (prime working age) represents 61% and 56-65 (mature working age) represent a marginal 9% of staff.

### Section 5: Skills Development and Training

This section provides the quarterly reporting on the status of employee’s skills development and training initiatives undertaken by employees. In line with Training and Development Policy, JCT is committed to sustaining a continuous programme of training and development for its management and staff to improve either job performance and/or competitiveness for promotion.

The company has a policy in respect of paid assistance for skills development courses, which help in enhancing the skills of previously disadvantaged individuals. Six (6) employees are studying towards a qualification in different institutions, which is summarised in the table below.

**Table 11: Subsidised Education Training**

TRAINING	NUMBER OF DELEGATES	INSTITUTION
Postgraduate Diploma in Management	1	Regent Business School
Postgraduate Diploma in IT Management	1	MANCOSA
Postgraduate Diploma in Supply Chain Management	1	Regent Business School
Bachelor of Business Administration	1	MANCOSA
B Com HR	1	Regent Business School
Master’s in Business Administration	1	Regent Business School
<b>TOTAL BENEFICIARIES</b>	<b>6</b>	

The company is committed to sustaining a continuous programme of training and development for its management and staff to improve either job performance and/or competitiveness for promotion. The Company has a policy in respect of paid assistance for skills development courses. The policy also intends to include access to training by members of designated groups, structured training and development programmes.

The education assistance scheme ensures that employees are able to improve their educational qualifications with the assistance of the funding from the company. Most of the assistance is provided over two to three years, which is mostly the duration of academic programs. Six employees received financial study assistance and are studying towards different qualifications as indicated in the table below.

One hundred and five (105) employees attended the training interventions in this quarter under review. The training offered as well as its associated costs is reflected in the table below.

**Table 12: Training attended**

Occupational Levels	Training intervention	Number of staff	Costs
Top Management	None	0	R00.00
Senior Management	None		R00.00
Professionally Qualified / Middle Management	First Aid Level 2 training, Aerial Work Platforms/ Working on Heights	3	R 9 122.26
Skilled Technically and Academically Qualified	First Aid Level 2 training & Aerial Work Platforms/ Working on Heights	16	R47 517.67
Semi-skilled	First Aid Level 2 training & Aerial Work Platforms/ Working on Heights	26	R57 419.17
Unskilled	First Aid Level 2 Training & Aerial Work Platforms/ Working on Heights	22	R36 599.99
Temporary employees	First Aid Level 1 Training; First Aid Level 2 & Aerial Work Platforms/ Working on Heights	38	R54 955.46
<b>TOTAL</b>		<b>105</b>	<b>R 205.614.55</b>

**Section 6: Performance Management**

JCT has a performance management policy and procedure for setting performance objectives, which is aligned to the Business Plan. Formal performance reviews are conducted bi-annually during December and June. Year-end performance ratings are the determinant of a performance reward for employees. An enhanced performance development and coaching approach is being conducted on a continuous basis to ensure that employee performance is consistently and fairly reviewed. Succession planning within the company has been implemented for all senior management. The succession and retention will be reviewed going forward, depending on funding being available. Retention strategies aimed at discouraging the employees from leaving the company will be developed and discussed.

**Section 7: Leave and Productivity Management**

In line with the approved Leave policy, JCT employees are entitled to 21/24 days leave per annum to be taken at a time convenient to JCT and agreed upon by line management. 80 sick leave days in a three (3) year cycle are also provided. The section below provides a detailed overall leave management and analysis per theatre.

**Table 13: Overall Company Leave Analysis**

Type of leave	Q1 (Jul -Sep)	Q2 (Oct-Dec)	Q3 (Jan - Mar)	Q4 (Apr - Jun)	Total Leave Taken	% Leave days taken
Annual Leave	926	433	548		548	82
Sick Leave	103	188	70		70	11
Family Responsibility Leave	22	23	12		12	1.8
Study Leave	14	76	0		0	0
Unpaid Leave	0	0	0		0	0
Maternity Leave	0	29	36		36	5.4
<b>Total</b>	<b>1065</b>	<b>749</b>	<b>666</b>		<b>666</b>	<b>100</b>

A total of 666 leave days were taken by employees in this quarter. Employees are encouraged to take time off to rest whenever operations require to enable them to rest and come back being more productive. There were no adverse effects on operations during their absence.

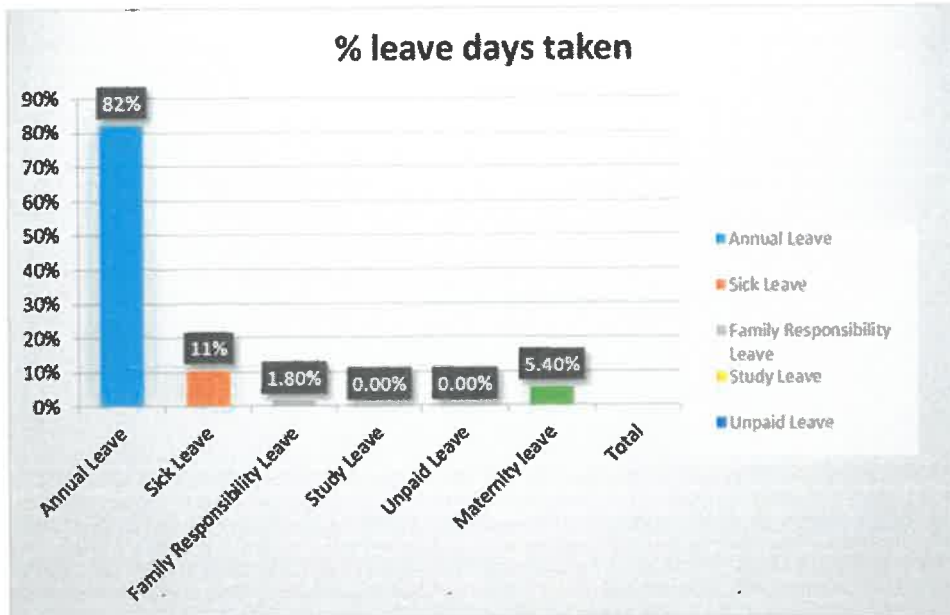


Figure 1: Leave Analysis

Annual leave tops the list as per figure 1 above by 82%, Sick Leave at 11%, Family Responsibility leave at 1.8% and Maternity leave at 5.4% in this quarter.

A table below provides a detailed breakdown of leave days taken per theatre:

Table 14: Joburg Theatre

Number of Staff	Type of leave	Q1	Q2	Q3	Q4	Total Leave Taken
132	Annual Leave	796	311	407		1514
	Sick Leave	78	141	63		282
	Family Responsibility Leave	22	23	12		57
	Study Leave	14	69	0		83
	Unpaid Leave	0	0	0		0
	Maternity Leave	0	29	36		65
	<b>Total</b>		<b>910</b>	<b>573</b>	<b>518</b>	

**Table 15: Soweto Theatre**

Number of Staff	Type of leave	Q1	Q2	Q3	Q4	Total Leave Taken
16	Annual Leave	35	66	70		171
	Sick Leave	25	46	7		78
	Family Responsibility Leave	0	0	0		0
	Study Leave	0	7	0		7
	Unpaid Leave	0	0	0		0
	Maternity Leave	0	0	0		0
	<b>Total</b>		<b>60</b>	<b>119</b>	<b>77</b>	

**Table 16: Roodepoort Theatre**

Number of Staff	Type of leave	Q1	Q2	Q3	Q4	Total Leave Taken
15	Annual Leave	95	56	71		222
	Sick Leave	0	1	0		1
	Family Responsibility Leave	0	0	0		0
	Study Leave	0	0	0		0
	Unpaid Leave	0	0	0		0
	Maternity Leave	0	0	0		0
	<b>Total</b>		<b>95</b>	<b>57</b>	<b>71</b>	

Human capital management department will continue to monitor the leave and employee attendance to mitigate against the abuse of sick and family responsibility leave.

### **Section 8: Disciplinary Matters and Outcomes**

The Human Capital Department deals with employee / employer related issues and thereby maintaining direct lines of communication with employees. There was no disciplinary hearing was conducted in this quarter.

All entity's labour disputes are referred to South African Local Government Bargaining Council (SALGBC) for conciliation and/or arbitration. The Human Resources Manager's office deals with employee / employer related issues and thereby maintaining direct lines of communication with employees.

### **Union Membership**

No one joined the labour union in this quarter. The total of employees belonging to labour unions stands at **111**. **49** employees subscribe to IMATU while **62** to SAMWU. **125** employees who are not affiliated to any Union pay Agency Shop Fees to the Council. **3** employees do not pay Agency Shop fees.



## Labour Relations matters

One (1) former employee's dispute referred to SALBGC has not been finalised. The table below summarises the labour relations cases recorded for the 3<sup>rd</sup> quarter.

**Table 17: Labour Relations Cases**

Department	Position	Nature	Progress and/or Outcome
Roodepoort Theatre	Security Officer x 2	Allegations of dishonesty	Investigation was completed. Employees will be charged for misconduct.
	Security Officer	Making false and disparaging accusations against a fellow employee & Insolent, rude, provocative and aggressive behaviour	Employee's representative requested postponement reason being he was writing exams on 17 <sup>th</sup> & 21 <sup>st</sup> November 2021. A new date of DC hearing is being determined.
Catering & Hospitality	Hospitality Manager	Fraud	Employee resigned
Client Services Client Services	Community Development Manager	Dishonesty	Final Written Warning
	Marketing Executive (ex-employee)	Unfair labour practice – Unfair suspension.	Notice of Arbitration: 25 March 2022
Client Services	Community Development Manager	Dishonesty	Final Written Warning

Despite the challenges, it is clear that majority of JCT staff uphold the policies, procedures and values of the organisation. This conclusion is drawn from the total number of disciplinary cases that were conducted within the quarter.

### Section 9: Employee Wellness

Joburg City Theatres has a Service Level Agreement with ICAS, the service provider, which provides Employee Assistance Programme (EAP) across the three theatres. ICAS provides 24 hours online (internet, website, WhatsApp, call-back, etc.), inbound and outbound telephonic, and face-to-face health and wellness information and counselling to staff members. Employees and their immediate families continues to access the service free of charge.

Below are the activities, which are taking place continuously in the theatre to keep employees healthy:

- Employees are continuously participating in the internal gym.
- The company hosts aerobics sessions three times a week for an hour.
- These classes are good for exercising and promoting staff engagement
- The aerobics class also partake in the external walks/runs and wellness activities.

## Section 10: Employee Benefits

The Company is a participating employer in the various retirement benefit schemes through which the City of Johannesburg Metropolitan Municipality and its associated Municipal Entities (MEs) provide post-employment benefits to their permanent employees.

Joburg City Theatres currently operates three funds and has the following number of employees on each fund:

- Johannesburg Municipal Pension Fund (NMG) has **12** employees.
- E-Joburg Pension Fund has **223** employees.
- Mutual Gratuity Pension Fund (MGF) has **6** employees.

The total number of employees on pension funds is **241**.

## Medical Aid Funds

The company also administers three accredited medical aid schemes and pays a minimum of 60% and 75% monthly premium contribution on behalf of its members. Currently seventy-three (75) employees are members of the schemes as follows:

- Discovery has 73 members, of which 52 receive 60% employer contributions, 18 receives 75%, while 3 employees on total cost to company contribute 100%.
- LA Health has 1 member who receives 60% company contributions
- Key Health has only 1 member who receives 60% company contributions

## Company Allowances

Fifty-three (**53**) employees receive homeowner's allowance. Sixty-eight (**68**) employees receive Cellphone allowances while fourteen-seven (**47**) receive data allowances towards the use for business purposes of their personal cell phones.

## Section 11: Occupational Health & Safety Programmes

The Occupational Health and Safety Manager is a member of the COJ's workplace wellness coordinators forum, which deals amongst others with the HIV Counselling and Training outreach campaign to assist employees in screening and the COJ Group SHE Steering committee, which ensures the company's compliance to the Occupational Health and Safety Act, (85 of 1993). Occupational Health and Safety in the workplace is regulated by the Occupational Health and Safety Act, (85 of 1993).

Section (16)1 places the responsibility and liability on the Chief Executive Officer (CEO) to ensure that the duties imposed on the employer are properly discharged. The implication hereof is that the CEO has to ensure that an occupational health and safety management system is implemented which will give effect to the provisions of this Act.

The City Manager is the section 16(1) responsible person for the COJ and the MD's/CEO's are the section 16(1) responsible persons for the Municipal Entities. The Act makes provision for the CEO's / MD's to appoint person's under their control to assist them in the duties in relation to the provisions of the Act.

Joburg City Theatres has appointed Lieb Venter as the Liaison with the COJ Group SHE Directorate as the company's current Occupational Health and Safety Manager. The General Managers of both Soweto Theatre and Roodepoort Theatre were also appointed as the Health and Safety Coordinators at their respective theatres. The Health and Safety committee is functional and meetings are convened regularly as required. Inspections are undertaken and all Health and Safety equipment is up-to-date.

Permanent and part-time staff members are continuously trained in the areas of First Aid, Safety, Fire, and evacuation. A safety committee has been established and holds regular monthly and quarterly meetings.

#### **COVID-19**

JCT does not have record of employees who tested for COVID-19 in this quarter. JCT always reminds employees to practice all prescribed health and safety precautionary measures to curb the transmission of COVID-19.

#### **HIV/AIDS on the Workplace**

The management of HIV/AIDS is an important challenge facing every organisation in the country. Joburg City Theatres is committed to maintaining the health and welfare of all its employees as well as providing a safe and hygienic working environment. JCT's policy on HIV/AIDS ensures that no employee, or applicant, is discriminated against based on their HIV status. The company's policy is aligned with the City of Johannesburg's AIDS Strategy.

JCT has adopted the following core principles as a basis for its HIV/AIDS policy:

- Continuously assess the risks posed by HIV/AIDS on the business;
- Limit the number of new infections among employees. In order to ensure that all employees are made aware of the problem and - in the process – hope to reduce the rate of HIV/AIDS, JCT supplies free condoms in all washroom areas back stage.
- Distribute pamphlets internally to employees relating to HIV/AIDS and participate in the Voluntary Counselling and Testing in support of World AIDS Day.
- Ensure employees living with HIV/AIDS are aware of their rights and that their rights are respected and protected.
- Provide care and support to employees living with HIV/AIDS within current legislative parameter.

CHAPTER FIVE: FINANCIAL PERFORMANCE AND EXPOSURE

Section 1: Statement of Financial Position

**Joburg Theatre (SOC) Limited**

(Registration number 2000/013032/07)

Annual Financial Statements for the 9 Months ended 31 March 2022

**Statement of Financial Position as at 31 March 2022**

Figures in Rand	Note(s)	9 Months 31 March 2022	12 Months 30 June 2021
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	2	4,004,870	2,152,488
Receivables from exchange transactions	3	13,350,580	36,658,932
VAT receivable	4	9,407,410	2,036,376
Cash and cash equivalents	5	42,212,939	10,038,804
		<b>68,975,799</b>	<b>50,886,600</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	12,030,644	13,160,897
Intangible assets	7	148,030	308,058
Heritage assets	8	1,602,700	1,602,700
		<b>13,781,374</b>	<b>15,071,655</b>
<b>Total Assets</b>		<b>82,757,173</b>	<b>65,958,255</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	9	56,807,215	48,569,383
Provisions	10	2,479,698	3,753,502
		<b>59,286,913</b>	<b>52,322,885</b>
<b>Non-Current Liabilities</b>			
Deferred tax	12	1,324,069	1,324,069
<b>Total Liabilities</b>		<b>60,610,982</b>	<b>53,646,954</b>
<b>Net Assets</b>		<b>22,146,191</b>	<b>12,311,301</b>
Share capital / contributed capital	34	10	10
Reserves			
Investment from Shareholder		1,784,049	1,784,049
Accumulated surplus		20,362,132	10,527,242
<b>Total Net Assets</b>		<b>22,146,191</b>	<b>12,311,301</b>

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## Section 2: Statement of Financial Performance

### Joburg Theatre (SOC) Limited

(Registration number 2000/013032/07)

Annual Financial Statements for the 9 Months ended 31 March 2022

### Statement of Financial Performance

Figures in Rand	Note(s)	9 Months 31 March 2022	12 Months 30 June 2021
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Ticketing Services	13	190,548	101,561
Catering Services	13	33,905,945	22,947,848
Rental of facilities and equipment	13	2,407,051	1,868,678
Arts Alive	13	8,611,747	8,209,271
Sponsorship		6,969	-
In-house ticket sales	13	5,380,057	796,268
Other income	15	390,835	5,952,277
Interest received - investment	16	3,395,180	3,132,768
<b>Total revenue from exchange transactions</b>		<b>54,288,332</b>	<b>43,008,671</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Subsidy	17	127,234,227	163,454,000
<b>Total revenue</b>	13	<b>181,522,559</b>	<b>206,462,671</b>
<b>Expenditure</b>			
Employee related costs	18	(78,742,552)	(95,089,417)
Depreciation and amortisation	19	(1,994,772)	(1,899,679)
Debt Impairment	20	-	(1,918,904)
Transfers and Subsidies	21	(19,334,146)	(21,512,000)
General Expenses	22	(71,616,197)	(79,870,584)
<b>Total expenditure</b>		<b>(171,687,667)</b>	<b>(200,290,584)</b>
<b>Surplus before taxation</b>		<b>9,834,892</b>	<b>6,172,087</b>
Taxation	23	-	(1,324,068)
<b>Surplus for the 9 Months</b>		<b>9,834,892</b>	<b>4,848,019</b>

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### Section 3: Cash Flow Statement

## Joburg Theatre (SOC) Limited

Registration number 2000/013032/07)

Annual Financial Statements for the 9 Months ended 31 March 2022

### Statement of Changes in Net Assets

Figures in Rand	Share capital / contributed capital	Other NDR	Accumulated surplus	Total net assets
Balance at 01 July 2020	10	1,784,049	5,679,223	7,463,282
Changes in net assets Surplus for the 9 Months	-	-	4,848,019	4,848,019
Total changes	-	-	4,848,019	4,848,019
Balance at 01 July 2021	10	1,784,049	10,527,240	12,311,299
Changes in net assets Surplus for the 9 Months	-	-	9,834,892	9,834,892
Total changes	-	-	9,834,892	9,834,892
Balance at 31 March 2022	10	1,784,049	20,362,132	22,146,191
Note(s)	34			

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#### Section 4: Ratio Analysis

Financial Ratios	31-Mar-22	31-Mar-21	Movement %	Target	Norm	Interpretation
Current Ratio	1,16	1,18	-1%	> 1.00	1.5 to 2.1	The current ratio is below the norm of between 1.5 to 2.1, it does not pose any challenge as some of the payables relates to subsidy and future shows.
Solvency Ratio	1,37	1,47	-7%	> 2.00	02:01	Solvency Ratio is also below the norm of 2:1 and again this is not a challenge for the entity as more than 90% of the payables relates to deferred income received for future shows and subsidy.
Debt: Revenue	33%	34%	-2%	< 45%	45%	The ratio is above the target as the entity does not raise the its funds from borrowings
Remuneration	45%	54%	-17%	At least 30%	25% - 40%	The ratio is above the accepted range and JCT will continue to monitor this ratio and put measures in place to ensure it is within the norm.
Repairs & Maintenance	21%	13%	62%	8%	8%	The ratio is above the norm of 8% , which is great .
Interest: Expenditure	0%	0%	0%	< 7%	<7%	The entity is really not financed by interest bearing borrowings hence a lower ratio on interest hence target was achieved.
Net Operating surplus	5%	11%	-51%	At least 15%	= or > 0%	The entity is sitting at a position of greater than 0% which implies that the entity is operating at a surplus, which is great .
Cost Coverage Ratio	106	126	-16%	> 45 Days	1 – 3 Months	The entity is above the norm of 1 - 3 months which means the entity will be able to meet its obligations to provide basic services

## **Section 5: Report on Irregular, Fruitless and Wasteful Expenditure and Due Process**

### **Irregular Expenditure**

There were no instances of irregular expenditure incurred during the quarter under review.

### **Fruitless and wasteful expenditure**

During the quarter under review, there was no fruitless and wasteful expenditure that was incurred.

## **Section 6: Pending Litigations and Possible Liabilities**

There were no new liabilities or litigation claims during the 3<sup>rd</sup> quarter. JCT continued to monitor progress with the Bosch family matter.

The Bosch family matter relates to an incident that arose on the 08<sup>th</sup> of October 2016, where a minor child and her father fell into JCT's Orchestra pit ("the Orchestra pit") following a ballet performance staged by Joburg Ballet and sustained injuries.

On 10 December 2018, the Sheriff of the High Court served combined summons on JCT. The summons were served on JCT, the City and Joburg Ballet. The pair was claiming Nine million and twenty thousand Rand (R9 020 000.00) for personal injuries, damages and medical expenses sustained allegedly as a result of the pair having fallen into the Orchestra pit.

A claim was referred to JCT's insurers, who in turn appointed a firm of lawyers, to provide a legal opinion to the insurers for them to assess the claim.

JCT continues to monitor progress with the resolution of this matter, and the lawyers appointed by the entity's insurers have indicated that they were expecting an expert opinion report at the end of March 2022, with a further expectation to receive the relevant quantum documents from the Plaintiff at the end of April 2022 and the parties (the Bosch family represented by the attorneys) would hold a pre-trial conference following the filing of various reports by the Plaintiff.

JCT and its leadership have continuously informed the relevant parties of the need to get a swift resolution to this matter, being sensitive to the time that has elapsed since the matter arose.

## **Section 7: Insurance Claims against/to MOE/Department**

There were no incidence of insurance claims reported during the quarter under review.

## CHAPTER SIX: INTERNAL & EXTERNAL AUDIT FINDINGS

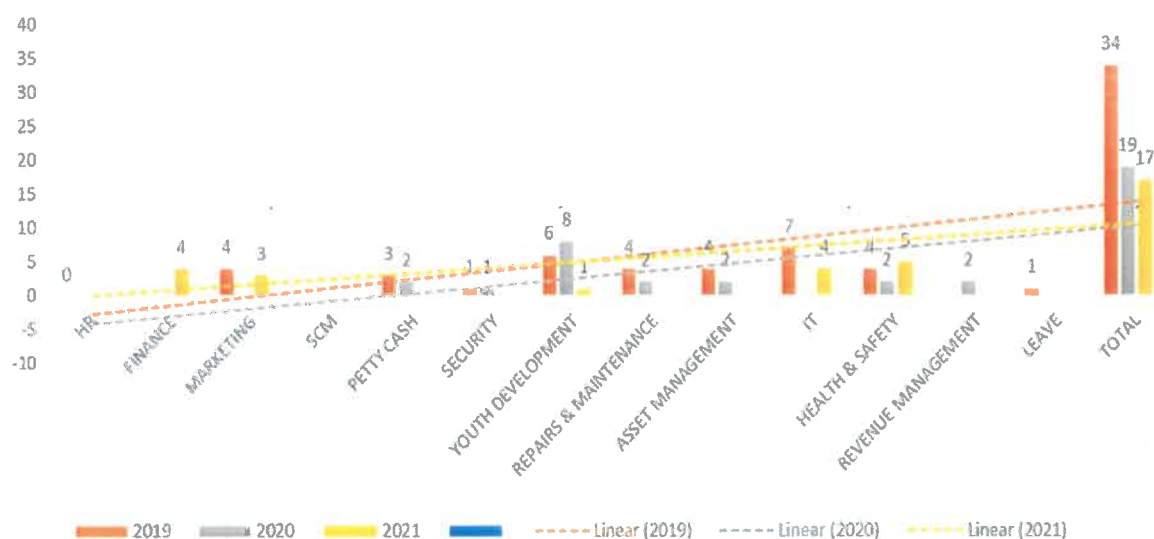
### Section 1: Results of Internal Audits

The purpose of this report is to provide status on the internal and external audit findings raised by Group Risk Assurance Services (Internal Auditors) and Auditor General (External Auditors) and progress status of the current financial year (2021/22) coverage plan.

### Section 2: Progress on Resolution of Internal Audit Findings.

Out of the 17-audit finding issued for the financial year 2020/21, 12 have been resolved.

### ANALYSIS OF INTERNAL AUDIT FINDINGS 2020/21



### Action plans for internal audit findings

Description	Total Open Findings 01 July 2020	Findings raised during 2020/21	New Findings raised during 2021/22	Total Findings	Total resolved as per Management	Total unresolved as per management	% unresolved as per management	% resolved as per management	Total Resolved as per IA verifications	Total unresolved as per IA Verifications	% unresolved as per IA Verifications	% resolved as per IA Verifications
Internal Audit Findings	1	17	0	18	18	0	0	100%	12	6	33	67

No	Department	Finding	Due Date	Action Implemented	Status
1	Maintenance	Ten light bulbs not replaced at the backstage of the Nelson Mandela stage - Medium	01 November 2021	Most light bulbs replaced and the few outstanding will be replaced as soon as the pantomime move-in is completed.	Resolved
2	Maintenance	Non adherence to the maintenance plan – Roodepoort theatre	18 November 2021	The management will ensure that all work is done in accordance with the plan as soon as possible.	Resolved
3	Maintenance	Non adherence to the maintenance plan – Soweto theatre	19 November 2021	The management will ensure that all work is done in accordance with the plan as soon as possible.	Resolved
4	Health and Safety	Health and Safety policy not reviewed periodically.	28 February 2022	The Management will ensure that policies are subjected to periodic review.	Resolved
5	Health and Safety	Poor filing system at Soweto theatre health and safety department	24 November 2021	The Management will ensure that Health and Safety documents are properly filed.	Resolved

Auditor General (SA) raised 10 audit findings in the 2020/21 financial year. The entity has resolved 10 findings below

Description	Total Open Findings 01 July 2020	Findings raised during 2020/21	Total Findings	Total Resolved as per Management	Total unresolved as per Management	%Unresolved as per management	% Resolved as per Management	Total Resolved as per IA verifications	Total unresolved as per IA Verifications	% unresolved as per IA Verifications	% resolved as per IA Verifications
Auditor General Findings	0	10	10	10	0	0%	100%	2	8	80%	20%



**ACTION PLANS FOR EXTERNAL AUDIT FINDINGS 2020/21**

AGSA Finding Ref	Finding heading	Audit Review Area	Cluster	Dept.	Person Responsible	Finding Rating	Management Action Plan	Status	Implementation Date	Repeat Finding (Number of Years)
1.	SCM- Local content threshold not specified in the bid specification	Finance	HSD	JCT	CFO Solomon Mphakathi	Matters Affecting Audit Opinion	JCT have now implemented local content on all tenders and RFQs documents in line with Regulation 8(2).	Resolved	30 November 2021	Similar Non-Compliance reported prior year
2.	Non-Compliance with section 95(d) of MFMA – Prevention of irregular, fruitless and wasteful expenditure.	Finance	HSD	JCT	CFO Solomon Mphakathi	Matters Affecting Audit Opinion	Management have reported the irregular expenditure to the Council and have disclosed it in annual Financial statements.	Resolved	30 November 2021	New
3.	SCM – Deviation not justifiable	Finance	HSD	JCT	CFO Solomon Mphakathi	Matters Affecting Audit opinion	No actions required, finding withdrawn by AG	Resolved	Immediately	New
4.	SCM- Quotation process not followed/incomplete Deviations register	Finance	HSD	JCT	CFO Solomon Mphakathi	Other important matters	No action required as management were compliant to regulation 36 of the SCM regulation	Resolved	09 November 2021	New
5.	SCM- Spouse, Child or parent of a person in the service of the state	Finance	HSD	JCT	CFO Solomon Mphakathi	Other Important matters	Management has disclosed the expenditure in the annual Financial statements	Resolved	30 November 2021	new

6.	SCM-Guidelines of PPPF not applied and this resulted in incorrect award	Finance	HSD	JCT	CFO Solomon Mphakathi	Other Important matters	Management will continuously monitor the implementation of 2017 point systems in all procurement processes where possible	Resolved	30 November 2021	New
7.	SCM-Errors with PPPF points calculations	Finance	HSD	JCT	CFO Solomon Mphakathi	Other Important matters	Management will continuously monitor the implementation of 2017 point systems in all procurement processes where applicable	Resolved	30 November 2021	New
8.	SCM-Awards made to persons in service of the state	Finance	HSD	JCT	CFO Solomon Mphakathi	Other Important matters	Management will continuously monitor the implementation of 2017 point systems in all procurement processes where applicable	Resolved	08 November 2021	4
9.	Expenditure on City AON contract deemed to be irregular	Finance	HSD	JCT	CFO Solomon Mphakathi	Other Important matters	Management has disclosed all amounts paid to AON contract as irregular expenditure in the Financial Statements for the current	Resolved	Immediately	New
10.	Difference on related parties	Finance	HSD	JCT	CFO Solomon Mphakathi	Misstatement in Financial statements,	The entity has reviewed the schedules and Financial Statements to ensure that there is always alignment.	Resolved	Immediately	New

Auditor General (SA) raised four audit findings in the 2019/20 financial year. The entity has resolved all the findings raised below:

Description	Total Open Findings 01 July 2019	Findings raised during 2019/20	New Findings raised during 2020/21	Total Findings	Total Resolved as per IA verifications	Total unresolved	% unresolved	% resolved
Auditor General Findings	0	4	0	4	4	0	0%	100%

**Section 3: Progress on Resolution of Auditor General Audit Findings.**

**Analysis of AG Audit Findings**

AGSA Finding Ref	Finding heading	Audit Review Area	Cluster	Dept.	Person Responsible	Finding Rating	Management Action Plan	Implementation Date	Repeat Finding (Number of Years)
1	SCM- Local content threshold not specified in the bid specification	Finance	HSD	JCT	CFO Solomon Mphakathi	Matters Affecting Audit Opinion	JCT have now implemented local content on all tenders and RFQs documents in line with Regulation 8(2). Furthermore JCT have requested DTI to train the staff on local content and the training took place on 22 April 2021	Immediately ongoing	New
2	Receivables- disclosure not in line with GRAP 104	Finance	HSD	JCT	CFO Solomon Mphakathi	Other important matters	Management has already aligned the financial management policy to GRAP 104 and the Board of Directors has approved the policy.	30-Jun-21	New
3	SCM - Awards made to persons in service of the state	Finance	HSD	JCT	CFO Solomon Mphakathi	Other important matters	JCT has investigated the declarations by service providers and have established that none of the declarations indicated are false. The CAATS system is incorrectly collating data from service providers and sometimes it is not updated.	30-Jun-21	Every year however for different service providers
4	Strategic objective 2- is not consistently reported between the business plan and the integrated report.	AOPO	HSD	JCT	CFO Solomon Mphakathi	Other important matters	Management corrected and reconciled the information on Integrated Report and the Business Plan during the external audit process and the two documents were finally consistent.	Ongoing	New

#### **Section 4: Statement of Internal Control**

The internal Audit of Joburg City Theatres provides the Audit and Risk Committee and management with assurance that the internal controls are adequate and effective; in line with section 165 of the MFMA, the Institute of Internal Auditors (IIA) Standards and the requirements of King IV report on Corporate Governance. This is achieved by means of regular risk based audit assignments, as well as the identification of corrective actions and suggested enhancements to the controls and processes in respect of key risk areas identified.

In line with best practice and Municipal Management Finance Act (MFMA) requirements, Group Risk and Assurance Services (GRAS) compiled a risk-based audit coverage plan for the Joburg City Theatres that was approved by the Audit and Risk Committee in July 2021. This audit coverage plan has taken into consideration areas that are perceived to be of high risk as per the risk registers for the three theatres and areas identified by management. The timelines indicated on the plan were discussed and agreed with management.

Internal Audit provided assurance on high risks identified during risk assessments by prioritising these areas during annual planning. Some of the medium and low risk areas were also audited where possible. The system of internal control was reasonably adequate and effective, for the quarter under review.

**The following table depict the current internal control dashboard:**



**Section 5: Dashboard Report – Drivers of Internal Control to Achieve Clean Administration**

AUDITEE NAME:		Joburg City Theatres SOC LTD				ASSESSMENT PERFORMED ON:		31 March 2022	
ASSESSMENT PERIOD COVERED: (Tick as appropriate)	PFMA								
	MFMA	Jul – Sep 21	Oct – Dec 21	Jan – Mar 22					
No.	DRIVERS					ASSESSMENT			
	<p> Improved</p> <p> Unchanged</p> <p> Regressed</p>	<p>Required controls that are able to prevent, or detect and correct misstatements / control deviations / instances of non-compliance in a timely manner, are currently in place; care is required to maintain the situation for changes in conditions</p> <p>Progress in the implementation of controls that are able to prevent, or detect and correct, misstatements / control deviations / instances of non-compliance in a timely manner is noted, but improvement is still required</p> <p>Required controls that are able to prevent, or detect and correct, misstatements / control deviations / instances of non-compliance in a timely manner, are not in place; intervention is required to design and implement appropriate controls</p>	<p>Good </p> <p>In progress </p> <p>Intervention required </p>	<p>Financial</p> <p>Performance</p> <p>Compliance</p>					
LEADERSHIP									
	<b>Movement from previous assessment:</b>								
1.a	Provide effective leadership based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the best interests of the entity								
1.b	Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls								
1.c	Implement effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored								
1.d	Establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities								
1.e	Develop and monitor the implementation of action plans to address internal control deficiencies								
1.f	Establish an IT governance framework that supports and enables the business, delivers value and improves performance								
FINANCIAL AND PERFORMANCE MANAGEMENT									
	<b>Movement from previous assessment:</b>								
2.a	Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting								
2.b	Implement controls over daily and monthly processing and reconciling of transactions								
2.c	Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information								
2.d	Review and monitor compliance with applicable legislation								
2.e	Design and implement formal controls over IT systems to ensure the reliability of the systems and the availability, accuracy and protection of information								
GOVERNANCE									
	<b>Movement from previous assessment:</b>								
3.a	Implement appropriate risk management activities to ensure that regular risk assessments, including consideration of IT risks and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored								
3.b	Ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively								
3.c	Ensure that the audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of								

<b>AUDITEE NAME:</b>		Joburg City Theatres SOC LTD			<b>ASSESSMENT PERFORMED ON:</b>			31 March 2022		
<b>ASSESSMENT PERIOD COVERED:</b> (Tick as appropriate)		PFMA								
		MFMA	Jul – Sep 21	Oct – Dec 21	Jan – Mar 22					
No.	DRIVERS				ASSESSMENT					
		↑ Improved	↔ Unchanged	↓ Regressed	Good	In progress	Intervention required	Financial	Performance	Compliance
		<p>Required controls that are able to prevent, or detect and correct misstatements / control deviations / instances of non-compliance in a timely manner, are currently in place; care is required to maintain the situation for changes in conditions</p> <p>Progress in the implementation of controls that are able to prevent, or detect and correct, misstatements / control deviations / instances of non-compliance in a timely manner is noted, but improvement is still required</p> <p>Required controls that are able to prevent, or detect and correct, misstatements / control deviations / instances of non-compliance in a timely manner, are not in place; intervention is required to design and implement appropriate controls</p>								
		the internal control environment including financial and performance reporting and compliance with legislation.								







1.b	Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls			
1.c	Implement effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored			
1.d	Establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities			
1.e	Develop and monitor the implementation of action plans to address internal control deficiencies			
1.f	Establish an IT governance framework that supports and enables the business, delivers value and improves performance			

#### FINANCIAL AND PERFORMANCE MANAGEMENT

	<b>Movement from previous assessment:</b>			
2.a	Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting			
2.b	Implement controls over daily and monthly processing and reconciling of transactions			
2.c	Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information			
2.d	Review and monitor compliance with applicable legislation			
2.e	Design and implement formal controls over IT systems to ensure the reliability of the systems and the availability, accuracy and protection of information			

#### GOVERNANCE

	<b>Movement from previous assessment:</b>			
3.a	Implement appropriate risk management activities to ensure that regular risk assessments, including consideration of IT risks and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored			

3.b	Ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively			
3.c	Ensure that the audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment including financial and performance reporting and compliance with legislation.			

No.	DRIVERS	COMMITMENTS
	<b>LEADERSHIP</b>	
1.a	Provide effective leadership based on a culture of honesty, ethical business practices and good governance, protecting and enhancing the best interests of the entity	Maintain the performance throughout.
1.b	Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	Auditor General identified products designated for local production, which were not classified as such by management. This resulted into an irregular expenditure
1.c	Implement effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored	Maintain the performance through-out
1.d	Establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities	Maintain the performance through-out
1.e	Develop and monitor the implementation of action plans to address internal control deficiencies	Maintain the performance-through-out
1.f	Establish an IT governance framework that supports and enables the business, delivers value and improves performance	Maintain the performance-through-out
	<b>FINANCIAL AND PERFORMANCE MANAGEMENT</b>	
2.a	Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	Maintain the performance-through-out
2.b	Implement controls over daily and monthly processing and reconciling of transactions	Maintain the performance-through-out
2.c	Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	Maintain the performance-through-out
2.d	Review and monitor compliance with applicable legislation	Auditor General identified products designated for local production, which were not classified as such by management. This resulted into an irregular expenditure
2.e	Design and implement formal controls over IT systems to ensure the reliability of the systems and the availability, accuracy and protection of information	Maintain the performance-through-out

No.	DRIVERS	COMMITMENTS
	<b>GOVERNANCE</b>	
3.a	Implement appropriate risk management activities to ensure that regular risk assessments, including consideration of IT risks and fraud prevention, are conducted and that a risk strategy to address the risks is developed and monitored	Maintain the performance through-out
3.b	Ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively	Maintain the performance through-out
3.c	Ensure that the audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment including financial and performance reporting and compliance with legislation.	Maintain the performance through-out



# ANNEXURE A: Management Accounts

Joburg Theatre (SOC) Ltd  
 REPORTING PERIOD: MARCH 2022  
 Branch Name: JHT - NET - PCT - SMT - Zom

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Main Account Sub Account Name	Current Mth		YEAR TO DATE		YTD Var %	ANNUAL BUDGET	ANNUAL BUDGET	Budget	FORECAST	FORECAST	FORECAST	FORECAST Vs
	Actual	Budget	Var	%								
Arts Alive	-33 673	0	-33 673	0	0	0	0	0	0	0	0	0.00%
Joburg Film Office	0	0	0	0	0	0	0	0	0	0	0	0.00%
Other Revenue	5 471 481	2 306 667	2 562 351	86.65%	5 378 326	34 235 605	5 378 326	45 026 322	53 165 506	10 231 377	116,07%	
In-House Stage Productions	0	0	0	0	-27%	0	0	0	0	0	0	
In-House Music Programme	0	0	0	0	0%	0	0	0	0	0	0	
Sponsorships	0	0	0	0	0%	0	0	0	0	0	0	
Food Beverage And Retail (Stages)	5 405 606	2 735 587	2 732 121	50.35%	3 301 405	24 062 101	3 301 405	32 302 001	103,30%	11 301 100	101,01%	
Tokening Services	5 275	95 358	-94 472	-18.47%	687 674	859 222	687 674	1 144 294	16,65%	63 516	22,20%	
Management Fees	0	0	0	0	-100%	0	0	0	0	0	0	
Special Projects and Other Income	235	73 342	-73 107	-33.17%	-201 513	534 416	-201 513	633 301	53,60%	130 307	71,47%	
<b>Expense</b>	<b>10 600 195</b>	<b>16 752 674</b>	<b>-37 252</b>	<b>-0.20%</b>	<b>17 936 929</b>	<b>163 630 519</b>	<b>-17 936 929</b>	<b>217 633 000</b>	<b>76,01%</b>	<b>220 916 530</b>	<b>105,03%</b>	
Employee Related Costs	9 311 694	9 347 919	19 222	0.44%	15 431 264	15 431 264	15 431 264	10 626 330	16,92%	103 129 249	102,21%	
Directors and Committee Membe	40 000	391 602	391 602	87.94%	71 283	1 451 602	71 283	2 700 602	61,71%	1 840 425	81,61%	
Depreciation & Asset Impairment	259 373	200 387	-35 006	-15.39%	137 463	1 394 172	137 463	2 479 404	96,55%	2 659 696	101,40%	
Repairs And Maintenance	1 031 365	306 121	-725 244	-28.94%	226 483	2 755 005	226 483	3 371 562	9,84%	3 371 562	9,84%	
Contracted Services	28 584	150 465	121 882	81,00%	126 266	1 354 195	126 266	1 803 001	61,92%	1 623 511	36,91%	
Insurance	29 477	2 191 343	119 843	4,32%	341 228	264 130	341 228	353 000	75,00%	353 000	100,00%	
Joburg Ballet & Orchestra	0	0	0	0	0	0	0	22 437 016	94,17%	25 778 861	114,93%	
Joburg Film Office	0	0	0	0	0	0	0	0	0	0	0	
Arts Alive	0	0	0	0	0	0	0	0	0	0	0	
General Expenses	6 405 604	6 583 641	123 637	1,97%	101 171	60 640 646	101 171	84 363 133	71,21%	60 105 163	34,35%	
Consumables	240 193	341 303	101 110	29,15%	435 565	3 077 127	435 565	4 102 636	62,92%	3 442 069	83,30%	
Utilities	1 101 033	1 231 641	104 540	14,23%	1 171 720	11 713 720	1 171 720	16 268 304	51,77%	12 325 343	71,02%	
Audit Fees	0	0	0	0	0	0	0	1 045 065	61,06%	850 650	61,41%	
Security	0	84 000	84 000	100,00%	763 889	763 889	763 889	1 008 665	66,07%	642 056	60,09%	
Telecommunications	102 276	81 612	-14 664	-14,14%	156 967	708 543	156 967	1 031 943	4,89%	70 863	14,87%	
Business Travel	0	63 677	63 677	100,00%	335 434	393 036	335 434	524 120	11,09%	263 751	46,47%	
Entertainment	128 247	52 850	-75 397	-45,36%	199 313	469 836	199 313	653 759	31,82%	252 539	103,00%	
Transportation	39 055	191 373	32 369	6,32%	1 084 445	1 724 173	1 084 445	2 294 639	91,37%	2 312 339	103,00%	
Youth Development	58 183	236 874	200 691	84,34%	25 236	2 634 430	25 236	2 644 666	74,11%	2 806 441	51,62%	
Special and Social Awareness	117 854	52 134	-67 719	-18,06%	239 698	499 209	239 698	623 911	33,50%	279 468	44,67%	
Advertising, Publicity and Mar	255 805	245 186	-10 619	-4,91%	-1 632 040	2 215 674	-1 632 040	4 061 743	59,65%	5 391 963	132,07%	
In-House Stage Productions	440 352	1 925 230	1 304 937	75,09%	3 312 064	16 621 531	3 312 064	24 281 038	54,92%	17 144 662	73,06%	
In-House Music Programs	0	0	0	0	0	0	0	0	0	0	0	
Contributions to Tenant Prodi	0	65 376	65 376	100,00%	719 764	719 764	719 764	1 631 712	4,17%	11 520	6,36%	
Trifling	0	33 130	33 130	100,00%	743 928	843 587	743 928	1 124 157	50,68%	5 062 736	61,57%	
Miscellaneous	512 125	624 376	112 251	21,83%	1 622 330	5 619 261	1 622 330	7 492 509	13,23%	26 830 336	193,87%	
Catering and Hospitality	3 306 237	1 126 825	-2 179 412	-193,42%	-10 026 361	10 141 428	-10 026 361	13 521 905	149,13%	26 830 336	193,87%	
Mobile Theatre Truck	0	0	0	0	0	0	0	0	0	0	0	
COVIDA	50 345	50 345	0	0%	247 036	453 106	247 036	604 112	33,36%	273 633	43,30%	
EPWP	0	154 643	154 643	100,00%	716 934	1 391 841	716 934	1 855 168	36,26%	637 100	44,34%	
New Years Eve	0	0	0	0	-26 640	0	-26 640	0	0,00%	36 307	0,00%	
Finance Costs	0	0	0	0	0	0	0	0	0	0	0	
Other	62 787	0	-62 787	0,00%	-12 914	0	-12 914	0	0,00%	37 239	0,00%	
<b>TRADING SURPLUS (SHORTFALL)</b>	<b>1 266 392</b>	<b>-309 269</b>	<b>1 725 311</b>	<b>-32,41%</b>	<b>6 330 481</b>	<b>3 204 412</b>	<b>6 330 481</b>	<b>0</b>	<b>0%</b>	<b>13 119 191</b>	<b>3 216 239</b>	<b>0%</b>



**Joburg Theatre Society**  
**REPORTING PERIOD: MARCH 2022**  
 Financials 2022

COVER SHEET

Main Account Sub-accounts	Actual	Budget	Variance	YEAR TO DATE		ANNUAL BUDGET		Budget %	FORECAST	FORECAST %	FORECAST V. ACTUAL
				Actual YTD	Budget YTD	YTD Var	YTD %				
<b>INCOME</b>											
Board of Facilities & Equipment	2 917 818	2 851 874	-65 944	69 291 881	69 291 881	-65 944	99.99%	70,27%	24 918 014	24 918 014	50,8%
Interest Earned from External Inv	5 827	40 000	-34 173	588 887	588 887	-34 173	99.99%	26,4%	224 888	224 888	55,4%
Operating Grant and Subsidy	2 918 208	2 921 328	-3 120	68 988 206	68 988 206	-3 120	99.99%	76,8%	24 251 914	24 251 914	100,0%
Arts Alive											
Joburg Film Office											
Other Revenue	84 292	488 944	-404 652	582 882	582 882	-404 652	99.99%	26,4%	582 882	582 882	27,4%
In-House Stage Productions											
In-House Music Programmes											
Sponsorship											
Fund Raising and Retail P/Sales	29 885	488 288	-458 403	382 882	382 882	-458 403	99.99%	26,4%	382 882	382 882	20,2%
Ticketing Services	9 728	9 188	540	32 882	32 882	540	100%	37,2%	24 004	24 004	69,8%
Household Fees											
Special Projects and Other Income											
<b>Expense</b>											
Employee Related Costs	1 818 478	2 081 914	-263 436	69 291 881	69 291 881	-263 436	99.99%	46,4%	14 288 014	14 288 014	24,9%
Directors and Committee Mem	281 288	388 888	-107 600	4 000 000	4 000 000	-107 600	99.99%	8,4%	3 888 888	3 888 888	85,4%
Depreciation & Asset Impairm											
Repairs And Maintenance	21 258	22 248	-990	544 428	544 428	-990	99.99%	10,2%	544 428	544 428	69,8%
Contracted Services	20 448	20 448		224 228	224 228		100%	24,2%	224 228	224 228	100,0%
Insurance	6 658	6 658		58 228	58 228		100%	7,6%	77 228	77 228	100,0%
Joburg Ballet & Orchestra											
Joburg Film Office											
Arts Alive											
General Expenses	471 487	325 227	146 260	8 235 484	8 235 484	146 260	99.99%	24,2%	3 748 428	3 748 428	50,8%
Grantmaker	95 648	95 648		957 227	957 227		100%	10,2%	957 227	957 227	100,0%
Utilities	448 288	448 288		4 278 258	4 278 258		100%	47,8%	4 278 258	4 278 258	100,0%
Credit Fees											
Security	44 428	44 428		324 227	324 227		100%	3,6%	324 227	324 227	100,0%
Telecommunications	1 818	18 228	-17 410	16 228	16 228	-17 410	99.99%	5,6%	16 228	16 228	70,8%
Barbour Travel	4 428	4 428		41 228	41 228		100%	2,4%	41 228	41 228	100,0%
Entertainment	82 228	4 188	78 040	8 884	8 884	78 040	99.99%	6,6%	8 884	8 884	3,6%
Transportation	3 858	38 228	-34 370	348 228	348 228	-34 370	99.99%	6,6%	348 228	348 228	100,0%
Youth Development	38 228	32 228	6 000	628 228	628 228	6 000	99.99%	2,4%	628 228	628 228	100,0%
Special and Social Amenoz	3 728	3 728		17 228	17 228		100%	0,3%	17 228	17 228	100,0%
Advertising, Publicity and M	2 884	27 228	-24 344	224 228	224 228	-24 344	99.99%	2,4%	224 228	224 228	100,0%
In-House Stage Productions	82 228	82 228		448 227	448 227		100%	4,4%	448 227	448 227	100,0%
In-House Music Program											
Contributions to Trusts and Fnd											
Training	48 228	48 228		48 228	48 228		100%	0,3%	48 228	48 228	100,0%
Miscellaneous	58 227	428 224	-369 997	4 228 228	4 228 228	-369 997	99.99%	6,6%	218 228	218 228	41,4%
Catering and Hospitality	82 228	82 228		448 228	448 228		100%	6,6%	224 228	224 228	58,4%
Mobilis Theatre Trust											
COVID	48 228	48 228		448 228	448 228		100%	7,6%	448 228	448 228	100,0%
EPWP											
New Year Eve											
Finance Contr											
Other											
<b>TRADING SURPLUS (SHORT-FALL)</b>											
	82 228	188 228	-106 000	2 228 228	2 228 228	-106 000	99.99%	6,6%	48 228	48 228	50,8%

← COVER SHEET

INCOME STATEMENT

Main Account Sub Account Name	Current Mth		YEAR TO DATE		ANNUAL BUDGET		Budget Spent 2	FORECAST Annual	FORECAST Remaining	FORECAST Yr Amount
	Actual	Budget	Var %	Actual YTD	Budget YTD	YTD Var %				
Interest Expnd from External Inves	0	0	-	0	0	0	0	0	0	0
Operating Grants and Subsidies	0	0	-	0	0	0	0	0	0	0
Arts Alive	0	0	0	0	0	0	0	0	0	0,000
Joburg Film Office	0	0	0	0	0	0	0	0	0	0
Other Revenue	245 585	316 377	-22,40%	2 253 427	2 852 735	-539 367	59,84%	3 084 570	151 142	76,53%
In-House Stage Productions	0	0	-	0	0	0	0	0	0	0
In-House Music Programme	0	0	-	0	0	0	0	0	0	0
Sponsorships	0	0	-	0	0	0	0	0	0	0
Food Beverage And Retail Stages	245 585	316 377	-22,40%	2 253 427	2 852 735	-539 367	59,84%	3 084 570	151 142	76,53%
Ticketing Services	0	0	-	0	0	0	0	0	0	0
Management Fees	0	0	-	0	0	0	0	0	0	0
Special Projects and Other Income	0	0	-	0	0	0	0	0	0	0
<b>Expense</b>	<b>378 317</b>	<b>370 254</b>	<b>-2,06%</b>	<b>3 072 318</b>	<b>3 332 204</b>	<b>259 887</b>	<b>82</b>	<b>4 036 484</b>	<b>4 036 484</b>	<b>92,20%</b>
Employee Related Costs	189 534	182 210	6,04%	1 492 169	1 729 834	527 725	18%	1 869 558	1 869 558	81,04%
Directors and Committee Member	0	0	-	0	0	0	0	0	0	0
Depreciation & Asset Impairment	0	0	-	0	0	0	0	0	0	0
Repairs And Maintenance	31 766	6 554	-79,36%	119 303	76 886	42 317	-55%	116,20%	159 071	154,37%
Contracted Services	1 293	1 293	0,00%	25 542	11 640	-18 302	-182%	34 056	34 056	216,44%
Insurance	0	0	-	0	0	0	0	0	0	0
Joburg Ballet & Orchestra	0	0	-	0	0	0	0	0	0	0
Joburg Film Office	0	0	-	0	0	0	0	0	0	0
Arts Alive	0	0	-	0	0	0	0	0	0	0
General Expenses	159 397	6 190	-96,12%	1 585 304	1 513 764	71 539	-8%	2 033 759	2 033 759	100,78%
Consumables	6 870	1 710	-75,11%	53 177	69 392	16 215	23%	70 302	70 302	76,63%
Utilities	1 802	763	-57,10%	25 277	7 051	-18 226	-258%	33 703	33 703	359,50%
Audit Fees	0	0	-	0	0	0	0	0	0	0
Security	0	0	-	0	0	0	0	0	0	0
Telecommunication	5 538	5 764	2,07%	22 000	51 874	29 074	58%	30 339	30 339	43,35%
Business Travel	0	0	-	0	0	0	0	0	0	0
Entertainment	0	0	-	0	0	0	0	0	0	0
Transportation	0	0	-	0	0	0	0	0	0	0
Youth Development	0	0	-	0	0	0	0	0	0	0
Special and Social Awareness	0	0	-	0	0	0	0	0	0	0
Advertising , Publicity and Bkr	296	296	100,00%	2 066	2 066	583	27%	2 604	2 604	76,60%
In-House Stage Productions	0	0	-	0	0	0	0	0	0	0
In-House Music Programs	0	0	-	0	0	0	0	0	0	0
Contributions to Tenant Prods	0	0	-	0	0	0	0	0	0	0
Ticketing	0	0	-	0	0	0	0	0	0	0
Miscellaneous	146 527	153 642	7,16%	1 421 347	1 362 781	-59 166	-5%	1 635 329	1 635 329	102,83%
Catering and Hospitality	0	0	-	0	0	0	0	0	0	0
Mobile Theatre Truck	0	0	-	0	0	0	0	0	0	0
COVIDA	0	0	-	0	0	0	0	0	0	0
EPVP	0	0	-	0	0	0	0	0	0	0
New Years Eve	0	0	-	0	0	0	0	0	0	0
Finance Costs	0	0	-	0	0	0	0	0	0	0
Other	0	0	-	0	0	0	0	0	0	0
<b>TRADING SURPLUS (A SHORTFALL)</b>	<b>-126 332</b>	<b>-53 277</b>	<b>-41,93%</b>	<b>-618 890</b>	<b>-475 430</b>	<b>-359 401</b>	<b>71%</b>	<b>-1 031 634</b>	<b>-272 363</b>	<b>17%</b>



INCOME STATEMENT

Main Account Sub Account Name	Current Mth			YEAR TO DATE			ANNUAL BUDGET		FORECAST		FORECAST Vs	
	Actual	Budget	Variance	Actual_YTD	Budget_YTD	YTD Var	Full Year	Remaining	Annual	Remaining	Annual	Annual
Arts Allow	0	0	0	7 513 497	0	-7 513 497	0	7 513 497	0	10 077 956	10 077 956	0,00%
General Expenses	4 694 906	4 705 525	10 939	49 595 276	44 830 107	-4 995 107	61 556 040	-12 359 025	79,91%	65 541 639	65 541 639	106,50%
Consumables	873 650	234 456	60 046	1744 109	2 110 464	366 355	2 810 951	-1 059 843	61,90%	2 325 478	2 325 478	82,64%
Utilities	983 774	1 149 063	164 289	9 019 335	10 427 516	1 398 181	14 539 365	-5 470 030	62,30%	12 092 447	12 092 447	83,17%
Audit Fees	0	0	0	630 138	1 045 066	406 948	1 045 066	-406 948	61,05%	850 850	850 850	81,41%
Security	0	20 235	20 235	0	102 116	102 116	242 021	-242 021	-	0	0	-
Telecommunication	71 054	49 066	-21 900	301 113	441 595	60 482	508 739	-207 600	64,73%	508 751	508 751	86,30%
Business Travel	0	30 125	30 125	57 862	271 128	213 465	361 504	-303 842	15,95%	76 083	76 083	21,27%
Entertainment	45 564	46 275	711	90 133	416 474	326 341	555 230	-455 106	16,23%	120 177	120 177	21,04%
Transportation	93 950	114 545	20 595	1 645 750	1 034 304	-611 266	1 379 339	266 451	119,32%	2 194 386	2 194 386	159,09%
Youth Development	0	115 567	115 567	1 721 380	1 043 700	-677 680	1 391 080	-329 700	123,70%	2 295 174	2 295 174	84,93%
Special and Social Awareness Proj	117 854	32 304	-85 270	209 165	239 255	84 661	301 007	-101 802	53,50%	270 926	270 926	71,34%
Advertising, Publicity and Market	32 275	190 040	157 025	2 396 500	1 710 362	-686 138	3 367 959	-911 433	70,74%	3 165 333	3 165 333	94,30%
In-House Stage Productions	317 700	1 535 000	1 210 100	12 661 121	14 492 543	1 831 422	20 564 129	-7 903 000	61,57%	16 081 495	16 081 495	102,00%
In-House Music Programs	0	0	0	0	0	0	0	0	-	0	0	-
Contributions to Tenant Productions	0	59 120	59 120	0	532 070	532 070	709 437	-709 437	-	0	0	-
Ticketing	0	65 519	65 519	35 062	598 659	562 777	798 225	-712 333	4,50%	47 856	47 856	5,00%
Miscellaneous	465 293	403 319	-61 975	3 494 535	3 629 869	135 333	4 839 025	-1 345 289	72,20%	4 690 301	4 690 301	96,27%
Catering and Hospitality	2 304 821	497 032	-1 807 728	14 401 550	4 473 831	-10 010 720	5 965 008	8 598 443	242,92%	19 312 734	19 312 734	323,76%
Mobile Theatre Truck	0	0	0	0	0	0	0	0	-	0	0	-
COVIDA	26 244	26 244	0	-11 640	236 197	247 836	314 929	-226 569	-3,70%	-15 519	-15 519	-4,93%
EPWP	0	135 636	135 636	443 803	1 220 722	776 899	1 627 629	-1 183 746	27,21%	591 044	591 044	36,36%
New Years Eve	0	0	0	0	0	0	0	0	-	0	0	-
Finance Costs	0	0	0	0	0	0	0	0	-	0	0	-
Other	62 797	0	-62 797	72 018	0	-72 018	0	72 018	0,00%	96 125	96 125	0,00%
<b>TRADING SURPLUS (SHORTFALL)</b>	<b>10 678</b>	<b>-940 608</b>	<b>951 306</b>	<b>-1 998 591</b>	<b>1 077 178</b>	<b>-2 205 769</b>	<b>-2 836 777</b>	<b>1 640 866</b>	<b>42%</b>	<b>-1 594 775</b>	<b>-396 104</b>	<b>56%</b>



Main Account Sub Account Name	Current Mth		YEAR TO DATE		ANNUAL BUDGET		FORECAST		FORECAST % VARIANCE
	Actual	Budget	Actual YTD	Budget YTD	Full Year	Remaining	Spent %	Forecast	
		Var	YTD Var	YTD Var	YTD Var %				
Operating Grants and Subsidies	0	0	0	0	0	0	0	0	0
Arts Alive	0	0	0	0	0	0	0	0	0
Joburg Film Office	0	0	0	0	0	0	0	0	0
Other Revenue	1582,405	700,184	682,220	1764,290	282	8,402,213	36,242	10,781,267	2,835,317
In-House Stage Productions	0	0	0	0	-	0	-	0	0
In-House Music Programme	0	0	0	0	-	0	-	0	0
Sponsorships	0	0	0	0	-	0	-	0	0
Food Beverage And Retail Packages	1542,405	700,184	682,220	1764,290	282	8,402,213	36,242	10,781,267	2,835,317
Ticketing Services	0	0	0	0	-	0	-	0	0
Management Fees	0	0	0	0	-	0	-	0	0
Special Projects and Other Income	0	0	0	0	-	0	-	0	0
<b>Expense</b>									
Employee Related Costs	1050,660	625,686	-424,972	5,622,882	-61,802	5,717,534	16,422	7,623,378	101,892
Directors and Committee Member	330,320	260,612	-69,709	2,347,306	-20,732	1,921,321	82,132	2,363,763	62,972
Depreciation & Asset Impairment	0	0	0	0	-	0	-	0	0
Repairs And Maintenance	1,176	4,355	2,640	39,201	662	52,640	23,872	18,026	18,026
Contracted Services	0	1,143	1,143	10,337	342	10,783	43,542	3,100	3,100
Insurance	0	0	0	0	-	0	-	0	0
Joburg Ballet & Orchestra	0	0	0	0	-	0	-	0	0
Joburg Film Office	0	0	0	0	-	0	-	0	0
Arts Alive	0	0	0	0	-	0	-	0	0
General Expenses	118,624	355,372	-339,852	3,236,148	-162	4,314,664	81,372	5,026,475	116,492
Consumables	10,871	9,830	-1,041	81,268	232	108,350	51,732	83,438	71,002
Utilities	0	353	353	9,379	682	11,439	24,182	3,683	3,683
Audit Fees	0	0	0	0	-	0	-	0	0
Security	0	0	0	0	-	0	-	0	0
Telecommunication	0	10	10	68	1062	117	-	-	-
Business Travel	0	0	0	0	-	0	-	0	0
Entertainment	0	0	0	0	-	0	-	0	0
Transportation	0	0	0	0	-	0	-	0	0
Youth Development	0	0	0	0	-	0	-	0	0
Special and Social Awareness	0	0	0	0	-	0	-	0	0
Advertising , Publicity and Mar	0	0	0	0	-	0	-	0	0
In-House Stage Productions	0	0	0	0	-	0	-	0	0
In-House Music Programs	0	0	0	0	-	0	-	0	0
Contributions to Tenant Prods	0	0	0	0	-	0	-	0	0
Ticketing	0	0	0	0	-	0	-	0	0
Miscellaneous	707,153	354	354	3,187	-1942	4,243	220,622	12,433	12,433
Catering and Hospitality	0	349,225	-358,226	3,143,026	-182	4,130,702	66,172	4,388,843	4,388,843
Mobile Theatre Truck	0	0	0	0	-	0	-	0	0
COVIDA	0	0	0	0	-	0	-	0	0
EPWP	0	0	0	0	-	0	-	0	0
New Years Eve	0	0	0	0	-	0	-	0	0
Finance Costs	0	0	0	0	-	0	-	0	0
Other	0	0	0	0	-	0	-	0	0
<b>TRADING SURPLUS (I SHORTFALL)</b>	<b>511,545</b>	<b>74,296</b>	<b>437,249</b>	<b>658,668</b>	<b>2513</b>	<b>320,117</b>	<b>251%</b>	<b>3,157,683</b>	<b>783,472</b>
									<b>3432</b>

Main Account Sub-Descriptions	Current Mth		YTD		YTD YTD		YTD YTD		ANNUAL BUDGET		ANNUAL BUDGET		ANNUAL BUDGET		ANNUAL BUDGET		ANNUAL BUDGET		
	Actual	Budget	Var	Per%	Actual	Budget	YTD	YTD	Full Year	Remainder	Spent %	Remainder	Spent %	Remainder	Spent %	Remainder	Spent %	Forecast	
<b>Income Statement</b>																			
<b>Other Revenue</b>																			
In-House Stage Production	250 514	247 240	3 274	1.3%	4 354 546	4 368 404	-13 858	-0.3%	2 594 934	-4 072 266	69.4%	1 889 728	877 488	57.2%					
In-House Music Programme																			
Sponsorship																			
Fund Raising and Retail (Stock)	250 514	250 514		0%	4 000 000	4 000 000		0%	3 470 000	-4 000 000	100.0%	4 000 000	0	0%	0%				
Theatre Service																			
Management Fee																			
Special Projects and Other Income																			
<b>Expense</b>																			
<b>Employee Related Costs</b>																			
Directors and Committee Mem	505 278	578 975	-78 697	-13.6%	5 374 053	5 388 945	-14 892	-0.3%	3 000 000	-5 374 053	167.0%	2 374 053	629 947	26.5%					
Depreciation & Asset Impairm																			
Repairs And Maintenance	77 538	74 457	3 081	4.1%	574 647	574 647		0%	567 000	-3 081	100.0%	567 000	0	0%					
Contracted Services	384	4 284	-3 900	-93.4%	58 545	58 545		0%	58 545	-3 900	100.0%	58 545	0	0%					
Insurance	4 433	4 433		0%	57 542	57 542		0%	57 542		100.0%	57 542	0	0%					
Joburg Ballet & Orchestra																			
Joburg Film Office																			
Arts Alive																			
<b>General Expenses</b>																			
General Expenses	410 838	407 378	3 460	0.8%	2 045 148	2 045 148		0%	2 045 148	-3 460	100.0%	2 045 148	0	0%					
Communications	28 649	27 322	1 327	4.8%	216 032	216 032		0%	216 032	-1 327	100.0%	216 032	0	0%					
Utilities	4 547	532	4 015	88.3%	7 330	7 330		0%	7 330		100.0%	7 330	0	0%					
Rent																			
Security	28 235	28 235		0%	985 416	985 416		0%	985 416		100.0%	985 416	0	0%					
Telecommunications	28 227	4 457	23 770	84.6%	474 538	474 538		0%	474 538	-23 770	100.0%	474 538	0	0%					
Business Travel	3 828	3 828		0%	84 538	84 538		0%	84 538		100.0%	84 538	0	0%					
Entertainment	4 700	4 700		0%	48 240	48 240		0%	48 240		100.0%	48 240	0	0%					
Transportation	30 545	30 545		0%	340 035	340 035		0%	340 035		100.0%	340 035	0	0%					
Youth Development	27 338	27 338		0%	253 864	253 864		0%	253 864		100.0%	253 864	0	0%					
Special and Social Awareness	27 338	27 338		0%	27 337	27 337		0%	27 337		100.0%	27 337	0	0%					
Advertising, Publicity and M	27 338	27 338		0%	255 035	255 035		0%	255 035		100.0%	255 035	0	0%					
In-House Music Programme	38 032	4 188	33 844	89.0%	337 674	337 674		0%	337 674	-33 844	100.0%	337 674	0	0%					
In-House Music Programme																			
Contributions to Tenants Fund																			
Ticketing	48 834	48 834		0%	53 046	53 046		0%	53 046		100.0%	53 046	0	0%					
Miscellaneous	48 834	48 834		0%	431 319	431 319		0%	431 319		100.0%	431 319	0	0%					
Catering and Hospitality	84 038	84 038		0%	304 342	304 342		0%	304 342		100.0%	304 342	0	0%					
Public Theatre Truck																			
COVIDA	42 837	42 837		0%	407 035	407 035		0%	407 035		100.0%	407 035	0	0%					
EPWP	48 834	48 834		0%	55 037	55 037		0%	55 037		100.0%	55 037	0	0%					
New Year Eve																			
Finance Contr																			
Other																			
<b>TRADING SURPLUS (SHORTFALL)</b>																			
	428 038	428 038		0%	4 558 035	4 558 035		0%	2 452 007	-4 558 038	53.8%	2 106 038	3 452 007	47.4%					