

**- JOBURG THEATRE-
(SOC)LIMITED**

Registration No: 2000/013032/07

trading as
Joburg City Theatres

JOBURG THEATRE



FIRST QUARTER PERFORMANCE REPORT 2023/24

**FINAL DRAFT
SUBMITTED ON 20 OCTOBER 2023**

**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
www.sowetothatre.com
www.roodepoorttheatre.com
www.joburgcitytheatres.com

Bankers : **Nedbank Limited
Investec**

Auditors : **Auditor-General**

Approval:

<p><u>MUKANI MAGUBANE</u> Name & Surname Acting Chief Financial Officer</p>	<p> Signature</p>	<p>Date of approval: <u>20/10/2023</u></p>
<p><u>Voliswa Ndoheni</u> Name & Surname Chief Executive Officer</p>	<p> Signature</p>	<p>Date of approval: <u>20/10/2023</u></p>
<p><u>GOOFREY KATSANA</u> Name & Surname Board Chairperson</p>	<p> Signature</p>	<p>Date of approval: <u>20/10/2023</u></p>
<p><u>Cllr LUBABALO MAGWENTSHU</u> Name & Surname Member of Mayoral Committee</p>	<p> Signature</p>	<p>Date of approval: <u>20.10.2023</u></p>

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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
GDP	Gross Domestic Product
GDS	Gross and Development Strategy
GGT2030	Growing Gauteng Together 2030 Plan of Action
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
SDA	Service Delivery Agreement
REMSEC	Remuneration, Social and Ethics Committee
RT	Roodepoort Theatre
SETA	Sector Education and Training Authority
SHEQ	Safety Health Environment and Quality
SLA	Service Level Agreement
ST	Soweto Theatre
STAGES	Stages Restaurant
YTD	Year to Date

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 it¹.

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.

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 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.

¹ *Joburg Theatre – the First 45 Years, 1962–2007. September 2007*

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”.

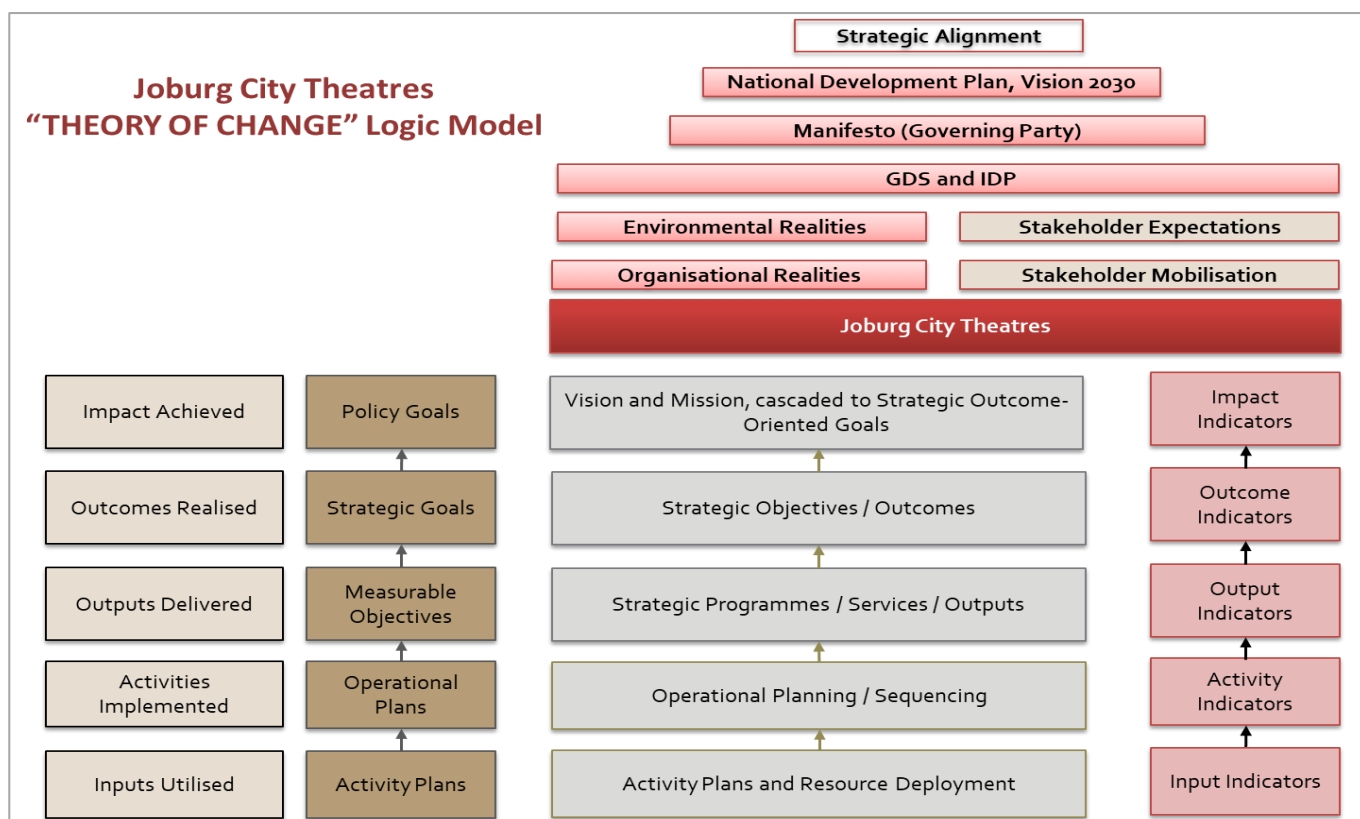
During November to December 2018, Joburg City Theatres thus embarked on an iterative process to critically examine its strategic posture and direction in line with its mandate, and in light of shifts in the environment, which have an impact on its planning and programme delivery. There was a need to 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, considering 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 programmers 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:
 - How to reposition and enhance the visibility of the organisation both domestically and internationally.
 - How to enhance the efficiency and effectiveness of Joburg City Theatres and its operations; and
 - How to best apply and leverage limited resources 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 2023/24. 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

Joburg City Theatres is governed in terms of its Memorandum of Incorporation and the amended Service Delivery Agreement, 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) To enable Johannesburg residents to access and benefit from quality arts and culture facilities and experiences.
- 3) 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 Johannesburg citizens to globally recognised professional entertainment.
- 4) 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.
- 5) The promotion and development of local content and local markets through programmes that advance social cohesion and support the transformation of society.
- 6) The in-house and/or co-production and staging of arts and entertainment productions in collaboration with local and international arts practitioners, entrepreneurs, and enterprises.
- 7) 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.
- 8) To conceptualise, create, produce, market, and disseminate content, both through own facilities and by taking shows to communities.
- 9) Provision of supportive hospitality infrastructure and services.
- 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 quality, innovative and accessible theatre, live entertainment and educational productions and experiences, 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 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.*

The secondary business of Joburg City Theatres is:

- The provision of supportive hospitality infrastructure and services.

Vision

A 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, relevant, and diverse local and global entertainment programmes that promote inclusion and social cohesion.

In so doing, Joburg City Theatres’ commits to:

- Conceptualise, manage, host, and promote 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 and theatre practitioners and entrepreneurs.
- Grow shareholder value by ensuring sound financial sustainability and good governance.
- 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 the principles for the conduct of the institution in carrying out its mission. JCT’s values define a citizen -oriented approach for producing and delivering its service delivery priorities of the COJ, as follows:

Value	What it means in practice
Service excellence	<ul style="list-style-type: none"> ▪ 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.

Value	What it means in practice
	<ul style="list-style-type: none"> We will strive for enhanced levels of customer satisfaction and responsiveness, and diligently strive to meet and exceed our service standards
UBUNTU (care and concern for people)	<ul style="list-style-type: none"> We will do our work with care, empathy, and concern for the wellbeing of vulnerable communities, customers, and stakeholders. We will at all times display tolerance, respect, and consideration of cultural diversity We will implement Batho Pele principles
Accountability	<ul style="list-style-type: none"> We will display punctuality, reliability, dependability, and a commitment to meet deadlines. We will act in a transparent manner and display ethical and consistent behaviour. We will behave with integrity in all our actions, always acting in the best interest of the citizen and organisation
Agility	<ul style="list-style-type: none"> We will seek to be flexible, adaptable, and responsive to our highly competitive environment. We will strive to identify opportunities to delivery services more economically and efficiently, and to respond to revenue opportunities, given the constrained fiscal environment. 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
Innovation	<ul style="list-style-type: none"> We will value and promote innovative ideas and solutions in order to remain relevant and attract new, modern day, audiences. We will use arts and entertainment to creatively influence and direct society towards a reimagined future state of social cohesion, inclusivity, and cultural heritage preservation. We will develop new capabilities in young and emerging arts practitioners to ensure continuity in the preservation of the arts and our rich, evolving cultural heritage. We will undertake research and actively seek feedback from our stakeholders in developing our programmes, maintaining existing, and attracting new audiences

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.”

To this end, a transformed, socially cohesive society and united country as put forward by the NDP, as both a national outcome and as a means to eradicating poverty and inequality, is at the heart of the strategy of the National Department of Sport, Arts and Culture and, therefore, an informant of the 2023/24 Business Plan of JCT.

The NDP is given effect by the MTSF, currently for the 5-year period 2019-2024. JCT’s core business contributes to:

- Priority 6 – Social cohesion and safe communities.
- Priority 2 – Economic transformation and job creation.
- Priority 5 – Spatial integration, human settlements and local government.
- Priority 1 – A capable, ethical, and developmental state.

The DDM was subsequently adopted by Cabinet on 21 August 2019. The DDM is an operational model for improving cooperative governance aimed at building a capable, ethical, and developmental state. It embodies an approach by which the 3 spheres of government and state entities work in unison in an impact-oriented way, and where there is higher performance and accountability for coherent service delivery and development outcomes. The DDM is a method of government operating in unison, focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting, and implementation. The DDM will help government address the triple challenges of poverty, unemployment, and inequality.

Informed by the NDP, the Integrated Urban Development Framework and other government policies, legislations, and previous similar programmes, the DDM is being implemented through a collaborative process to develop one plans for all 44 districts and 8 metropolitan municipalities, and further synchronised with the integrated development plans of municipalities.

JCT will contribute to the One Plan of the COJ through its programmatic alignment to the City’s GDS and IDP, particularly in terms of the following DDM developmental priorities:

- Managing urbanisation, growth and development.
- Supporting local economic drivers.
- Addressing service delivery in municipalities.

The Gauteng Provincial Government’s response to the NDP, MTSF, and DDM is the GGT2030, which has seven priorities aligned to the MTSF, with practical interventions and measures of success to deliver the intended impact of building over time - “the Gauteng we want” – a province where:

- 1) No one goes to bed hungry.
- 2) The economy reflects the full diversity of our population and harnesses the full potential of all the people.
- 3) Everyone has a job and earns a living wage.

- 4) Businesses, big and small, thrive and prosper.
- 5) Every household has access to basic shelter, a piece of land, and a decent income.
- 6) Everyone has access to quality healthcare.
- 7) Everyone, young and old, has access to the kind of education that unleashes their full potential.
- 8) All residents have access to basic services and quality infrastructure.
- 9) Everyone feels safe and can walk the streets at any time.
- 10) Women enjoy their rights, free from all forms of patriarchy; and
- 11) The environment is protected and cared for.

JCT's contribution is to the following priorities of GGT2030:

- Priority 4 – Safety, social cohesion and food security
- Priority 1 – Economy, jobs and infrastructure
- Priority 5 – Building a capable, ethical and developmental state.

City of Johannesburg Strategic Direction

JCT forms part of the COJ's Social and Human Development Cluster, located under the City's Department of Community Development, with the MMC for Community Development providing political oversight. The 2022-2027 IDP, which is informed by the Revised GDS 2040 and provides JCT with the overarching framework against which to orientate its strategic and annual business plans.

For the 2023/24 planning period, JCT is tasked to support the strategic direction provided by the objectives and priorities of the Government of Local Unity, which seeks to ensure an integrated approach to serving the needs of all citizens of the City.

Specific priority focus areas for JCT:

The following table presents the Programmatic Response of the JCT to the City's GDS and strategic priorities and applicable COJ strategic interventions.

GDS Outcome	Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
1. Improved quality of life and development-driven resilience for all	1.6. A city characterised by social inclusivity and enhanced social cohesion <i>(Core business of JCT)</i>	7. Safer City	Intervention: Arts and theatres promotion and development: <ul style="list-style-type: none"> ▪ Arts, culture, and entertainment audience development ▪ Arts education and arts talent skills development ▪ Theatre open days ▪ Mobile theatre truck – take theatre to communities

GDS Outcome	Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
			<ul style="list-style-type: none"> ▪ Soweto Theatre Amphitheatre operationalisation ▪ Leveraging major milestones/anniversary events of the theatres to promote the arts and theatre ▪ Better leverage the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering ▪ Implement the Joburg Touring Circuit <p>Intervention: Support and uplifting of marginalised communities – WYPD&LGBTIQA+:</p> <ul style="list-style-type: none"> ▪ Thematic productions ▪ Strengthen school set work offering across all theatres ▪ Position arts alongside sport in schools for development of future audiences ▪ Provide opportunities for the youth, including the development of future arts and theatre practitioners <p>Intervention: Create and maintain facilities that promote social cohesion:</p> <ul style="list-style-type: none"> ▪ Thematic productions ▪ Host, develop and stage productions promote civic pride/social cohesion. ▪ Customer care improvement ▪ Integrated programming of the theatres ▪ Ensure efficient and effective internal business processes and systems. ▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg
	1.5. A safe and secure city		<p>Intervention: Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts, and share capacity:</p> <ul style="list-style-type: none"> ▪ Joburg Theatre participates in the Braamfontein improvement district, which focuses on safety in Braamfontein. ▪ Soweto Theatre collaborate with the Jabulani SAPS and the Community Policing Forum. ▪ Roodepoort Theatre has a relationship with JMPD
4. A high performing	4.1. Partnerships, intergovernment	1. Good governance	<p>Intervention: Mobilisation and management of stakeholders and strategic partnerships:</p>

GDS Outcome	Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region	al and international relations		<ul style="list-style-type: none"> ▪ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT. ▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories. ▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes.
	4.2. A responsive, accountable, efficient, and productive metropolitan government		<p>Intervention: Achieve and sustain a clean audit outcome from the AGSA:</p> <ul style="list-style-type: none"> ▪ Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred ▪ Resolution of internal audit and AGSA audit findings ▪ Payment of all valid invoices from suppliers within the legislated 30 days ▪ Implementation of annual Strategic Risk Management Plan
			<p>Intervention: Anti-fraud and corruption:</p> <ul style="list-style-type: none"> ▪ Maintain mechanisms to verify observance of code of conduct and ethics and make it known within JCT ▪ Annual update of the fraud risk assessment, as part of the operational risk assessment ▪ Develop and deploy preventative and detective fraud control activities ▪ Formulate and collate a Fraud Response Plan to ensure a coordinated approach to investigation and corrective action
	4.3. Financially sustainable and resilient City	2. Financial sustainability	<p>Intervention: Financial management and sustainability:</p> <ul style="list-style-type: none"> ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue ▪ Increase asset utilisation and leveraging investment ▪ Well planned and implemented Capex and Maintenance Programme ▪ Cost efficiency across the value-chain ▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio

GDS Outcome	Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
	4.4. Meaningful citizen participation and empowerment	8. Active and engaged citizenry	<ul style="list-style-type: none"> ▪ Underground parking at Joburg Theatre for own use and revenue diversification <p>Intervention: Broadened community access to theatres:</p> <ul style="list-style-type: none"> ▪ Audience development ▪ Initiatives to expand access to theatres by historically disadvantaged communities ▪ Integrated activations through mobile theatre productions ▪ Provision of school setwork offerings ▪ Other – crossover with Priority 7 – Safer City
	4.5. Guaranteed customer and citizen care and service		<p>Intervention: Service level standards set and achieved:</p> <ul style="list-style-type: none"> ▪ Increased accessibility of theatres to persons with disabilities ▪ On-time production start times ▪ Compliance with health and safety legislation
3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens	3.1. Job-intensive economic growth	6. Job opportunity and creation	<p>Intervention: Skills development and job opportunities, with a focus on young people and fair allocation of local contracts:</p> <ul style="list-style-type: none"> ▪ Expanded Public Works programmes (EPWPs) opportunities ▪ Work opportunities created at JCT ▪ Small, medium, and micro enterprise (SMME) support ▪ Ensure sound and consistent supply chain management processes that support preferential procurement and enhance the contribution of JCT to enterprise development ▪ Cultivate local entrepreneurs/suppliers
	3.4. A ‘Smart’ City of Johannesburg, that is able to deliver quality services to citizens in an efficient and reliable manner (cross-cutting output)	9. Sustained economic growth	<p>Interventions: Promotion of business and leisure tourism as drivers of economic growth:</p> <ul style="list-style-type: none"> ▪ Theatre destination marketing: Strengthen tourist-focused marketing and promotion ▪ Theatre destination development: Joburg festivals (Newtown Cultural Precinct), like Edinburgh and Adelaide festivals
		11. Smart City	<p>Intervention: Embracing innovations in ICT to expand access and enhance the theatre experience:</p>

GDS Outcome	Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
			<ul style="list-style-type: none"> ▪ Theatre production podcasts, reaching young people ▪ Offering free wi-fi in theatre venues ▪ Integrating theatre into “Joburg Post” and online radio station of the COJ ▪ Integrated theatre “What’s On” portal – across all theatres/entertainment in Joburg ▪ Stage equipment upgrades (completed) and continuous upgrades on sound and lighting software and equipment, and digital screens (smart technologies)

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 interventions informing planning for the current financial year.

- 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 2023/24 and beyond, five (5) strategic objectives have been developed in order to enable JCT to effectively focus and prioritise its options in delivering on its mandate and to respond to the City’s priorities:

The Strategic Objectives are framed as statements that describe the outcome expected, resulting from Joburg City Theatres’ intervention. These Strategic Objectives are elaborated upon in the table below:

Table 3: Joburg City Theatres Strategic Objectives and Focus Areas

JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
<p>SO1: Quality performing arts and entertainment experiences and facilities</p>	<p>COJ Priority 7: Safer City</p> <ul style="list-style-type: none"> ▪ Support the development and creation of work ▪ Strengthen the acquiring and hosting of local and international work ▪ Ensure integrated programming of the theatres ▪ Continue to develop and maintain facilities and infrastructure according to world class standards ▪ Launch and operationalise the Soweto Theatre Amphitheatre ▪ Better leverage the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering ▪ Develop the JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg ▪ JCT touring circuit – annual showcase, by taking at least one show nationally ▪ Implement the JCT Annual Legend Tribute Programme 	<p>Outcome 1: Improved quality of life and development-driven resilience for all</p>
<p>SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs</p>	<p>COJ Priority 6: Job opportunity and creation</p> <ul style="list-style-type: none"> ▪ Support local content development ▪ Implement structured opportunities for the development of the talents and skills of young people in the arts ▪ Facilitate the provision of work opportunities at JCT, including through EPWP ▪ Cultivate local entrepreneurs and suppliers 	<p>Outcome 3: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</p>

JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
SO3: Affordable access to and use of theatres by communities	COJ Priority 7: Safer City COJ Priority 8: Active and engaged citizenry. <ul style="list-style-type: none"> ▪ Showcase thematic productions that address societal issues ▪ Develop future audiences by providing discounted tickets to learners ▪ Provide broadened access to JCT venues – support and uplift marginalised communities ▪ Promote and provide universal access to Theatres venues for persons living with disabilities ▪ Implement mechanisms and approaches that assist to make theatre-going practical for various communities ▪ Strengthen school network offerings across all theatres ▪ Position arts alongside sport in schools for the development of future audiences ▪ Utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers ▪ Increase access through theatre open days 	Outcome 1: Improved quality of life and development-driven resilience for all Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region
	COJ Priority 11: Smart City: <ul style="list-style-type: none"> ▪ Develop and post online for public use: “Theatre Production Podcasts” ▪ Offer free wi-fi in theatre venues ▪ Integrate theatre into “Joburg Post” and the online radio station of the COJ ▪ Collaborate with other theatres and entertainment venues to establish an integrated theatre “What’s On” portal – across all theatres/entertainment in Johannesburg ▪ Smart technology upgrades of stage equipment (sound and lighting software and equipment, and digital screens) for an enhanced theatrical experience 	Outcome 3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens
SO4: Good governance, financial sustainability, and sound management	COJ Priority 1: Good governance: <ul style="list-style-type: none"> ▪ Integrate the programming and value chains of the theatres 	Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a

JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
	<ul style="list-style-type: none"> ▪ Ensure efficient and effective internal business processes and systems ▪ Achieve and sustain a clean audit outcome from the AGSA ▪ Consistent promotion and management of anti-fraud and corruption ▪ Ensure sound and consistent supply chain management processes that support preferential procurement and JCT’s contribution to enterprise development <p>COJ Priority 2: Financial sustainability:</p> <ul style="list-style-type: none"> ▪ Balance the imperative for revenue generation with socio-economic development ▪ Grow shareholder value by ensuring sound financial management, financial control, and growth in revenue ▪ Increase asset utilisation and leveraging investment ▪ Ensure cost efficiency across the value-chain ▪ Enhance JCT’s hospitality, events, and catering services ▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio ▪ Construct underground parking at JCT for own use and revenue diversification 	sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region
<p>SO5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT</p>	<p>COJ Priority 1: Good governance:</p> <ul style="list-style-type: none"> ▪ Build JCT brand awareness and grow the market share of JCT as a leading brand ▪ Build JCT visibility through enhanced marketing, communication, and stakeholder management ▪ Leverage mutually beneficial partnering agreements and joint programmes, including: <ul style="list-style-type: none"> ○ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT ○ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories 	<p>Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</p>

JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
	<ul style="list-style-type: none"> ○ Engagement with arts practitioners, private sector, and communities in bringing new audiences into contact with JCT programmes ○ Develop partnerships and collaborate with academia (universities) for research into JCT’s operating environment and core business activities, and to source future content creators ○ Establish partnerships for productions through advertising ▪ Fundraising, sponsorships, and donations ▪ Host lectures and robust dialogues on topical matters at the theatres 	
	<p>COJ Priority 7: Safer City:</p> <ul style="list-style-type: none"> ▪ Leverage major milestones/anniversary events of the theatres to promote the arts and theatre ▪ Promote the vision of a reimagined and better future society through JCT programming and narration of new/relevant stories (new palette) ▪ Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts, and share capacity 	<p>Outcome 1: Improved quality of life and development-driven resilience for all</p>
	<p>COJ Priority 9: Sustained economic growth:</p> <ul style="list-style-type: none"> ▪ Strengthen tourist-focused marketing and promotion: <ul style="list-style-type: none"> ○ Implement Johannesburg festivals (Newtown Cultural Precinct), like Edinburgh and Adelaide festivals 	<p>Outcome 3: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</p>

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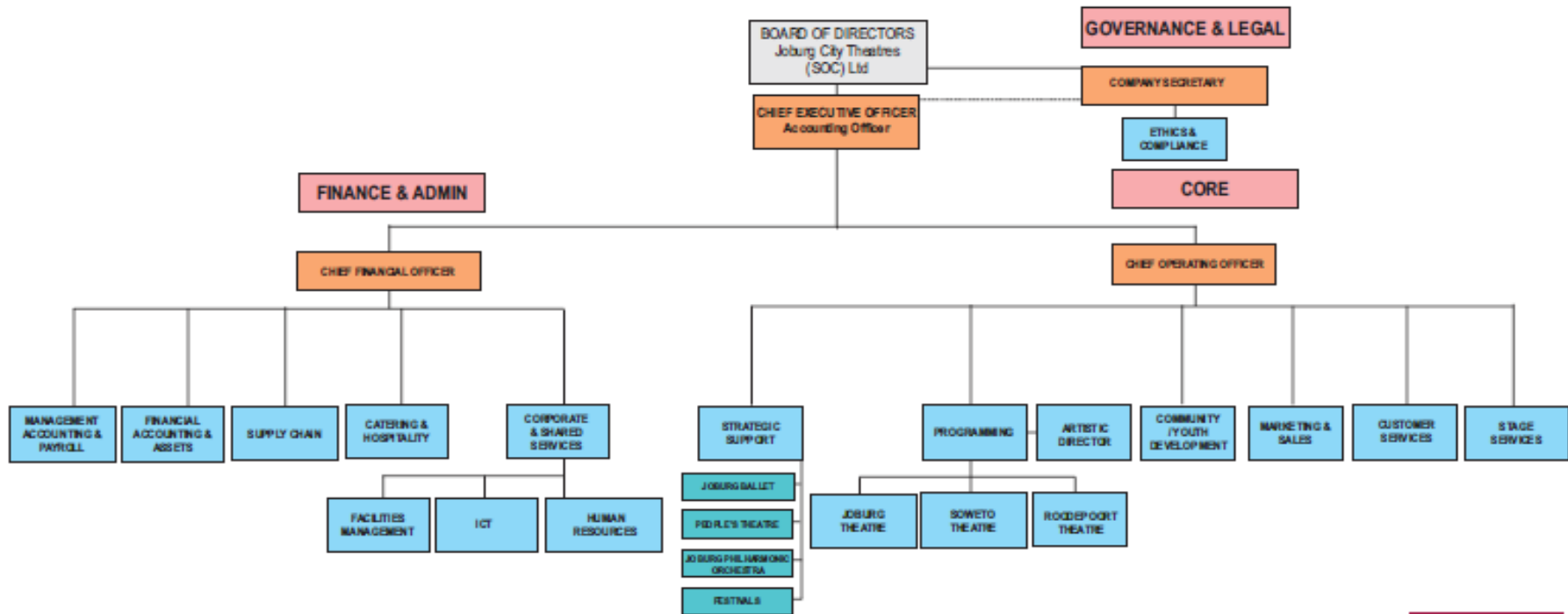
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Section 3: Salient Features

- **96%** performance achievement of the entity's scorecard and **48%** Capex expenditure achievement against the target of 10%
- **The Greatest Love of All** – A musical tribute to Whitney Houston ran to sold out performances at 100% capacity, and additional shows had to be added to the schedule to satisfy the demand for tickets.
- Joburg Theatre hosted the annual 2nd **Basadi in Music Awards**.
- The Peoples Theatre hosted 2 delightful children's productions – **Suessical and Story Book Theatre**.
- In celebration of artists that received golden buzzers in international stages, the Mandela Theatre hosted the **Golden Buzzers** (*Belinda Davids, Musa Motha and the Soweto Youth Choir*).
- Roodepoort Theatre hosted the classic Broadway play, known as **Dinner for One/Sopper vir een**.
- In paying Tribute to the Legends Soweto Theatre hosted the- **Babsy Mlangeni** and **We Shall Sing for the Fatherland**, based on the work by Zakes Mda.
- As part of school set works program, Soweto Theatre also hosted **MY Children My Africa**.
- **Gas generator** which JCT procured and took delivery of in the prior financial year, went live and is now fully operational and functional.
- JCT recorded a trading surplus of R6.9m for the quarter against the budgeted surplus of R3.4m.
- The total revenue for 2023/24 1st quarter was R69.8 million and in the 2022/23 it was R61.30 million representing an increase of 14%.
- The earned revenue for 2023/24 1st quarter was R17.8 million and in the 2022/23 it was R13.3 million representing an increase of 34%.
- Hospitality and catering revenue for 2023/24 1st quarter was R9 million and in the 2022/23 was R11.1 million representing an increase of 24%.

Section 4: High-Level Organisational Structure



JOBURG CITY THEATRES
(SOC) Ltd
Company Organogram



Section 5: Chairperson's Foreword



It is with utmost pleasure to present once more the Joburg City Theatres (JCT) quarterly report, which highlights the service delivery programmes and financial performance results for the First Quarter of the 2023/24 financial year as per the approved 2023/24 Business Plan.

The report is delivered in accordance with legislative provisions as embodied in the MFMA, the Municipal Systems Act and various other regulatory requirements as well as the King IV Code on Corporate Governance.

JCT's business is managed under the direction of the Board of Directors that directs, governs and effectively control the company by delegating to the Chief Executive Officer, and through that individual to other senior management, the authority and responsibility for managing the company's business.

The Board of Directors fully discharged its fiduciary duties of oversight and strategic leadership to the Entity for the quarter under review as per the approved Business Plan. Notwithstanding the current economic challenges and the ripple effect on theatre business. It is inspiring to report a **96%** achievement of targets set in the 2023/24 Business Plan with **48%** achievement on Capex against a target of 10%. JCT continues live up to its mandate of providing quality, innovative and accessible theatre, live entertainment and educational programmes which serve our diverse communities of the City of Joburg and support the social cohesion, inclusivity and tolerance.

A significant highlight for the period under review has been the going live of the gas generator which was procured and delivered in the prior financial year and now is fully operational and functional. This is a game changer for Joburg Theatre as it will ensure an uninterrupted power supply during the staging of performances. This initiative also furthers the sustainability vision of the City by ensuring financial sustainability, a smart city and sustainable service delivery.

Not only was the quarter eventful with theatre programming. A lot of capacity initiatives were undertaken, such as the ethics training which was facilitated by the Ethics Institute of South Africa. The aim was to enable understanding ethical leadership, the board's role in driving an ethical culture in the organisation, and potential ethical dilemmas, amongst other things.

In light of the above, I wish to thank the Board for their dedication in executing oversight, interventions and guidance over the entity. I wish to extend my gratitude to the Shareholder for their continued support. The CEO and Management for providing leadership. To the entire JCT staff, keep up the good work.

Godfrey Katsana

Chairperson of the Board
Joburg Theatre (SOC) Ltd

Section 6: Chief Executive Officer's Report



Throughout the first quarter of the 2023-24 financial year, JCT provided a multitude of events and performances celebrating a variety of themes, such as Mandela Month, Women's Month, and Heritage Month. Patrons were given a wide selection of entertainment options, ranging from classical Ballet and Opera to shows that support and recognize the LGBTQIA+ community. The theatres also offered activities for children, reintroduced dramatic works, celebrated women in music, highlighted traditional music and jazz artists, and paid tribute to Mzansi stars who have represented us well on the international stage. Additionally, popular shows returned to the stage due to high demand, and school network festivals were held to engage with learners and educators.

The Roodepoort Dance Festival, WLFDA, AIDT and SABOD mesmerized audiences with dynamic performances and impressive displays of skill and artistry. This quarter was dedicated to celebrating dance in all its forms, with the goal of acknowledging the incredible accomplishments of both young and old dancers. Looking ahead to the next quarter, exciting events like the CBA dance extravaganza, the bigger and better Goddess Divine, The Nutcracker, and the Pointe year-end showcases are eagerly anticipated at Roodepoort Theatre.

Youth and community development programs are significant contributors to JCT's strategy. They focus on providing opportunities for young people, developing future arts practitioners and entrepreneurs through structured programs that emphasise education, support and community participation. A new indicator to measure the youth and community development and emerging voices supported through partnerships was introduced. In the first quarter, 15 out of a target of 15 were supported.

Space.com provides a black box theatre for theatre practitioners to showcase their work at Joburg Theatre. It also offers administrative support and marketing assistance to performing arts practitioners. This venue is often the first professional stage for many creatives and artists, and it has been a hub for exploring and developing new work at JCT. The space provides a supportive and insular environment for real-world experience in the process of creating work.

In the last quarter of 2022-23, an open call was made for new works (emerging voices) to be staged at Space.com. This process differed because the producers were asked to audition and show part of their productions. Students taking part in other youth development programs attended the auditions, experienced the play selection process, and gave feedback to the producers. The idea is to make the play-making process at the theatre more collaborative and transparent. The productions featured in the body of the report represent the productions selected through the audition process.

ARTISTIC DIRECTOR'S OVERVIEW

JCT programming has gained momentum from the previous financial year and is driven by a strong sense of determination. The focus of the spaces is to curate content that exhibits our commitment to the community of the City of Joburg. The city provides a canvas that guides our programming ideas. We strive to attract new audiences while retaining our existing ones. Our sector is not isolated and is influenced by the dynamics of our society. We face challenges that require us to create diverse content for the various tastes that exist in the city.

My Children, My Africa

For the past two years, this set-work has been assigned to high schools. We've had the chance to collaborate with companies that produce set-works on a regular basis. This year, we aimed to expand our reach even further. To achieve this, we searched for a local organization in Soweto to work with in creating a production for learners. We were thrilled to find a group in Braamfischer that operates in a community centre led by a passionate young director with a love for storytelling.

Over the last two years, high schools have been given this set-work to complete. During this time, we have collaborated with companies that regularly produce set-works. The goal for this year is to expand the reach even more and were excited to discover a group in Braamfischer that operates within a community centre led by a passionate young director.

After reviewing their production and providing feedback, it was evident that collaborating with this team would be an excellent match for JCT. Theatres can be valuable allies in assisting schools in comprehending these stories, and JCT is dedicated to presenting such material. This further aids in cultivating future audiences for the sector.

We Shall Sing For The Fatherland

Since 2012, this is the second production by this playwright to be staged in ST. When it comes to dramatic works, plays that engage with the surrounding community and reflect their interests and concerns are carefully selected.

By staging this work, we were able to fulfil some important requirements as a theatre.

- To have an emerging Director to work on this piece as part of the mentorship program.
- Young actors were given an exciting opportunity to tackle dense text and complex characters in this work.
- As the first dramatic work of the 2023/24 season, this play tackles the issues plaguing society. It is important for the space to showcase works that not only entertain our community but also promote introspection. The aim is for patrons to understand that JCT values thought-provoking material alongside entertainment.

As part of JCT's mission to support emerging talent, creatives are encouraged to approach classic works with a fresh perspective that is relevant to today's world. Staging a classic work requires bravery in interpretation, and the challenge to young artists is to go beyond simply reading the script. The theatre's goal is to help them develop a holistic approach to theatre production, including casting, design, and soundscapes, all of which contribute to infusing fresh ideas into a piece of theatre that may have been written long ago.

Tribute to Babsy Mlangeni

When the confirmation for this project finally came through, the entire team at Soweto Theatre immediately recognized the significance of this production. Not only was the celebration about one of the greatest singing voices in the country, but it was also paying tribute to one of the finest lyricists and composers. We look forward to staging more productions of this nature.



Saturday Night at the Palace

JCT is committed to bringing captivating theatrical performances and each year, a variety of exciting shows are programmed. The audience has always enjoyed these types of productions, which have become a defining of our theatres. As audiences continue to evolve, JCT strives to keep pace with these changes. Although introducing fresh content can be difficult, we are enthusiastic about taking on this challenge.

Paul Slab is a renowned playwright based in Johannesburg who has written numerous award-winning plays. Saturday Night at the Palace was selected to signal JT's desire to showcase more dramatic offerings. The idea is to transform these spaces into portals of stories and attract a diverse range of patrons.



SCORE CARD PERFORMANCE

JCT has a total of 28 KPIs on the Corporate Scorecard. However, for the period under review only 25 KPIs were measured. The overall score for the First Quarter is **96%** achievement; and **48%** achievement on capital expenditure budget against a target of **10%**.

FINANCIAL PERFORMANCE

JCT recorded a trading surplus of R6.9m for the quarter against the budgeted surplus of R3.4m.

HUMAN RESOURCES

JCT is operating at **92%** occupancy against the approved staff establishment with the remaining **6%** recorded as vacancy rate. The vacancy recorded is exclusive of the deferred positions in the approved structure which will be filled as soon as there is budget availability.

FORWARD LOOKING



CONCLUSION

I want to take this opportunity to extend my gratitude to the Board for their continued trust in my leadership and efforts of taking Joburg City Theatres to new heights.

To EXCO, MANCO and all JCT staff, let us continue to achieve great things and make a positive impact to the City of Johannesburg.

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

Section 7: Chief Financial Officer’s Report



Executive Summary Revenue

The City’s finances are currently in a difficult position, one that is increasing in complexity and uncertainty. The short-term risks to the local and global economy that was predicted in February Budget by Minister of Finance, have now materialised. Government has collected much lower-than-expected tax revenue. At the same time, tighter financial conditions have made it difficult for the state to borrow more and at affordable rates. Continued loadshedding, the poor performance of logistics sectors, and the lasting damage done by other factors to the state, have made the difficult fiscal situation even more challenging. These and other factors have put tremendous strain on the financial resources that the state have available to address most urgent service delivery priorities.

However, it is important to note that the City has faced similar challenges in the past and managed to make the necessary policy decisions and trade-offs to navigate the storm. Right now, being innovative, adaptive, agile, and solutions-driven during these volatile, uncertain, complex and ambiguous (or VUCA) times is important. A crucial element for responsible and good governance is accountability, transparency, and ethical financial stewardship which are the pillars upon which the City build and nurture trust with the stakeholders. Furthermore, ethical sourcing of goods and services through public procurement stands as an unassailable priority to ensure that there is integrity on our financial processes.

The country is experiencing general increase in the cost of living, this resulted in the South African Reserve Bank (SARB), and Monetary Policy Committee (MPC) hiking the repo rate a record 8 consecutive times. This was in an effort to curb the high inflation in the country. High interest rates combined with the loadshedding brought about increases in both productions and consumer goods. The operations are stabilising to the pre covid 19 levels which influences the cost drivers to increase.

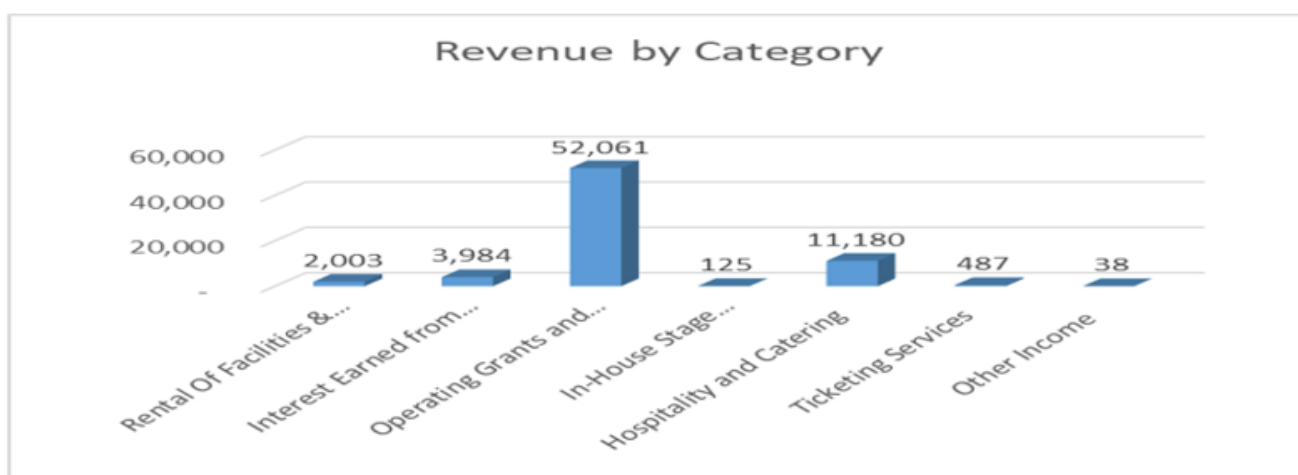
With the above mentioned, JCT has remained resilient and resourceful. The entity generated revenue to the value of R69.8m for the quarter under review, while earned revenue was reported at R17.8m which translate to a 34% increase year on year.

Total Revenue 1st Quarter 2023/24	R69.8 million up by 14 %
<ul style="list-style-type: none"> •The total revenue for 2023/24 1st quarter was R69.8 million and in the 2022/23 it was R61.30 million representing an increase of 14%. 	
Earned Revenue 1st Quarter 2023/24	R17.8million up by 34%
<ul style="list-style-type: none"> •The earned revenue for 2023/24 1st quarter was R 17.8 million and in the 2022/23 it was R13.3 million representing an increase of 34%. 	
Hospitality & Catering 1st Quarter 2023/24	R11.1million up by 24%
<ul style="list-style-type: none"> •Hospitality and catering revenue for 2022/23 1st quarter was R9 million and in the 2023/24 is R11.1 million representing an increase of 24%. 	

The increase on earned revenue primarily results from the hospitality revenue which has outperformed last financial year's performance by 24%. Based on the table below, the entity has reported favourable variance on all the revenue streams which includes amongst others: rental of facilities and equipment, Interest earned from financial institutions and other income.

Table and Graph below is a summary of main revenue line items for the 1st quarter:

Item Description	Actual_Qtr 1 2023/24 R'000	Budget_Qtr 1 2023/24 R'000	Actual_Qtr 1 2022/23 R'000	Actual to Budget %	Current to Prior %
Income	69,878	64,198	61,305	9%	14%
Rental Of Facilities & Equipment	2,003	1,281	1,359	56%	47%
Interest Earned from External Investments	3,984	1,859	1,850	114%	115%
Operating Grants and Subsidies	52,061	52,061	47,992	0%	8%
In-House Stage Productions	125	-	634	100%	-80%
Hospitality and Catering	11,180	8,662	9,034	29%	24%
Ticketing Services	487	300	354	62%	38%
Other Income	38	35	82	9%	-54%



Revenue Highlights

1) Explanation of major variances between budget and actual

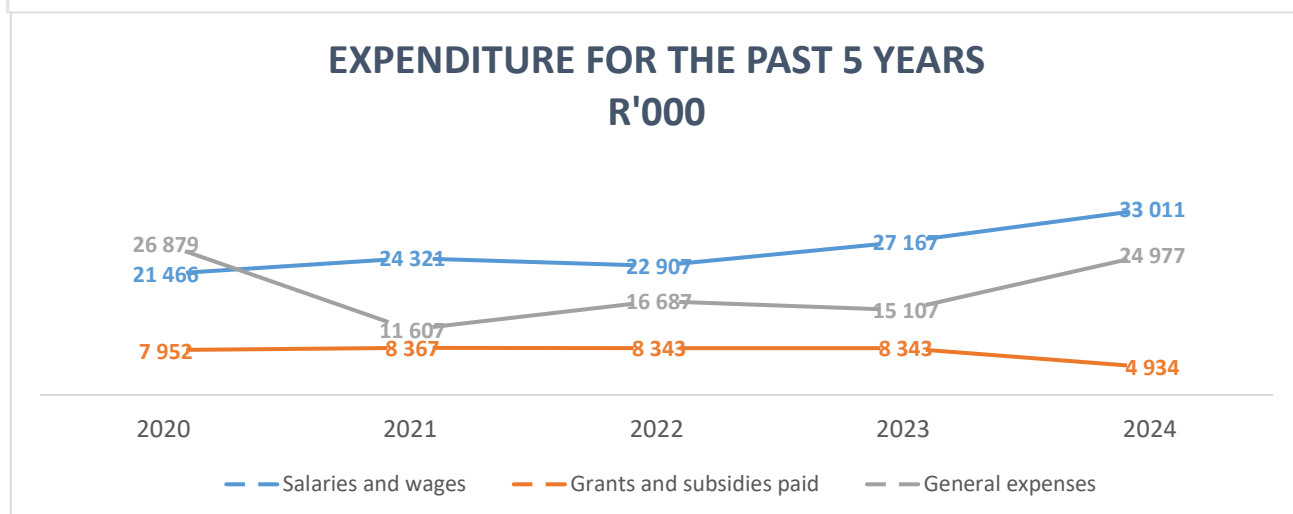
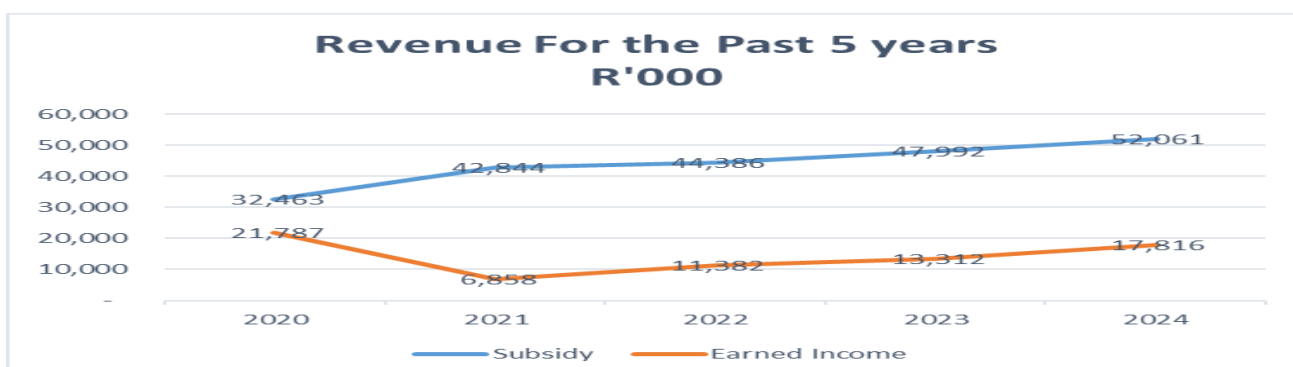
- A) **Rental of Facilities & Equipment (56%)** The entity recorded a strong performance on Rental of facilities and equipment, the achievement was 56% better than planned. This positive variance is largely attributable to the income earned from the fixed rental shows and door deals with the show producers. The auditoriums have hosted well-known shows like Romeo and Juliet and the hiring of the mobile truck.
- B) **Interest earned from external investments (114%)** The target of R1.8m was achieved and exceeded by 114% due to better rates negotiated with the banks, changes in repo rate and increased revenue in the current financial year.
- C) **Hospitality and Catering (29%)** This business unit has recorded a favourable variance of 29%. This much higher than anticipated revenue on hospitality and catering was due to several service level agreements (SLA) signed and executed, most notably an SLA framework order with COJ's Community Development on arts culture and heritage programs as well as SLA's for Sports and Libraries and Office of the Speaker. Another contributing factor to the strong performance of this unit is the performances of the shows in

the 1st quarter of the financial year where most of the performances were sold out and patrons using the hospitality and catering services.

Revenue for the past 5 years

The table below depicts an increase on revenue by an average of 5.76% for the past 5 years in the 1st quarter.

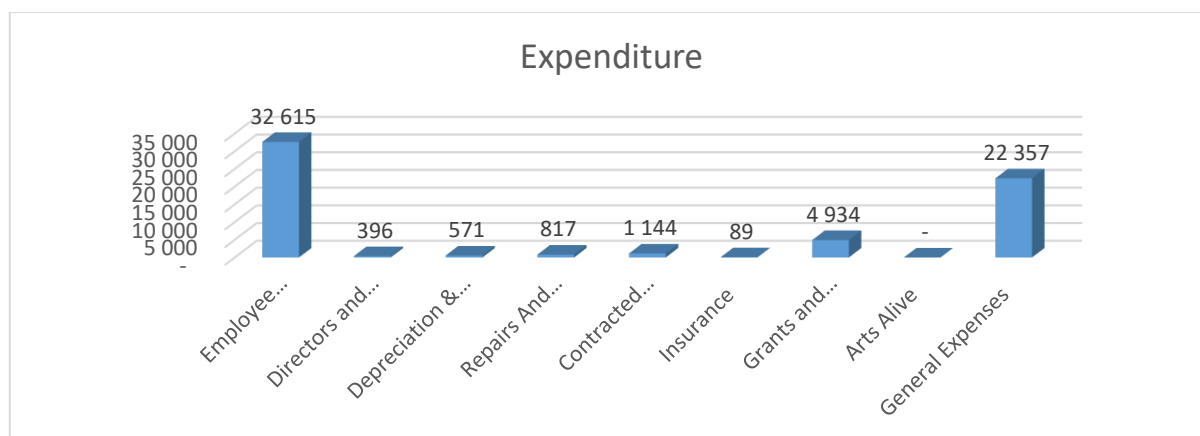
Consolidated Annual Revenue JCT					
Revenue category	Quarter 1 Actuals R'000				
	2024	2023	2022	2021	2020
Subsidy	52,061	47,992	44,386	42,844	32,463
Earned Income	17,816	13,312	11,382	6,858	21,787
	69,877	61,304	55,768	49,702	54,250
Consolidated Annual Expenditure JCT					
Expenditure category	Quarter 1 Actuals R'000				
	2024	2023	2022	2021	2020
Salaries and wages	33,011	27,167	22,907	24,321	21,466
Grants and subsidies paid	4,934	8,343	8,343	8,367	7,952
General expenses	24,977	15,107	16,687	11,607	26,879
	62,922	50,617	47,937	44,295	56,297
Surplus for the period	6,955	10,687	7,831	5,407	-2,047



Expenditure

The entity will continue to forge a good relationship between revenue generation and expenditure patterns by employing prudent financial discipline on expenditure management. The table and graph below depicts expenditure performance against target for the 1st quarter:

Item Description	Actual_Qtr 1 2023/24 R'000	Budget_Qtr 1 2023/24 R'000	Actual_Qtr 1 2022/23 R'000	Actual to Budget %	Current to Prior %
Expenditure	62,923	60,749	50,618	-4%	-20%
Employee Related Costs	32,615	30,864	26,805	-6%	-18%
Directors and Committee Members	396	330	362	-20%	-9%
Depreciation & Asset Imparment	571	676	-	16%	-100%
Repairs And Maintenance	817	1,055	452	23%	-45%
Contracted Services	1,144	481	198	-138%	-83%
Insurance	89	92	93	3%	4%
Grants and Subsidies Paid	4,934	6,998	8,343	29%	69%
General Expenses	22,357	20,253	14,365	-10%	-36%



Explanation of Variances

- Employee related costs: (-6%)** The unfavourable variance on this line item was caused by the level of activities in the hospitality and catering department as well as in the core business of the theatre. Furthermore, the City of Johannesburg metro has implemented more allowances to be paid to insured employees and that includes amongst others night shift allowance, Sunday shift allowance and danger allowance. Another contributing factor to the variance was the implementation of the City's Memo of 3% salary increase to all senior managers reporting directly the CEO backdated to the July 2023.
- Contracted services:** The city of Johannesburg has resolved that the contract for the provisions of vat recovery services (VRS) be centralised at Group Level. The entity was therefore directed to use the centralised VRS contract that the City had secured with MNS attorneys and based on the vat collected a commission amounting to R658 858 was paid to the service provider.
- General Expenses**

The actual is above the budget which is attributable to the cost of sales and hiring expenses in the Hospitality and Catering Business unit, which are linked to the favourable revenue variance of 24%. The Hospitality and Catering department entered into Agreements with the City of Johannesburg which were revenue generating activities in the period hence significant increase on the revenue, cost of sales and other variable expenses. The other line items contributing to the increase on general expenditure includes amongst others transportation (universal contracts with Afrirent) and other variable expenditure linked to the volume of the revenue generating activities in the 1st quarter of the financial year.

Trading Surplus/Deficit

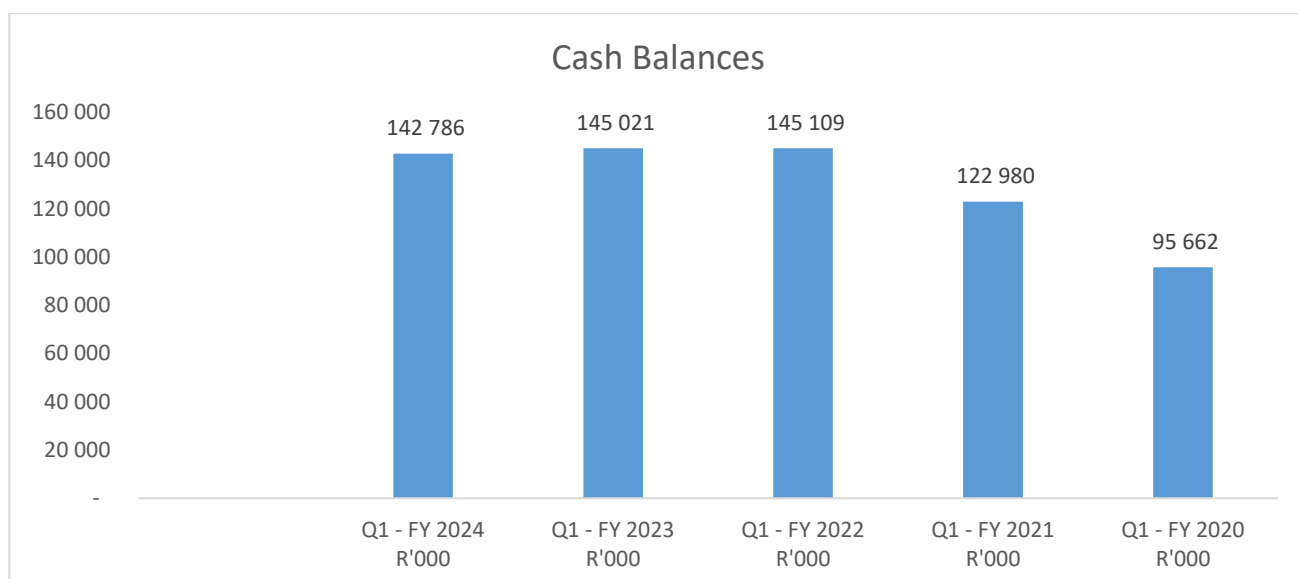
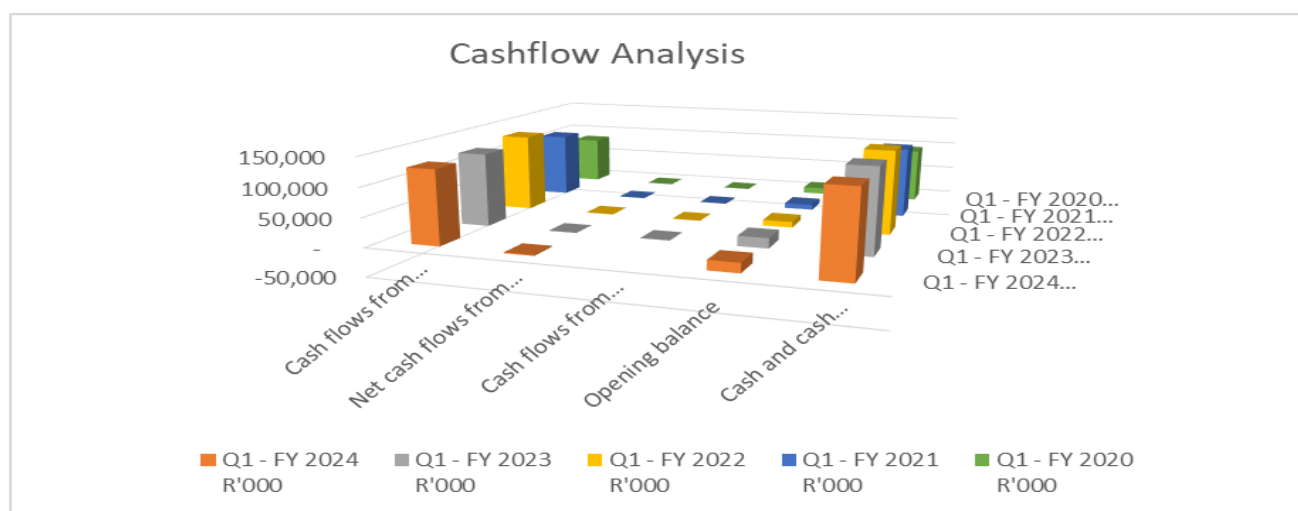
JCT recorded a trading surplus of R6.9m for the quarter against the budgeted surplus of R3.4m.

Statement of Financial Position 1st quarter 2023/24

Cash and cash equivalents has been improving year on year however decreased slightly at a small margin of 1.5% as compared to the first quarter of the previous year. Current ratio for the entity has decreased by 5.5% year on year from 1.16:1 to 1.10:1, however it is above the industry norm of 1:1. The solvency ratio is 3.4% less than the same period last year at 1.22:1 to 1.18:1 however it's still below the norm of 2:1. This does not pose a challenge for the entity as the asset base does not grow because a lot of asset improvements are funded by the shareholder and are capitalised at COJ. Current assets have increased by 12.5% year on year and current liabilities increased by 19%. Total assets increased by 14 % year on year while total liabilities gone down by 19% year on year.

Cash flow results for 1st quarter Financial Year

Cash Flow Statement	Q1 - FY 2024 R'000	Q1 - FY 2023 R'000	Q1 - FY 2022 R'000	Q1 - FY 2021 R'000	Q1 - FY 2020 R'000
Cash flows from operating activities	128,013	127,542	135,449	114,167	84,948
Net cash flows from investing activities	- 1,759	-	379	23	339
Cash flows from financing activities		-	-	-	-
Opening balance	16,532	17,479	10,039	8,836	11,053
Cash and cash equivalents at the end of the year	142,786	145,021	145,109	122,980	95,662



Statement on Compliance

No compliance related issues reported in the quarter under review.

There were also no payments paid to suppliers over 30 days from receipt of an invoice during the period under review. Total invoices issued for the Quarter under review amounted to R43m.

Joburg Ballet

Joburg Ballet submitted its quarter 1 management accounts in line with the Service Level Agreement. The management accounts reflected a deficit of R254k against a budgeted deficit of R258k. The entity has R991k in the bank account.

Joburg Ballet					
Statement of Financial Position as at 30 September 2022		Statement of Financial Position as at 30 September 2023			
		Actual_CY	Budget_CY		
		R'000	R'000	Variance	
Assets	Sep-23				
Current Assets	140,700	Revenue	354	250	29.4%
Non Current Assets	232,084	Grants	2,429	2,429	0.0%
Total Assets	372,784	Expenditure	- 3,037	- 2,937	3.3%
			- 254	- 258	-1.6%
Liabilities					
Current liabilities	129,288				
Non Current Liabilities	25,963				
Total Liabilities	155,251				
Net Assets	217,534				
Bank Balances	990,630				

Johannesburg Philharmonic Orchestra

Finalisation of the SLA is still in progress. JPO Financials will be incorporated in the final report.

Risk Management

The entity had 28 actions to be implemented in the quarter under review and 17 had been implemented resulting in 61% achievement.

Capital Expenditure (CAPEX)

The entity exceeded quarterly target and achieved a spent of 48%. An allocation of R21m was allocated for 2023/24 financial year. Key projects include a continuation of stage upgrade, acquisition of technical equipment (sound and lighting) for the Amphitheatre and acquisition of digital stage screens replacing the normal sets on the stage.

Audit Opinion Trends

The entity has achieved 3 unqualified audit opinion for the last 3 years while 2 clean audit outcome were achieved in in 2019 and 2018 financial years.

	2022	2021	2020	2019	2018
Audit Opinion	unqualified	unqualified	unqualified	Clean	Clean

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 1st quarter of the year.

Vukani Magubane

Acting Chief Financial Officer

Joburg Theatre (SOC) Ltd

CHAPTER TWO: DIRECTOR'S REPORT AND GOVERNANCE

Section 1: Board of directors

The board of directors are the custodian of corporate governance at JCT and are accordingly responsible for ensuring sound corporate governance within the entity. JCT's board as the accounting authority of the entity is responsible for setting the strategic direction of the company in line with the City of Johannesburg Metropolitan Municipality's ("the City") mandate and Shareholder priorities. The City is the sole shareholder of JCT. The Shareholder has the reserved power to appoint the board, and on an annual basis, at the entity's Annual General Meeting (AGM), the board is reconstituted.

The entity's corporate strategy which is based on the mayoral priorities is developed in alignment with the National Development Plan (NDP). Annually, at a strategic planning session between management and the board, and to which Shareholder representatives from Group Governance and the Member of the Mayoral Committee responsible for community development in the City is invited, the board and management engage on the operational plans to develop a corporate business plan, and at this juncture, the plans will be modelled to anchor the mayoral priorities and the NDP.

Accordingly, the board performs oversight on the entity's operational plans, the implementation of its budget, and through the Remuneration, Social and Ethics Committee (Remsec), the economic contributions as well as the social impact of the entity's operations on society, and the environment in general.

JCT's board is responsible for ensuring that the company maintains a sound corporate governance framework and that the framework is institutionalized, through upholding the provisions of the Companies Act, municipal legislation and all relevant laws and regulations applicable to JCT as a company and municipal entity. Through the diligent exercise of its fiduciary duties and the performance of its oversight duty, the board supports JCT to be an efficient and effective external mechanism for the City for rendering service delivery in a transparent manner.

The Shareholder supports JCT through the provision of a subsidy to JCT, thereby aiding the entity's continuous existence as a going concern. In addition, the Shareholder continues to foster an environment for long-term investment and financial sustainability as a way of supporting JCT in the delivery of its mandate in accordance with section 152 of the Constitution of the Republic of South Africa.

In accordance with Chapter 10 of the Constitution, JCT is mandated to maintain a high standard of professional ethics and the board is responsible for safeguarding the maintenance, promotion and inculcation of a heightened ethical tone in the entity. As the custodian of corporate governance in the entity, the board accounts to the Shareholder.

The Chief Executive Officer (CEO) as the accounting officer is responsible for providing guidance to the company on the integrity, ethics and professional conduct expected of public servants, as well as the designing of the appropriate policies to support the impressing of ethical principles and practices in JCT.

The board is assisted and guided by the Company Secretary in discharging its fiduciary duties, as well as pertaining to board processes and the manner in which the board should discharge its fiduciary responsibilities in the best interests of the company. Furthermore, the board is guided by the Company Secretary in terms of maintaining a separation of powers between the board's duties and the operational responsibilities which fall

within the CEO's powers. The Company Secretary is accordingly the central source of guidance and advice to the board, on matters of good governance and changes in legislation.

During the quarter under review, the Company Secretary resigned at the end of September 2023, and handover was performed to the Senior Legal Advisor. The recruitment process of a substantive Company Secretary is underway.

JCT's board derives its powers from legislation, the company's memorandum of incorporation and the City of Joburg Group Shareholder policy on Governance of Group Advisory Committees, Municipal Entities' Boards and Independent Audit Committees.

The entity's board is comprised of eleven (11) independent Non-Executive Directors (NEDs). The NEDs are not employees of JCT or the City of Joburg. The directors at JCT's board possess a mix of knowledge, skills, experience and diversity. The CEO and the Chief Financial Officer (CFO) also form part of the board, as executive directors. The CEO is the accounting officer of the organisation and is accountable to the board; the accounting authority of the organisation.

During the quarter under review, the CFO resigned at the end of July 2023, and at present, the entity has an Acting Chief Financial Officer. The recruitment process of a CFO is underway.

Mr. Godfrey Katsana who is an independent Non-Executive Director is JCT's board Chairperson. The Chairperson is not an employee of JCT or any other organ of state. The responsibilities of the Chairperson and the CEO are therefore distinct and separate.

The board is accountable to the parent municipality, being the City and fulfils the reporting responsibilities on the performance of the entity set out in the Local Government: Municipal Finance Management Act (MFMA) and the Local Government: Municipal Systems Act (MSA), on a quarterly, mid-year and annual basis. The relationship between the Shareholder and the board is regulated by a Service Delivery Agreement (SDA) and a Shareholder Compact.

The City's Group governance department: a department entrusted with performing oversight on the municipality and its entities with respect to corporate governance matters on behalf of the Shareholder, is responsible for the board and its committees' evaluations.

The board has unlimited access to management, through the CEO and can obtain any information pertaining to JCT, requisite and necessary for the board to discharge its duties. Furthermore, in exercising its fiduciary duties effectively and with independence, the board has the power and authority to source independent professional

advice, should the need arise, through the processes set out under the MFMA and the entity's Supply Chain Management policies.

For the period under review, the board was made up of the following directors:

- Mr. Godfrey Katsana (Non-Executive Director (NED) and Chairperson
- Ms. Bonga Kweyama-NED
- Mr. Thapelo Chokobane-NED
- Ms. Delisiwe Mabena-NED
- Ms. Johanna Mapeko-NED
- Mr. Thembinkosi Mbeda-NED
- Ms. Ziyanda Mncanca-NED
- Mr. Ben Mothupi-NED
- Ms. Pamela Ndlovu-NED
- Mr. Orapeleng Ramagaga-NED
- Mr. Sbusiso Xaba-NED
- Ms. Xoliswa Nduneni-Ngema (CEO and Executive Director)
- Mr. S Mphakathi (CFO and Executive Director) until 31 July 2023.

During the period under review, the board met twice on the 20th of July 2023 and the 29th of August 2023. The following matters, amongst others, were discussed at those meetings:

- JCT's 2021/22 4th quarter performance report;
- JCT's 2022/23 draft integrated annual report and draft annual financial statements for submission to the Shareholder and the Auditor General of South Africa (AGSA) for auditing; and
- The recruitment process of a CFO.

Section 2: Board Committees

The JCT board has two (2) standing committees, namely, the Audit and Risk Committee (ARC) and the Remuneration and Social Ethics Committee (REMSEC). The committees operate through terms of references as approved by the board. Both committees are chaired by independent non-executive directors.

Audit and Risk Committee (ARC)

JCT has established an audit committee in terms of section 166 of the Local Government: Municipal Finance Management Act (the MFMA). The audit committee is also charged with oversight on risk matters hence it is called the audit and risk committee.

Accordingly, the ARC is charged with performing oversight on the entity's control, governance and risk management policies and processes. It is therefore the responsibility of the ARC to provide the entity and the Shareholder with independent counsel, advice and direction on identified risks and risk management.

The ARC provides oversight on amongst other areas, the financial reporting process, the internal and external audit processes, the company's system of internal controls and compliance with laws and regulations. Regarding risk oversight, the audit committee performs oversight on the programs and policies within JCT to prevent and identify fraud.

In addition, the ARC is responsible for reviewing management's analyses of significant issues in financial reporting, assumptions and judgments made in preparing the financial statements, including the effects of alternative GRAP methods.

In discharging its responsibilities, the ARC is guided by legislation and its board approved terms of references.

Three (3) members of the ARC are independent members as they do not sit on the board of JCT, and these three (3) independent audit committee members are appointed or have their re-appointment confirmed by the Shareholder on an annual basis at the entity's AGM.

For the period under review, the entity's audit and risk committee was made up of the following members:

- Mr. Orapeleng Ramagaga (NED and Chairperson)
- Mr. Ben Mothupi (NED)
- Ms. Ziyanda Mncanca (NED)
- Mr. Elfas Muhauli (Independent Audit Committee (IAC) member)
- Mr. Vincent Sithole (IAC member);
- Adv. Sarika Singh (IAC member); and
- Mr. Thomas Sbangwana (IAC member).

The ARC met twice during the period under review on the 18th of July 2023 and the 27th of August 2023.

Remuneration, Social and Ethics Committee (REMSEC)

Remsec oversees the human resources management strategy of the entity and makes recommendations on the strategic capacitation of transformation interventions to drive engagement, productivity and business value. The committee obtains its mandate from the board and is guided by board approved terms of references, in discharging its responsibilities.

Providing leadership, policy determination and the reviewing the effectiveness and the implementation of approved policy also falls within the ambit of Remsec. Furthermore, Remsec supports the board in overseeing and monitoring the existence as well as the maintenance of an ethical workplace. In addition, Remsec directs the social and ethics strategy of the entity.

The following non-executive directors make up Remsec:

- Ms. Pamela Ndlovu (Non-Executive Director (NED) and Chairperson)
- Mr. Sbusiso Xaba (NED and Chairperson)
- Ms. Johanna Mapeko (NED and Chairperson)
- Ms. Delisiwe Mabena (NED and Chairperson)
- Mr. Thapelo Chokobane (NED and Chairperson)
- Mr. Thembinkosi Mbede (NED and Chairperson)
- Ms. Bonga Kweyama (NED and Chairperson)

For the period under review, REMSEC met twice on the 14th of July 2023 and the 28th of August 2023.

The table below outlines the remuneration and attendances at board and committee meetings for the 2023/24 first quarter:

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The table below outlines the remuneration and attendances at Board meetings and board committees for the 2023/23 First Quarter:

2023/24 First Quarter Board Fees

NAME	Remuneration Social and Ethics Committee (REMSEC) Meeting	Audit and Risk Committee (ARC) Meeting	Board Meeting	Group Audit Committee (GAC) strategic session	Chairperson's Quarterly	Group Audit	TOTAL
DATE OF MEETINGS	2023/07/14 and 2023/08/28	2023/07/18 and 2023/08/27	2023/07/20 and 2023/08/28	25-Jul-23	07-Aug-23	15-Aug-23	Verified
Mr. Godfrey Katsama (Board Chair)			32000,00		2 000,00		34 000,00
Mr. Orapeleng Ramagaga (ARC Chair)		20 000,00	24000,00	10 000,00		10 000,00	64 000,00
Ms. Pamela Ndlovu (REMSEC Chair) (State Official)	-	-	-	-	-	-	-
Ms. Bonga Kweyama	16 000,00		24000,00	-	-	-	40 000,00
Mr. Sbusiso Xaba (State Official)	-	-	-	-	-	-	-
Ms. Delisiwe Mabena (State Official)	-	-	-	-	-	-	-
Mr. Thembinkosi Mbeda	16 000,00		24000,00	-	-	-	40 000,00
Ms. Ziyanda Mncanca	-	16 000,00	24000,00	-	-	-	40 000,00
Mr Thapelo Chokobane	16 000,00	-	24000,00	-	-	-	40 000,00
Ms. Johanna Mapeko	16 000,00	-	24000,00	-	-	-	40 000,00
Mr. Ben Mothupi		16 000,00	24 000,00	-	-	-	40 000,00
Total	64 000,00	52 000,00	200 000,00	10 000,00	2 000,00	10 000,00	338 000,00

Independent Audit Committee Members							
Ms. Sarika Singh		16 000,00					16 000,00
Mr. Elfas Muhauli		16 000,00					16 000,00
Mr. Vincent Sithole		16 000,00					16 000,00
Mr. Thomas Sbangwana (state official)	-						-
Total	-	48 000,00			-		48 000,00

GRAND TOTAL							386 000,00
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Attendance of board and committee members for the 2023/24 first quarter financial year

Name of Member	Remuneration Social and Ethics Committee (REMSEC) Meeting (2)	Audit and Risk Committee (ARC) Meeting (2)	Board Meeting (2)	Group Audit Committee (GAC) strategic session (1)	Chairperson's Quarterly (1)	Group Audit Committee Meeting (1)	Ethics Training Workshop 5 September 2023 (1)
Mr. Godfrey Katsama (Board Chair)	-	-	2	-	1	-	-
Mr. Orapeleng Ramagaga (ARC Chair)	-	2	2	1	-	1	1
Ms. Pamela Ndlovu (REMSEC Chair) (State Official)	2	-	2	-	-	-	1
Ms. Bonga Kweyama	2	-	2	-	-	-	1
Mr. Sbusiso Xaba (State Official)	2	2	2	-	-	-	-

Ms. Delisiwe Mabena (State Official)	2	-	2	-	-	-	-
Mr. Thembinkosi Mbeda	2	-	2	-	-	-	-
Ms. Ziyanda Mncanca	-	2	2	-	-	-	
Mr Thapelo Chokobane	2	-	2	-	-	-	1
Ms. Johanna Mapeko	2	-	2	-	-	-	1
Mr. Ben Mothupi	-	2	2	-	-	-	1
Independent Audit Committee Members							
Ms. Sarika Singh	-	2	-	-	-	-	-
Mr. Elfes Muhauli	-	2	-	-	-	-	-
Mr. Vincent Sithole	-	2	-	-	-	-	-
Mr. Thomas Sbangwana	-	2	-	-	-	-	-

NOTE: The board Chairperson is not a member of any board committee but has a standing invitation to all committees. Independent Audit Committee members only attend Audit and Risk Committee meetings. Only the Audit and Risk Committee Chairperson attends Group Audit Committee (GAC) meetings.

Section 3: Company Secretarial Function

The Company Secretary maintains the integrity of JCT's governance framework as well as ensuring the efficient administration of the entity, through amongst other duties, facilitating the implementation of board resolutions, acting as a trusted advisor to the board and ensuring compliance with statutory and regulatory matters.

Contractually, the Company Secretary (CS) of JCT manages the legal and litigation matters of the entity, as well as the rolling out of ethics management in the organisation. Furthermore, the CS is responsible for providing quarterly, mid-year and annual performance reports on the corporate governance activities of the entity. regulatory disclosures.

Reporting on compliance with the MFMA, MSA and Priority Regulations by the Board of Directors

As expressed in the King IV report on corporate governance and the Companies Act, compliance with laws, rules and regulations enhances the maintenance of ethical leadership and social responsibility. As legislated, the board of JCT is responsible for upholding and furthering a culture of compliance in line with the said prescriptions.

JCT has adopted a Combined Assurance model, which guides maintenance and monitoring of compliance with laws and regulations, applicable to the entity. JCT monitors compliance using a priority regulatory register, which is a measurement tool that identifies the priority legislative provisions and regulatory requirements to which JCT should adhere to, at the very minimum.

For the period under review, the entity submitted reports to the City's Group Risk and Assurance Services (GRAS) department on the entity's compliance with the provisions of the MFMA Circular 65 (relating to the payment of suppliers within 30 days) and 68 (relating to the incurring of unauthorised, irregular, fruitless and wasteful expenditure). The reports submitted to GRAS for assessment would be presented to the City's governance structures.

Section 4: Risk Management and internal controls

JCT's board appreciates the complex interdependencies that affect the company's ability to create value, and understands that, the company's mandate, its risks and opportunities, strategy, business model, performance and sustainable development are inseparable elements of the process of creating value.

As such, the board is responsible for the governance of risk and for ensuring that the company has an effective risk management framework. The board has delegated oversight over risk matters to the Audit and Risk Committee (ARC) through the ARC's terms of references.

Annually, the board participates in a risk assessment workshop, which is facilitated by the City's Group Risk and Assurance Services (GRAS) department. The resultant effect of the risk assessment is the development of a strategic risk register which is approved by the board and is monitored on a quarterly basis by the board. Management is responsible for the day to day management of identified risks, and the implementation of identified mitigation actions to prevent the identified risks from occurring, and in the event a risk materialises, to reduce the negative impact of such risk.

In risk identification by the board, potential positive and negative risks are discussed and ways of exploiting and/or mitigating the impact of negative risks employed.

Management, and from an independent point of view, the ARC and Internal Audit assist 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 and processes.

In addition, the Board acknowledges the relationship between good governance and risk management practices, particularly in relation to reputational risk.

During the period under review, compliance assessments were conducted in terms of the Companies Act, the Local Government: Municipal Systems Act and the Local Government: Municipal Finance Management Act, and reports submitted to the City's Group Risk Governance Committee, for further reporting to the City of Joburg group oversight structures, such as the Extended Executive Management Team, Group Risk Governance Committee, and Governance Cluster, amongst other structures.

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

As prescribed by the Local Government: Municipal Systems Act, the board and the entity fulfilled the regular reporting requirements to Council, during the first quarter under review.

Over and above, the ad hoc reports requested by the City through Group Governance, JCT reports quarterly to the Mayoral Committee and Council on its performance in terms of the Service Delivery and Budget Implementation Plan (SDBIP).

Strategic Risk register 2023/24

Reference No	Objectives	Risk Name	Risk Category	Root Causes	Consequences	Impact	Inherent Impact Rating	Likelihood	Inherent Likelihood Rating	Inherent Risk Rating	Inherent Risk Exposure	Current controls	Control Effectiveness	Control Effectiveness Factor	Aggregate Control Effectiveness Factor	Residual Risk Rating	Residual Risk Exposure	Risk Owner	Interventions/ Actions to improve management of the risk	Action Owner	Time scale
1	Quality performing arts and entertainment experience and facilities	Business disruption	External Environment	1. Loadshedding	Loss of revenue	Critical	5	Almost Certain	5	25	Very High	1. Backup generator has been bought, delivered, commissioned and handed over to the Theatre.	Effective	20	38	10	Medium	CEO	1. To commission and handing over of the back up generator	CFD	1.30 September 2023
					Disruption of operations							2. JT continuously engages and negotiates with City Power to conveniently schedule loadshedding.	Effective	20					2. Continue to encourage online booking to avoid cash exchange.	COO	2. 2 through 4 Ongoing 4 in the forth quarter the revised BCP to be presented to ARC
				Threat to financial sustainability	3. ST has a generator for backup power.							Partially Effective	40	3. Patrons are encouraged to use electronic tickets.							
				Destruction of property	4. RT has a generator for backup power.							Partially Effective	40	4. To continuously review the Business Continuity Plan.					CFD/COO		
				2. Global pandemic (Covid-19)	5. The theatre now operates at full capacity.							Effective	20								
				3. Lookdown regulations	6. Virtual meeting and remotely working.							Effective	20								
				4. Budget cut	7. Implementation of health and safety regulations.							Effective	20								
				5. Political unrest	8. Implementation of the Business Continuity Plan.							Effective	20								
				6. Natural Disaster	Less Effective							60									
				7. Criminality	Less Effective							60									
8. Water cuts	Less Effective	60																			
		Less Effective	60																		
2	Affordable access to and use of theatres by communities	Inconsistent attendance at theatre show	Socio Economic	1. High cost of productions and the need to recover	Loss of revenue	Major	4	Almost Certain	5	20	Very High	1. Different pricing structures based on product and venue.	Partially Effective	40	40	8	Medium	COO	1. Implementation of sponsorship policy to target sponsorship.	Quarterly	
				2. Effect of the country's economic status	Lack of social cohesion							2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens.	Partially Effective	40					2. Conduct comprehensive survey to establish audience needs.		
				3. Lack of exposure of potential audiences to the theatre experience	Loss of theatre experience							3. Mobile theatre truck used to take the arts to targeted diverse communities.	Partially Effective	40					3. To engage JMPD and SAPS to police the precinct.		
				4. Fear of crime in the area	Ineffective delivery of core business objective							4. Action to engage stakeholder to ensure safety in the precinct	Partially Effective	40					4. Implement a marketing plan for each production.		
				5. Continuous change in the market appreciation of products and generations								5. Marketing plan developed for each production	Partially Effective	40							

3	Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Lack of brand positioning and brand awareness of JCT	Stakeholder Management risk	1. Inadequate marketing budget	Reputational damage	Moderate	3	Likely	4	12	High	1. Media partnerships for productions at each theatre	Partially Effective	40	40	5	Low	CEO	1. To implement the marketing and communication strategy.	COO	1. Quarterly
				2. Shortcoming of the marketing strategy	Loss of revenue							2. Media database management	Partially Effective	40					2. To organise online promotional campaigns for brand awareness in line with the budget.		2. Quarterly
				3. Inadequate marketing personnel								3.1. Continuous productions awareness campaigns.	Partially Effective	40					3. Media monitoring		3. Quarterly
												3.2. Revised marketing and communication strategy in place (E-marketing, and social media)	Partially Effective	40					4. Recruitment of a general manager, marketing and communication		4. 31 December 2023
4	Good governance, financial sustainability and sound management	Theft, fraud, and corruption	Regulatory requirement risk	1. Conflict of interest (Steed, Collision, Eibbert)	Reputational damage	Major	4	Likely	4	16	High	1. Fraud prevention policy and continuous monitoring of thereof.	Partially Effective	40	40	6	Medium	CEO	1.1. Continue to conduct Fraud Risk Assessment.	Risk Champion(FM)	1.1. Quarterly
				2. Weak internal control environment - cash handling / administrative	Finance loss							2. Fraud Risk Assessment conducted annually.	Partially Effective	40					1.2. Continue to conduct ethics awareness workshop (awareness of fraud hotlines).	Compang Secretary	1.2. Annually
				3. Lack of accountability and consequence	Asset loss							3. Code of conduct and Gift register in place	Partially Effective	40					1.3. Workshopping social and ethics strategy.	Risk Champion(FM)	1.3. 31 December 2022
				4. Poor work ethics	Negative audit outcome							4. Ethics awareness workshops conducted	Partially Effective	40					1.4. Conduct a security risk assessment through security cluster.	CFO	1.4. 31 December 2023
				5. Inadequate segregation of duties / Inadequate or no supervision	Low staff morale							4. Remuneration, Social and Ethics committee	Partially Effective	40							
												6. Declaration of Interest	Partially Effective	40							
												7. Segregation of duties	Partially Effective	40							
												8. IT Policy in place	Partially Effective	40							
												9. Armed response with CHUB	Partially Effective	40							
												10. Approve Financial Management Policies	Partially Effective	40					1.5. Development of a contracts management framework.	Risk Champion(FM)	1.5. December 2023
												11. ST relationship with SAPS	Partially Effective	40							
5	Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	Regulatory requirement risk	1. Various and changing legislative requirements to be complied with	Negative audit outcome	Major	4	Likely	4	16	High	1. Regulatory compliance register / assessment tool monitored.	Partially Effective	40	40	6	Medium	CEO	1.1. Review of Regulatory Compliance Register.	Compang Secretary	1. Annually (as and when legislation changes)
				2. There is a requirement to comply with MSCOA	Reputational damage							2. Entity is currently transacting on MSCOA	Partially Effective	40					1.2. Continuous monitoring reporting on compliance.		1.2. Quarterly and Monthly
				3. Inadequate assessment of compliance risk	Penalties							3. Quarterly reporting to oversight committees on compliance.	Partially Effective	40					2. Update on seamless integration of systems will be completed on implementation of SAP.	CFO	2. Ongoing as per CoJ
				4. Knowledge gap in new legislative development								4. Compliance policy and framework in place.	Partially Effective	40							
6	Provision of opportunities for the youth, including future arts; theatre practitioners and entrepreneur	Limited programmes available for newly trained Arts Practitioners	Human Capital	1. Limited in-house production to absorb newly trained practitioners	Limited opportunities for new entrants	Major	4	Likely	4	16	High	1. Applied Performing Arts and Arts Management partnership with WITS and DNA	Partially Effective	40	40	6	Medium	CEO	1. Establish partnership with other role players in the industry.	COO	Quarterly
												2. Weekly drama workshops	Partially Effective	40					2. Introducing theatre to communities through outreach programs.		
												3. Mentoring and upskilling of internal staff in key positioned on in-house productions.	Partially Effective	40					3. Encourage entrepreneurs to leverage JCT venues and marketing expertise.		
												4. Skills transfer programme.	Partially Effective	40					4. Marketing the program and upcoming artists.		
		2. Limited budget																			

Section 5: Sustainability Report

Sustainability Vision

JCT follows the sustainability vision of the City, which is codified under the Mayoral priorities with a specific focus on the following that apply directly to JCT:

- Financial sustainability;
- Good governance;
- Smart City; and
- Sustainable service delivery, with a focus on delivering high-quality and reliable services to all residents, with a particular emphasis on historically underserved areas.

During the period under review, the gas generator which JCT procured and took delivery of in the prior financial year, went live and is now fully operational and functional. The gas generator was an intervention by JCT to ensure an uninterrupted power supply during the staging of performances at Joburg Theatre. This initiative furthers the sustainability vision of the City in that it ensures financial sustainability, a smart city and sustainable service delivery.

Stakeholders Report

During the period under review, JCT appointed a General Manager: Stakeholder and Relations to manage the relationships between the entity and its various stakeholders, who include, individuals, groups of individuals and organisations. JCT engages its stakeholders through ensuring 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	The entity 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 PANSAs, the Performing Arts Network of South Africa.
Funding Partners / Business	In support of its value proposition for innovation, the entity is constantly identifying strategic partners, for effective service delivery.
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	Through the entity's marketing and communication strategy, JCT listens, engages, reviews its operational

	model, brands, mobilises, motivates, promotes, informs and acknowledges its audiences, patrons and stakeholders.
Patrons / General Public	Live entertainment/ programs was staged at all three (3) theatres during the quarter under review.
Board	The entity fulfilled its reporting requirements to the board in terms of legislation and the City of Joburg’s Governance Framework. Furthermore, in accordance with the King IV Code on Corporate Governance, the board received continuous training development in the form of an ethics workshop, during the period under review.
Employees	Employees are valued in JCT and they are supported by an Employee Assistance Program delivered by ICAS. Through its employees, the entity ensures efficient and great service delivery. On a quarterly basis, JCT reports on the skills development and training interventions that will have been offered to its employees. The reporting is covered under the human resources management section of this first quarter report.

Section 6: Anticorruption and Fraud (Fraud Prevention)

JCT’s Fraud Prevention Policy was reviewed during the period under review and will be presented to the audit and risk committee for consideration and recommendation to the board for approval in the second quarter. The policy regulates mechanisms for detecting and combating fraud as well as the consequences for addressing guilty conduct. JCT also has a Code of conduct applicable to all staff members, which code specifies conduct expected of the entity’s employees and conduct that is not tolerated. JCT observes zero tolerance to fraud and corruption.

The policy contains mechanisms for reporting fraud and corruption and where to report, including a fraud prevention hotline managed by the City’s Group Forensic and Investigations Services (GFIS) department.

Through ethics awareness workshops, the entity regularly empowers its employees to understand ethics governance, ethical conduct and how to report unethical conduct. During the period under review, ethics awareness workshops took place across the entity’s three (3) theatres, namely Joburg Theatre, Soweto Theatre and Roodepoort, as facilitated internally by JCT’s Senior Legal Advisor and the Committee Officer, who is a certified ethics officer, and who were guided by the Company Secretary in content development for ethics governance. As part of professional development, a Governance Intern also partakes in rolling out ethics awareness workshops. The board and executive management also received ethics training during the quarter, which was facilitated by the Ethics Institute of South Africa. The training was rolled out to empower the board and executives on understanding ethical leadership, the board and management’s roles in driving an ethical culture in the organisation, and potential ethical dilemmas, amongst other things.

Litigation Report

There were no new litigation claims that arose during the first quarter of 2023/24. The entity continued to manage the Bosch family matter during the period under review. The cause of action arose in 2016, but

summons was only served on the entity and the City in 2018. The matter relates to a claim by a minor child who fell with her father in the Orchestra Pit on the 8th of October 2016. The matter remains unresolved.

Up until the period under review, the Plaintiffs were advocating for arbitration, but during September 2023, the Plaintiffs through their attorneys communicated to JCT, their intention to proceed to trial.

JCT manages this matter through the City's insurance appointed lawyers. The lawyers have reported that, during the period under review, they were waiting for an expert summary to proceed with litigation. The claim has been amended from +/-R9million to +/-R18 million and it is on an annual basis disclosed in the entity's AFS as a potential liability.

The table below discloses the 23/24 remuneration of executive management:

EMPLOYEE COST, PAYE & UIF AND PENSION & MEDICAL AID				
EMPLOYEE COST BREAKDOWN		2024	EMPLOYEE COST BREAKDOWN	2023
Net Salary		19,334,347.75	Net Salary	16,343,272.13
PAYE		4,271,797.00	PAYE	3,655,650.22
SDL		231,479.75	SDL	205,896.95
UIF		240,595.24	UIF	235,901.73
MEDICAL AID		1,680,752.00	MEDICAL AID	1,459,363.60
PENSION		4,247,103.26	PENSION	3,743,518.59
THIRD PARTIES		314,045.07	THIRD PARTIES	237,222.61
Leave Accruals & Bonus Provisions		2,156,359.32	Leave Accruals & Bonus Provisions	792,049.30
Staff Accounts, CFO Savings, Gym & Year End		100,160.61	Staff Accounts, CFO Savings, Gym & Year End	133,701.87
		32,576,640.00		26,806,577.00
EMPLOYEE RELATED COSTS		2024	EMPLOYEE RELATED COSTS	2023
Salaries & Wages		32,576,640.00	Salaries & Wages	26,806,577.00
Board Fees included in Employee Cost		396,000.00	Employee Costs included in Other	360,000.00
		32,972,640.00		27,166,577.00
Chief Executive Officer		2024	Chief Executive Officer	2023
Annual Remuneration		764,664.77	Annual Remuneration	610,822.26
Performance Bonus		-	Performance Bonus	-
Contributions to UIF, Medical Aid & Pension		9,138.60	Contributions to UIF, Medical Aid & Pension	6,600.26
Leave Encashment; Acting, Cell & Data Allowance		183,558.65	Leave Encashment; Acting, Cell & Data Allowance	83,566.56
		957,362.02		700,989.08
Chief Financial Officer		2024	Chief Financial Officer	2023
Annual Remuneration		308,640.96	Annual Remuneration	-
Performance Bonus		79,091.28	Performance Bonus	-
Contributions to UIF, Medical Aid & Pension		6,368.35	Contributions to UIF, Medical Aid & Pension	-
Leave Encashment; Acting, Cell & Data Allowance		243,323.64	Leave Encashment; Acting, Cell & Data Allowance	-
		637,424.23		-
Chief Operating Officer		2024	Chief Operating Officer	2023
Annual Remuneration		563,202.94	Annual Remuneration	366,223.38
Performance Bonus		-	Performance Bonus	-
Contributions to UIF, Medical Aid & Pension		49,286.85	Contributions to UIF, Medical Aid & Pension	103,771.93
Leave Encashment; Acting, Cell & Data Allowance		336,393.10	Leave Encashment; Acting, Cell & Data Allowance	55,002.02
		948,882.89		524,997.33
Company Secretary		2024	Company Secretary	2023
Annual Remuneration		347,334.59	Annual Remuneration	264,766.47
Performance Bonus		-	Performance Bonus	-
Contributions to UIF, Medical Aid & Pension		89,032.62	Contributions to UIF, Medical Aid & Pension	69,725.52
Leave Encashment; Acting, Cell & Data Allowance		3,632.60	Leave Encashment; Acting, Cell & Data Allowance	6,900.00
		439,999.81		341,391.99

PAYE		2024	PAYE		2023
Opening Balance		1,061,611.56	Opening Balance		1,100,009.98
Transactions for the Year		4,271,797.00	Transactions for the Year		3,655,650.22
Amounts Paid - Current Year		(2,905,079.20)	Amounts Paid - Current Year		(2,532,441.40)
Amounts Paid - Previous Year		(1,154,675.37)	Amounts Paid - Previous Year		(1,100,009.98)
Closing Balance		1,273,653.99	Closing Balance		1,123,208.82
SDL		2024	SDL		2023
Opening Balance		68,646.12	Opening Balance		72,539.67
Transactions for the Year		231,479.75	Transactions for the Year		205,896.95
Amounts Paid - Current Year		-166,059.19	Amounts Paid - Current Year		(147,732.25)
Amounts Paid - Previous Year		(68,646.12)	Amounts Paid - Previous Year		(72,539.67)
Closing Balance		65,420.56	Closing Balance		58,164.70
UIF		2024	UIF		2023
Opening Balance		89,372.58	Opening Balance		90,389.88
Transactions for the Year		240,595.24	Transactions for the Year		235,901.73
Amounts Paid - Current Year		(175,172.12)	Amounts Paid - Current Year		(170,749.36)
Amounts Paid - Previous Year		(89,372.58)	Amounts Paid - Previous Year		(90,389.88)
Closing Balance		65,423.12	Closing Balance		65,152.37
PENSION & MEDICAL AID		2024	PENSION & MEDICAL AID		2023
Opening Balance		1,768,348.98	Opening Balance		1,661,455.85
Transactions for the Year		5,927,855.26	Transactions for the Year		5,202,882.19
Amounts Paid - Current Year		(3,922,337.96)	Amounts Paid - Current Year		(3,485,671.52)
Amounts Paid - Previous Year		(1,768,348.98)	Amounts Paid - Previous Year		(1,661,455.85)
Closing Balance		2,005,517.30	Closing Balance		1,717,210.67

Section 7: Building and Maintenance

CAPEX	
<u>Stage Machinery Upgrade</u>	<u>Action Taken</u>
1. Access control	<ul style="list-style-type: none"> • Visiting protocols and policies to be implemented on registering visiting theatre companies and also visiting technical companies doing work and / or maintenance • The tender was allocated to Forbtech, which is currently in the process of changing the Time and Attendance package and will communicate through HR to amalgamate this system to the current payroll system • Extended facial recognition access to various doors to be installed and connected to HIK Vision system. This installation is nearly complete. • IIOC requested an investigation to gain access to certain theatre cameras
2. Gas Generator Tender	<ul style="list-style-type: none"> • Installation completed • Commissioning not yet finished • Load Testing was done including stage machinery, Grid Connection and connection to the Theatre • Problems occurred on the snag list during final commissioning and a report will follow
Porte Corchere Upgrade	<ul style="list-style-type: none"> • New roof installation is complete • New Lighting fixtures (in progress)
<u>Health and Safety</u>	<u>Action Taken</u>
1. Incidents	
5 April 2023 Gopolang Joseph Lekoma – He cut his hand, while putting food warmer on the floor	<ul style="list-style-type: none"> • Gopolang Lekoma went to Milkpark Hospital for treatment • Katileho Khanye went to Garden City Clinic for treatment

26 April 2023 Katleho Khanye – Fell and hit head on concrete (Soweto Theatre)	
2. Evacuation drill	
2.1 Evacuation drill was conducted on	<ul style="list-style-type: none"> • 20 September 2023
2.2 Next evacuation drill	<ul style="list-style-type: none"> • 09 October 2023 (Tentatively)
3. Health and safety meeting	
3.1 Safety Meeting	<ul style="list-style-type: none"> • 15 August 2023
3.2 New meeting scheduled for	<ul style="list-style-type: none"> • 17 October 2023 (Tentatively)
4. Security matters	
4.1 Two cell phones were lost during the BASADI Awards	<ul style="list-style-type: none"> • Camera Footage was shared with complainants for insurance purposes
5. Maintenance	
5.1 Jul 2023 Job cards	452 Job cards completed
5.2 Aug 2023 Job cards	662 Job cards completed
5.3 Sep 2023 Job Cards	489 Job cards completed
6. Disaster management	
6.1 Hand Sanitizers	<p>New automated Hand Sanitizers was installed. The hand sanitizers are continuously filled.</p> <p>The sanitising machines will be kept in place, so that the public and staff have access to it.</p>
6.2 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 – registration of faces in progress.

Section 8: ICT Governance

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 IT is carefully directed and controlled in order for IT to be aligned to the business goals of the entity.

IT 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 IT for the benefit of stakeholders. IT governance spans the culture, organisation, policy, and practises that provide for the management and control of IT. Creating an environment where IT 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:

1. Upgrading of Stage Machinery at Joburg Theatre.

The Mandela Stage has undergone its first technology upgrade since 1992, and the massive installation is now 100% complete. This mammoth engineering design is of a world-class standard, with the software program created by Macon Systems being one of the largest PLC programs globally available.

The network system is so complex that Mitsubishi's Japanese engineering team has expressed interest in using this Johannesburg-based installation as a future example of what can be achieved with its technology.

2. COJ A647 SAP Business Transformation Programme

JCT is prepared and eagerly anticipating the commencement of the COJ SAP project, which was put on hold until further notice by COJ. The timeline initially provided for JCT to begin payroll migration was scheduled for September 2022. However, the project has been delayed and there are no additional progress reports on the SAP project to date.

Connectivity to COJ

JCT and MTC have entered into a contract agreement, wherein MTC provides JCT with a Virtual Private Network (VPN) to connect the three JCT Theatres and access to physical rack space in a datacentre for JCT's backup hardware. JCT directly reports outages to MTC, which are typically restored within a few hours. However, outages caused by load shedding can experience longer time outs, as backup power may run out due to the extended time taken to restore the power, especially during Stage 6 load shedding.

JCT is reliant on MTC to connect to the COJ for access to SAP and to the datacentre for offsite backups via the fibre links.

During this quarter, JCT encountered outages with the MTC connectivity, primarily extending through weekends, with Soweto Theatre offline for over a week. To restore Soweto Theatre's online functionality, JCT had to implement alternative measures. Temporarily, alternative measures leveraged the internet connections of both Joburg Theatre and Soweto Theatre to establish a VPN over the internet. While not an ideal solution, it served as a temporary workaround. JCT and MTC are maintaining their routine monthly meetings to proactively address any potential issues that may arise.

Cell phone signal boosters and internal Wi-Fi expansion

JCT is consistently enhancing and expanding Wi-Fi accessibility in response to the increasing need for access to the internet for staff, visiting guests and patrons. Any future extensions are carried out as necessary.

The office space at Soweto Theatre was expanded to accommodate new container offices located outside the main building. The project was completed. The extension of Wi-Fi coverage to the forecourt and Jabulani Amphitheatre at Soweto Theatre was completed.

Internet connectivity

JCT has successfully upgraded the Internet lines at each theatre.

While the lines remain generally reliable, certain lines have been affected by prolonged load shedding, which requires continuous power supply for proper functioning of the equipment. The service provider is dedicated to ensuring the infrastructure is well-maintained and operational to the best of their ability.

Access Control for staff into Joburg Theatre.

In order to align with Smart City initiatives, JCT has undertaken the procurement of a facial recognition access control system as a replacement for outdated hardware and software. The implementation of this new biometrics system has been successful, with staff members embracing it effectively. The next step involves expanding the system to replace the existing time and attendance system.

However, the expansion project is still in progress as the assessment of the BIDs is pending. Once the bidding process is completed and the successful bidder is selected, the project will move forward towards its completion.

Network improvements

In the second quarter of the previous financial year, JCT initiated the process of replacing outdated and obsolete network switches. Subsequently, a tender was awarded in the third quarter, and JCT received the delivery of new network hardware. The upcoming phase of the project will require a considerable amount of time as the network equipment needs to be configured and systematically replaced, ensuring minimal disruptions to the existing setup.

To further enhance network performance, additional budget has been allocated to replace the outdated cable infrastructure with Fibre optics. This upgrade will enable higher speeds between network equipment, resulting in improved overall network efficiency.

2023 2024 Capex

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

1. Advanced Stage Software has been procured for Roodepoort, Soweto and Joburg Theatres during the year
2. Wi-Fi has been extended through to the Jabulani amphitheatre at Soweto Theatre
3. Network infrastructure will be improved and enhanced to all areas of the Stage Department at Joburg Theatre, including the improved connectivity to all four stages in the building
4. New network hardware for the stage departments was purchased to improve audio visual functionality at Joburg and Roodepoort Theatres

The IT Department is grateful for the generous Capex allocation that has allocated budget to some much desired improvements.

3. Readiness for compliance legislation:

The internal audit for 2022-2023 resulted in some findings which have been resolved in conjunction with the finance department.

We await the visit from the AG and any resulting findings.

4. Business and technology strategies

Software Licensing

As the Software License Enterprise Agreement between COJ and Microsoft was being renewed, JCT specifically requested licensing for the E3 enterprise agreement. This agreement will facilitate the transition from on-premises email servers to cloud-based email services. The purpose of this transition is to address the use of outdated technologies and improve the fulfilment of Business Continuity Planning (BCP) objectives.

JCT works closely with the City of Joburg in order to access the licences.

5. Risk management – Internet Security

With the implementation of the Microsoft E3 License agreement, JCT has initiated the upgrade process from Windows 10 to the Enterprise edition of Windows 11. This upgrade will be carried out gradually over a span of three years. By utilizing the E3 license module's Software Assurance, JCT will have the capability to upgrade to newer software versions as they become available in the future.

Furthermore, JCT will leverage the Datacentre licenses to ensure that the JCT server platforms remain up to date as the organization moves forward. As of Q1 (2023 – 2024) JCT is in the process of planning the upgrades of server software from Windows Server 2012 to Windows Server 2022. In addition JCT will be initiating its first security penetration test. Vulnerabilities identified via the test results will need to be addresses to ensure that the network remains secure and protected.

Server and end-user protection

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

- 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 deploys 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 following section highlights the protective measures implemented by JCT, including firewalls and antivirus software:

- Overview of Capture Advanced Threat Protection (Capture ATP) • Gateway Anti-Virus (Firewall) • Configuration of Content Filtering Service • Intrusion Prevention Services (IPS)

The firewall serves as the initial line of defence, safeguarding against unwanted elements. However, additional protection is necessary for remote users or when undesirable incidents occur. For laptops, it is crucial to have an antivirus subscription that provides daily updates. Paid antivirus subscriptions offer superior protection compared to free alternatives.

JCT has implemented subscription-based technologies that receive regular updates and support from both local and international channels. Additionally, JCT sends out monthly security advisory emails to all users, highlighting best practices when dealing with emails, websites, and external drives. The advisory emphasizes that users' behaviour often represents the weakest link in the security chain. Staff members are cautioned about spam or spoofed emails attempting to extract personal or financial information, emphasizing the importance of exercising caution.

Ongoing end user security awareness is a vital aspect of the partnership between JCT, and the applied security technologies aimed at preventing attacks within the JCT environment.

Operating system and maintenance

System maintenance is a continuous process. As part of our proactive measures to address security vulnerabilities, we are undertaking the replacement of Windows 10 with Windows 11 on all hardware. Keeping all systems up to date with patches is essential in order to effectively mitigate risks.

Email scanning and security

JCT has awarded Vox a BID for the implementation of an advanced email security platform. This platform is designed to deliver heightened email security in alignment with industry standards. Its deployment will aid JCT in mitigating the general risks associated with spam emails. Nevertheless, there will be a need to augment end-user training once the installation is fully finalized in Q2.

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

JCT conducted two successful DR tests in the presence of external auditors in the previous financial year. The next DR test is scheduled for Q2 2023-2024.

JCT's BCP plan underwent a table top test in June 2023. A draft report, with future recommendations to improve and enhance the BCP, has been presented to EXCO, ARC and then the Board of directors in Q1 of 2023-2024. The action plan is being implemented as per the recommendations that came out of the table top evaluation.

7. Current Challenges

- Vox successfully secured the BID for the implementation of Mimecast for email security. Unfortunately, due to delays in obtaining signatures related to the JCT's Service Level Agreements (SLA), the implementation timeline has been extended by an additional month. Vox has communicated their concerns to JCT's SCM department, and we are actively working to resolve these issues to expedite the issuance of a purchase order as swiftly as possible.
- In response to load shedding, JCT has officially launched the gas generator on September 18, 2023. The IT department has facilitated internet access for the PLCs responsible for controlling the generator. A terminal provided by City Power will establish communication with the generator and from an ICT standpoint, the generator project has been successfully finalized. The testing of the gas generator exposed faulty UPS systems which are responsible for powering the servers. The UPS systems will need to be replaced.
- In Q1 JCT completed the migration of 41% of user PCs and laptops to Windows 11 and Office 365 in readiness for the eventual migration to online exchange within the COJ Azure tenant. However, the potential for delays in the migration exists due to incompatible PC hardware. Some older hardware may require replacement to facilitate the installation of Windows 11 going forward.
- A notable challenge with MTC is establishing effective communication with their call centre. After a complaint is submitted, MTC faces difficulties in tracking and following up on the ticket, which can lead to frustration for end users. The absence of feedback leaves JCT uncertain about the scope of the outage, and the repair timelines remain unclear. MTC has subsequently confirmed additional staff employment to alleviate the problems experienced in dealing with the call centre.

8. 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.

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

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

JCT has officially launched the gas generator at Joburg Theatre during Q1. 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 for 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. JCT has contributed to a green energy that will promote a Green, Resilient, and Sustainable City of Johannesburg.

2) The second set of projects is around COJ's **Pillar 8 Digital Joburg & Smart Governance**

Tickets for all JCT productions are readily available online, accessible through desktop computers, mobile devices, and our call centre. Patrons are not required to purchase tickets in person; instead, they can easily download tickets to their mobile phones. Virtual tickets can be scanned at the theatre

entrance to gain access to our productions. JCT is committed to embracing any new technologies that can enhance the overall experience of our valued theatregoers.

Elevating Our Stage and Venue - Enhancements and Upgrades to the Nelson Mandela Stage

The technology utilized on the Nelson Mandela stage had reached the end of its operational life, with suppliers no longer able to provide support. Securing replacement parts became an impossible task. In response, JCT invested in a comprehensive upgrade of the Nelson Mandela stage equipment, replacing outdated DOS-operated systems and controllers with state-of-the-art PLC technology. These stage equipment improvements, combined with ongoing enhancements to our sound and lighting software and equipment, bring our stage facilities up to date with the latest smart technologies, transforming it from a non-serviceable state to a fully functional one.

In addition to these physical stage upgrades, Joburg City Theatres pursued cost-efficiency by transitioning from traditional physical stage sets to digital sets through the acquisition of digital screens. These digital screens replace the bulky and costly traditional set designs, allowing for quicker scene changes and an enriched theatrical experience. Additional media players have been purchased to allow for maximum use of the AV facilities on stage.

The inaugural use of digital screens was seen in Janice Honeyman's Pantomime Cinderella during Q2 (2021-2022), which garnered immense success as recognized by media reports and our patrons. The designer, Andrew Timm, was honoured with the 2021 and 2022 Naledi Awards for Best Theatre Set and AV Design for Cinderella (2021) and Adventures in Pantoland (2022). The digital screens will once again play an essential role in the new pantomime, taking place on stage in Q2.

The use of digital sets positions Joburg Theatre as an industry leader in innovation and stage technology.

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's a smarter way to address the inequalities for citizens who do not necessarily 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 which can be utilized as venues.

During the current financial year the theatre truck is once again travelling to all provinces in South Africa. During Q1 the truck covered areas in the Northern Cape.

COJ and the Smart City

The CIO Forum actively supports Smart City concepts and acts as a filter for ideas from the COJ Smart City Office, which are then conveyed to COJ entities through the forum.

JCT consistently submits reports and completes templates as requested by the Smart City Office. Although JCT has already invested a significant amount in upgrades and services aligned with Smart City initiatives, budget constraints, due to budget cuts, may hinder the progress of adopting new technologies. With regards to the Smart City Services Dashboard, JCT does not fall within the scope of

essential services. However, JCT remains an active participant in certain Smart City pillars, albeit with limitations.

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.

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.

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

No financial irregularities reported for the quarter under review.

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.

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 first Quarter, the progress against the plan was as follows:


Activity	% completed
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



 LOW	 MODERATE	 HIGH
 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	Political unrest /Criminality, Load shedding, Water cut, Natural Disasters	Moderate				Yes	

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 crime in the area, Disaster Management regulations and limited audiences allowed in the theatre, Limited public transport to the theatre at night, Ineffective implementation of the marketing strategy.	Moderate				Yes	

name	Causes/background to the risk	Residual rating				Within risk tolerance	Status of implementation of treatment plan
		Q1	Q2	Q3	Q4		
Lack of brand positioning and brand awareness of JCT	Inadequate marketing budget, Shortcoming of the marketing strategy, Inadequate marketing personnel					Yes	
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 and consequence management, Poor work ethics, Inadequate IT access controls, Inadequate physical security controls, cyber attack	Moderate				Yes	

name	Causes/background to the risk	Residual rating				Within risk tolerance	Status of implementation of treatment plan
		Q1	Q2	Q3	Q4		
Non-compliance with applicable legislation	Various and changing legislative requirements to be complied with, There is a requirement to comply with MSCOA Inadequate assessment of compliance risk. Knowledge gaps in new legislative developments	Moderate				Yes	
Limited programmes available for newly trained Arts Practitioners.	Limited in-house production to absorb newly trained practitioners. Limited budgets.	Moderate				Yes	

Information on emerging / new risks

The city has been experiencing gas explosions in the quarter under review however the cause is still unknown.

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	<p>MTC has a backup power now for its network equipment in Jabulani civic centre.</p> <p>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.</p>	<p>Damage to fibre cables by third-party contractors around the Soweto Theatre environment has increased this quarter again. The connectivity supply has been far more inconsistent compared to 2021. JCT is dependent on MTC to connect to the COJ for SAP and to the datacentre for offsite backups via the Fibre links</p>	<p>JCT is constantly in contact with MTC to get outages resolved.</p> <p>JCT requested that MTC do a feasibility study for Air fibre (Radio links) that will overcome the setbacks caused by construction work in the area. MTC will consider the proposal and report back to JCT later with updates</p>	<p style="text-align: center;">↕</p> <p style="text-align: center;">Moderate</p>			

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, interception of emails and emails purporting to be someone of higher authority requesting payments of invoices, false travel claims, etc.	Reputational damage and financial loss	Continue doing workshops. Monitoring of compliance				

Risk transfer – exposures

There were no incident 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 is measured on a quarterly basis per the register 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-The Priority Regulatory Register

Circular 68

(i) Fruitless and Wasteful Expenditure

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

- None identified in the quarter under review.

(ii) Unauthorised Expenditure

The Entity identified the following instances of unauthorised expenditure:

- None identified in the quarter under review.

(iii) Irregular Expenditure

- None identified in the quarter under review.

(iv) Payments exceeding 30 days of receipt of invoice.

1. None identified in the quarter under review. Total invoices issued for the quarter under review amounts to R43m.

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 the above 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 outcome.

Joburg City Theatres Top Strategic risks

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 2023/24 have been re-evaluated and monitored continuously during the 1st 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 1st Quarter of 2023/24 and are summarised herein. The report therefore covers the following:

- strategic risks and residual risk profile for 1st Quarter of 2023/24.
- 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)

- i) 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 City-wide top strategic risks as applicable. During the quarter under review, Joburg City Theatres experienced the following significant highlights from a risk management perspective: **Business Disruption:**
The root causes for business disruption are: Political unrest/Criminality, Loadshedding and water cut, Natural Disasters.

Progress on implementation per action plan- Procured a backup generator for the shows and it was delivered on March 2022. JT continuously engages and negotiates with City Power to conveniently schedule load shedding, 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.

Handover of the backup generator to JCT Management was on the 18th of September. Theatre is continuously encouraging online bookings to avoid cash exchange. Patrons are encouraged to use electronic tickets.

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 crime in the area, Disaster Management regulations and limited audiences allowed in the theatre. Limited public transport to the theatre at night. Ineffective implementation of the marketing strategy.

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. Theatre is currently engaging public transport provider (Rea Vaya, taxis etc.) to provide transport for shows.

iii) Lack of brand positioning and brand awareness of JCT:

Inadequate marketing budget, Shortcoming of the marketing strategy and inadequate marketing personnel

Progress on implementation per action plan - Media partnerships for productions at each theatre, media database management, continuous productions awareness campaigns and revised marketing and communication strategy in place (e-marketing; and social media).

Management reviewed marketing and communication strategy and organised online promotional campaigns for brand awareness in line with the budget. Introduction of a marketing performance management.

iv) 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 and consequence management, Poor work ethics, Inadequate IT access controls and Inadequate physical security controls, Cyber-attack.

Progress on implementation per action plan - Fraud prevention policy and continuous monitoring of thereof, Code of conduct and Gift register in place. Segregation of duties. Declaration of interests. Remuneration, Social and Ethics Committee. Fraud risk assessment conducted annually, Ethics awareness workshops conducted, Approved Financial Management Policies and IT Policy in place.

Management is continuously conducting ethics awareness workshop and fraud risk assessment. Development of a social and ethics strategy. Development of a contracts management framework.

v) Non-compliance with applicable legislation:

Various and changing legislative requirements to be complied with and there is a requirement to comply with MSCOA. Inadequate assessment of compliance risk. Knowledge gaps in new legislative developments.

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.

vi) Limited programmes available for newly trained Arts Practitioner:

Limited in-house production to absorb newly trained practitioners and Limited budgets.

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 currently establishing partnership with other role players in the industry. Introducing theatre to communities through outreach programs. Encouraging entrepreneurs to leverage JCT venues and marketing expertise. Marketing the program and upcoming artists.

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 6 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	Business disruption	<ol style="list-style-type: none"> 1. Political unrest / Criminality. 2. Load shedding. 3. Water cut. 4. Natural Disasters. 5. Budget cut. 	<ol style="list-style-type: none"> 1. Procured the backup generator for the shows and it was delivered on March 2022. 2. JT continuously engages and negotiates with City Power to conveniently schedule load shedding. 3. ST has an emergency generator for lighting 4. RT has a generator however does not provide sufficient power to run all the operations 5. Implementation of the Business Continuity Plan. 6. Handover of the backup generator to JCT Management on the 18th of September 2023.
2	Inconsistent attendance at theatre show.	<ol style="list-style-type: none"> 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. Load shedding. 5. Fear of crime in the area. 6. Disaster Management regulations and limited audiences allowed in the theatre. 7. Limited public transport to the theatre at night. 8. Ineffective implementation of the marketing strategy. 	<ol style="list-style-type: none"> 1. Different pricing structures based on product and venue. 2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens 3. Mobile theatre truck used to take the arts to targeted diverse communities. 4. Action to engage stakeholder to ensure safety in the precinct 5. Customer satisfaction survey conducted after every show. 6. Marketing plan developed for each production 7. Implementation of sponsorship policy to target sponsorship. 8. Conduct comprehensive survey to establish audience needs 9. Engaged JMPD and SAPS to police the precinct. 10. Implement a marketing plan for each production. 10. Engage public transport provider (Rea Vaya, taxis etc.) to provide transport for shows.
3	Lack of brand positioning and brand awareness of JCT	<ol style="list-style-type: none"> 1. Inadequate marketing budget. 2. Shortcoming of the marketing strategy. 3. Inadequate marketing personnel. 	<ol style="list-style-type: none"> 1. Media partnerships for productions at each theatre 2. Media database management 3.1. Continuous productions awareness campaigns. 3.2. Revised marketing and communication strategy in place (e-marketing; and social media) 4. Reviewed marketing and communication strategy

			<ul style="list-style-type: none"> 5. To organise online promotional campaigns for brand awareness in line with the budget 6. Introduction of a marketing performance management.
4	Theft, fraud and corruption.	<ul style="list-style-type: none"> 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 and consequence management. 5. Poor work ethics. 6. Inadequate IT access controls. 7. Inadequate physical security controls. 8. Cyber-attack. 	<ul style="list-style-type: none"> 1. Fraud prevention policy and continuous monitoring of thereof. 2. Code of conduct and Gift register in place. 3. Segregation of duties. 4. Declaration of interests. 5. Remuneration, Social and Ethics Committee. 6. Fraud risk assessment conducted annually. 7. Ethics awareness workshops conducted. 8. Approved Financial Management Policies. 9. IT Policy in place. 10. Continue to conduct ethics awareness workshop (awareness of fraud hotlines) and Fraud risk assessment. 11. Development of a social and ethics strategy. 12. Development of a contracts management framework.
5	Non-Compliance with legal legislation	<ul style="list-style-type: none"> 1. Various and changing legislative requirements to be complied with. 2. There is a requirement to comply with MSCOA. 3. Inadequate assessment of compliance risk. 4. Knowledge gaps in new legislative developments. 	<ul style="list-style-type: none"> 1. Regulatory compliance register/ assessment tool 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. 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.
6	Limited programmes available for newly trained Arts Practitioners	<ul style="list-style-type: none"> 1. Limited in-house production to absorb newly trained practitioners. 2. Limited budgets. 	<ul style="list-style-type: none"> 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. 5. Introducing theatre to communities through outreach programs.

			6. Encouraging entrepreneurs to leverage JCT venues and marketing expertise. 7. Marketing the program and up and coming artists.
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- **Internal Audit**

The assurance outcomes by internal audit are based on the work done in the 2022/23 financial year.


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



The officer of the Auditor General has completed their audit of 2021/22 in the 2nd quarter of the previous financial year which is 2021/22.


The assurance outcomes by the auditor general are now based on the 2021/22 audit, Joburg City Theatres maintained their audit status in terms of the audit outcome to unqualified audit opinion in 2021/22.



TABLE 1: SUMMARY ASSURANCE OUTCOMES – QUARTER 1 OF 2023/24

 LOW	 MODERATE	 HIGH
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Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q1 2023/24		Level 2 – External Assurance		Level 1 and 2 Combined Assurance		
			Q1 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 integrated assurance	Auditor General	Combined Assurance
	Business disruption	Political unrest /Criminality, Load shedding, Water cut, Natural Disasters.	Moderate		Moderate	Moderate	Moderate	Moderate	Moderate

Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q1 2023/24		Level 2 – External Assurance		Level 1 and 2 Combined Assurance		
			Q1 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 integrated assurance	Auditor General	Combined Assurance
	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 crime in the area, Disaster Management regulations and limited audiences allowed in the theatre. Limited public transport to the theatre at night. Ineffective implementation of the marketing strategy.	Moderate		Moderate	Moderate	Moderate	Moderate	Moderate
	Lack of brand positioning and brand awareness of JCT	Inadequate marketing budget, Shortcoming of the marketing strategy, Inadequate marketing personnel.	Low		Low	Low	Low	Low	Low

Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q1 2023/24		Level 2 – External Assurance		Level 1 and 2 Combined Assurance		
			Q1 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 integrated assurance	Auditor General	Combined Assurance
	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 and consequence management, Poor work ethics, Inadequate IT access controls, Inadequate physical security controls, cyber-attack.	Low		Low	Low	Low	Low	Low

Risk Rank	Risk Landscape / Risk Name	Risk Description	Level 1 – Summary Assurance Outcomes– Q1 2023/24		Level 2 – External Assurance		Level 1 and 2 Combined Assurance		
			Q1 Residual Risk	Risk Movement	Internal Audit	Risk Advisory Services	Level 2 integrated assurance	Auditor General	Combined Assurance
	Non-compliance with applicable legislation	Various and changing legislative requirements to be complied with. There is a requirement to comply with MSCOA. Inadequate assessment of compliance risk. Knowledge gaps in new legislative developments	Moderate		Moderate	Moderate	Moderate	Moderate	Moderate
	Limited programmes available for newly trained Arts Practitioners.	Limited in-house production to absorb newly trained practitioners. Limited budgets	Moderate		Moderate	Moderate	Moderate	Moderate	Moderate

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

Section 1: Highlights and Achievements

JOBURG THEATRE

Joburg Ballet's Romeo and Juliet - Few ballets possess the ability to deeply resonate with the heart, capture the essence of the human spirit, and unleash a myriad of emotions quite like "Romeo and Juliet." This immortal tale of star-crossed love has continually enraptured audiences with its breathtaking grandeur, gripping drama, and enduring beauty. The Opening Night was graced by a multitude of individuals eagerly anticipating the profound experience of witnessing this exquisite classical masterpiece.



Dr. Seuss, with his lovable characters and captivating rhyme schemes, had been an inspiration to generations, imparting valuable life skills and lessons through his endearing cartoon creations. **Seussical JR** served as a magical journey, where the pages of his books came alive on stage, captivating the hearts of the audience. The underlying themes and motifs recurring throughout the production revolved around the essential values of honesty, trust, friendship, and loyalty. This engaging narrative emphasized the importance of these virtues in a way that resonated with both young and old, making it an ideal choice for family entertainment.



The night dubbed **Pride Without Prejudice** gave a voice to marginalized queer people and amply the necessity of human rights and social justice through song and dance. The musical celebration featured Africa’s first LGBTQIA+ choir, Mzansi Gay Choir accompanied by seasoned musicians the likes of Buhle Bendalo, Langa Mavuso, Tamara Dey, Morena The Squire, Lady Du, Muneyi, and Busiswa. The LGBTQIA+ community came out in numbers and showed unity against homophobia, transphobia, and the criminalization of LGBTQIA+ persons around the globe. The celebration and awareness campaign was heightened by the presence and attendance of the different embassy representatives who spoke against the criminality acts around the globe.



The prestigious **Basadi in Music Awards** gracefully swept through Joburg Theatre, transforming it into a sanctuary of joy for devoted music aficionados. The event was a momentous occasion as the nominees for the highly anticipated 2023 Basadi in Music Awards were announced, showcasing a diverse range of talented female artists within the music industry. The atmosphere in the theatre was a vibrant hive of activity, abuzz with an abundance of talented, fashion-forward, and inspiring women who epitomize the very essence of the Basadi in Music Awards. These awards left a lasting impression on attendees, inspiring a renewed commitment to fostering a more inclusive and diverse music industry.



In an eagerly anticipated event, the classic opera, **TOSCA** by Cape Town Opera made its premiere in Joburg. The performance took place in front of a sizeable audience, with people coming in significant numbers to extend their support and revel in the artistic excellence of Tosca. The captivating narrative,

masterful music, and exceptional performances combined to create an unforgettable experience for all attendees. The opera's compelling portrayal of love, betrayal, and political intrigue in the backdrop of historical events resonated profoundly with the audience. Cape Town Opera's *Tosca* proved to be a spectacle that left a lasting impression on the hearts of all who attended.



Saturday Night at the Palace successfully addressed challenging themes while delivering a thought-provoking and impactful theatrical experience. It not only engaged audiences but also fostered discussions on crucial societal issues. Despite the hurdles faced, the production's achievements, audience engagement, and cast performance reflected its enduring relevance and resonance. *Saturday Night at the Palace* was a powerful theatrical production that delved into the deep-seated issues of institutionalized racism during the height of apartheid in South Africa. The play narrated the interconnected stories of two working-class white men (Charlie Bouguenon and Francois Jacobs) and a black waiter (Samson Khumalo), offering a poignant exploration of racism, unjust justice systems, and violence. Directed by the award-winning director Albert Maritz and written by renowned playwright Paul Slabolepszy, the production was a sharp satire that shed light on the harsh realities of racial prejudice.



Bolingo Gospel Concert was a spectacular musical event that celebrated the fusion of diverse cultures and languages through the uplifting medium of gospel music. Bolingo Gospel Concert attracted a diverse audience, including members of various linguistic communities, religious leaders, cultural ambassadors, and music enthusiasts. It left a lasting impression on attendees, reminding them of the beauty and strength that diversity brings to our communities.



Golden Buzzer was an exhilarating showcase of talent, passion, and artistic excellence. This showcase provided a platform for Belinda Davis, (*Got Talent All-Stars*), Musa Motha, (*Britain's Got Talent 2023*) and Mzansi Youth Choir (*America's Got Talent*) to receive the recognition they deserve for making history and bringing immense pride to the nation. The Nelson Mandela stage lit up in gold as Golden Buzzer Stars brought so much pride to South Africa united for the first time on the same stage.



The Johannesburg International Comedy Festival was a laughter-filled extravaganza that brought together comedians from across the globe to showcase their wit and humour. This festival celebrated the art of comedy and provided audiences with an unforgettable experience of laughter and entertainment. The Johannesburg International Comedy Festival was a resounding success, serving as a testament to the enduring appeal of comedy as an art form. It provided a platform for comedians from all corners of the world to connect with audiences, share laughter, and celebrate the universal language of humour.



The Greatest Love of All received acclaim from audiences worldwide, captivating hearts and minds in the US, UK, Europe, Middle East, Asia, Australia, South Africa, and New Zealand. Audiences experienced a two-hour journey filled with joy, nostalgia, and wonderment as they immersed themselves in Houston's greatest hits. From timeless classics like 'I Will Always Love You' and 'I Wanna Dance With Somebody' to 'How Will I Know,' 'One Moment in Time,' 'I Have Nothing,' 'Run to You,' 'Didn't We Almost Have It All,' 'Greatest Love of All,' 'I'm Every Woman,' 'Queen of the Night,' 'Exhale (Shoop Shoop),' 'Million Dollar Bill,' and more, the musical experience was nothing short of extraordinary. The Greatest Love of All was a heartfelt tribute that celebrated the enduring legacy of Whitney Houston and her music.



The "Everything is Ximatsatsa" Book Launch profoundly celebrated Sydney Maluleke's unwavering commitment to meticulously documenting the intricate narratives interwoven within South African indigenous music. This remarkable journey of literary exploration, spanning eight years, saw Maluleke immerse himself in the life stories and artistic journeys of three iconic musicians: Black Moses Ngwenya and the Soul Brothers, the late Steve Kekana, and Dr. Thomas Chauke. These biographies transcended tributes to the artists; they emerged as compelling chronicles that beckoned readers into the vibrant tapestry of South Africa's cultural and musical milieu. Through rigorous ethnographic research and riveting storytelling, Mr. Maluleke invited the audience to peer into the lives and careers of these legendary figures, unearthing the profound impact they had on the nation's cultural and musical landscape.



The Mzansi Traditional & Cultural Music Awards celebrated the rich heritage and musical traditions of South Africa. This event honoured musicians and artists who have made significant contributions to preserving and promoting traditional and cultural music forms. The Mzansi Traditional & Cultural Music Awards were a celebration of South Africa's rich cultural and musical heritage. This event recognized the exceptional talents within the traditional music scene and served as a platform to

preserve and promote the nation's cultural legacy. By showcasing the beauty and diversity of traditional and cultural music, the awards ceremony contributed to the preservation of South Africa's cultural identity. It honoured artists who have dedicated themselves to ensuring that these musical traditions continue to thrive and resonate with audiences worldwide. The Mzansi Traditional & Cultural Music Awards are expected to continue being a beacon of recognition and appreciation for traditional and cultural music, inspiring future generations to embrace and preserve South Africa's unique cultural heritage.



This year's **Shakespeare Schools Festival South Africa (SSFSA)**, themed "Unplugged and Illuminated in 2023," was a testament to the enduring power of Shakespeare's works to captivate and inspire. Over six unforgettable days, 21 incredible schools took to the stage, each delivering breathtaking performances that left the audience spellbound. The festival showcased the diverse talents and creative interpretations of Shakespeare's timeless classics, proving that his works are adaptable and eternally relevant. SSFSA, throughout its 13-year history, has consistently demonstrated the profound impact of arts education on young minds. The festival fosters a deep appreciation for Shakespeare and nurtures essential life skills such as teamwork, creativity, and self-confidence among its participants.



The National School of the Arts (NSA) Dance Department proudly presented the **SEPTEMBER SUITE**, an enthralling dance production that masterfully showcased a diverse range of dance styles and featured emerging choreographers. The dynamic and diversified performance served as a showcase for its talent and versatility, which is explored in this retrospective. The performance included a wide range of dance genres, including contemporary, Afro-Fusion, Spanish, and neo-classical ballet. The richness and variety on exhibit were secured by this varied repertoire, which left onlookers in awe. Parents and ardent dance enthusiasts eagerly gathered to partake in this celebration of youthful talent.



With its impressive ensemble, creative direction, and distinct storytelling style, the musical play **The Suit Concer-tized** reimagined Can Themba's story through a feminist viewpoint. The production used music as a potent medium to express the emotional depth of the narrative while tackling the problem of gender-based violence head-on. The feminist lens of *The Suit Concer-tized* emphasized the voices of the women in Can Themba's story. The producers regretfully announced the cancellation of the last four shows due to unsustainable ticket sales and small audiences, despite the support from strategic partners.





The City of Johannesburg in collaboration with Soweto Theatre presented the **Tribute to Babsy Mlangeni**. The tribute to legends programme is a celebration of artists who paved the way in the industry while they are alive.



Music lovers flocked into this double bill tribute that was spearheaded by the renowned Siphon Hotstix Mabuse and music director Tshepo Mngoma. The concert opened with a beautiful emotional video messages from those who worked with Mlangeni. The audience was swept away by the exhilarating performance by the legend himself, who showcased his exceptional talent and infectious musical repertoire. His performance received magical celebratory ululations and standing ovations from the audience. Mlangeni expressed his appreciation for the tribute from the City.



The musical directors for the concert were the renowned Siphon Hotstix Mabuse and Tshepo Mngoma. On stage for the tribute was some of the finest young vocalists that paid tribute to Babsy Mlangeni namely: Langa Mavuso, an acapella group called, iCOMPLETE, and Brian Temba. An extravaganza that took audiences back in time showing how “Umqali wendlela” did it. The performance combined carefully constructed melodies, spectacular instruments and beautifully crafted lyrics that had the audience singing along to the melodies and rewinding the clock to memories of the times and life of Bra Babsy.



Dr. Siphon Ngwenya conducted a Live Recording for his highly anticipated **5th Intimate Worship Series**. The recording featured a star-studded lineup of gospel artists including Keke Phoofo, Vuyo Mathumbu, Musawenkosi Vilakazi, and Nomfusi. Fans of the renowned gospel musician and producer were treated to an unforgettable worship experience, as Dr. Ngwenya is known for his ability to create soul-stirring music that uplifts and inspires.



Gospel singer **Zaza Mokhethi** celebrated Women's Day in style following the live recording of her second instalment of **"Woman in Chronicle"**. The idea behind the programme was to give an open door to women who were marginalised and not afforded the opportunity to express their God-given talent in the gospel sector. **Woman Chronicles'** aim is to give young women a chance to raise their voices on a number of social ills affecting them through the power of praise and worship. Intense auditions were conducted and managed to select more than 20 female lead vocalists who participated.



Lament Songs of Imbokodo is a musical show performed by an all-female cast who share their stories to each other through dialogue, music and dance. The stories looked at the struggle women from all aspects of life go through. This musical was fit and dedicated to women’s month celebration, about successful women in society, and yet the community have never looked at their journeys and stories within the bigger story of their success.



A highly anticipated black-tie gala event **Mrs Soweto** was hosted, drawing huge crowds from Soweto and beyond. Tasked with selecting the first ever Mrs Soweto, the judging panel was made up of singers, Lloyd Cele and Judith Sephuma and former Miss Soweto, Ludina Ngwenya. Mel Tlhabi from Mofolo Central emerged victorious and took the crown as the first Mrs Soweto. Fatima Moyane and Pertunia Malingisa were crowned first and second princesses respectively.



Apart from the glitz and glam of the event, the Mrs Soweto Empowerment Programme is not to be mistaken for just another pageant, according to the organisers. The focus is on making a positive impact in the community. By taking part in the programme, entrants had to take part in various empowerment activities including entrepreneurship and community involvement.

Omama Besxaxa Foundation presented Legendary Artist Music Tour- The purpose of the foundation is to imprint and share knowledge of traditional arts. Izintombi Zesimanjemanje, Joh Moriri and Mazini, Isigip, Dark City Sisters and Zamanvo featuring Condry Ziqubu, Togata and Khanyo and Maphumulo.



Akili za Kuchochea a Swahili word meaning “Triggered Minds” is a double bill of two thought-provoking and cutting-edge shows (Dance and Drama), that tackle issues of mental health and all forms of bullying. It also interrogates the mind of the suppressed. Communities are increasingly prioritizing social-emotional competence and bullying and cyberbullying prevention.



Chester Koch & Chester Miising Baggage - In the show, Koch notes that he’s departing from his previous hard-hitting political content and focusing on a more light-hearted, joyful and self-reflective journey. Chester Missing is famous in South Africa for his satirical news TV shows, and his many viral social media posts, with 100 million views on TikTok alone. Conrad’s theatre shows have received critical acclaim globally, and has featured on the likes of Comedy Central, Canada’s Comedy Network, Just for Laughs, etc.



Mahlomola Kekana Foundation for Community Upliftment hosted a **Worship Sunday** with the Award Singers of God Music Academy Winning and Isaac and Mighty Messengers. The programme is intended to use music and Worship and position our Indigenous music Clap N Tap as instrument of Nation Building and healing The the nation.



SISMO: 10 Stories High and Low is the new stage offering from veteran singer-songwriter Monique Bingham, who debuted her new music and a series of short films created with the award-winning director Vincent Moloji. This part live concert, part origin story expresses the personal and socio-political subtext of 10 new and classic songs from Monique. The New York-born House singer has been performing on nightclub and festival stages around the world for almost 30 years.



The winners for the sixth edition of **Mzantsi Jazz Awards** (MJA) were announced and Siyanqoba Mthethwa was the biggest winner with two awards in the Best Jazz Album and Best Newcomer In Jazz categories, while Bokang Ramatlapeng emerged as the Best Jazz Song winner. Moreira Chonguica and Sandile Masilela were awarded the Best International Jazz Album/Artist and Best International Jazz Collaboration Album/Song awards, respectively. The Best Male Jazz Artist Award went to Mthunzi Mvubu while Nobuhle Ashanti walked away with the Best Male Jazz Artist. These jazz awards are to affirm the work that these amazing musicians are doing, to celebrate them, their work and within this timeline of the music being played out.

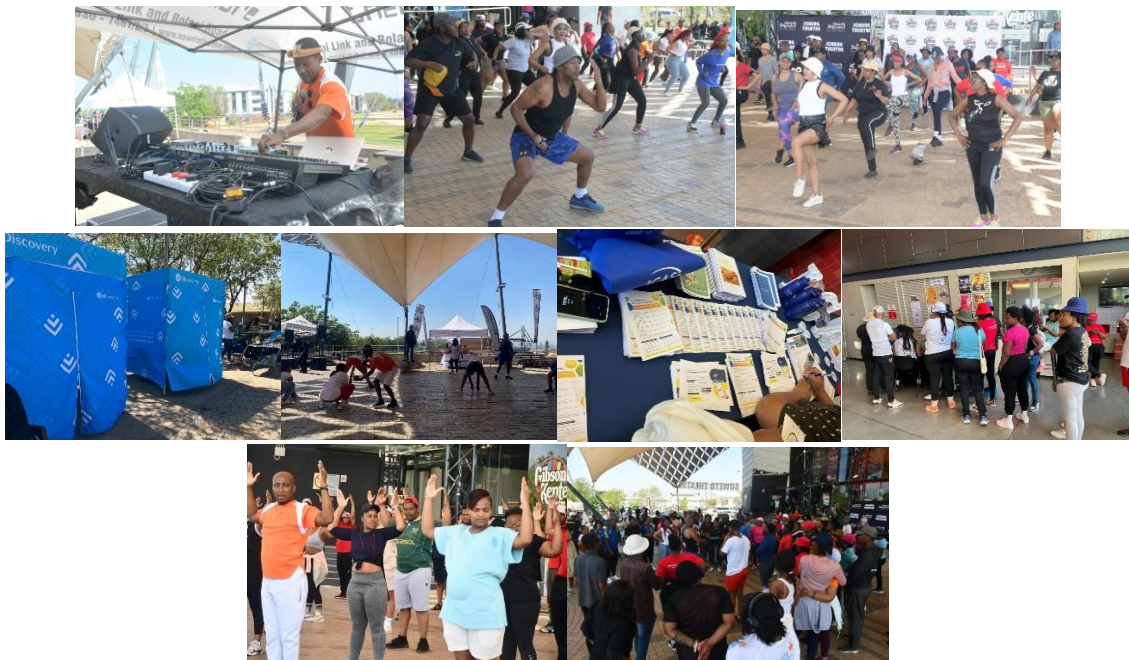
Soweto Walk 4 Life is a fitness programme conducted by Jozi FM, with the aim of helping ordinary people meet their fitness goals, lose weight and feel more productive at work and home. Walk 4 Life is one of Soweto's leading fitness programmes and is the only regime of its kind that does not require any fitness level to begin and caters to all ages.



The Nomsa Manaka Dancing Out Of Cancer Movement, introduced the first **Childhood Cancer Awareness Walk**. This walk was dedicated to providing an opportunity to raise awareness, gain support and funds for CHOC (Childhood Cancer Foundation) to be able to offer support to teenagers and children battling cancer. Another partner is the Deutsche Knochenmarkspenderdatei (DKMS), a German – based international non-profit organisation that fights cancer blood cancer by seeking and supplying sufferers with bone marrow donors.



Joburg City Theatres' Wellness Day was aimed at encouraging employees to eat healthy foods and exercise, reducing the risk of long-term health problems and helping them feel more energized and happy throughout their work days. It was also intended to create a healthy workplace to foster employee well-being and enhance [productivity](#) and organizational performance. This fun-filled activity had a positive impact on your team's mental health and employees were encouraged to conduct health screening.



Audiences were entertained on the classic Broadway classic play, **Dinner for One**. The story follows a butler as he struggles to help his employer celebrate her 90th birthday by impersonating her deceased drinking friend at an annual dinner party. The ensuing mishaps provided both unexpected humor and touching moments. What made the production unique was the first-ever performance of an Afrikaans version "**Sopper vir Een**".

Liewe Heksie is an Afrikaans work of fiction developed by children's book author Verna Vels in 1961. It tells the stories of Liewe Heksie who stays with elves in Blommeland. Their saga started off as radio stories followed by books and stories on vinyl record. The theatre played host to this kiddies classic with full houses of children, who were fully entertained with laughter.

To commemorate **Mandela Day** 253 children were invited to enjoy theatre like never before, through song, dance, and prayer. The day was a culmination of Madiba and JCT's spirit of giving and a sense of community.

Russian School of Ballet Petite Performers Spectacular is an enchanting concert that showcases dancers aged 3 to 12, marking their debut on stage. Dancers of all levels performed their solo numbers: variations from classical ballets and contemporary dance choreography. From PreBallet to advanced dancers - all of them put hours of practice and their souls into the performance. Participating students gain confidence and have the opportunity to represent South Africa Internationally.



That title number, "**Singin' in the Rain,**" illustrates the art of the movie musical—the way the genre was lifted off the page of the screenplay and onto the theatre stage. The audience was given one instruction which was to hum a little "doo do do do, do do do do do", and everyone smiled, recognizing the familiar intro refrain. "Singin' in the Rain Jr." featured many of the classic songs from the original film, such as "Good Morning," "Make 'Em Laugh," and the titular "Singin' in the Rain." The experienced cast of over 70 young performers enthralled the audience with golden oldies and a family-friendly musical production.

Roodepoort Hybrid Dance Festival was attended by those far and wide as this festival cuts across all genres of dance styles and is open to regional, national and international dance schools. For the first time, the festival hosted a handful of amateur dancers in order to be inclusive, while on the main scores professional dancers hogged the spotlight. It was the ambient of Covid that made the theatre

aware of the need to be agile and therefore hosted the festival both on virtual platforms and in person but in the end, traditional live theatre won the day as dance enthusiasts enjoyed the space and its facilities without adorning a mask.

The **Association of International Dance Teachers (AIDT)** was thrilled to present A Celebration of Dance, was a weekend filled with outstanding talent where the grace, passion, and technique of the next generation of dance stars were put to the test. This extraordinary occasion featured several prestigious dance competitions, including the highly anticipated dancer of the year national finals, the solo performer exam, supreme awards, and the modern dance scholarship awards. A Celebration of Dance.

World Lyrical Dance Federation WLDFA competition has been running for the past 8 years in a row and presents schools with the opportunity to compete and enjoy state-of-the-art lighting and sound on a great stage. This year the competition was tough, as judging was based on International standards Grade A. The dance teachers were the winners of the day, as they displayed patience par excellence.





Youth Development

RT Ballet Classes are held every Saturday) with the aim of gaining discipline, fitness and learning the fine art of classical ballet. Primary audiences are ballerinas in surrounding areas between the ages of 4 (pre-primary level) up to teenagers (advanced level), males + females. RT and the Misty School of Ballet teach through the RAD (Royal Academy of Dance), with a highly disciplined art consisting of qualified dancers and facilitators.

Roodepoort Theatre and Young Voice Academy organized ECDS READATHON, where eight AFRICA KE RONA ECDs from Soweto/Dobsonville participated in showcasing the ability of their children aged 1 year to 6 years in Reading, Spelling, Mathematics, Shapes and Colours. Observers included HODs from Primary Schools of Dobsonville, representing the Department of Education. Educators and learners received certificates and medals for their participation and dedication to the arts and education.

Joburg Theatre Youth Development

For the first quarter of the 2023/2024 Financial year. Space.com productions were scheduled in line with the thematic framing each month so that the theatre program aligned with the broader social calendar.

18 July, Mandela Day, represents the legacy and contributions made by Nelson Mandela. The statesman casts a large shadow on young South Africans looking to find their place and make a difference in the world. "**Standing in Old Men's Shoes**" reflects the struggle of young South Africans as they grapple with their identities in filling the big shoes left by the legendary statesman. Three productions captured the disillusionment of young people today and the desire to live up to the hopes and sacrifices made by those who dreamt of democracy.



Told through poetry and songs, **Blacks Don't Cry** is a story of different dreams and the pursuit of freedom in a world where money is the measure of a man. Four men are caged by disillusionments caused by their living conditions and the rising cost of living in the cities, far away from their birth homes. When the dreams of city lights and easy living give way to the reality of the needs and empty stomachs left at home, where does a man find the strength to make it through another day?



Skierlik is a profound and thought-provoking narrative based on the real-life events of Thomas Mokubung. Farm dwellers in rural South Africa live in a world trapped in the past, where the air of freedom does not reach. What is justice for the unseen and unheard dwellers of Skierlik who live with the reality that black life is cheap? The story unfolds in flashbacks, moving between a heartbreaking moment in the past and a man's mournful struggle to move on and find life.



The cast and crew of **Clean Job** are young people from Orange Farm. The director of the production created a drama program in the community to create opportunities for the unemployed youth in his community. Power corrupts; what will become of the veterans who sacrificed their youth and lives for the freedom of South Africa? At the dawn of freedom, the comrades are seduced by the power and offers for riches coming to them. Will the comrades be corrupted and turn against each other, or will they live up to the hope of a free and democratic South Africa?

While the theatre is open to the voices of all young people, August was an opportunity to create space for female voices. The theatre can be male-oriented, with few female writers and directors breaking through. In August, the program turned to the voices and stories told by women or reflecting women's stories.



4 Cups, written and directed by Leanetse Seekoe, is a montage of monologues told by four women who share perspectives and experiences of being black women in South Africa. In this play, the girls learn to become women in a world of traditional patriarchy and racism. The girls learn to accept the reality of being over-sexualised by men and not having a safe space among mothers. **4 Cups** is set in the urban areas of South Africa. However, the women in this story suggest that the city they live in resembles a womb – it is home, but it rejects them and forces them to dream of places outside it. The characters in the play are **WORDS**, whose resentment causes her to hurt the men she dates; **MILK** is religious, and her sin is that she is pregnant at 19 and out of wedlock, **TASTE** who is highly insecure about her blackness; and lastly, **FRUIT** who is always high on drugs and turns her pain into humour.



The Devil at a Dead End tells a story through the eyes of South African women who face the injustice of unheard sexual assault. A black person travelling from one district to another was the most tedious exercise. One had to undergo all sorts of degradation to access a travelling permit. Moreover, boarding

a bus or train was yet another ordeal when finally obtained. For a young woman travelling alone, it posed many dangers and uncertain hardships before her final destination. Dikeledi was amongst many young black women who lived to tell the tale of her journey from Lesotho to Johannesburg. This moving narrative is carefully uncovered using a multimedia approach of song, percussion and dance.



Masixole Makwetu Music and Joburg Theatre presented an intimate evening with South Africa's sought-after Mezzo Soprano Nonhlanhla Yende. Following her recent success and great reviews in Verdi's Requiem at Joburg Theatre and her sold-out concert in Cape Town, Nonhlanhla Yende's performance of intimate and spiritual music featured songs such as Remember Me, Izigebengu and Thula from her latest single, accompanied by pianist Bongani Matoni.

While Space.com focused on work produced in partnership, the space continues to offer space and production support to productions looking to rent the space and try their hand at the business of theatre.



"Lolea" is a Setswana word which directly translates to empty, dry or drought. Based on the eponymous character, Lolea, the play is set in a deep and secluded South African rural village where cultural legacy and traditional lineage are everything! The play relates the story of a married couple from opposing cultural and religious backgrounds whose relationship began unpleasantly. However, they grow madly in love and share an intense dream of raising a family and creating their lineage. However, their relationship turns sour when their opposing backgrounds resurface and put insurmountable pressure on both to either be loyal to their beliefs or completely.

YOUTH AND COMMUNITY DEVELOPMENT

The Youth and Community Development department is mandated to provide structured and professional opportunities to aspirant artists and new audiences for in-depth development of the artistic skills. The focus is acceleration of youth development through programmes that stimulate an interest in the arts as a viable career path and provide opportunities for future arts practitioners and entrepreneurs.

Schools Setworks

The schools network festival aims to bridge the gap between the classroom and literature – offering students the opportunity to engage, debate and relate to what they learn at school as a reinforcement of their studies in a live theatre performance. The Schools Setworks Festival is aimed at being a teaching aid for prescribed setwork, read as part of learners’ first or second home language literature.

My Children My Africa, a play based on Athol Fugard’s 1989 book, examines issues such as apartheid, race relations, and the effects of colonialism was presented at Soweto Theatre. According to drama and literature researchers, when learners watch plays that are prescribed as school setworks, their vocabulary increases, they gain an enhanced knowledge of the plot and develop a greater tolerance as well as an improved ability to read the emotions of others.



Music Tutorial Programme (MTP)

The aim of this programme is to foster structured opportunities for aspiring youth with a passion for music and arts in Soweto.

MTP and Community Philharmonic Orchestra (COMPO) collaboration presented an afternoon of music, and entertainment to celebrate **Mandela Day** with beautiful orchestral sounds by young musicians. The concert went beyond music, evoking upliftment, captivation, and therapeutic solace. The warm reception and flawless execution of the music showcased the immense potential of

Soweto's youth and their musical prowess. An awards ceremony was held to recognise the learners' outstanding progress, and generous contributions were made to support their musical journey.

The saxophonist, flute player and composer McCoy Mrubata, renowned for his passion for grooming talent and community upliftment, invited the 30-piece COMPO and Soweto Theatre's Junior MTP Orchestra at Emperors Palace. This was an exciting history-making moment for the talented learners to collaborate with the maestro who has been in the industry for decades driven by the passion to unearth and nurture talent.



MTP Practical and Theory Lessons

Lessons have continued as per usual, MTP lessons take place four times a week (Tuesday Wednesday, Thursday, and Saturday). Students are working hard and practicing in preparation for their mid-term exam.



Lits'omong's Programme

The programme aims to deliver a training and drama development programme to both facilitators and learners.



The lessons were a success regardless of not been in a traditional theatre space, it was also great to rethink site specific. Choreography mentoring program focussed on conceptualisation, creation, interpretation, and translation movements of bodies with the help of sounds and text. Learners performed as the closing act at the Performing Arts Main Festival on the 25th September, where learners presented a piece of poetry.

D'londs Arts Academy (DAA)

DAA in collaboration with Soweto Theatre Youth and Community Development is an incubation programme seeks to give artists with raw talent skills, academic merit and experience in the arts industry. It aims to build skills that will enable the artist to be competitive or friendly to the changing world and different spaces.

With the assistance of the head of school, Kwanele Finch Thusi, 30 DAA students received funding from the **Social Employment Fund (SEF)** program run by **IDC**. DAA selected these students based on circumstantial need, participation and merit. The academic merit allows learners to get and maintain dignified employment and also pursue careers in academia through other Wits programmes. The aim is for the student to leave with an understanding of who they are as an artist, where their opportunities lie, what the culture of that space is and how they can adapt and assimilate to that domain. This is an advocacy and curatorship for artists to come to their own understandings and ensure that their work is published, distributed and their story is shared through the power of word of mouth.



Working within the Community:

Education & Community Engagement – The Johannesburg Philharmonic Orchestra is passionate about its comprehensive community engagements programmes, which see music through the lens of arts exposure, skills transfer and performance opportunities. Exposing young learners to the Orchestra in the intimate setting of a school hall awakens a whole new level of possibility. For many, this precipitates or follows classroom time involving discussions around the orchestra, its instruments, and the various elements of music. The partnership with 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.

School Concerts:

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. The beauty and necessity of starting to think creatively, and of experiencing life through inspired eyes, brings a much-needed aspect to the learning experiences of the children.

At each Education and Community Engagement concert, the Orchestra performs as a unit, and each section of the entity is explained. Learners are able to hear each instrument individually, while also experiencing the collective power of the whole orchestra. For many, this precipitates or follows classroom time involving discussions around the orchestra, its instruments, and the various elements of music.



Education Audience Reach

SEPTEMBER - 850 Audience Members Reached			
Date	School	Area	Attendance
1 September	Ntuthuko Primary. Address: Kubeka st	Katlegong	350
8 September	Thabang Primary. Address: 2761 Mashao str, Dobsonville	Soweto	500

**Education Audience Reach
850**



Teaching Project:

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.

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

**Total Number of Lessons this
Quarter: 550**

PERFORMANCE HIGHLIGHTS

TOSCA Opera with Cape Town Opera at Joburg Theatre- JPO collaborated with Cape Town Opera for a performance of Tosca which ran at the Nelson Mandela Theatre during the first month of the quarter. The production showcased some of Cape Town Opera's most talented singers, including soloists Nobulumko Mngxekeza, Lukhanyo Moyake and Conroy Scott, as well as Judith Neilson Young Artist, Lwazi Dlamini. With its soaring melodies, dramatic plot, breath-taking set and costume design, this production of Tosca left audiences spellbound.



The Symphonic Jazz Concert - In celebration of South Africa's jazz heritage, JPO in collaboration with the ZAR Jazz Orchestra led by celebrated South African trumpeter, conductor and SAMA Award winner Marcus Wyatt, presented the Symphonic Jazz Concert at the Linder Auditorium. The repertoire was drawn from The Songbook - a collection of some of the most iconic and important South African jazz songs from the last half a century – orchestrated for a full orchestra with big band and rhythm sections.



WORLD SYMPHONY SERIES - 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 and 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.

World Symphony Series 2023

EARLY SPRING SEASON

19H30 AT THE LINDER AUDITORIUM, WITS CAMPUS



Concert 1: 17 August 2023

Conductor: Arjan Tien
Soloist: Fanny Clamagirand, violin

von Weber *Der Freischutz Overture*
Mendelssohn *Concerto for violin, Op. 64 in e minor*
Dvořák *Symphony No. 7, Op. 70 in d minor*



Concert 2: 24 August 2023

Conductor: Claudia Patane
Soloist: Evgeny Konnov, piano

Rachmaninoff *Concerto for Piano No. 3, Op. 30 in d minor*
Tchaikovsky *Symphony No. 6, Op. 74 in b minor, "Pathétique"*



Concert 3: 31 August 2023

Conductor: Daniel Boico
Soloist: Etsuko Hirose, piano

Prokofiev *Classical Symphony, Op. 25*
Schumann *Concerto for Piano, Op. 54 in a minor*
Beethoven *Symphony No. 2, Op. 36 in C Major*



Joburg Ballet presented a season of *Romeo and Juliet* at the Joburg Theatre with dancers from Vuyani Dance Theatre, Jozi Dance Company, Joburg Ballet Academy and the National School of the Arts. This beautiful production was followed by the full-length ballet classic, *Don Quixote* which will run until the next quarter.



JOBURG BALLET SCHOOLS

Despite the consistent load shedding challenges affecting classes in particular for Alexandra students, classes continued as normal at all centres.

All students are working on their next year grade work; first session exam 2024; demo showcase for their parents as well as the year-end showcase to be held in the next quarter.



JOBURG BALLET SCHOOL INTERACTIONS

During the quarter under review the following schools attended Joburg Ballet's final dress rehearsal for *Romeo and Juliet*:

- 145 learners – Afrika Tikkun
- 80 learners – Siviwe primary School (Sebokeng)
- 20 learners – Protea Glen Ballet
- 51 learners – Lufhereng primary School
- 30 learners – Meadolands primary School



JCT SERVICE STANDARDS

In Quarter 1, Joburg Ballet’s beautiful production of Romeo and Juliet played to the best houses since pre-Covid productions. The Mzansi Gay Choir was on stage for the first time at Joburg Theatre, with appreciative audiences and full houses. Cape Town Opera’s production of Tosca made a welcome appearance on the Mandela Stage. Paul Slabolepszy’s hard-hitting Saturday Night at the Palace was a talking point.

Joburg Theatre hosted the annual Basadi in Music Awards for the second time.

The Greatest Love of All – a musical tribute to Whitney Houston, once again ran to sold out performances at 100% capacity, and additional shows had to be added to the schedule to satisfy the demand for tickets.

The much-anticipated production of The Suit Concer-tized sadly had to cancel it’s last week of performances due to logistical challenges.

The Peoples Theatre hosted 2 delightful children’s productions during the quarter – Suessical and Story Book Theatre.

Roodepoort Theatre had 3 months filled with various dance events – Jozi Youth Dance; World Lyric Dance Festival. The Association of International Dance Teachers: Celebration of Dance, the Roodepoort Dance Festival, the SA Body of Dance as well as the SA Hip Hop World Championships.

Soweto Theatre hosted the Babsy Mlangeni: Tribute to Legends as well as We Shall Sing for the Fatherland, based on the work by Zakes Mda.

The school setwork My Children, My Africa brought in lots of new young audiences. The regular Seven Colour Sundays were once again hosted at Soweto Theatre. This venue was also the site for two active events during the quarter – the Jozi FM Soweto Walk for Life as well as the Childhood Cancer Awareness Walk

Service Level Standard Performance

Performance Status	Reporting Period -				YTD Performance
	Q1	Q2	Q3	Q4	
Target Achieved	100%				100%
Target Not Achieved	0				0
KPI not measured	0				0
Total no. of KPI’s	3				3
Total no. of KPI’s Measured	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 out this quarter.
- Joburg Theatre was delighted to officially launch the long-awaited gas generator, in conjunction with City Power.

Performance Challenges and Mitigations

The last weekend of The Suit Concert was cancelled by the producer due to logistical challenges.

Table 2: Challenges and mitigations

SLS KPI not achieved	Challenges	Mitigations
NOT APPLICABLE	-	-

Table 3: Detailed First Quarter Performance

Core Service	Service Level Standard Target	July	August	September	Q1 Actual to date	Variance explanation	Mitigations
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%		N/A	
3.	100% compliance to health and safety legislation	100%	100%	100%		N/A	

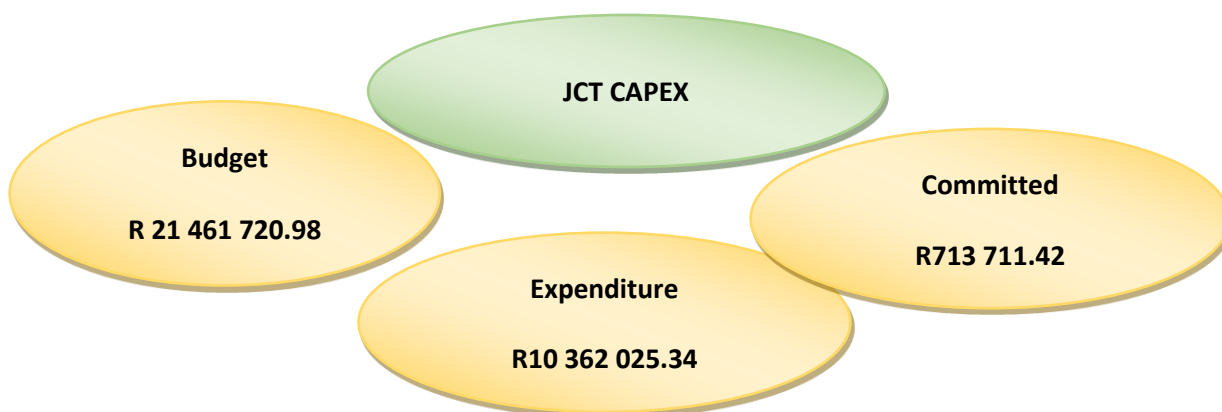
JCT SERVICE STANDARDS

Core Service	Service Level Standard Target	Jul	Aug	Sep	Q1	Oct	Nov	Dec	Q2	Jan	Feb	Mar	Q3	April	May	June	Q4	Variance explanation	Mitigations
1.	100% Theatres accessible to people with disabilities	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	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%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A
3.	100% compliance to health and safety legislation	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A

Section 2: Capital Projects & Expenditure

JCT 's achieved and exceeded the target in the first quarter by spending 48% of its capital expenditure which is great as the target was 10%, this is in line with the city's mandate to ensure that budget allocated for capex is spent accordingly.

The diagram below depicts the status for JCT capital expenditure.







JOBURG CITY THEATRE'S CAPEX 2023/24				
	Budget	Expenditure	Committed budget	Available balance
Building Renovations And Upgrades Of New Building Alterations	R 3 000 000.00	R 2 676 940.12	R 40 000.00	R 283 059.88
Upgrade Of Stage Machinery, Renewal Plant & Equipment	R 6 324 000.00	R 2 576 046.42	R 0.00	R 3 747 953.58
Technical Equipment New Operational	R 2 098 000.00	R 1 489 158.00	R 0.00	R 608 842.00
Information Technology New Computer Software	R 1 098 000.00	R 273 083.34	R99 810.97	R 725 105.69
Building Renovations And Upgrades Of New Building Alterations	R 1 661 615.68	R 0.00	R 0.00	R 1 661 615.68
Upgrading Of Technical	R 1 609 000.00	R 626 767.20	R 282 847.80	R 699 385.00




Equipment (Sound & Lighting)				
Building Renovations And Upgrades	R 582 105.30	R 291 052.65	R 291 052.65	R 0.00
Amphitheatre Upgrades	R 4 000 000.00	R 1 467 840.47	R 0.00	R 2 532 159.53
Upgrading Of Technical Equipment	R 1 098 000.00	R 961 137.14	R 0.00	R 127 862.86
	R 21 461 720.98	R 10 362 025.34	R 713 711.42	R 10 385 984.22
Spent to date	R 10 362 025.34	48%		
Committed Budget	R 713 711.42	3%		
Total	R 11 075 736.76	52%		




Therefore, the total spend to date is R **R10 362 025.34** representing 48% spend.

Section 3: Performance against Institutional SDBIP

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
JCT Strategic Objective – SO1: Quality performing arts and entertainment experiences and facilities, contributing to: <ul style="list-style-type: none"> GGT2030 Priority 4: Safety, social cohesion and food security GDS Outcome 1: Improved quality of life and development-driven resilience for all GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region COJ Priority 7: Safer City COJ Priority 8: Active and engaged citizenry 												
Service level standards achieved	1	Percentage achievement of service level standards	100%	100%	Service Level Standards Report	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved
								100%	100%	100%	100%	
								Actual	Actual	Actual	Actual	
							100%	-	-	-		
Arts and culture festivals and themed productions hosted and produced	2	Number of arts and culture programmers held (in-house and through partnerships)	83	30	Contracts Show reports or web ticket reports	COO; Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved
								12	20	25	30	
								Actual	Actual	Actual	Actual	
								14	-	-	-	
	3.	Number of youth and community development, and emerging voices, supported through partnerships		60	High impact/ development selection criteria checklist	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved
								15	30	45	60	
Actual								Actual	Actual	Actual		
							15	-	-	-		
Joburg Ballet and Johannesburg Philharmonic Orchestra integrated into the group offering	4	Number of Joburg Ballet seasons	6	4	SLA between JCT and Joburg Ballet Joburg Ballet Quarterly Report	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved
								1	2	3	4	
								Actual	Actual	Actual	Actual	
							1	-	-	-		
5.	Number of Philharmonic Orchestra seasons	5	4	Quarterly report	COO	Quarterly	Target	Target	Target	Target	Target Achieved	
							1	2	3	4		
							Actual	Actual	Actual	Actual		



Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
					Contracts and marketing material			1	-	-	-	
JCT touring circuit implemented	6.	Number of JCT productions touring nationally/ internationally	1	2	Business Case/ SLA	COO, Artistic Director	Annually	Target	Target	Target	Target	Target Achieved
								1	-	1		
								Actual	Actual	Actual	Actual	
								1	-	-	-	
Annual Legends Tribute	7.	Number of Annual legends	New	2	Contracts with artists/ creatives	COO, Artistic Director	Bi- Annually	Target	Target	Target	Target	KPI Not Measured
								-	1	-	2	
								Actual	Actual	Actual	Actual	
								1	-	-	-	
JCT Strategic Objective – SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs, contributing to: <ul style="list-style-type: none"> GGT2030 Priority 1: Economy, jobs and infrastructure GDS Outcome 3: An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens COJ Priority 6: Job Opportunity & creation 												
Work opportunities created at JCT.	8.	Number of expanded Public Works Programme (EPWP) work opportunities created at JCT	220	220	Employment contracts	CFO	Quarterly	Target	Target	Target	Target	Target Achieved
								50	150	180	220	
								Actual	Actual	Actual	Actual	
								50	-	-	-	
Youth developed in arts and theatre	9.	Number of youths attending arts programmes	500	300 (Jul-Dec) 400 (Jan-Jun)	Attendance registers Tutor reports on programme content/ summary	COO	Quarterly	Target	Target	Target	Target	Target Achieved
								300	300	400	400	
								Actual	Actual	Actual	Actual	
								373	-	-	-	

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
JCT Strategic Objective – SO3: Affordable access to and use of theatres by communities, contributing to: <ul style="list-style-type: none"> GGT2030 Priority 4: Safety, social cohesion and food security GDS Outcome 1: Improved quality of life and development-driven resilience for all GDS OUTCOME 3: An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region COJ Priority 7: Safer City COJ Priority 8: Active and engaged citizenry COJ Priority 11: Smart City 												
Audiences developed and venues accessed.	10.	Number of attendees	113 201 attendees	180 000 attendees	Ticket reports	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved 
								40 000	120 000	140 000	180 000	
								Actual	Actual	Actual	Actual	
								45 435	-	-	-	
School network offerings provided across all 3 theatres.	11.	Number of schools network programmes implemented.	New	3	Contracts with artists/ creatives Close -out report	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target Achieved 
								1	-	2	3	
								Actual	Actual	Actual	Actual	
								1	-	-	-	
City – wide integrated activations implemented	12.	Number of City -Wide integrated activations using the Mobile Theatre Truck	New	6	Annual calendar Job card/ Booking form	COO, Artistic Director	Quarterly	Target	Target	Target	Target	Target not Achieved 
								2	4	5	6	
								Actual	Actual	Actual	Actual	
								2	-	-	-	

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
JCT Strategic Objective – SO4: Good governance, financial sustainability and sound management, contributing to: <ul style="list-style-type: none"> GGT2030 Priority 5: Building a capable, ethical and developmental state GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region COJ Priority 1: Good governance COJ Priority 2: Financial sustainability 												
Financial management and sustainability	13.	Proportion of earned income against total revenue including subsidy	34%/66%	30%/70%	Financial statements Income reports	CFO	Quarterly	Target	Target	Target	Target	Target Not Achieved 
			Earned Revenue	Earned revenue				30%/70%	30%/70%	30%/70%	30%/70%	
			R85.914 million	R79.180 million				Earned revenue	Earned revenue	Earned revenue	Earned revenue	
			Total revenue	Total revenue				R16.961 million	R34.125 million	R50.169 million	R79.180 million	
			R252.066	R262.279				Total revenue	Total revenue	Total revenue	Total revenue	
Financial management and sustainability	14.	Percentage spent on operating budget against approved operating budget	100%	100%	Open Report Financial statements	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 
								15%	50%	75%	100%	
								Actual	Actual	Actual	Actual	
								24%	-	-	-	
Financial management and sustainability	15.	Percentage spent on capital budget against approved capital budget	100%	100%	Capex Report Financial statements	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 
								10%	30%	70%	100%	
								Actual	Actual	Actual	Actual	
								48%	-	-	-	
Financial management and sustainability	16.		28%	8%		CFO	Quarterly	Target	Target	Target	Target	Target Achieved

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
		Percentage spent on repairs and maintenance to property, plants, and equipment			Expenditure report Financial statement			3%	5%	8%	8%	
								Actual	Actual	Actual	Actual	
	4%	-	-	-								
	Target	Target	Target	Target								
17.	Percentage reduction in unauthorized, irregular, fruitless, and wasteful expenditure incurred	New	50%	Expenditure report Supply Chain Management Report Financial Statements	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 	
							10%	20%	30%	50%		
							Actual	Actual	Actual	Actual		
							100%	-	-	-		
Financial management and sustainability	18.	Percentage of valid invoices paid within 30 days of invoice/ statement date	100%	100%	Expenditure Report Financial statements	CFO	Quarterly	Target	Target	Target	Target	Target Achieved
								100%	100%	100%	100%	
								Actual	Actual	Actual	Actual	
								100%	-	-	-	
Governance, internal controls, performance, and risks managed	19.	AGSA audit opinion	Unqualified with material findings	Unqualified with no material findings	External (AGSA) audit opinion and report Annual financial statements	CFO	Quarterly	Target	Target	Target	Target	KPI Not Measured
								-	Unqualified with no material findings	-	-	
	Actual	Actual	Actual	Actual								
	-	Unqualified with no material findings	-	-								
	20.	Percentage of resolution of AGSA findings	100% of 2021/22 were resolved	100%	Quarter reports / evidence files	CFO	Quarterly	Target	Target	Target	Target	Target Achieved
								10%	30%	70%	100%	
								Actual	Actual	Actual	Actual	
								100%	-	-	-	Target Achieved
								Target	Target	Target	Target	Target Achieved

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement	
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved	
Small businesses supported through B-BBEE and preferential procurement		Percentage resolution of internal Audit findings	100% of 2021/22 findings were resolved		Quarter reports / evidence files	CFO	Quarterly						
								10%	30%	70%	100%		
								Actual	Actual	Actual	Actual		
	22.	Percentage of the strategic risk management action plans implemented	100%	100%	Quarter reports / evidence files	CFO	Annually	Target	Target	Target	Target	Target Achieved 	
								10%	30%	70%	100%		
								Actual	Actual	Actual	Actual		
	23.	Percentage of predetermined objectives	85%	85%	Quarter reports/evidence files	CFO	Quarterly	Target	Target	Target	Target	KPI Not Measured	
-								85%	-	-			
Actual								Actual	Actual	Actual			
Small businesses supported through B-BBEE and preferential procurement	24.	Number of SMMEs supported	New	250	Procurement reports	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 	
								50	150	200	250		
								Actual	Actual	Actual	Actual		
	25.	Percentage of procurement spend on SMMEs against total procurement expenditure	100%	100%	Procurement reports	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 	
								30%	30%	30%	30%		
								Actual	Actual	Actual	Actual		
	26.	Percentage of procurement spend on B-BBEE against total procurement expenditure	104%	75%	Procurement reports	CFO	Quarterly	Target	Target	Target	Target	Target Achieved 	
75%								75%	75%	75%			
Actual								Actual	Actual	Actual			

Key Performance Area	KPI #	Key Performance Indicator	Strategic Objective Annual Targets		Means of Verification	2023/24 Performance Targets						Achievement
			2021/22 Baseline as per the 2023/24 business plan	2023/24 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2023	Q2 Oct - Dec 2023	Q3 Jan - Mar 2024	Q4 Apr - Jun 2024	Target Achieved/ not achieved
Strategic Objective – SO5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT, contributing to: <ul style="list-style-type: none"> GGT2030 Priority 1: Economy, jobs and infrastructure GGT2030 Priority 4: Safety, social cohesion and food security GGT2030 Priority 5: Building a capable, ethical and developmental state GDS Outcome 1: Improved quality of life and development-driven resilience for all GDS OUTCOME 3: An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region COJ Priority 1: Good governance COJ Priority 7: Safer City COJ Priority 9: Sustained economic growth 												
Stakeholders and partners mobilised and managed	27	Number of strategic partnerships created.	23	25	Signed MOA/MOU/Contract	COO	Quarterly	Target	Target	Target	Target	Target Achieved 
								5	15	20	25	
								Actual	Actual	Actual	Actual	
								8	-	-	-	
Return on investment of public relations monitored and managed	28	Percentage positive and neutral media coverage	New indicator	≥80%	Media Monitoring Report (External provider)	COO	Quarterly	Target	Target	Target	Target	Target Achieved 
								≥80%	≥80%	≥80%	≥80%	
								Actual	Actual	Actual	Actual	
								≥99.7%	-	-	-	

Summary

Total number of KPIs	28
Total number of KPIs Not Measured for the quarter	3
Total number of KPIs Measured	25
Number of Quarterly KPIs Achieved	24
Number of Quarterly KPIs Not Achieved	1
Total achieved constitutes	96%

KPIs NOT ACHIEVED AND REASONS

KPI	Target	Actual	Reason for not achieving target	Mitigating Measure
Proportion of earned income against total revenue including subsidy	30%/70% Earned revenue R16.961 million Total revenue R56.345 million	25%/75% Earned Revenue R17,816 million Total Revenue R69,877 million	The reason for not achieving the target is due to the delayed implementation of the arts alive concert, which normally takes place in the first quarter annually. This delay resulted in JCT's budget being short by 5% when comparing budget and actuals.	As mitigating measure, the theatre and ACH department will ensure that plans for Arts Alive are approved timeously to ensure that implementation takes place on time.

Section 4: 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 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.

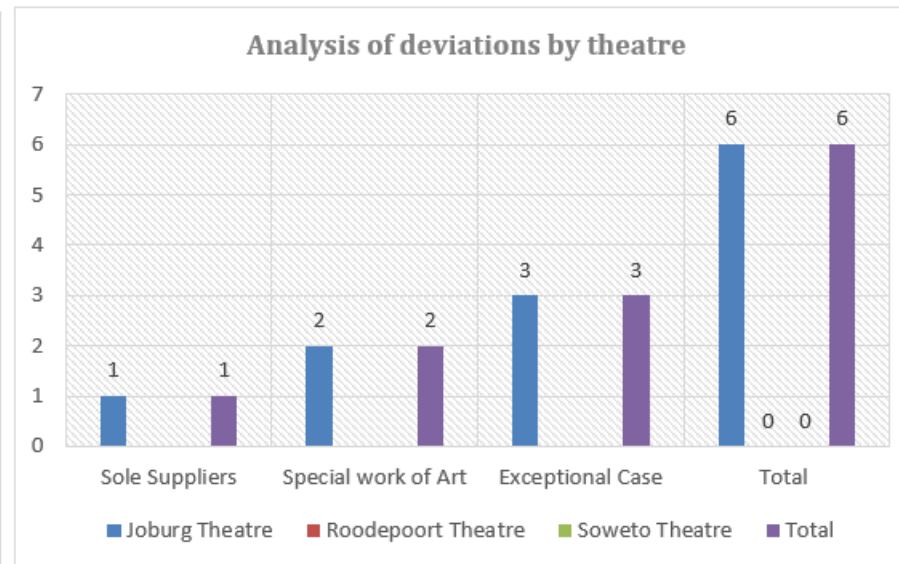
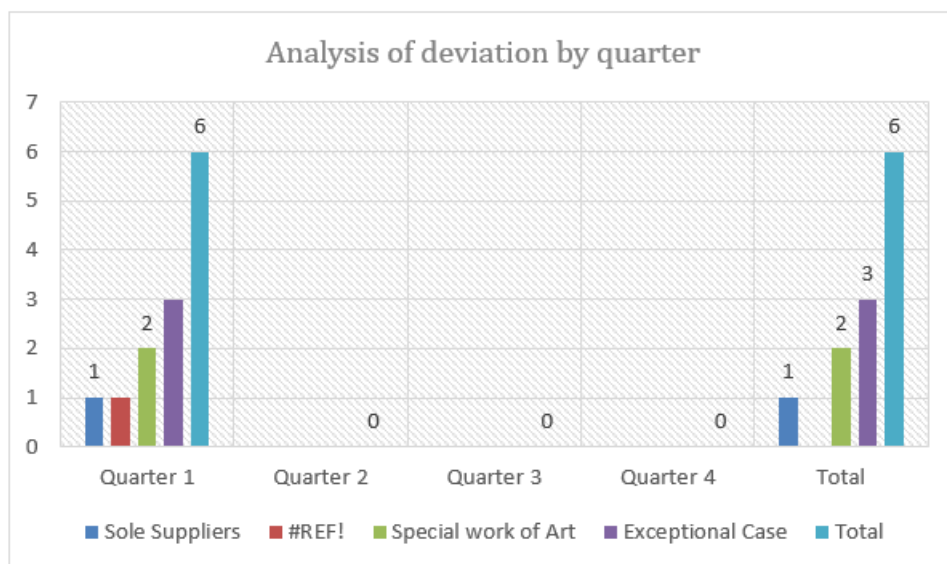
The Bid Adjudication Committees were established in terms of the provisions of Local Government Municipal Finance Management Act (MFMA). This Committee consist of officials with delegated authority to recommend bids in accordance with their terms of reference. The Bid Adjudication Committee considers 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 2022, 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. This report has been compiled in compliance thereto. The CEO in terms of the MSCMR, the company's SCM Policy and delegations within the SCM Policy approves tenders above R200 000.00.

PROCUREMENT FROM RELATED PARTIES

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



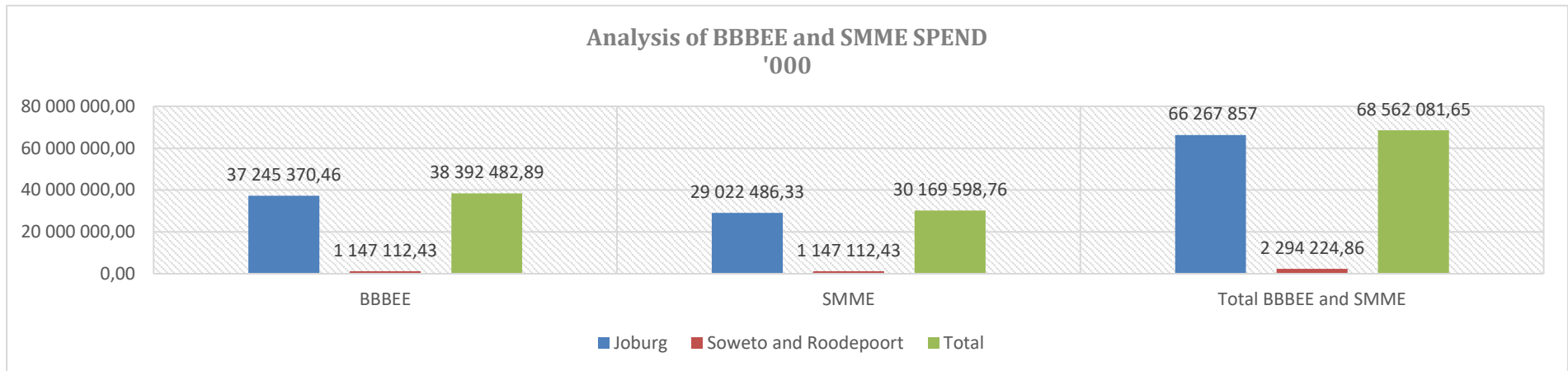
Category	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Sole Suppliers	1				1
Special work of Art	2				2
Exceptional Case	3				3
Total	6	0	0	0	6

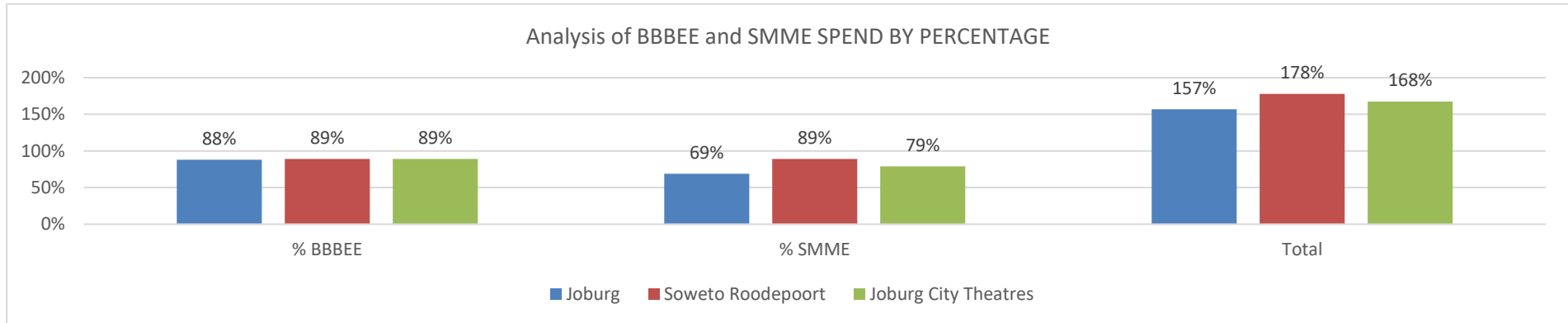
Category	Joburg Theatre	Roodepoort Theatre	Soweto Theatre	Total
Sole Suppliers	1			1
Special work of Art	2			2
Exceptional Case	3			3
Total	6	0	0	6

Joburg City Theatres approved a total of 6 deviations during the 1st quarter ending 30 September 2023. All the deviations raised were classified as Special work of Art, Exceptional case, sole supplier, emergency where it is impractical to follow a procurement process. The deviations include goods and services relating to Renewal of licenses, in-house productions, marketing partners or barter arrangements, repairs and maintenance and Sole Suppliers. All details provided on page 4 to 9 of this report.

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

Joburg City Theatres awarded RFQs amounting to R 1 951 899.33 and tenders amounting to approximately R 8 215 358.74 were awarded, 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 89% which is 14% better than the scorecard target while spend on SMMEs averages at 79% and this is 49% above the scorecard target of 30%. Joburg City Theatres have supported 180 companies during the 1st quarter of 2023/2024 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.





Theatres	% BBBEE	% SMME	Total
Joburg	88%	69%	157%
Soweto Roodepoort	89%	89%	178%
Joburg City Theatres	89%	79%	168%

. DEVIATION FROM SCM POLICY FOR THE MID-YEAR ENDING (01 JULY – 30 SEPTEMBER 2023)

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.

As at 30 September 2023, Joburg City Theatres had a total of 6 deviations. The total value of the deviations as at end of 1st quarter is **R 30 243 566.66** but does not necessarily mean that the total amount has been spent.

The deviation for Joburg City Theatres for 1st quarter 30 September 2023 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 2023/24	R25 982 553.09	01 July 2023	<p>The theatres rent its spaces to promoters, entrepreneurs and producers, providing technical and logistical services, but also facilitates in-house and co-productions.</p> <p>The sponsorship facilitation fees, creative personnel fees, acquisition of sets, royalties payable to the writers, licenses/Rights, special effects, sound and lighting equipment hire, paintings, props/sets/costumes, 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>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 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	R3 748 606.20	01 July 2023	<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 recognized and formed.</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 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 2023	<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>Hospitality and Catering items:</p> <ol style="list-style-type: none"> 1. Slo Jo 2. The Flavour Lab 3. Frozen Drinks 4. Ola Cool Runners 5. Bottoms Up <p>Theatre items:</p> <ol style="list-style-type: none"> 1. DWR – specific stage technical equipment 2. Electrosonic - specific stage technical equipment 4. Pilot 5. LexisNexis – online legal research 6. Yamaha 7. Fire Design House – Sole Supplier for Soweto Theatre Fire Curtains 8. Service First – Trane Chillers <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>
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Repairs and maintenance	Varies as per orders placed	01 July 2023	<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 also 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"> 1. IT hardware Equipment (Screens, desktops, Laptops, UPS, Projectors, Servers, Access control system) 2. Stage Machinery (Stage wagon wheels, Switches, Controllers, Firewalls, NAS Devices) 3. All pumps (Sump pumps, cooling water pumps and water tanks, hot and cold water chill pumps) 4. Plumbing (blockages) 5. Electrical services 6. Air-conditioning (Trane chillers, Hitachi Chillers and Boilers) 7. Break down on standby generator and fire engine 8. Lifts and Escalators 9. Fleet repairs and maintenance (including Mobile Theatre Truck) 10. Operating Electronic Systems (inclusive of Building Management System) (Cameras and equipment) 11. Soweto Theatre Forecourt Canopy structure and rope 12. Roller doors 13. Gardening equipment <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>
Specialised Training	Varies as per orders placed	01 July 2023	<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.</p> <p>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"> 1. Training issued by National Government 2. Technical training for theatre 3. Board Members training 4. Artistic Training 5. Health and Safety <p>It is therefore imperative that a deviation for this purpose be in place for one calendar year.</p> <p>Regulation 36 (1) (a) (v) 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>
Renewal of Licenses for Electronic Operating Systems and Miscellaneous Licenses	R512 407.37	01 July 2023	<p>Joburg City Theatres has to annually renew various licenses for utilizing it's operating electronic systems. Many systems which 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> <ol style="list-style-type: none"> 3.1.1 Caseware Licenses 3.1.2 Theatre Logo's 3.1.3 Driver PDP 3.1.4 All Sage Licenses 3.1.5 ERS Biometrics Licenses 3.1.6 Post Box Licenses – South African Post Office 3.1.7 TV Licenses - SABC 3.1.8 License for Glider Trailer 3.1.9 SAMRO 3.1.10 Pilot Software 3.1.11 LexusNexus 3.1.12 Mobile Theatre Truck License <p>That for the reasons set out in the report and on the basis that the procurement in question is regarded as an 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</p>

			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.
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SOLE SUPPLIERS – HOSPITALITY AND CATERING

Description	Value of the Project (Incl Vat) (Varies as per call out)	Reasons
Slo Jo - Supply of Slo Jo syrups and powders - Joburg City Theatres	R 9 651.95	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 56 773.36	Frozen Drinks Africa is the Sole Supplier of the Slush Puppy Syrups. Sole supplier letter has been received.
The Flavor Lab	R 54 322.32	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.
Ola Cool Runners	R 8 102.90	Ola Ice Cream is the Sole Supplier of Ola Ice Cream. Ola Cool Runners are the sole providers for Magnum ice creams and Cornetto ice creams. Sole supplier letter has been received.

BIDS (Tender) ADVERTISED

Department	Contract No	Description	Contracted Service Provider	Period	BBBEE Level	Applicable procurement legislation	Value of the Contract (Vat Incl)
Customer Services	00289/23	Provision of Information Technology Security Support Services	Praxis Computing (Pty) Ltd	36 months	Level 2	Evaluated in accordance with the PPPFA and regulations	As and when needs basis
Customer Services	00290/23	Provision of Advanced Email Security	Vox Telecommunications (Pty) Ltd	36 months	Level 3	Evaluated in accordance with the PPPFA and regulations	As and when needs basis

Building and Security	00291/23	Upgrade of the Access Control and Time and Attendance System	Harviglo (Pty) Ltd T/A Konica Minolta Corporate Solution	Once off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 947 381.14
Building and Security	00292/23	Appointment of a Service Provider for The Design, Manufacture, Installation, Replacement and Maintenance of Joburg City Theatres Signage	Jifa Signs (Pty) Ltd	36 months	Level 1	Evaluated in accordance with the PPPFA and regulations	As and when needs basis
Stage	00298/23	Supply and Delivery of Professional Beam Spot	Bespoke Entertainment Solutions (Pty) Ltd	Once off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 629 625.00
Stage	00299/23	Supply & Delivery of Backline Equipment	Notha Business Solutions (Pty) Ltd	Once off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 1 467 840.47
Stage	00301/23	Supply & Delivery of Modular Stairs Stagedex	DWR Distribution (Pty) Ltd	Once off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 1 105 307.71
Stage	00302/23	Supply And Delivery of Laser Projector	Notha Business Solutions (Pty) Ltd	Once off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 1 489 158.00
Stage	00303/23	Supply & Delivery of Stage Machinery & Associated	Ntokozoyothando Trading (Pty) Ltd	Once off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 2 576 046.42
Building and Security	00304/23	Supply & Delivery of Office Furniture	Esizwe Group (Pty) Ltd	36 months	Level 1	Evaluated in accordance with the PPPFA and regulations	As and when needs basis

REQUEST FOR QUOTATIONS

Department	Contract No	Description	Contracted Service Provider	Period	BBBEE Level	Applicable procurement legislation	Value of the Contract (Vat Incl)
Customer Services	00906/23	Supply, Delivery and Installation for The Extension of The Existing Wi-Fi Signal at Soweto Theatre	Juchu Holdings (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 103 900.00

Customer Services	00908/23	Upgrade AV Media Player (Hardware & Software)	DWR Distribution (Pty) Ltd	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 194 560.84
Customer Services	00909/23	Upgrade Specialized Stage Software	Prosound (PTY) LTD	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 114 782.62
Building and Security	00910/23	Appointment of a Service Provider for Servicing and Maintaining of Fire Protection Equipment	Bayteck Detection & Sprinkler Systems (Pty) Ltd	12 Months	Level	Evaluated in accordance with the PPPFA and regulations	As and when needs basis
Rooderpoort Theatre	00911/23	Supply and Installation of LCD Flat Screen TV' s	Beyond Solutions SB (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 79 267.20
Rooderpoort Theatre	00912/23	Supply & Delivery of Comm Packs (Complete)	DWR Distribution (Pty) Ltd	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 188 903.09
Rooderpoort Theatre	00915/23	Supply And Installation of Led Stage Workers and Conversion of Stage Emergency Light Fittings to Led	DWR Distribution (Pty) Ltd	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 136 371.88
Marketing	00917/23	Customer Relationship Management For Joburg City Theatres	VXC Express (Pty) Ltd	12 Months	Level 1	Evaluated in accordance with the PPPFA and regulations	As and when needs basis
Customer Services	00918/23	Supply And Delivery Of Desktops	Vukani Technologies (Pty) Ltd	12 Months	Level 1	Evaluated in accordance with the PPPFA and regulations	As and when needs basis
Customer Services	00919/23	Renewal Of Software Licenses: VMware & Vee am.	Sage Computer Technology (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 159 264.65
Stage	00920/23	Supply, Delivery and Installation of Stage Net for Orchestra Pit	ShowTex Events Textiles South Africa (Pty) Ltd	Once Off	Level 4	Evaluated in accordance with the PPPFA and regulations	R35 822.50

Finance	00921/23	Compilation Of Comprehensive Tax Asset Register & Assessment of Section 24c Based On Recent Legislative Changes	Kreston Pretoria	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 96 600.00
Stage	00922/23	Stage Hardware And Accessories	DWR Distribution (Pty) Ltd	Once Off	Level 2	Evaluated in accordance with the PPPFA and regulations	R 63 365.83
Soweto Theatre	00923/23	Repair, Refurbishing and Maintenance of the Clear View Gate	Triple SL Tech CC	Once Off	Level	Evaluated in accordance with the PPPFA and regulations	R 61 602.52
Soweto Theatre	00924/23	Relocation Of Container Staircases for Soweto Theatre	Eyethu Printing (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R189 000.00
Marketing	00925/23	Supply and Delivery of Camera and Accessories	Marvellous Video Editing and Photography	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R189 855.00
Rooderpoort Theatre	00926/23	Supply, Delivery and Installation of Network System for DSTV to Various Locations at the Roodepoort Theatre	Mothokwa ET Trading (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R98 555.00
Soweto Theatre	00927/23	Supply and Delivery of Building Maintenance Materials	Plexzin (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 61 668.20
Soweto Theatre	00928/23	Waterproof of Roof for Soweto Theatre	Eyethu Printing (Pty) Ltd	Once Off	Level 1	Evaluated in accordance with the PPPFA and regulations	R 178 380.00

SPENT REPORT

10.1 The percentage of BBEE and SMME companies respectively, supported during the 1st quarter (01 July 2023 – 30 September 2023) are as follow:

JOBURG THEATRE					
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION
R 42 156 244.11	R 37 245 370.46	R 4 910 873.65	R 29 022 486.33	R 13 131 609.31	R 10 173 580.90
	88%	13%	69%	31%	24%
135 Suppliers	131 Suppliers	4 Suppliers	110 Suppliers	43 Suppliers	44 Suppliers
ROODEPOORT & SOWETO THEATRE & ZOO					
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION
R 1 289 373.91	R 1 147 112.43	R 142 261.48	R 1 147 112.43	R 1 147 112.43	R 614 317.00
	89%	12%	89%	89%	48%
12 Suppliers	11 suppliers	1 suppliers	11 suppliers	4 suppliers	5 suppliers
JOBURG CITY THEATRES (CONSOLIDATED)					
TOTAL SPEND	BBBEE CONTRIBUTORS	NON COMPLIANT CONTRIBUTORS	SMME CONTRIBUTIONS	WOMEN CONTRIBUTION	YOUTH CONTRIBUTION
R 43 445 618.02	R 38 392 482.89	R 5 053 135.13	R 30 169 598.76	R 14 278 721.74	R 10 787 897.90
	89%	13%	79%	60%	36%
147 Suppliers	140 Suppliers	5 Suppliers	116 Suppliers	44 Suppliers	48 Suppliers

Note:

A total of 147 service providers supplied goods / services for both Joburg Theatre and Roodepoort & Soweto Theatre, and were calculated as such.

Section 5: 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	24,484,959.19	70% is sitting under 30 days on the debtors age analysis , 0.28 % on 60 days 24.06 % is sitting 90days 5.36% is sitting in over 120 days	100% of this balance is for COJ department and COJ entities The amount relates to catering services provide to COJ, Arts & Culture Programs and CAPEX
Gauteng eGovernment	7 650.01	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	2,398,922.82	100% is sitting under 30 days	The amount relates to insourcing & Utilities

CHAPTER FOUR: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

Section 1: HUMAN RESOURCES MANAGEMENT

Human Resource Management function within JCT in relation to creating, delivering, and sustaining the value proposition for the organization’s strategic objectives. Furthermore, this chapter also contains the quarterly critical vacancies, status of employment equity, performance and leave management, status of recruitment processes, training and development, employee wellness program and labour relations matters.

SECTION 2: EMPLOYEE RELATIONS

EMPLOYEE COST BREAKDOWN	2023
Net Salary	16 343 272,13
PAYE	3 655 650,22
UIF	235 901,73
SDL	205 896,95
PENSION & MEDICAL AID	5 202 882,19
THIRD PARTIES	237 222,61
Leave Accruals & Bonus Provisions	792 049,30
OTHER	133 701,87
	26 806 577,00

SECTION 3: KEY VACANCIES

The current approved structure has **267 (262 in Q4)** positions. **246 (235 in Q4)** positions are filled while **21 (27 in Q4)** positions are vacant. **4** of the **21** vacant posts are deferred. **16 (7 in Q4)** permanent appointments and **2 (3 in Q4)** terminations were recorded. There are **222 (220 in Q4)** temporary employees and **21 (17 in Q4)** interns, which are placed within various departments across the JCT. A detailed staff establishment per department is provided in the table below to indicate occupancy and vacancy percentages as per approved structure.

Table 1: Detailed analysis on occupancy and vacancy report as of 30 September 2023

Department	Approved Positions	Occupied Positions	Vacant Positions	Deferred Positions	Temporary Staff	Interns / Learners	Total
Governance	8	8	0		0	2	10
Human Resources	4	3	1		0	1	4
Stage	29	26	3		0	2	28
Finance and SCM	18	16	2		1	4	21
Building & Security	66	58	6	2	2	1	61
Customer Services	9	9	0		33	2	44
Client Services (Programming)	10	9	1		2	3	14
Hospitality & Catering	31	27	3	1	146	0	173
Soweto Theatre	62	61	0	1	22	4	87
Roodepoort Theatre	30	29	1		16	2	47
Total	267	246	17	4	222	21	489

Vacancy and Occupancy %	92%	6%	1%			
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JCT is operating at **92% (91% in Q4)** occupancy against the approved staff establishment with the remaining **6% (8% in Q4)** recorded as vacancy rate. The vacancy recorded is exclusive of the deferred positions in the approved structure which will be filled as soon as there is budget availability.

146 temporary employees are working in Catering and Hospitality department. 71 are ushers/adhocs contracted to work as and when there are shows. The other 5 are adhocs on a fixed term contract. 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 Progress Report

The table below summarises the recruitment activities and progress towards filing of vacant positions. Some positions have been filled while others are in a process of being filled. The filled positions are highlighted in green colour while the 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	<i>Company Secretary</i>	External	Advert published on 24/09/2023 and closes 12/10/2023. Sunday Times. <i>Position not vacant but occupied</i>
Building & Security	Building & Facilities Manager	External	Advert closes 02/10/2023
	Health & Safety Officer		Recruitment is deferred
	Health & Safety Officer		Recruitment is deferred
	General Worker (Cleaner)		Advert closes 02/10/2023
	General Worker (Cleaner)		Advert closes 02/10/2023
	General Worker (Cleaner)		Advert closes 02/10/2023
	General Worker (Cleaner)		Advert closes 02/10/2023
	General Worker (Cleaner)		Advert closes 02/10/2023
Stage	Senior Stage Technician		Advert closes 02/10/2023
	Stage Crew		Advert closes 02/10/2023
	Stage Crew		Advert closes 02/10/2023
Client Services (Programming)	Senior Producer		Recruitment deferred to Q2

Department	Position	Mode of recruitment	Progress
Corporate and Shared Services	Manager Employee Relations	External	Advert closes 02/10/2023
Finance	Assert Officer	External	Advert closes 02/10/2023
	Chief Financial Officer	External	Advert published on 24/09/2023 and closes 12/10/2023. Sunday Times
Soweto Theatre	Marketing Assistant	External	Recruitment deferred
Roodepoort Theatre	Marketing Coordinator	External	Verification in progress
H & C	Junior Sous Chef	External	Advert published 19/09/2023 & closes 02/10/2023
	Events Coordinator	External	Shortlist completed 31/08/2023. Interviews was deferred to Q2
	Senior retail and bar Manager	External	Recruitment is deferred
	Stages Supervisor	Internal	Recruitment begins in Q2. <i>This position will be advertised internally targeting temporary employees.</i> Position is not vacant but occupied
	Stages Supervisor	Internal & External	Verifications and reference checks are in progress
	Head Chef	Internal & External	Shortlist to be conducted on 29/09/2023. Position is not vacant but occupied.

Staff Appointments

16 permanent appointments were recorded. 3 of the 16 appointments were promotions. 4 temporary appointments were also recorded during the quarter as shown in the tables below. 6 interns were also appointed.

Table 3(a): Permanent appointments

Department	Position	Number of appointees	Effective Date
Soweto Theatre	Building and Facilities Manager	1	03/07/2023
	Electrician	1	01/08/2023
	Producer	1	14/08/2023
	Front of House Manager	1	01/09/2023
	Lighting Technician	1	01/09/2023
Building and Security	General and maintenance Worker (Welder)	1	01/08/2023
	General and Maintenance Worker (Plumber)	1	01/09/2023

Stage	Lighting Technician	1	01/08/2023
	Stage Technician	1	01/09/2023
	Stage Manager	1	01/09/2023
	Assistant AV Store man Technician	1	01/09/2023
Client Services (Programming)	Youth Development Administrator	1	01/08/2023
	General Manager Marketing and Communications	1	01/08/2023
Governance	General Manager Strategic Relations	1	01/08/2023
Roodepoort	Cleaner	1	01/09/2023
	Stage Crew	1	01/09/2023

Internal promotion

Department	Previous Position	New Position	Effective Date
Building & Security	General Worker (Cleaner)	General and Maintenance Worker (Plumber)	01/09/2023
Stage	Stage Crew	Stage Technician	01/08/2023
Governance	Senior Producer	General Manager Strategic Relations	01/08/2023
Roodepoort	Temporary Warehouse Assistant	Cleaner	01/09/2023
	Adhocs Usher	Stage Crew	01/09/2023

Table 3(c): Temporary appointments

Department	Position	No of appointees	Effective Date
Joburg Theatre	Adhocs ushers	3	18/082023
H&C	Commie Chef	1	3/08/2023

Table 3: (d) Interns appointment: Interns

Department/Section	Intern	No of appointees	Effective Date
Soweto	Building and Security Intern	2	01/09/2023
	Youth dev intern		
Finance/ SCM x2	Finance	2	17/07/2023
Stage	Stage intern	2	08/08/2023

Acting Appointments

One (1) acting appointments were recorded during the quarter as indicated in the table below.

Table 3 (e): Acting appointments

Current designation	Acting Designation	Duration	
		From	To
General Manager: Finance	Chief Financial Officer	01/08/2023	30/09/2023

The acting allowance was paid in line with the Acting Allowance Policy at 12% of the basic salary.

Staff Turnover

2 permanent employees, 3 temporary employees and 2 interns' termination were recorded during the quarter as indicated in the tables below.

Table 4(a): Terminations of permanent employees

Department	Position	Reason for termination	Last working Date
Stage	Stage Crew	Resignation	01/09/2023
Finance	Chief Finance officer	Resignation	31/07/2023

Table 4(b): Terminations of temporary employees

Department	Position	Reason for termination	Effective Date
H&C	Warehouse	Resignation	31/08/2023
	Assistant Bartender	Abscondment	22/08/2023
Roodepoort Theatre	Usher	Resignation	31/08/2023

Table 4(c) Terminations intern

Department	Position	Reason for termination	Effective Date
Finance	SCM intern	Contract ended	01/07/2023
Soweto Theatre	Maintenance Intern	Contract ended	01/07/2023

SECTION 4: EMPLOYMENT EQUITY

JCT's objective is to have a workforce reflective of the demographics of South Africa and Gauteng region. Diversity and inclusion are entrenched in our talent management as well as a learning and development agenda which allows us to improve our talent pipeline for designated groups. The Employment Equity is profiled according to gender, disability, race, salary grade 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 64 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 this section of the report focuses on the EAP as depicted in the tables below.

Table 5: 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	0	0	0	0	1	0	0	0	0	0	1

Professionally Qualified / Middle Management	12	1	2	6	7	1	0	1	0	0	30
Skilled Technically and Academically Qualified	21	0	1	5	26	1	1	1	1	0	57
Semi-Skilled	48	0	0	0	23	0	1	0	1	0	73
Unskilled	54	0	0	0	30	0	0	0	0	0	84
Total	135	1	3	11	88	2	2	2	2	0	246
% of Gender Representation	54%	0.4%	1.2%	4%	36%	0.8%	0.8%	0.8%	0.8%	0.0%	

Table 6: Employment Equity Profile Joburg Theatre

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	0	0	0	0	1	0	0	0	0	0	1
Professionally Qualified / Middle Management	10	1	0	5	4	1	0	1	0	0	22
Skilled Technically and Academically	16	0	1	4	13	0	0	1	0	0	35
Semi-Skilled	27	0	0	0	14	0	0	0	0	0	41
Unskilled	16	0	0	0	13	0	0	0	0	0	29
Total	69	1	1	9	46	1	0	2	0	0	129
% of Gender Representation	53%	0.7%	0.7%	7%	36%	0.7%	0.0%	1.5%	0.0%	0.0%	

Table 7: Employment Equity Profile Soweto Theatre

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	2	0	0	0	0	0	0	0	0	0	2

Skilled Technically and Academically Qualified	2	0	0	0	7	0	0	0	0	0	9
Semi-Skilled	8	0	0	0	2	0	0	0	0	0	10
Unskilled	28	0	0	0	12	0	0	0	0	0	40
Total	40	0	0	0	21	0	0	0	0	0	61
% of Gender Representation	66%	0.0%	0.0%	0.0%	34%	0.0%	0.0%	0.0%	0.0%	0.0%	

Table 8: Employment Equity Profile Roodepoort Theatre

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
Total	17	0	1	0	10	1	0	0	0	0	29
% of Gender Representation	59%	0.0%	3%	0.0%	34%	3%	0.0%	0.0%	0.0%	0.0%	

Table 9: Employment Equity Profile Catering and Hospitality

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	4	0	0	2	2	0	0	0	1	0	9
Semi-Skilled	6	0	0	0	7	0	1	0	1	0	15
Unskilled	0	0	0	0	0	0	0	0	0	0	0
Total	10	0	1	3	10	0	1	0	2	0	27

% of Gender Representation	37%	0.0%	4%	11%	37%	0.0%	4%	0.0%	7%	0.0%	
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Table 10: Disability Profile

Occupational levels	Males				Female				Total PWDs
	A	C	I	W	A	C	I	W	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally Qualified / Middle Management	-	-	-	-	-	1	-	-	1
Skilled Technically and Academically Qualified	-	-	-	-	2	-	-	-	2
Semi-Skilled	-	-	-	-	-	-	-	-	-
Unskilled	2	-	-	-	1	-	-	-	3
Total	2	-	-	-	3	1	-	-	6

The employment of Persons with disability target is **2.4%**. JCT has reached the disability target of **2%** of Persons with Disability in this quarter under review.

Table 11: Employment Equity and Economically Active Population (EAP) Targets

Description	Total employees	Gauteng EAP EE Target %	JCT EE Actual %	Variance
Africans	225	81.0%	91%	+10%
Coloureds	3	2.6%	1.2%	-1.4%
Indians	5	2.9%	2%	-0.8%
Whites	13	13.5%	5%	-8.5%
Persons with disability	6	2.0%	2.4%	-0%
Male	151	55.9%	61%	+5.1%
Female	95	44.1%	39%	-5.1%

During the reporting period, overall African representation stands at **91%** which is above the set target of **81.0%**, Coloureds at **1.3%** which is also below a target with 2.6%. Indian representation stands at 2% while Whites are still underrepresented by **8.5%**

Table 12: Gender Profile

Gender	TOTAL		African		Coloured		Indian		White	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Male	55.9%	61%	45.3%	55%	1,3%	0.4%	1,9%	1.2%	7.4%	4%
Female	44.1%	39%	35.7%	36%	1,3%	0.8%	1,0%	0.8%	6.1%	0.8%
Total	100%	100%	81.0%	91%	2.6%	1.2%	2.9%	2%	13.5%	5%
						Target achieved				

Female representation has increased by **2%** against the 37% in Q4. JCT will give preference to designated people, women, and Persons with Disabilities when opportunity arises.

Table 13: Employee Age Profile

Age			Gender		Race			
Age Groups	Number of staff	% representation	Male	Female	A	C	I	W
18-25	1	0%	1	0	1	0	0	0
26-35	71	29%	37	34	68	0	2	1
36-45	96	39%	63	33	89	3	2	2
46-55	54	22%	31	23	47	0	1	6
56-65	24	10%	19	5	20	0	0	4
Total	246	100%	151	95	225	3	5	13

The majority of JCT employees are aged between 26-45 years of age, which represents 68% of the JCT staff establishment. This group is largely represented by African employees at 91%.

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 the Training and Development Policy, JCT offers a wide range of development provision enabling employees to gain skills competencies and experience necessary to contribute to the attainment of individual, team and organisational goals and expectations in an increasingly diverse and demanding context.

Workplace Skills Plan (WSP)

During this quarter several employees attended training. The duration of the training was 2 and 3 days. The details of the training are depicted in the below table.

Table 14(b): Training attended (Workplace Skills Plan (WSP))

Occupational Levels	Training intervention	Number of staff	Costs
Top Management	Ethics Training	13	R89 112.34
Senior Management	Ethics Training	6	R41 128.74

Professionally Qualified / Middle Management	Ethics Training, Stage Rigging, Erect, Use and Dismantle Access, Carpentry & Lift Equipment Inspection.	12	R103 808.21
Skilled Technically and Academically Qualified	Stage Rigging, Erect, Use and Dismantle Access Training, Carpentry & Lift Equipment Inspection.	16	R150 127.09
Semi-skilled	Stage Rigging, Erect, Use and Dismantle Access Training, Carpentry & Lift Equipment Inspection.	10	R101 815.77
Unskilled	Stage Rigging & Carpentry	5	R58 999.7
Temporary employees	Stage Rigging, Erect, Use and Dismantle Access Training, Carpentry & Lift Equipment Inspection.	9	R80 592.84
TOTAL		71	R625 584.69

Learnership Programme

JCT applied funds from CATHSETTA and was granted discretionary grants to provide learnership to 10 employed learners in Catering & Hospitality department. JCT signed the Workplace-Based Learning (WBL) Programme Agreements with CATHSETTA. The WBL programme commenced in July 2023. The duration of learnership programme is 12 months. 10 learners were selected learners (from temporary employees) to participate in the WBL Programme. CATHSETTA has appointed an accredited service provider to conduct learnership. The learners will receive education and training services from the third party and JCT will provide work experience. They will receive 30% theoretical knowledge and 70% practical work experience. Upon the completion of the training, learners will receive **National Certificate (NC) in Food and Beverage, which is NQF 4.**

Table 14 (c): Learnership Programme funded by CATHSETTA.

Discretionary Grant Programme	Qualification Name	Learners	Training Cost	Total Funding Value	Start Date	End Date
Learnership Employed	NC: Food and Beverage NQF 4	10	R240 000	R240 000	08/08/2023	31/07/2024

Financial Study Assistance

The company has a policy in respect of paid assistance for skills development courses, which help in enhancing the skills of previously disadvantaged individuals. 15 employees are studying towards a qualification in different institutions which is summarised in the table below.

Table 15(a): Financial Study Assistance

DISCIPLINE	DESIGNATION	NUMBER OF LEARNERS	INSTITUTION	Duration of the qualification
Postgraduate Diploma in Labour Law	Administrator: Human resources	1	Northwest University	1 Year

Masters in commerce – Development and Inequality studies	Community Development Manager	1	University of the Witwatersrand	1 Year
Postgraduate Diploma in Digital Marketing	Online Content and Publicity Coordinator	1	Regent Business School	1 Year
Advanced Diploma in Performing Arts	Sound Technician	1	Tshwane University of Technology	1 Year
Diploma in Systems Development	Security Officer	1	Boston City Campus	3 Years
Diploma in Supply Chain	Assistant Manager: SCM	1	Chartered institute of procurement and supply (CIPS)	1 Year
Bachelor of Business Administration	Office Administrator	1	MANCOSA	3 Years
Certified Information Systems Security Professional	Information Technology Technician	1	Torque it	1 Year
Bachelor of Laws (LLB)	Committee Officer	1	University of KwaZulu-Natal	4 Years
NEBOSH International Diploma in Safety Management	SHE Specialist	1	SHEilds	1 Year
Bachelor for Business Administration	Administrator: Ticketing	1	MANCOSA	3 Year
Wireman's licence	Electronic Technician	1	MPK Electrical and Projects	1 Year
Master's in business administration	Chief Operating Officer	1	Henley Business School	1 Year
Diploma in Creative Producing for Theatre and live events	Senior Producer	1	Maverick Academy	1 Year
Technical Team Management	Senior Sound Technician	1	University of Cape Town	1 Year
TOTAL BENEFICIARIES		15		

SECTION 6: PERFORMANCE MANAGEMENT

JCT has a well-embedded standardised performance management policy and procedure for setting performance objectives, which is aligned to the Business Plan. Formal performance reviews are conducted annually, and year-end performance scores are the determinant of a performance reward. An enhanced performance development and coaching approach is being conducted on a continuous basis to ensure that employee performance is consistently and reviewed. The table below summarises the submission of performance evaluations and final reviews per Department for levels 5 to 11 employees. Performance reviews

for Level 4 to 6 (EXCO and direct reports) will be finalised after the AG. The performance information will be presented in the Q2.

Table 15: Performance Management 2022 – 23

Department	Number of Staff	Performance Agreements/Evaluation	
		Submitted	Outstanding
Hospitality and Catering	23	19	4
Governance and Legal	7	2	5
Customer Services	9	8	1
Client Services (Programming)	9	0	9
Building & Security	55	52	3
Stage	26	18	8
Soweto Theatre	55	53	2
Roodepoort Theatre	27	26	1
Finance & SCM	16	0	16
Corporate Support & HR	3	0	3
Total	230	178 (77%)	52 (23%)

As at 30 September 2023, the submission of Performance Evaluations/Agreements is 77%. The remaining evaluations/agreements are for other staff members including the EXCO direct reports on maternity leave and on suspension.

SECTION 7: LEAVE & PRODUCTIVITY MANAGEMENT

In line with the approved Leave Management Policy and Main Collective Agreement, JCT employees are entitled to 24/27 days leave per annum to be taken at a time convenient to JCT and agreed upon by the line manager. 80 sick leave days in a three (3) year cycle and 5 family responsibility leave days are also provided. The section below provides a detailed overall leave management and analysis per department.

Table 16: Overall Company Leave Analysis for the 1st Quarter

Type of Leave	JUL	AUG	SEP	Total Leave Days Taken	% Leave days taken
Annual Leave	81	116	178	375	72%
Sick Leave	7	50	25	82	16%
Family Responsibility Leave	2	9	5	16	3%
Study Leave	12	2	0	14	2%
Unauthorised Leave	0	0	0	0	0%
Maternity Leave	21	14	0	35	7%
Total	123	191	208	522	100%

A total of **522** leave days were taken by employees. Annual leave was the most taken during the period and his however did not affect business operations.

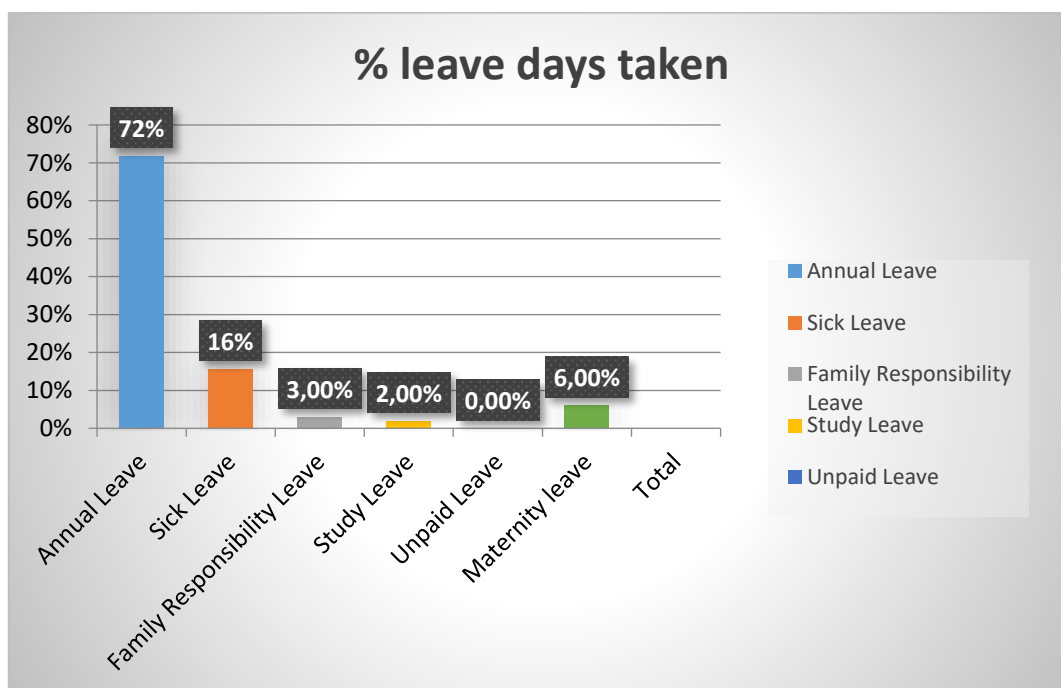


Figure 1: Leave Analysis

Annual leave was the most leave taken by employees as per figure 1 above by 72%, Sick Leave at 16%, Family Responsibility at 3%, Study leave at 2%, maternity leave at 7% and unauthorised Leave recorded at 0% respectively. Tables below provides a detailed breakdown of leave days taken per department:

Table 17: Joburg Theatre

Number of staff	Type of Leave	JUL	AUG	SEPT	Total Days Taken
127	Annual Leave	52	82	153	287
	Sick Leave	6	28	24	58
	Family Responsibility Leave	2	9	5	16
	Study Leave	12	2	0	14
	Unauthorised Leave	0	0	0	0
	Maternity leave	21	14	0	35
	Total		93	135	182

Table 18: Soweto Theatre

Number of staff	Type of Leave	JUL	AUG	SEPT	Total Days Taken
20	Annual Leave	13	21	14	48
	Sick Leave	1	22	1	24
	Family Responsibility Leave	0	0	0	0
	Study Leave	0	0	0	0
	Unauthorised Leave	0	0	0	0

Number of staff	Type of Leave	JUL	AUG	SEPT	Total Days Taken
	Maternity leave	0	0	0	0
	Total	14	43	15	72

Table 19: Roodepoort Theatre

Number of staff	Type of Leave	JUL	AUG	SEPT	Total Days Taken
14	Annual Leave	16	13	11	40
	Sick Leave	0	0	0	0
	Family Responsibility Leave	0	0	0	0
	Study Leave	0	0	0	0
	Unauthorized Leave	0	0	0	0
	Maternity Leave	0	0	0	0
	Total	16	13	11	40

Human resources 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

Employee representation and Union Membership

In terms of the South African Local Bargaining Council's Main Collective Agreement, South African Municipal Workers 'Union (SAMWU) and Independent Municipal and Allied Trade Union (IMATU) are the only two registered trade union operating in the sector. Employees have the right to join one of the Unions. A total of 171 employees belong to trade unions of which 41 subscribe to IMATU and 130 to SAMWU (reflected in the table 16 below).

Table 16 (a): Union membership.

Municipal Entity	Trade Unions	SAMWU	IMATU	Grand Total
JCT	SAMWU & IMATU	130	41	171

Trade unions always allocate shop stewards to represent their interests and its members. JCT employees who are members of trade unions have union representation via shop stewards of either SAMWU or IMATU. Shop stewards represent their members in misconduct cases.

The company does have an effective consultative committee, Employment Equity & Skills Development (EESD), which provides a platform to engage as well as consult with employees on key issues affecting them and the business at large.

Non-union members (employees) pay Agency Shop Fees to the Council. Senior Managers do not pay Agency Shop fees.

Labour Relations matters

The tables below summarise the labour relations cases recorded for the 1st quarter.

Table 16 (b): Labour Relations cases

Department	Designation	Nature of Misconduct	Progress and/or Outcome/Sanction
Hospitality & Catering	Driver (Fixed Term employee)	Allegations of being under the influence of alcohol whilst on duty	Prosecutor to draft charges this week
	Chefs	Allegations of drinking alcohol or being under the influence of alcohol whilst on duty	Employees were issued with Written warning
Stage	Sound Technician	Dishonesty	Prosecutor is preparing charges
Soweto Theatre	Audience and Community Development Manager	Financial Misappropriation	Searching for a prosecutor

All disciplinary matters were handled in line with the approved disciplinary code policy of the organisation. Despite the challenges, 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.

Cases	No. of cases	Comments
Death and memorial service.	0	None
Bereavement support intervention	0	There was no bereavement support intervention
Study	15	15 employees are studying through the company's financial study assistance during the term under review.
Miscellaneous cases	1	One employee (Security Officer) stationed at Joburg Theatre suffered a stroke in July 2023. The employee is off sick, recuperating at home.
Total	16	

SECTION 9: EMPLOYEE WELLNESS

Employee Assistance Programme (EAP)

JCT has an outsourced Employee Assistance Programme through ICAS, whereby employees and their immediate families can access the service free of charge. The Service Provider provides 24 hours online (internet, website, WhatsApp, call-back, etc.), inbound telephonic, and face to face health and wellness information and counselling to staff members.

It is encouraging that employees are accessing the online services to address their psychosocial challenges. More employees are encouraged to use this service so that they can benefit from a customised comprehensive health risk assessment programme targeted at their lifestyle challenges.

Employee Wellness Programme and Events

JCT held its Employee Wellness Day on 22 September 2023 at Soweto Theatre. Discovery Health and ICAS conducted the following screenings per each participant:

- **Online questionnaire** i.e., Medical History, Emotional Wellbeing, Physical Wellbeing & Lifestyle
- **Body metrics** i.e., Height, weight, waist circumference, Blood mass index (BMI), body fat percentage & Blood pressure.
- **Biometrics (bloods tests) i.e.,** Glucose, Blood Cholesterol, Voluntary HIV testing and counselling.

ICAS conducted screenings to 87 non-medical aid members as per the ‘Tentative’ Report’ from your Wellness Day below. The report just gives a snippet into what transpired on the day. More comprehensive report will follow once all data has been collected and integrated. Discovery does not provide tentative report. They submit a full report in Q2.



Stroke

One employee, a Security Officer stationed at Joburg Theatre suffered a stroke. He was initially admitted at hospital and discharged. He has been booked off sick and is recovering from home.

SECTION 10: EMPLOYEE BENEFITS

Retirement and Medical Aid Benefits

JCT is a participating employer in one of the retirement and medical aid benefit schemes to provide post-employment benefits to all its eligible employees. Depending of the nature of employment, employees have an option of belonging to the City of Johannesburg accredited medical aid schemes where the Company contributes 60% and the member (employee) contributes (40%) towards membership medical aid only for permanent staff members and fixed term contribute 100%; and 18% Company contribution and 7.5% member (employee) for retirement benefits.

JCT currently operates three retirement funds and 246 employees are members of the funds as indicated in the table below.

Table 20: Retirement Funds

NO	NAME OF RETIREMENT FUND	NO. OF FUND MEMBERS
1	eJoburg Fund	229
2	Johannesburg Municipal Pension Fund (NMG)	11
3	Municipal Gratuity Fund (MGF)	6

The company also administers three accredited medical aid schemes. 73 employees are members of the schemes as follows:

Table 21: Medical Aid Funds

NO	NAME OF MEDICAL AID SCHEME	NO. OF MEMBERS	COMPANY CONTRIBUTIONS (%)	CTC (%)
1	Discovery Health	51	60%	-
		18	75%	-
		2	-	100%
2	LA Health	1	60%	-
3	Key Health	1	60%	-

Company Allowances

72 employees receive subsidy as homeowners' allowance. 81 employees receive handset devices (cell phones), data and voice services towards the use for business purposes. The provision of the allocation of Tools of Trade to identified selected categories of employees is guided by; seniority in the Company and by the nature and demands of the job responsibilities, and the extent to which such employees 'responsibilities require them to be accessible even beyond normal working hours.

SECTION 11: OCCUPATIONAL HEALTH AND 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 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 Health and Safety Manager as the Liaison with the COJ Group SHE Directorates 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 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 quarterly meetings.

Emergency Evacuation Drills

JCT conducted two emergency evacuation drills during the quarter under review. The purpose of the Emergency Evacuation Drill was to monitor the level of compliance with the OHS Act and assist all with the requirements that need to be implemented to ensure that employees are working in a safe area and without any risk to their health.

The first drill was conducted at Soweto Theatre on 13 September 2023 at 10h00. 44 staff members and 3 patrons were evacuated in 6 minutes. All areas were evacuated safely.



The siren speakers on the third (3rd) floor were damaged during flooding and are under maintenance. Super sounds are being used while the Siren speakers are repaired or replaced in the Soweto Theatre building. Super sounds (air horn), and a sweep-through method is used to evacuate the theatre safely.

The second drill was conducted at Joburg Theatre on 20 September 2023 at 07h30. 73 staff members and patrons were evacuated to the assembly point in Front of House in 04 minutes and 04 seconds and 15 staff members were evacuated to the assembly point in the loading bay. All areas were evacuated safely.



Injuries on Duty (IOD)

One employee was injured on duty during the quarter under review. The senior technical manager stationed at Joburg Theatre was working on a Band saw when the piece of timber that he was cutting spun back, hitting me on my left hand. The incident happened on 09 September 2023 he was taken to Milpark Hospital where he was treated. He sustained a fracture to his left index finger and left ring finger.

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 3 months ended 30 September 2023

Statement of Financial Position as at 30 September 2023

Figures in Rand	Note(s)	30 September 2023	30 June 2023
Assets			
Current Assets			
Inventories	2	17 605 202	9 970 452
Receivables from exchange transactions	3	29 367 276	20 816 112
VAT receivable	4	2 207 308	1 648 225
Cash and cash equivalents	5	142 786 796	16 532 950
		191 966 582	48 967 739
Non-Current Assets			
Property, plant and equipment	6	19 022 048	17 802 672
Intangible assets	7	354 699	385 204
Heritage assets	8	1 602 700	1 602 700
		20 979 447	19 790 576
Total Assets		212 946 029	68 758 315
Liabilities			
Current Liabilities			
Payables from exchange transactions	9	164 075 650	33 419 213
Provisions	10	10 812 303	3 931 848
		174 887 953	37 351 061
Non-Current Liabilities			
Deferred tax	12	5 936 387	5 936 387
Total Liabilities		180 824 340	43 287 448
Net Assets		32 121 689	25 470 867
Share capital	33	10	10
Investment from Shareholder		1 784 049	1 784 049
Accumulated surplus		30 337 630	23 686 808
Total Net Assets		32 121 689	25 470 867

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Section 2: Statement of Financial Performance

Joburg Theatre (SOC) Limited

(Registration number 2000/013032/07)

Annual Financial Statements for the 3 months ended 30 September 2023

Statement of Financial Performance

Figures in Rand	Note(s)	30 September 2023	30 June 2023
Revenue			
Revenue from exchange transactions			
Ticketing Services	13	486 504	1 069 252
Hospitality and Catering Services	13	11 288 298	65 760 622
Rental of facilities and equipment	13	2 002 872	6 368 230
Arts Alive	13	-	12 803 314
In-house ticket sales	13	125 049	7 371 298
Other income	15	30 321	8 058 058
Interest received - investment	16	3 983 844	5 776 137
Total revenue from exchange transactions		17 916 888	107 206 911
Revenue from non-exchange transactions			
Transfer revenue			
Subsidy	17	52 061 011	179 652 003
Total revenue	13	69 977 899	286 858 914
Expenditure			
Employee related costs	18	(33 010 865)	(115 574 610)
Depreciation and amortisation	19	(571 040)	(1 712 074)
Transfers and Subsidies	20	(4 934 250)	(22 551 296)
General Expenses	21	(24 810 922)	(143 827 504)
Total expenditure		(63 327 077)	(283 665 484)
Surplus before taxation		6 650 822	3 193 430
Taxation	22	-	(915 410)
Surplus for the 3 months		6 650 822	2 278 020

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Section 3: Cash Flow Statement

Joburg Theatre (SOC) Limited

(Registration number 2000/013032/07)

Annual Financial Statements for the 3 months ended 30 September 2023

Cash Flow Statement

Figures in Rand	Note(s)	30 September 2023	30 June 2023
Cash flows from operating activities			
Receipts			
Sale of goods and services		99 479 224	97 272 518
Grants		183 984 003	179 652 003
Interest income		5 716 909	5 648 760
		<u>289 180 136</u>	<u>282 573 281</u>
Payments			
Employee costs		(113 334 120)	(115 604 051)
Suppliers		(47 832 259)	(161 320 774)
		<u>(161 166 379)</u>	<u>(276 924 825)</u>
Net cash flows from operating activities	23	<u>128 013 757</u>	<u>5 648 456</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(1 759 911)	(6 453 908)
Purchase of other intangible assets	7	-	(140 515)
Net cash flows from investing activities		<u>(1 759 911)</u>	<u>(6 594 423)</u>
Net increase/(decrease) in cash and cash equivalents		<u>126 253 846</u>	<u>(945 967)</u>
Cash and cash equivalents at the beginning of the year		16 532 950	17 478 917
Cash and cash equivalents at the end of the year	5	<u>142 786 796</u>	<u>16 532 950</u>

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Section 4: Ratio Analysis

Financial Ratios	30-Sep-23	30-Sep-22	Target	Norm	Interpretation
Solvency Ratio	1.18	1.22	> 2.00	2 : 1	The Solvency Ratio is also below the norm of 2:1 and again this is not a challenge for the entity because of the same reason of the accounting treatment for deferred revenue.
Debt: Revenue	10%	13%	< 45%	45%	The ratio is within target and below the norm, and does not pose any challenge. The entity needs to maintain the ratio going forward.
Remuneration	52%	54%	At least 30%	25% - 40%	The ratio is over the Norm and JCT should monitor this ratio and put measures in place to ensure it goes between the norm.
Repairs & Maintenance	4%	15%	8%	8%	The ratio is below the norm of 8%. It is still early in the year, expenditure will increase as the year moves forward.
Interest: Expenditure	0%	0%	< 7%	<7%	The entity is really not financed by interest bearing borrowings hence a lower ratio on interest and this is not a reason for concern at all.
Net Operating Expenditure	10%	1%	At least 15%	= or > 0%	The entity is sitting at a position of 10% which is not far from the norm.
Cost Coverage Ratio	210 Days	180 Days	> 45 Days	1 – 3 Months	The entity is above the target and between the norm of 1 - 3 months (90 days).

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

Irregular Expenditure

- None identified in the quarter under review.

Fruitless and wasteful expenditure

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

- None identified in the quarter under review.

Section 6: Pending Litigations and Possible Liabilities

There were no new litigation claims that arose during the first quarter of 2023/24. The entity continued to manage the Bosch family matter during the period under review. The cause of action arose in 2016, but summons was only served on the entity and the City in 2018. The matter relates to a claim by a minor child who fell with her father in the Orchestra Pit on the 8th of October 2016. The matter remains unresolved.

Up until the period under review, the Plaintiffs were advocating for arbitration, but during September 2023, the Plaintiffs through their attorneys communicated to JCT, their intention to proceed to trial.

JCT manages this matter through the City's insurance appointed lawyers. The lawyers have reported that, during the period under review, they were waiting for an expert summary to proceed with litigation. The claim has been amended from +/-R9million to +/-R18 million and it is on an annual basis disclosed in the entity's AFS as a potential liability.

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).

Section 2: Progress on Resolution of Internal Audit Findings.

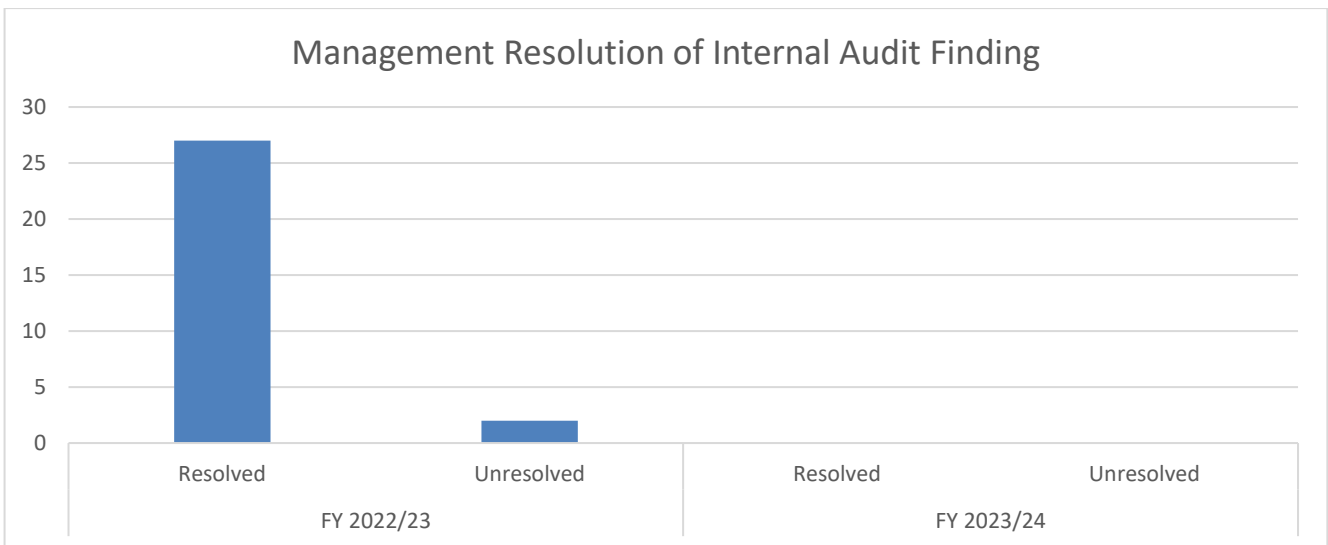
The internal auditors have raised 29 findings in the 2022/23 financial year and 27 of those findings have been resolved by management and also verified by internal auditors. With regards to the current year’s coverage plan, the internal audit process is underway and should be finalised in the 4th quarter of the 2023/24 financial year.

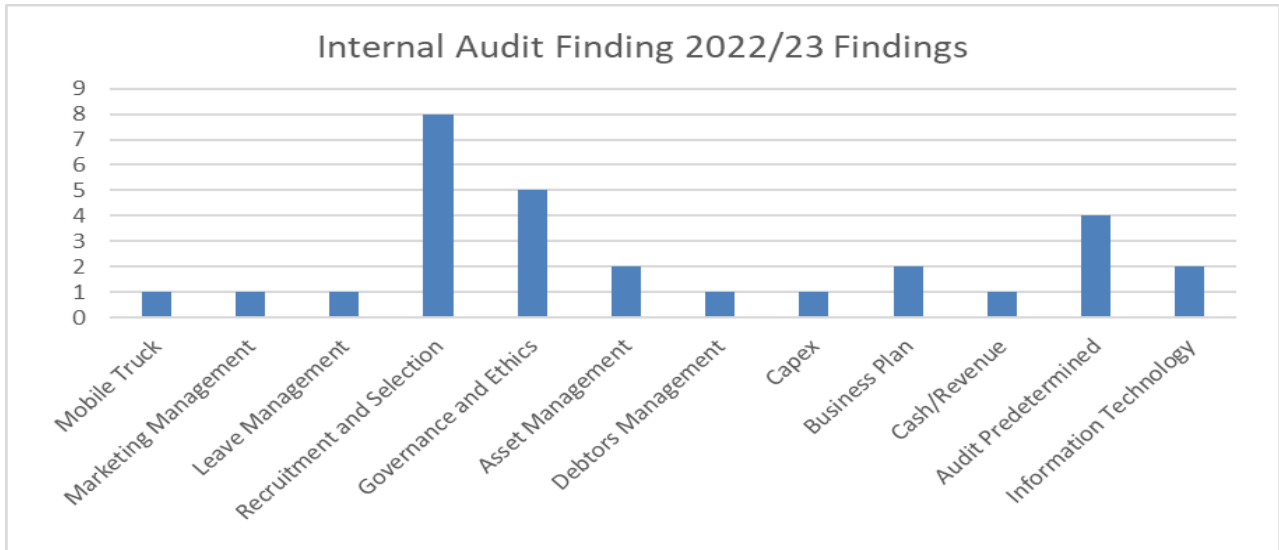
SUMMARY AND ANALYSIS OF INTERNAL AUDIT FINDINGS

Description	Findings Raised During 2022/23	Findings Raised During 2023/24	Total Finding	Total Resolved As Per Management	Total Resolved As Per IA Verifications	% Resolved As Per Management	% Resolved As Per IA Verifications
Internal Audit Findings	29	0	29	27	27	93%	93%

PROGRESS ON THE RESOLUTION OF INTERNAL AUDIT FINDINGS

Out of the 29 audit findings that were issued for the financial years 2021/22 & 2022/23, management has resolved 93% of the internal audit findings while internal auditors have verified and closed 93% of the internal audit findings raised to date. The graph below depicts analysis of findings by department and resolution of the findings. Internal audit has not raised any findings for the year 2023/24.





The table below illustrate the details of the findings raised to date and action plans implemented to mitigate the risks raised by internal Auditors:

No	Department	Finding	Due Date	Action Implemented	Status
1	Mobile Theatre Truck	<ul style="list-style-type: none"> Internal audit could not trace information of site visits prior to events taking place. Internal audit could not review the number of paid or unpaid City's Outreach programs where the Mobile Theatre was used. 	19 December 2022	Management created a checklist that goes with the booking information which includes record of site visit conducted for all bookings.	Resolved
2	Marketing Management	When performing an audit review of the Marketing Management, Internal Audit noted that the position of the Marketing Manager has not been filled yet	30 June 2023	The position was re-advertised in Nov/Dec 2022 and interviews were conducted on. 02 February 2023.	Resolved
3	Leave Management	When reviewing the Termination process as part of Leave Management Audit review, Internal audit noted that Mr IS Nhlengethwa had resigned on the 02/09/22. As a participant of the subsidized education, he had an outstanding debt of R79 000.00 which to date has not been recovered.	02 February 2023	JCT has recovered the money from the ex-employee. Innocent Nhlengethwa signed an agreement with JCT whereby the full amount owed will be recovered over a period of 12 months as per the Training and Development Policy's Agreement. R4,517 was recovered via leave due to him in February. Innocent made a once off payment of cash deposit of R44 834.00 in February 2023. The balance is being paid off in equal monthly instalment of R2,470.00	Resolved

		He had 10.5 days of leave prior to his resignation.		Internal Audit Comments The 12 months recovery agreement only caters for the current employees and not for ex-employees. For example, the ex-employee may renege on the debt recovery arrangements. Management will not have any recourse to demand payment.	
4	Recruitment and Selection	When performing an audit review on Recruitment and Selection, Internal Audit noted that a written motivation and request to fill vacant or new posts were not placed in the recruitment and selection files of all new recruited employees.	13 February 2023	A written motivation and request to fill the vacant or new posts are placed in individual files.	Resolved
5	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that interview panel did not consist of employment equity or trade union representatives.	13 February 2023	The two duties are separated when conducting an interview and comply with Section 16 (1) (a) of the Employment Equity Act.	Resolved
6.	Recruitment and Selection	When reviewing the recruitment and selection files, Internal Audit noted there were documents that were not signed by relevant HOD's. Documents such as Job description and Performance Evaluation	13 February 2023	All documents were signed by relevant HOD's effective 13 February 2023. We have ensured that the required documents were signed and filled accordingly.	Resolved
7.	Recruitment and Selection	When reviewing Recruitment and Selection files, Internal Audit noted that there were critical documents that were not in the files. Requirements of the advert were not fully adhered to in some posts as requested documents were not submitted as it states, "interested persons are required to send their cover letter, detailed CV, recently certified copies of their qualifications and identity documents not longer than three months, quoting the relevant	13 February 2023	We have already placed the documents in each employee's file. We have also created a checklist to be used in all future recruitment. Internal Audit Comment Independent Service providers must conduct their business in accordance with the applicable laws and regulations. The services of the independent service provider must be monitored in terms of the Local Government: Municipal Systems Act 32 of 2000 (3) (g), under Executive and legislative authority , "monitoring and, where appropriate, regulating municipal services where those services are provided by service providers other than the municipality."	Resolved

		reference number to Mr. Thomas Sadiki, the Human Resources Manager, Joburg City Theatres, via email”.			
8.	Recruitment and Selection	<p>Internal Audit requested an approved budget for trainings to be conducted for the period under review and were provided with just a figure of R 2 034 849 by Human resource management. We couldn't assess if the amount was approved as no documentation was provided.</p> <p>Furthermore, Internal Audit also noted that human resource management does not keep records of trainings attended. When information was requested, the unit passed the request to employees who attended the training. As a result, Internal audit was provided with only TS Trainer training register which also wrongly indicated a three days training as a one-day training</p>	13 February 2023	Management ensures that attendance registers are filled accordingly. The movement of budget is monitored with the cost of each training.	Resolved
9.	Recruitment and Selection	During the audit of Recruitment and Selection, Internal Audit observed that some appointments were made more than four months after interviews and there was no proof that the positions were re-advertised.	13 February 2023	<p>JCT has appointed the following service providers on tender 00258/22 Appointment of service provider for the provision of recruitment services on an as and when basis:</p> <p>Affirmative Portfolios (PTY) LTD Makhado Consulting (PTY) LTD Pinpoint One Human Resources (PTY) LTD Multi Lead Consulting Services Commencing on 22 March 2023 for a 36-month period.</p> <p>With the appointment of the above service providers there should not be any delays in the recruitment and selection processes.</p>	Resolved

10.	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that scores on the candidates score sheets by panel members were inaccurately calculated.	13 February 2023	Management has noted minor human errors in the calculation of scores on the candidates score sheets by panel members. We have since rectified the incorrect calculation of scores on the score sheets of the identified files. We have also introduced a checklist which will be signed by two different individuals after recalculations, checking the accuracy and completeness of the score sheets.	Resolved
11.	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that there were no indications that unsuccessful candidates were notified in writing.	13 February 23	We have since filled all regret letters in the file of the appointed employee.	Resolved
12.	Governance and Ethics	Governance Framework for JCT is not in place including the Standard Operating Procedure (SOP) for governance processes.	30 June 2023	JCT has drafted an internal governance framework. Governance cuts across several areas and processes in different departments and therefore it will not be practical to draft a standard operating procedure for governance. For example, the administering and implementation of policies is governance so there can't be one SOP for all policies.	Resolved
13.	Governance and Ethics	Notwithstanding several requests made, Governance and ethics information required for audit purposes was not provided by the auditee at the time of the audit; certain reviews could therefore not be performed or corroborated with the required audit evidence.		<p>There are minutes of special meetings. There is no policy requirement for the Chairperson to approve a special meeting. Approval is sought from Group Governance should the meetings exceed three (3) as per the CoJ Governance Policy attached-reference paragraph 9.3. This finding has no basis in law.</p> <p>Internal Audit Comment Management comment noted, however the finding stands as "paragraph 7.1 Number of meetings of ARC Terms of Reference "states that a minimum of four (4) meetings shall be held during each financial year (one meeting per quarter). Special meetings may be convened on good cause shown and with chairperson's approval as well as in accordance with the City of Johannesburg Group Policy on</p>	Resolved

				the Governance of Group Advisory Committees, Interim Municipal Entities Board of Directors and Independent Audit Committee or its successive policy.	
14.	Governance and Ethics	<p>a). Internal Audit noted that in the Remuneration Social and Ethics Committee (REMSEC) omitted the following critical elements pertaining to the content of the terms of references:</p> <p>Duration/term of office for REMSEC was not stated within the ToR.</p> <p>b). Furthermore, Board of Directors TOR omitted the following critical elements pertaining to the content of the terms of references:</p> <p>Duration/term of office for Board was not stated within the ToR</p>	30 June 2023	We have reviewed the REMSEC Charter to include meeting proceedings in detail as there is a provision in the terms of reference and duration or term	Resolved
15.	Governance and Ethics	<p>During the review of the oversight committees meeting attendance the following was noted:</p> <p>Social and Ethics Committee (REMSEC) Internal Audit Noted that the meeting pack/materials were distributed 6 weekdays prior to the meeting as opposed to 7 weekdays prior to the meeting, refer to the table below:</p>	On-going	We had discussions with Executive management in EXCO meetings to consider closing the books early to accommodate review time for quarterly reports.	Resolved

16.	Governance and Ethics	<p>During the governance and ethics review under the ethics awareness and training process the following deficiencies were noted:</p> <ul style="list-style-type: none"> • Awareness training/workshop program for all employees was not yet fully developed. • Training attendance register, and the training report for fraud and ethics workshops were not developed. • Induction training programs material and registers for new employees was not provided. 	30 June 2023	<p>Ethics programs are implemented, and they are ongoing.</p> <p>The appointment of ethics officer, ethics ambassador, and committee members are concluded.</p> <p>Workshops are monitored and enforced and are held quarterly.</p> <p>Ethics training is included on the WSP.</p>	Resolved
17.	Asset Management	Internal audit noted that there were assets from the fixed asset register, were not physical verified on the floor. From a sample of 48 at Roodepoort theatre 8 were not found on the floor.	30 June 2023	<p>Audit finding is noted, A storage container unit is obstructing the only access door to the old storage room that is keeping redundant assets. However, the fact that they are in a storeroom, they will be written off.</p> <p>Alternate access door has been created for the auditors to verify the redundant assets.</p>	Resolved
18.	Asset Management	Internal Audit noted that the additional assets barcodes were not recorded on the Asset Register while the assets have been barcoded.	30 June 2023	All new assets have been added to the asset register.	Resolved
19.	Debtors Management/ Related Parties	Policy stipulation that states that debtors' bookings who owe for more than 60 days should not be accepted has not been implemented.	30 October 2023	The policy will be revised to consider the current arrangement with the city of Johannesburg and its MOE's.	Unresolved

20.	Capex Review	Some declaration of interest by officials was not circled to choose the relevant answer of YES or NO by some officials.	30 May 2023	Going forward management will ensure completeness of declarations in the required spaces.	Resolved
21.	Business Continuity Plan	Internal noted that some emergency numbers not displayed at the control room. The safe to store guns was not operational at Roodepoort and Soweto Theatres	31 May 2023	We will ensure that emergency numbers displayed at the control room, and safe to store guns are operational.	Resolved
22.	Business Continuity Plan	During our Business Continuity Plan review at Soweto Theatre, internal Audit noted that the Theatre gets flooded when it rains.	Immediately	Management has already done water proofing as reflected in the repairs and maintenance activities to stop the flooding in the buildings.	Resolved
23.	Cash/Revenue Management	During the audit review of Revenue/Cash Management internal audit noted that the policy was last reviewed on the 14 April 2021 (Finance Management Policy and Procedure Manual). The policy does not accommodate the new cashless system in the stages restaurant as well as the new system of payment of tips.	30 October 2023	Updating the Cash/Revenue Policy with relevant changes N.R.O cashless system, invoicing, tips.	Unresolved
24.	Audit of Predetermined objectives (AOPO)	Three (3) of 27(11%) KPI's instance were supporting evidence submitted was not adequate to substantiate the performance reported in Quarter 1, 2 and 3 Quarterly Performance Report (QPR).	Immediately	Summary of all evidence for each KPI will be attached to the portfolio of evidence.	Resolved

25.	Audit of Predetermined objectives (AOPO)	Standard Operating Procedure (SOP) that provide guidance on how to collect, collate, verify and storing information and reporting on the programme performance information for planning, implementation, monitoring, and reporting on each Key Performance Information (KPI) is not in place (End to End process).	01 July 2023	Standard Operating Procedure (SOP) that provides guidance on how to collect, collate, verify and storing information and reporting on the programme performance information for planning, implementation, monitoring, and reporting on each Key Performance Information (KPI) is in place. However, may not be adequate to satisfy the audit standard. To avoid inconsistent application of processes on the KPIs. Management has embarked on a process of developing Operational Plans for each KPI detailing step by step activities for each KPI. Development and Implementation of Operational Plans for each KPI.	Resolved
26.	Audit of Predetermined objectives (AOPO)	<ul style="list-style-type: none"> • An Annual Targets from the 2022/23 JCT Business Plan is not clear. • The target for the first six months was set below the baseline. 	January 2024 as part of the Draft 24/25 Business Plan	KPI: Number of youths attending arts programmes Target setting for this KPI will be reviewed during next planning cycle.	Resolved
27.	Audit of Predetermined objectives (AOPO)	Four (5) out of 27 (15%) KPI's instances were noted where source documents (evidence) to support the performance progress reported in the Q1-Q3 Quarter Performance Assessment Report could not be provided for audit purposes.	Immediately	Summary of all evidence for each KPI is attached to the portfolio of evidence. The finding is noted.	Resolved
28.	Information Technology	Internal Audit noted that JCT is still being serviced by Praxis Computing (PTY)LTD even though the contract had expired on 07 June 2022.	03 July 2023	The contract was extended for another year until 07 June 2023.	Resolved

29.	Information Technology	<ul style="list-style-type: none"> Formal process was not followed when creating users for the Forbtech system account on the Active Directory The request for new user authorisation changes form for some users was not in place. 	Changes will be implemented by 31 July 2023	<ul style="list-style-type: none"> All new user request has been filed as hardcopies and scanned in so that there is a digital copy Interns must be included in the list of new staff/staff who have left-even if this list is separate from permanent staff. Departments will be more vigilant in signing off on authorizations. 	Resolved
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Section 3: Progress on Resolution of Auditor General Audit Findings.

Auditor General (SA) raised fifteen audit findings in the 2021/22 financial year. The entity has resolved 15 raised findings below:

CLASSIFICATION	TOTAL NUMBER OF FINDINGS RAISED	FINDINGS AFFECTING AUDIT REPORT	NUMBER OF FINDINGS RESOLVED	NUMBER OF FINDINGS NOT RESOLVED
Audit Findings	15	3	15	0
TOTAL	15	3	15	0
%	100 %	20%	100%	0%

PROGRESS ON THE RESOLUTION OF AG AUDIT FINDINGS

Description	Total Open Findings 01 July 2021	Findings raised during 2021/22	Total Findings	Total resolved as per management	Total Resolved as per IA verifications	% resolved as per management	% resolved as per IA verifications
Auditor General Findings	0	15	15	15	14	100%	93%

The only finding that has not been closed by internal audit relates to the awards made to the service providers who are in the service of the state as neither the entity nor COJ have a tool to detect service providers whose directors are in the state and reliance is placed on a service provider to declare.

The table below provides the details of the external audit findings raised by Auditor General and action plans implemented.

AGS A 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.	Differences on the COJ Related Parties Disclosure Note and MOEs Financials	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in Financial statements – Other important matters	The management has made the adjustment	Resolved	30 November 2022	New
2.	Material misstatements on the audit of integrated report	Governance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in annual performance report – other important matters	Adjustment has been done. Management prepares an integrated report that is accurate, complete and is reporting actual achievements consistent with the objectives, key performance indicators, targets and baseline in the business plan	Resolved	30 November 2022	New
3.	Noncompliance with local content requirement	SCM	HSD	JCT	Acting CFO Vukani Magubane	Non-compliance with legislation - Matters affecting the auditor's report	Management have fully implemented local content requirement in accordance with Regulation PPPFA.	Resolved	30 November 2022	2

							Management have trained all staff on this matter and have created checklist to identify all goods that qualify for local content and that the specifications include a requirement for local content and the advert contains such			
4.	Differences noted between underlying records and reported performance achievements	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual performance report – other important matters	The management has made the adjustment on the Financial reports	Resolved	30 November 2022	new
5.	Depreciation and carrying values as per asset register are not accurate	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the financial statements – other important matters	The Management has made the adjustment on the asset register	Resolved	30 November 2022	new
6.	failure to prevent the incurrance of irregular expenditure	Finance	HSD	JCT	Acting CFO Vukani Magubane	Non-compliance with legislation - Matters affecting the auditors opinion	Management has put controls in place to ensure that these instances are prevented	Resolved	30 November 2022	new

							from reoccurring. The controls include the centralization of the SCM function and to train the SCM and related staff to prevent to reoccurring of such non-compliance. Management has applied section 32 and section 102 of the MFMA regarding the identification, reporting and disclosure of irregular expenditure			
7.	Internal Control Deficiency - Management did not ensure that there are updated IT and Artistic Programming Policies and Procedures in place which indicates a risk of the entity's internal	Finance	HSD	JCT	Acting CFO Vukani Magubane	Internal control deficiency – Other important matters	. The policy has been updated to consider all key aspects highlighted.	Resolved	31 March 2023	New

	controls might not be effective as required by section 38(1)(a)(i) of the PFMA									
8.	Awards made to persons in service of the state	Finance	HSD	JCT	Acting CFO Vukani Magubane	Internal control deficiency - Other Important matters	Management relies on the declarations made by service providers on MBD4 form. There is currently no other system that can identify whether any of the service provider's directors are actually in the service of the state. It is only after the CAATs audit test from the AG has identified such and as management, we then conduct investigations and take appropriate actions on case-by-case basis	Resolved	30 November 2022	5

9.	Audit of predetermined objectives : Number of ballets seasons at JCT incorrectly reported	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual performance report – Other important matters	The management has made the adjustment on the report by recording the correct number of ballets seasons	Resolved	30 November 2022	new
10.	Audit of predetermined objectives :Number of live streaming/online productions incompletely reported	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual performance report – Other important matters	The management has made the adjustment on the report by recording the correct number of live streaming /online productions	Resolved	30 November 2022	new
11.	Declaration of interest not disclosed in the AFS	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual Financial Statements – Other important matters	Management does not agree with the audit finding, Mr. Bernard Jay resigned from the council of the Playhouse Theatre on September 29 th , 2018 and from the council of the State Theatre on November 18 th 2018. Resignation letters	Resolved	30 November 2022	New

							are attached			
12.	Heritage assets - it was noted that differences were identified between the disclosed amounts computed by the auditors in comparison to the amounts computed by the client on the heritage assets reconciliation	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual Financial statements – Other important matters	Management has made the adjustment on the Financial statements by correcting the error on the Heritage assets notes	Resolved	30 November 2022	New
13.	Deferred tax - differences were identified between the amounts computed by the auditors in comparison to the amounts computed by the client as disclosed in the deferred tax note. See below for details	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual Financial statements – Other important matters	Management has made the adjustment on the Financial statements by recording the correct deferred tax amount	resolved	30 November 2022	new
14.	Receivables from exchange transactions differences	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual Financial statements – Other important matters	Management has made the adjustment on the Financial statements by recording the correct Receivabl	Resolved	30 November 2022	New

							es from exchange amount			
15.	Non-adjustment of the irregular expenditure note with the write off	Finance	HSD	JCT	Acting CFO Vukani Magubane	Misstatement in the annual Financial statement – Other important matters	Management has made the adjustment on the Financial statements by correcting the irregular expenditure note	Resolved	30 November 2022	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:	30 September 2023		
ASSESSMENT PERIOD COVERED: (Tick as appropriate)	PFMA									
	MFMA	Jul – Sep 23								

No.	DRIVERS	<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>	ASSESSMENT		
					Financial	Performance	Compliance

LEADERSHIP

	Movement from previous assessment:			
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

	Movement from previous assessment:			
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

	Movement from previous assessment:			
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
	LEADERSHIP	
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 through-out.
1.b	Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	Following the Board meeting held on 29 June 2023, a resolution was taken to write off UIFW related expenditure and the entity has cleared all the balances as at end of the 1st quarter.
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
	FINANCIAL AND PERFORMANCE MANAGEMENT	
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	Following the Board meeting held on 29 June 2023, a resolution was taken to write off UIFW related expenditure and the entity has cleared all the balances as at end of the 1st quarter.
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
	GOVERNANCE	
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: SEPTEMBER 2023

BranchName: JHB', 'MET', 'RCT', 'SWT', 'Zoo'

← COVER SHEET

6

INCOME STATEMENT

Main Account	Sub AccountName	First Quarter				Second Quarter				Third Quarter				Fourth Quarter	
		Actual	Budget	Var	Var%	Actual	Budget	Var	Var%	Actual	Budget	Var	Var%	Actual	Budget
INCOME		69 877 676	64 196 429	5 681 247	8,85%	0	0	0	-	0	0	0	-	0	0
	Rental Of Facilities & Equipment	2 002 872	1 280 576	722 296	56,40%	0	0	0	-	0	0	0	-	0	0
	Interest Earned from External Investments	3 983 844	1 858 519	2 125 325	114,36%	0	0	0	-	0	0	0	-	0	0
	Operating Grants and Subsidies	52 061 011	52 061 011	-0	0,00%	0	0	0	-	0	0	0	-	0	0
	Arts Alive	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Joburg Film Office	0	0	0	-	0	0	0	-	0	0	0	-	0	0
	Other Revenue	11 829 948	8 996 323	2 833 626	31,50%	0	0	0	-	0	0	0	-	0	0
	In-House Stage Productions	125 049	0	125 049	0,00%	0	0	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	0,00%	0	0	0	-	0	0	0	-	0	0
	Food Beverage And Retail /Stages	11 179 879	8 661 157	2 518 723	29,08%	0	0	0	-	0	0	0	-	0	0
	Ticketing Services	486 504	300 023	186 481	62,16%	0	0	0	-	0	0	0	-	0	0
	Management Fees	0	0	0	-	0	0	0	-	0	0	0	-	0	0
	Special Projects and Other Income	38 516	35 143	3 373	9,60%	0	0	0	-	0	0	0	-	0	0
Expense		62 923 718	60 749 916	-2 173 802	-3,58%	0	0	0	-	0	0	0	-	0	0
	Employee Related Costs	32 615 483	30 864 449	-1 751 034	-5,67%	0	0	0	-	0	0	0	-	0	0
	Directors and Committee Members	396 000	329 935	-66 065	-20,02%	0	0	0	-	0	0	0	-	0	0
	Depreciation & Asset Impairment	571 040	675 750	104 710	15,50%	0	0	0	-	0	0	0	-	0	0
	Repairs And Maintenance	816 631	1 054 617	237 986	22,57%	0	0	0	-	0	0	0	-	0	0
	Contracted Services	1 143 668	480 742	-662 926	-137,90%	0	0	0	-	0	0	0	-	0	0
	Insurance	88 831	92 530	3 700	4,00%	0	0	0	-	0	0	0	-	0	0
	Joburg Ballet	4 934 250	6 998 567	2 064 317	29,50%	0	0	0	-	0	0	0	-	0	0
	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	0	0	0
	General Expenses	22 357 815	20 253 326	-2 104 489	-10,39%	0	0	0	-	0	0	0	-	0	0
TRADING SURPLUS /(SHORTFALL)		6 953 958	3 446 513	3 507 445	101,77%	0	0	0	-	0	0	0	-	0	0