

ARTSCAPE



an agency of the
Department of Arts and Culture

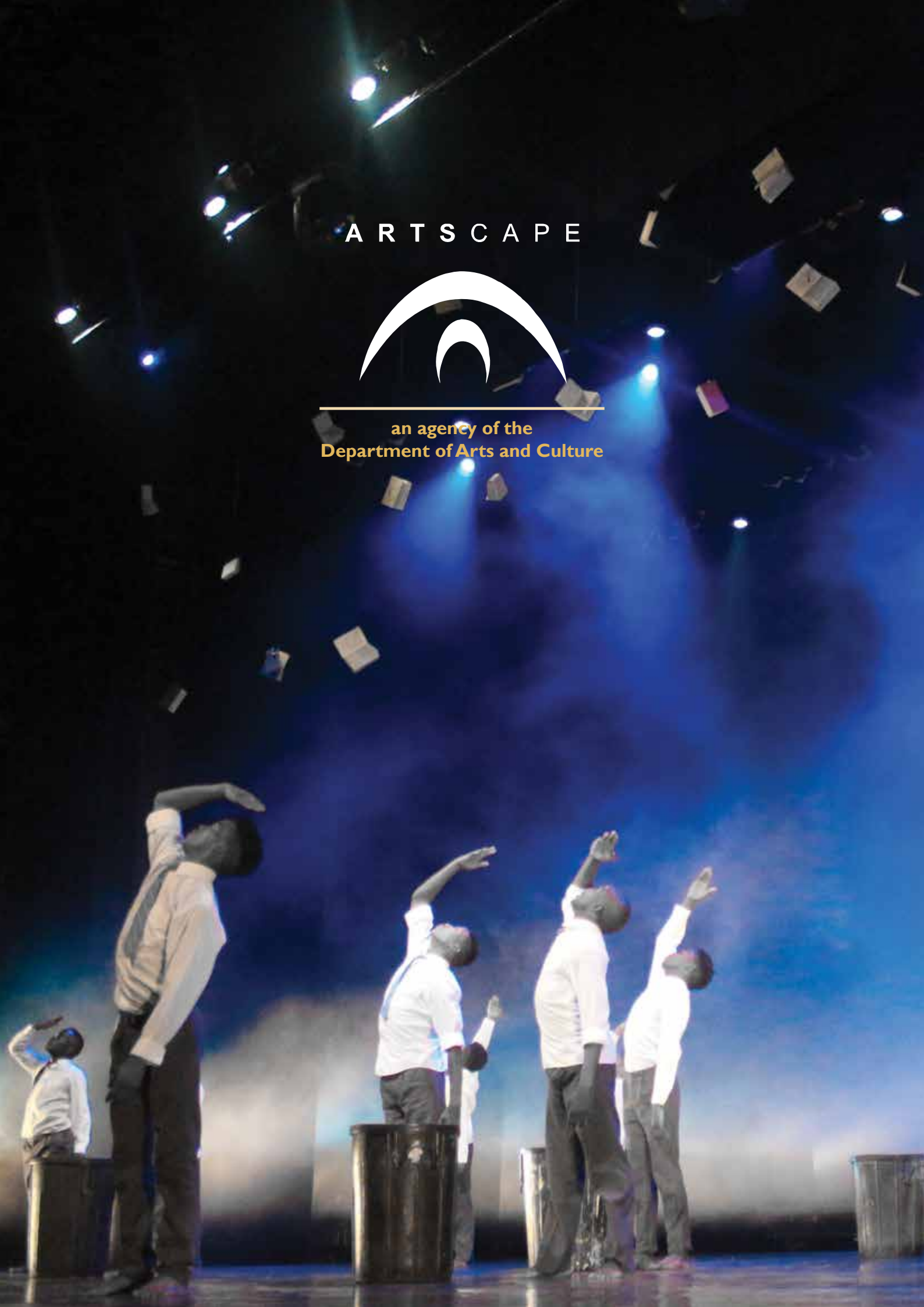
ANNUAL REPORT 2016/2017



A R T S C A P E



an agency of the
Department of Arts and Culture



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GENERAL INFORMATION

REGISTERED NAME	ARTSCAPE
BUSINESS ADDRESS	POSTAL ADDRESS
ARTSCAPE Theatre Centre	P O Box 4107
DF Malan Street	CAPE TOWN
CAPE TOWN, 8001	8000
TELEPHONE NUMBER	+27 21 410 9800
FAX NUMBER	+27 21 421 5448
E-MAIL ADDRESS	artscape@artscape.co.za
WEBSITE ADDRESS	www.artscape.co.za
EXTERNAL AUDITORS	Auditor-General of South Africa
INTERNAL AUDITORS	KPMG
BANKERS	Nedbank

LIST OF ABBREVIATIONS/ACRONYMS

AGSA Auditor-General of South Africa	MEC Member of Executive Council
CEO Chief Executive Officer	MTEF Medium Term Expenditure Framework
CFO Chief Financial Officer	PFMA Public Finance Management Act
DAC Department of Arts and Culture	PGWC Provincial Government of the Western Cape
DCAS Department of Cultural Affairs and Sport	SCM Supply Chain Management
TR Treasury Regulations	



FOREWORD BY THE CHAIRPERSON

On behalf of Artscape, it is my pleasure to present the annual report for the financial year 2016/2017 as an account of programmes and resources utilized. The Auditor General also provides an external independent verification of Artscape's performance mainly based on the pre-determined objectives as outlined in our Annual Performance Plan. Artscape is a premium South African performing arts institution under the Department of Arts and Culture. Artscape has a long record of good governance and new leadership executive leadership has done well to sustain

what has become an intrinsic tradition of this organization working with Council, Audit and Risk Management Committee and staff in effecting combined assurance. The support and guidance that we continue to receive from our mother department, National Department of Arts and Culture, and the Western Cape government support in the maintenance of our property as well as the increasing collaborative relationship with the City of Cape Town has enabled Artscape to perform optimally even in the environment of fiscal constraints which has restricted Artscape's fund raising and resource mobilization.

Artscape's strategy primarily focuses on transformation to ensure that its staff complement, audience, performers and programme content as well as procurement of goods and services are reflective of the diverse demography and cultures of Cape Town and the South African society. Artscape is poised to become a leading South African and African performing arts institution that will also contribute to social cohesion and economic development and tourism in Cape Town. Plans are in place to forge solid partnerships that will make Artscape an important role-player in the continental performing arts sector to complement what has primarily been European partnerships. Artscape remains vigilant and will preserve its proud record of good governance as reflected in a series of clean audits. Currently, Artscape is being refurbished to primarily increase its capacity and improve its service to its clients.

The term of the current Council or accounting authority of Artscape is coming to an end at the end of the year. The council, in just a short space of two and a half years have notable achievement of having appointed the current CEO and CFO thus providing stability in executive leadership. It has also refined the strategy to focus on implementation of its transformation programme. Currently Artscape is developing its masterplan to reconfigure Artscape into a hub of cultural and social activities as well as lead the development of Cape Town cultural precinct that will further enhance the city as a tourist destination and a space of vibrant multi-cultural performances. The benefit of this will not only be economic but promotion of diversity to achieve social cohesion using performing arts and culture in general as a catalyst for this national imperative.

Prof Somadoda Fikeni

CHAIRPERSON

COUNCIL MEMBERS



Mr Neo Muyanga
(Deputy Chairperson)



Dr Marian Jacobs



Ms Raelene Rorke



Princess
Celenhle Dlamini



Ms Leigh Meinert



Mr Mjikisile Vulindlu



CHIEF EXECUTIVE OFFICER'S OVERVIEW

The 2016/2017 financial year has been characterized by the strengthening of strategic partnerships, innovative initiatives and a focus on making Artscape a fully Accessible Theatre. Great strides have been taken to ensure that Artscape becomes more accessible for persons with disabilities. This is in line with our belief that our entity needs to be an inclusive space where we are able to include all people and in doing so achieve collaborative milestones.

Artscape delivered a Consolidated Programme aligned to our deliverables and mandate, creating a space for every arts genre we represent. Target Audiences have been reached from various sectors inclusive of youth, women and school learners both urban and rural. The Annual Rural Outreach Programme in Clanwilliam demonstrated Social Cohesion through the arts uniting various communities.

Artscape continues to attract diverse audiences through cutting edge productions, cultural activities and skills development programmes through mentorships programmes. Artscape has become a destination for the Arts in South Africa attracting more than 200 000 visitors not only from the Western Cape but the rest of South Africa and the world, and staging more than 800 productions and events.

Artscape has consecutively achieved a clean audit for five years, which bears testimony to sound governance and organizational ethos towards good financial controls and good financial management, which are key drivers for Artscape.

In this climate of financial uncertainty it is important to strengthen partnerships and networks in the Arts sector within which Artscape operates. Resource Mobilisation and shared resources and practices are cornerstones for us as we continue to position Artscape as a world leader for creative excellence.

Artscape has a dynamic Council, under the visionary leadership of Prof Fikeni, who strategically oversees its vision and guides us towards finding creative initiatives to position Artscape on an even higher level. Artscape has a dedicated team of staff members who delivers an excellent service to patrons and clients.

On behalf of the management team of Artscape I wish to express my appreciation to all of those people who are part of changing minds and places and spaces. Thank you to each stakeholder who continues to believe in Artscape as a Centre of Inclusion, Innovation and Professionalism. Thank you to the Artscape Council, The Department of Arts and Culture, The Provincial Government of the Western Cape, The City of Cape Town, our dedicated staff and all strategic partners who supported us during this financial year 2016/2017.

A handwritten signature in black ink, appearing to read 'M. Le Roux', written over a light blue horizontal line.

Marlene Le Roux
CHIEF EXECUTIVE OFFICER

Statement of Responsibility and Confirmation of accuracy

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

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

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2017.

Yours faithfully



Marlene Le Roux
CHIEF EXECUTIVE OFFICER



Prof Somadoda Fikeni
CHAIRPERSON

Strategic Overview

Vision

To be one of the world's leading centres for performing arts and creative excellence

Mission

To promote social cohesion, contribute to nation-building and global solidarity through the pursuit of excellence in performing arts

Values

- Inclusiveness
- People Centred
- Excellence
- Innovation

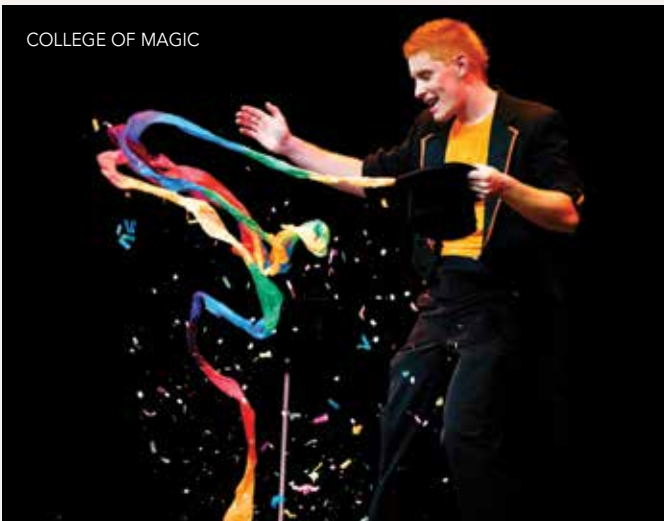
1976 SPIRITS



BLOOD BROTHERS



COLLEGE OF MAGIC



CIRQUE ELOIZE



Legislative and other mandates

Artscape manages the Artscape Theatre Centre, a complex which belongs to the Provincial Government of the Western Cape. Artscape is a facilitator of stage performances, community arts activities, training programmes, as well as audience development initiatives to sustain all forms of the performing arts.

Key mandate

- Artscape was declared a Cultural Institution in terms of section 3 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998). Artscape is listed as a Schedule 3A (national entity) under the Public Finance Management Act, 1999 (Act No. 1 of 1999).
- Artscape's objects were published in the Government Gazette No 25242, 1 August 2003
- In addition to this Artscape operates under various legal mandates, including amongst others:
- The Constitution of the Republic of South Africa
- The Treasury Regulations and Division of Revenue Act, 2010 (Act No. 1 of 2010)
- The Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- The Labour Relations Act, 1995 (Act No. 66 of 1995)
- The Occupational Health and Safety Act, 1993 (Act No. 59 of 1993)

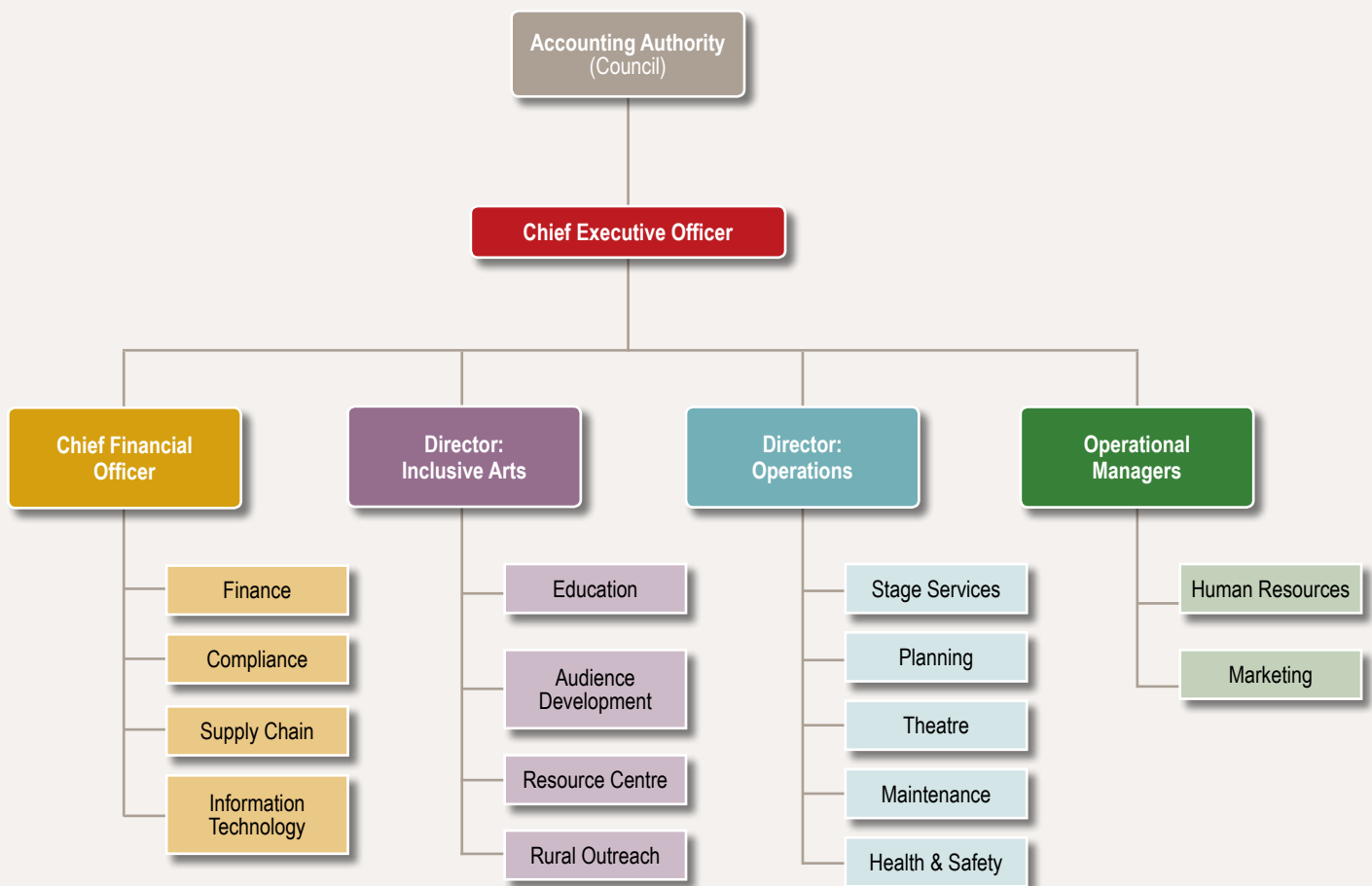
Objectives (in terms of Section 8(5) of the Cultural Institutions Act, 1998, Act No 119 of 1998)

To advance, promote and preserve the performing arts in South Africa, but predominantly in the Western Cape, by, inter alia, and without limiting the generality of the aforesaid:

- Promoting, presenting, co-presenting, co-producing, producing, investing in and sponsoring or entering into partnership for any performing arts initiative;
- Making the performing arts accessible to the general public and ensuring that productions are a true reflection of the cultural diversity of South Africa;
- Evaluating, maintaining and upgrading the Artscape Theatre Centre and its facilities so that the full range of performing arts productions can be presented in a world class environment;
- Making the Artscape Theatre Centre accessible to the general public;
- Promoting the appreciation, understanding and enjoyment of the performing arts among the general public;
- Providing high quality arts education and development with due consideration of the needs of the general public;
- Encouraging artists to adopt the stage and associated arts as their profession;
- Encouraging and promoting the writing and producing of new performing art works for presentation on stage;
- Encouraging indigenous art and creativity, including, but not limited to, script, writing, musical composition and choreography;
- Encouraging tours of performing arts and art products;
- Facilitating manufacturing services for décor and costumes to enable arts practitioners to stage their productions;
- Concluding all such activities as may be considered ancillary to any of the aforesaid.

To be the appropriate legal recipient and accountable reporting body for funding received from the Department of Arts & Culture and grants received from third parties, and for expending such grants, in accordance with the terms and conditions under which same were received.

ORGANISATIONAL STRUCTURE



SOLD



B

PERFORMANCE INFORMATION

Auditor's Report: Predetermined Objectives

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report. Refer to page 60 of the Report of the Auditors Report, published as Part E: Financial Information.

Situational Analysis

Artscape has already achieved significant success as the leading public Performing Arts venue in the Western Cape. The Artscape entity has distinguished itself as an organisation which has not only presented a diverse artistic programme in its theatre complex but has also taken the arts to communities outside of the complex. We have also distinguished ourselves with regard to disability access and continue to implement measures to further reduce our environmental impact. Artscape has progressively expanded its role in technical training and ensuring that skills transfer take place so that Artscape stage staff are sought after nationally and internationally.

Artscape continues to play a meaningful role in the South African economy contributing to the Gross Domestic Product of the Western Cape Province and providing permanent employment to more than 100 employees and indirect employment to some 600 employees.

Artscape has achieved this success in spite of the fact that Performing Arts have over the last number of years been significantly underfunded. With increased commitments to funding facilities and the Performing Arts generally, Artscape now finds itself with the opportunity to significantly expand its facilities, activities and contribution to the economy and communities of the Western Cape.

Artscape aims to ensure that the artistic content presented is based on a multicultural consciousness which ensures the promotion of all artistic products which attract and entertain audiences.

The key challenges that Artscape is facing includes:

- ▶ Ageing stage equipment – we need to stay abreast with the changes in the industry so as to make the venue attractive for hirers
- ▶ Decreasing funding for productions – this continues to present challenges when trying to ensure that a diverse programme is presented
- ▶ Scarcity of technical skills within the industry – the availability of suitably qualified technical skills places a strain on the resources
- ▶ Competition – the number of entertainment options within the city is increasing and competition for audience is at an all-time high
- ▶ The overall impact of the current macro-economic situation

Even though being faced with these challenges Artscape continues to explore new opportunities such as:

- ▶ Partnering with various education institutions to enhance the technical training opportunities available
- ▶ Exploring new types of theatre performances to ensure we remain at the forefront of artistic expression
- ▶ Continuing to find new and innovate ways of attracting audiences
- ▶ Continuing with partnerships that will enhance future funding

Performance Information by Programme/ Activity/ Objective

Artscape undertakes all its activities whilst being mindful of the role that we can play in contributing to social cohesion, nation building, education, poverty alleviation and job creation through the arts.

Artscape's annual performance plan for the 2016/2017 financial year identified the following strategic outcome oriented goals and objectives:

Programme 1 Administration

FUNDING AND REVENUE

GOAL

To generate additional revenue through venue rental, sponsorship from local donors and business enterprises, productions and as well as interest received on short term investments to supplement the government grant.

OBJECTIVE

Sustainable Funding – Artscape acknowledges that it needs to continually strive towards lesser reliance on state funding with a better balance of self-generated funding and state funding. Artscape will continually strive to diversify its funding sources and seek to raise funds based on the objectives of the individual funders.

Investment in Performing Arts Productions – Artscape should seek to facilitate a mechanism which would enable corporates and individuals to invest efficiently in potential artistic productions so as to support the development of new productions and emerging arts companies.

ADMINISTRATION

GOAL

To provide management, administrative and support services that will create an enabling environment for the achievement of overall objectives in an efficient and cost effective manner.

OBJECTIVE

Leadership in Performing Arts

Artscape should be the leader in performing arts facilities and support services in the country with all other venues aspiring to be like Artscape. Artscape should be the leader in the performing arts support, administration, management and governance while influencing government positively to support the performing arts.

Technology and Innovation

Artscape should strive to be seen as a leader in the use of technology to support the performing arts and should investigate and potentially invest into technology which differentiates it and enhances its product. Technology which makes Artscape's product more accessible to the communities should be a high priority.

HUMAN RESOURCES

GOAL

Effective organisational management through an effective Human Resources Department. Ensure sufficient spending on staff expenditure that will enhance employee wellness and staff morale.

OBJECTIVE

Excellence in Leadership and Staff

Artscape will continue to strive to maintain strong leadership in its executive management and continue to develop excellence within its management and staff at all levels.

Artscape should have a competent, motivated and client centred work force which is representative of the South African and Provincial demography.

GOVERNANCE

GOAL

As a public entity Artscape continuously strives to ensure that a system of good corporate governance exists and is being adhered to.

OBJECTIVE

Leadership in Performing Arts

Artscape should be the leader in performing arts facilities and support in the country with all other venues aspiring to be like Artscape. Artscape should be the leader in the performing arts support, administration, management and governance while influencing government positively to support performing arts.

Programme 2 Business Development

ARTISTIC PROGRAMME

GOAL

To present a diverse artistic programme that caters for the diverse needs of all Western Cape communities.

OBJECTIVE

Artistic Product Determined by Multicultural Consciousness Programme – Artscape has in both its vision statement and mission statement the focus on multicultural performing arts to achieve growth and transformation. The primary strategic objective of Artscape will be to fulfil this vision and mission by ensuring an artistic programme in its complex which achieves transformation and growth in the performing arts while acknowledging, supporting and developing the multiple cultures of its stakeholders.

The focus on multiculturalism must ensure that the sum of the individual performing arts programme creates a whole which is more than the sum of the individual parts. In other words, Artscape will focus on a holistic approach to ensure a multicultural performing arts programme where Western arts, Indigenous Arts, and other cultural programmes do not just co-exist, but in fact contribute to one another.

Aspirational Artscape – Artscape will focus its development activities on developing itself as an aspirational venue in which to perform. This will focus on developing multiple art forms and programmes where the objective will eventually be to present and perform these programmes in the Artscape facilities. The aspiration of excellence in Artscape should mean that performers have “not arrived” until they have performed at Artscape.

Development of New Product – Artscape should be mindful of the roots of the community and create and develop new genres that are uniquely African. Artscape should be developing new works with innovation and creativity aiming to tell the stories that have never been told before.

Youth Development – Artscape should continue to place a significant strategic emphasis on the participation of the younger generations in the performing arts.

Quality Product – The development of the product and the delivery through the facilities should continually balance the objectives of quality product with development and the provision of opportunities for growth and transformation.

Programme 3 Public Engagement

GOAL

To actively engage the public in order to achieve Artscape's objectives of promoting the appreciation, understanding and enjoyment of the performing arts among the general public through marketing and advertising, performing arts education and rural outreach programmes.

MARKETING & ADVERTISING

Artscape Brand – Venue of Choice

Artscape will continue to strive to develop its brand to be known in both the local and international tourism markets. Artscape will strive to be a must-see attraction for any visitor to Cape Town. Its appearance, atmosphere and character should support its attraction through its distinctive and African culture.

Artscape should strive to stand out in terms of venues on the continent by striving to be the venue of choice and ultimate aspiration for performance of any product.

RURAL OUTREACH PROGRAMME

In Artscape's endeavours to embrace all communities in the Western Cape, Artscape embarks on an annual programme of structured community outreach programmes, in partnership with local government. Through these programmes the interest in the performing arts is enhanced in non-urban areas.

RESOURCE CENTRE

In order to ensure that emerging artists, arts practitioners and arts organisations have access to the necessary resources, Artscape's Resource Centre facilitates training programmes and workshops to build capacity and in some instances, a base from which to operate administratively.

PERFORMING ARTS EDUCATION

GOAL

To provide an environment to respond to the skills shortage in the theatre industry and due to the lack of proper technical training, Artscape identified a number of objectives to address such shortages.

OBJECTIVE

Technical Training Programme

Artscape initiated a technical training programme where trainees receive training in all aspects of stage technology, including lighting, sound and stage management.

Internship Programme

The internship programme provides training and skills transfer in arts administration and management and is fully dependent on dedicated funding.

Development of the Arts Academy – The Arts Academy should be developed in partnership with other arts education facilities. The Arts Academy should provide multiple levels and dimensions of training and skills development and be integrated into even university level education.

Continental Exchange – Artscape should aim to develop its Academy as the leading and aspirational location for technical performing arts training and should establish links with festivals and theatres across the continent to develop technical exchange programmes and establish the demand for the technical training and education through the Academy.

HUMAN CAPITAL DEVELOPMENT

GOAL

To maintain a highly skilled workforce within Artscape.

OBJECTIVE

To maintain training and development plans that will ensure that staff are properly trained to be sufficiently equipped to meet the job requirements.

Alignment to government outcomes

GOVERNMENT OUTCOME	ARTSCAPE RESPONSE	PROGRAMME
Decent employment through inclusive growth	Job shadowing / internships	Programme 1
A skilled and capable workforce to support an inclusive growth path	Technical training programme Job shadowing / internships / Ongoing investment in staff training and development	Programmes 1, 2, 3
A responsive, accountable, effective and efficient local government system	Clean audit outcomes Good corporate governance	Programme 1
A long and healthy life for all South Africans	A well balanced multi-cultural artistic programme that attracts diverse audiences	Programmes 2 and 3
Improved quality of basic education	Technical training programme Job shadowing / internships	Programmes 1 and 3
Vibrant, equitable and sustainable rural communities	An annual programme presented in a different rural municipal area in the Western Cape	Programme 2



Statement of Responsibility for Performance Information

For the year ended 31 March 2017

The Chief Executive Officer, together with the Chief Financial Officer, is responsible for the preparation of the public entity's performance information and for the judgements made in this information.

These include the responsibility for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

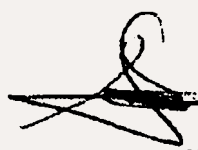
In our opinion, the performance information fairly reflects the actual achievements against planned objectives, indicators and targets as per the strategic and annual performance plan of the public entity for the financial year ended 31 March 2017.

Artscape's performance information for the year ended 31 March 2017 has been examined by the external auditors and their report is presented on page 60.

The performance information of the entity set out on page 20 to page 35 were approved by the Council.



Marlene Le Roux
CHIEF EXECUTIVE OFFICER



Peter Pedlar
CHIEF FINANCIAL OFFICER

Auditor's Report: Predetermined objectives

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report. Refer to page 60 of the Report of the Auditors Report, published as Part E: Financial Information.

Overview of public entity's performance

Service Delivery Environment

The process of strategic planning involves internal consultations between Council and Management. This strategic plan has been developed by the Executive Management of Artscape based on inputs received from the Artscape Council at the strategic break away, focussing on Artscape's vision and relevance over the next 5 years. During this strategic session Council identified their priorities for the 2016/2017 financial year.

Artscape's vision is the inspirational framework for all its administrative, artistic and development policies and programmes. In our quest to at all times be mindful of the role we can play in contributing to social cohesion, nation building, poverty alleviation and job creation. Our strategic initiatives over the MTEF period will focus amongst others on:

- the adherence to good corporate governance practices;
- the presentation of a multicultural performing arts programme;
- the presentation of an annual rural outreach programme;
- the identification, development and nurturing of new audiences, whilst retaining existing patrons; and
- the presentation of education and training programmes for young and emerging artists, technicians and arts practitioners.

The implementation of strategies emanating from these initiatives will make a positive contribution to the social, cultural and economic life of citizenry while at the same time enhancing the arts and culture contribution to the Gross Domestic Product and creating job opportunities.

Organisational environment

Playhouses assist the Department of Arts and Culture in delivering on its mandate to advance, promote and preserve the performing arts in South Africa and on Mzansi's Golden Economy and to enhance nation building, skills development, social cohesion and job creation.

With no dedicated funding for artistic programmes, production budgets are determined after utilising self-generated funds for the shortfall in operational requirements. Such amounts are reduced on an annual basis, with Artscape running the risk of not achieving its arts and training specific strategic objectives or cancelling productions or performing arts initiatives due to financial constraints.

The current economic climate resulted in a reduction in corporate sponsorship for artistic programmes and projects.

Artscape receives no funding from the National Arts Council nor does Artscape receive funding from the provincial department of arts and culture or the local municipality to present productions.

The diverse artistic programmes presented in the current year demonstrate Artscape's commitment to achieve the vision *"to be the vehicle for growth and transformation through the performing arts"*. These programmes included dedicated audience development and education programmes; rural outreach programmes; national day programmes; drama productions.

In response to the skills shortage in the theatre industry and due to the lack of proper technical training, Artscape has a technical training programme where trainees receive training in all aspects of stage technology, including lighting, sound and stage management. Also, Artscape has an internship programme that provides training and skills transfer in arts administration and management to interested learners and students.

Key policy developments and legislative changes

There were no changes to relevant policies or legislation that affected Artscape's operations during the period under review or future financial periods.

Performance Information by Programme

Summary of Actual Performance as at 31 March 2017

Programme	Description	Total targets	Achieved	Partially achieved	Not achieved
			😊	😐	😞
Programme 1	Administration	13	11	2	–
Programme 2	Business Development	8	8	–	–
Programme 3	Public Engagement	7	7	–	–
		28	26	2	–
<i>Current year performance</i>			93%	7%	0%
<i>Prior year performance</i>			88%	6%	6%

- 😊 Achieved – indicates that the annual target was achieved or exceeded
- 😐 Partially achieved – indicates that the annual target was not fully achieved, but that a significant attempt was made to ensure the target.
- 😞 Not achieved – indicates that the annual target was not achieved or that the level of achievement was not significant. Reasons for non-achievement to be noted.

Actual Performance Against Targets



Performance Information 2016/2017

Programme 1 Administration

Sub programme 1.1 FUNDING AND REVENUE

GOAL To generate additional revenue through venue rental, sponsorship from local donors and business enterprises, productions and as well as interest received on short term investments to supplement the government grant.





Unit of measure: Rand value

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
REVENUE GENERATED						
To maximise revenue from business services.	To generate additional revenue through venue rental, sponsorship from local donors and business enterprises, productions and as well as interest received on short term investments to supplement government grant.	Increased venue rental and revised venue rental rates to accommodate inflation and other market variables.	Annual improvement of 5% per annum on the baseline of 2013/2014.	R24.632m	R24.475m The annual target of the programme has been partially achieved as a result of increases in venue rental, catering services, as well as efficient management of cash resources.	☹️

Sub programme 1.2 ADMINISTRATION

GOAL To provide management, administrative and support services that will create an enabling environment for the achievement of overall objectives in an efficient and cost effective manner.


KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Indicator: Stage Services Definition: Departmental spend on all aspects of stage services, including sound and lighting, to ensure excellence in the presentation of artistic productions, through skilled technical staff. Unit of measure: As per service delivery indicator and target						
To ensure reliable, effective and efficient stage services within and beyond the Artscape facility.	To enhance appropriate service provision to the desired quality and safety standards through an efficient and productive service delivery.	Providing stage equipment, infrastructure and services that enable the presentation of any artistic production.	Successful staging of productions meeting the producer or hirer's expectation.	Annually assess the status of stage equipment that will contribute to successful productions	The current equipment was assessed and a replacement plan drafted. During the financial year new multimedia, lighting and sound equipment was procured.	😊



KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Indicator: Security (Health & Safety)						
Definition: Expenditure necessary to ensure security of Artscape facilities, staff and patrons.						
Unit of measure: As per service delivery indicator and target						
To ensure the safety of staff and patrons the Artscape facilities.	To provide a safe and secure environment in and around Artscape that ensures the safety of staff, tenants, visitors and patrons.	A secure environment for staff, tenants, visitors and patrons.	Monthly reports of all security incidents.	Monthly meetings with service providers at which service levels and incidents are discussed.	Due to changing of the security service provider 1 meeting was held in quarter 1 and 1 meeting in quarter 2. During quarter 3 and 4 meetings were conducted on a monthly basis	
			Health & Safety strategy and plan.	Quarterly health & safety meetings to monitor adherence to health and safety in the workplace.	Health & Safety meetings were held in June 2016, September 2016, December 2016 and March 2017.	
				Annual testing of disaster management plan systems at each facility occupied by Artscape.	Evacuation drill completed on 22 March 2017. Testing of evacuation tones, sprinkler system and panic buttons conducted throughout the quarter	
Indicator: Information technology (IT)						
Definition: Expenditure necessary to ensure that Artscape has reliable and efficient information technology systems to support the operational requirements.						
Unit of measure: As per service delivery indicator and target						
To ensure that IT supports the overall business objectives.	To develop an IT strategy that supports the overall business objectives.	Reliable and efficient information technology services	IT hardware and software that meet the operational current requirements.	Evaluate current software in and systems in use.	Quarterly IT reports were produced that indicate the regular monitoring of current systems.	

Sub programme 1.3 HUMAN RESOURCES

PURPOSE Effective management of organisational management through an effective human resources department. Ensure sufficient spending on staff expenditure that will enhance employee wellness and staff morale.

Unit of measure: As per service delivery indicator and target





KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To retain staff with the potential to be promoted into key management positions.	To identify and develop employees with the potential to be promoted into key management positions.	Retention of staff with the potential to be promoted.	A staff retention system.	Identify and implement training needs for staff taking into consideration succession requirements of the organisation.	A training plan was drafted at the beginning of the year and this resulted in 175 people attending 10 training initiatives during the 2016/ 2017 financial year.	

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To fill vacancies created in line with the entity's Employment Equity plans.	To determine employment equity targets that's in line with the demographics of the Western Cape.	Appointments that meet the targets within the Employment Equity plan.	Movement towards achieving the employment equity targets that are representative of the demographics of the Western Cape.	Revise employment equity targets.	HR presented the revised EE targets at the start of the financial year.	
				Fill vacancies in line with employment equity targets.	During the 2016/2017 financial year 12 permanent and 10 contract staff were employed. The demo-graphics are: 4AM, 5AF, 8CM, 4CF, 1WM	

Sub programme 1.4 GOVERNANCE

GOAL As a public entity Artscape continuously strives to ensure that a system of good corporate governance exists and is being adhered to.






(No specific budget as this is done within the budget allocation for administration and general expenses)

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Ensure good corporate governance.	To ensure compliance with Public Finance Management Act	Compliance with the PFMA and relevant treasury regulations.	Clean Audit Report.	Retain clean audit status	The Annual Financial Statements were submitted on 31 May 2016. Artscape received a clean audit report for 2015/2016 financial year.	
		Internal audit compliance	Internal control measures that will minimise items being raised in the management letter of the Auditor-General and Internal Audit reports.	Review and implement recommendations of Auditor-General & Internal Auditors.	The matters raised by the Auditor-General in their management letter and reports from the Internal Auditors have been implemented as appropriate.	
		Maintain a risk register of Artscape's major operational and strategic risks.	Annual risk assessment.	Development, maintenance and reporting on the risk register	A risk assessment was conducted in August 2016 and the report presented to Council in September 2016	
A proper supply chain management strategy and system that ensures best practice.	To maintain a supply chain management system that meets the Treasury Regulations.	Supply chain management policies and practices that complies with Treasury Regulations.	Supply chain policies that meet Treasury requirements.	Review and update supply chain policies and procedures in line with Treasury regulations	Policies were received from National Treasury and circulated amongst the SCM and finance team. The CFO attended the CFO Forums and National Treasury Forums/Workshops where policies and procedures are discussed.	

Programme 2 Business Development

PERFORMING ARTS PROGRAMME

GOAL To present a diverse artistic programme that caters for the diverse needs of all Western Cape communities.

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To develop, promote and present a diverse artistic programme.	To introduce a differentiated programme mix that correlates with the diverse audience preferences.	A well-differentiated arts programme that best reflects the diversity of audience preferences.	To present diverse productions and events per annum.	650 productions and events	Artscape had 844 diverse productions and events this financial year.	
To ensure nation-building through cross-cultural audiences and performing arts education initiatives to enhance theatre experience in historically marginalised communities.	To ensure that the performing arts are accessible to the diversity of audiences in the Western Cape and surrounding non-urban areas.	Dedicated audience development and education events	The presentation of diverse audience development and education	50 events	ADE had 72 diverse events and productions this year.	
To present dedicated programmes for schools and learners.	To ensure scheduling of annual programmes aimed at promotion of arts amongst schools and learners.	Present dedicated performing arts programmes for the benefit of schools and learners	Annually host a High School Drama and Schools Arts Festival to ensure an interest in the performing arts amongst school learners.	Annually host a High School Drama and Schools Arts Festival to ensure an interest in the performing arts amongst school learners.	<i>The High School Drama festival</i> was held from 15-18 August 2016. <i>The Schools Arts Festival</i> was held between 11 and 31 August 2016	
			3 setworks for Grade 12 learners	3 setworks (isiXhosa and English and Afrikaans)	The following setworks <i>Amaza</i> , <i>Nothing But the Truth</i> and <i>Krismis Van Map Jacobs</i> was presented.	
To present artistic programmes and events that's aligned to national days.	To ensure that the artistic programme includes a focus on national days.	Celebration of national days	Productions or events that is aligned to national days	Produce productions or event in line with national days	For the year under review, Artscape identified the following national days for celebrations as part of the artistic programme: <i>Youth Day</i> (events were held during June 2016 – this included <i>Shakespeare Schools Festival</i> , <i>Cape Town's Most Wanted</i> , <i>Youth Jazz Festival</i>), <i>Women's Day</i> (Women's Festival was held 9-12 August 2016) and <i>Heritage Day</i> (events were held during September 2016).	

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To present dedicated programmes that showcase young talent.	To ensure that dedicated programmes are presented that showcases youth talent	Dedicated programmes that will present youth talent.	Presentation of dedicated programmes that presents youth talent	Present 3 Youth specific events/ productions	During the 2016/2017 financial year the <i>Youth Jazz Festival</i> , <i>Cape Town's Most Wanted</i> and <i>Oratorio of a Forgotten Youth: Musical Reflections on the Youth of '76</i> took place during June 2016 and the <i>Classical Music Festival</i> was held during August.	😊
To present artistic presentations in line with artistic vision	To ensure that the artistic programme is representative of Artscape's artistic vision	An arts programme that best reflects the diversity of audience preferences.	Presentation of diverse artistic productions.	Present a multi-cultural artistic production	The 10 year celebration of the rural outreach programme was held in Clanwilliam on 21 October 2016.	😊
				Present a production at an external venue, such as at the Maynardville Open Air Theatre	Shakespeare production (<i>Twelfth Night</i>) was staged at Maynardville Open Air Theatre during January and February 2017.	😊








MICHAEL JACKSON HISTORY SHOW

Programme 3 Public Engagement

GOAL To actively engage the public in order to achieve Artscape's objectives of promoting the appreciation, understanding and enjoyment of the performing arts among the general public through marketing and advertising, performing arts education and rural outreach programmes.

Unit of measure: As per service delivery indicator and target

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
MARKETING AND ADVERTISING						
To ensure public awareness of Artscape, its products and services through public relations and communication.	To increase brand awareness through correct positioning in print and electronic media.	Coverage in print and electronic media to publish productions and events.	Produce printed quarterly brochures with information on productions and events at Artscape.	4 printed brochures	4 brochures were printed this year	
			Utilise social networks and website for marketing and advertising purposes.	Promotion of productions via print, electronic website and social media.	Events were promoted via social media (8,467 Twitter followers, 27,204 Facebook page likes at end March 2017) and website (297,163 unique visitors). In addition adverts were placed in the relevant newspapers and certain magazines.	
RURAL OUTREACH						
To increase the interest in the performing arts in non-urban areas	To present an artistic programme in non-urban areas	Greater awareness and involvement in the performing arts in nonurban areas through outreach programmes.	Present a major outreach programme for non-urban areas annually in a different municipal region.	1 outreach programme	The 10 year celebration of the rural outreach programme was held in Clanwilliam on 21 October 2016.	
NEW VOICES PROGRAMME						
To facilitate and mentor promising new talent.	To promote the development of new writers and the encouragement of creative new writing talent.	Present a playwriting workshop to attract and develop new writing talent.	Artistic workshops and new scripts commissioned.	Conduct 1 artistic workshop	1 workshop was conducted on 25 March 2017 – <i>Intro to Indigenous Music</i>	
				Commission one new artistic script	As part of the New Voices Programme the following scripts were commissioned and staged (<i>Uthando</i> , <i>Syria</i> , <i>inSkin</i> and <i>But, the Land</i>)	

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
RESOURCE CENTRE						
To facilitate training programmes for emerging artists and arts practitioners through the Resource Centre	To present training programmes and information sessions to emerging artists and arts practitioners.	Dedicated training programmes and information sessions for emerging artists and arts practitioners.	Presentation of dedicated training programmes and information sessions for emerging artists and arts practitioners.	4 sessions.	4 workshops/ information sessions were conducted during 2016/2017.	😊
TECHNICAL TRAINING PROGRAMME						
To enhance skills training and skills transfer through the technical training programme.	To provide training in specialised theatre services and internships in the various aspects of theatre management.	A dedicated technical training programme.	Annual enrolment of trainees on the - year technical training programme.	Presentation/ facilitation of a technical training programme	5 technical trainees were enrolled for the current financial year.	😊




Performance Information 2015/2016

Programme 1 Administration

Sub programme 1.1 FUNDING AND REVENUE



GOAL: To generate additional revenue through venue rental, sponsorship from local donors and business enterprises, productions and as well as interest received on short term investments to supplement the government grant.





Unit of measure: Rand value

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
REVENUE GENERATED						
To maximise revenue from business services.	To generate additional revenue through venue rental, sponsorship from local donors and business enterprises, productions and as well as interest received on short term investments to supplement government grant.	Increased venue rental and revised venue rental rates to accommodate inflation and other market variables.	Annual improvement of 5% per annum on the baseline of 2013/2014.	R24.619m	R26.066m The annual target of the programme has been well achieved as a result of increases in venue rental, catering services, production revenue as well as efficient management of cash resources.	

Sub programme 1.2 ADMINISTRATION

GOAL: To provide management, administrative and support services that will create an enabling environment for the achievement of overall objectives in an efficient and cost effective manner.

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Indicator: Maintenance Definition: Maintenance expenditure to ensure that Artscape's physical infrastructure and equipment is properly maintained. <i>Unit of measure: As per service delivery indicator and target</i>						
To maintain the physical infrastructure and equipment to the highest possible standard.	On-going refurbishment and maintenance of the physical infrastructure.	Annual maintenance of infrastructure in order to minimise disruptions due to equipment and plant breakdown.	Once a year, per theatre, full maintenance during a scheduled dark period.	Produce 4 quarterly reports of maintenance carried out in performance venues.	4 quarterly maintenance reports were produced for the year	
Indicator: Stage Services Definition: Departmental spend on all aspects of stage services, including sound and lighting, to ensure excellence in the presentation of artistic productions, through skilled technical staff. <i>Unit of measure: As per service delivery indicator and target</i>						
To ensure reliable, effective and efficient stage services within and beyond the Artscape facility.	To enhance appropriate service provision to the desired quality and safety standards through an efficient and productive service delivery.	Providing stage equipment, infrastructure and services that enable the presentation of any artistic production.	Successful staging of productions meeting the producer or hirer's expectation.	Successful staging of 140 productions	During the 2015/2016 financial year 167 productions were staged	

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Indicator: Security						
Definition: Expenditure necessary to ensure security of Artscape facilities, staff and patrons.						
Unit of measure: As per service delivery indicator and target						
To ensure the safety of staff and patrons the Artscape facilities.	To provide a safe and secure environment in and around Artscape that ensures the safety of staff, tenants, visitors and patrons.	A secure environment for staff, tenants, visitors and patrons.	Monthly reports of all security incidents.	Monthly meetings with service provider at which service levels and incidents are discussed.	Monthly meetings are held with the security service provider Thorburn.	
				Quarterly health & safety meetings to monitor adherence to health and safety in the workplace.	Health & Safety meetings were held in June 2015, September 2015, November 2015 and March 2016. Quarterly health and safety inspections were also carried out.	
Indicator: Information technology (IT)						
Definition: Expenditure necessary to ensure that Artscape has reliable and efficient information technology systems to support the operational requirements.						
Unit of measure: As per service delivery indicator and target						
To ensure that IT supports the overall business objectives.	To develop an IT strategy that supports the overall business objectives.	Reliable and efficient information technology services	Identification of IT risks	Review and update IT risks	As part of the annual risk assessment IT risks were considered.	
			On going assessment and review of IT environment.	Evaluate current software in and systems in use.	Quarterly IT reports were produced that indicate the regular monitoring of current systems. In addition an assessment of existing operating systems was conducted during 2015.	



Sub programme 1.3: HUMAN RESOURCES

PURPOSE: Effective management of organisational management through an effective human resources department. Ensure sufficient spending on staff expenditure that will enhance employee wellness and staff morale.

Unit of measure: As per service delivery indicator and target







KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To retain staff with the potential to be promoted into key management positions.	To identify and develop employees with the potential to be promoted into key management positions.	Retention of staff with the potential to be promoted.	A staff retention system.	Update the training plans for staff with the potential for promotion.	3 of employees were promoted to higher roles and 6 employees were made permanent (formally on contract). The organogram review (planned for 2016/2017) will further enhance this process going forward.	☹️
To fill vacancies created in line with the entity's Employment Equity plans.	To determine employment equity targets that's in line with the demographics of the Western Cape.	Appointments that meet the targets within the Employment Equity plan.	Movement towards achieving the employment equity targets that are representative of the demographics of the Western Cape.	Revise employment equity targets.	The employment equity targets were reviewed against the Western Cape Demographics and revised accordingly.	😊
				Fill vacancies in line with employment equity targets.	During 2015/2016 the 12 permanent and 9 contract positions were filled. The demographics being: 4 AM, 3 AF, 7 CM, 5 CF, 2 WF	😊
To enhance performance management	To conduct annual performance assessment	Performance assessments for all staff	Annual assessment of performance	Conduct annual performance assessments	Workshops were conducted by a service provider with staff during quarter 2. However the delay in finalising the appointment of the CEO meant that this process is still ongoing.	☹️



Sub programme 1.4: GOVERNANCE

GOAL: As a public entity Artscape continuously strives to ensure that a system of good corporate governance exists and is being adhered to.

(No specific budget as this is done within the budget allocation for administration and general expenses)

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Ensure good corporate governance.	To ensure compliance with Public Finance Management Act	Compliance with the PFMA and relevant treasury regulations.	Clean Audit Report.	Retain clean audit status	The Annual Financial Statements were submitted on 31 May 2015. Artscape received a clean audit report for 2014/2015 financial year.	
		Internal audit compliance	Internal control measures that will minimise items being raised in the management letter of the Auditor-General and Internal Audit reports.	Review and implement recommendations of Auditor-General & Internal Auditors.	The matters raised by the Auditor-General in their management letter and reports from the Internal Auditors have been implemented as appropriate.	
		Maintain a risk register of Artscape's major operational and strategic risks.	Annual risk assessment.	Development, maintenance and reporting on the risk register	A risk assessment was conducted during quarter 1 and quarter 3. The risk register is regularly updated and presented at audit committee for review	
A proper supply chain management strategy and system that ensures best practice.	To maintain a supply chain management system that meets the Treasury Regulations.	Supply chain management policies and practices that complies with Treasury Regulations.	A regularly updated database of procurement contracts that is annually reviewed and updated with tax clearance, BBB-EE certificate and banking details.	Regular update of service providers.	Supplier information is regularly updated on Accpac as new suppliers are engaged and as suppliers change of detailed information	
			Supply chain policies that meet Treasury requirements.	Annually invite new suppliers to be registered on database.	An invitation to register on the database was advertised on the Artscape website and in the newspaper in February 2016.	
				Review and update supply chain policies and procedures in line with Treasury regulations	The Acting CFO attended the CFO Forums and National Treasury Forums/Workshops where policies and procedures are discussed	






KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
Implement the transformation plan approved by Council	To chart a new way forward in the drive to deepen transformation within Artscape	Clearly identified transformation objectives	Implement the transformation plan approved by Council	Implement and report on targets identified for 2015/2016.	This was discussed at the Council Strategic Session held in November 2015. Transformation is currently being addressed through our artistic programmes and employment strategies.	😊

Programme 2: Business Development

PERFORMING ARTS PROGRAMME

GOAL: To present a diverse artistic programme that caters for the diverse needs of all Western Cape communities.






KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To develop, promote and present a diverse artistic programme.	To introduce a differentiated programme mix that correlates with the diverse audience preferences.	A well-differentiated arts programme that best reflects the diversity of audience preferences.	Productions hosted at Artscape	650 productions and events	Artscape had 784 diverse productions and events this financial year.	😊
To ensure nation-building through cross-cultural audiences and performing arts education initiatives to enhance theatre experience in historically marginalised communities.	To ensure that the performing arts are accessible to the diversity of audiences in the Western Cape and surrounding non-urban areas.	Dedicated audience development and education events	Audience Development & Education productions and events	50 events	ADE had 77 diverse events and productions this year.	😊
To present dedicated programmes for schools and learners.	To ensure scheduling of annual programmes aimed at promotion of arts amongst schools and learners.	Present dedicated performing arts programmes for the benefit of schools and learners	Host specific programmes for school learners	Annually host a High School Drama and Schools Arts Festival to ensure an interest in the performing arts amongst school learners.	<i>School Arts Festival</i> took place 11 – 25 August 2015 and <i>High School Drama Festival</i> 17 – 20 August 2015.	😊
				3 setworks (isiXhosa and English and Afrikaans)	5 setworks were presented: <i>Othello</i> (English), <i>Nothing but the Truth</i> (English), <i>Krismis for Map Jacobs</i> (Afrikaans), <i>Vaselintjie</i> (Afrikaans), <i>Amaza</i> (isiXhosa)	😊





KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
To present artistic programmes and events that's aligned to national days.	To ensure that the artistic programme includes a focus on national days.	Celebration of national days	Celebration of national days	Produce productions or event in line with national days	For the year under review, Artscape identified the following national days for celebrations as part of the artistic programme:	
					<i>Africa Day</i> (25 May 2015), <i>Youth Day</i> (events were held during June 2015), <i>Women's Day</i> (Women's Festival was held 6-9 August 2015) and <i>Heritage Day</i> (Festival was held during September 2015).	
To present dedicated programmes that showcase young talent.	To ensure that dedicated programmes are presented that showcases youth talent	Dedicated programmes that will present youth talent.	Dedicated programmes to showcase youth talent	Present: <i>The Classical Music Festival</i> ; <i>Youth Jazz Festival</i> and <i>National Youth Classical Music Competition</i> .	During the 2015/2016 financial year a <i>Youth Jazz Festival</i> took place during June and a <i>Classical Music Festival</i> was held during September (the <i>Youth Music Competition</i> was incorporated with the <i>Classical Music Festival</i>)	
To present artistic presentations in line with artistic vision	To ensure that the artistic programme is representative of Artscape's artistic vision	An arts programme that best reflects the diversity of audience preferences.	Other artistic presentations	Present a multi-cultural artistic production	The multi-cultural event presented was the Gala performance of the Rural Outreach programme which incorporated various art forms and performances from various cultures.	
				Present a major production at an outside venue, such as at the Maynardville Open Air Theatre	<i>Othello</i> was staged at Maynardville 26 Jan – 23 Feb 2016 (including previews)	

Programme 3 Public Engagement

GOAL: To actively engage the public in order to achieve Artscape's objectives of promoting the appreciation, understanding and enjoyment of the performing arts among the general public through marketing and advertising, performing arts education and rural outreach programmes.

Unit of measure: As per service delivery indicator and target

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVE- MENT
MARKETING AND ADVERTISING						
To ensure public awareness of Artscape, its products and services through public relations and communication.	To increase brand awareness through correct positioning in print and electronic media.	Coverage in print and electronic media to publish productions and events.	Produce printed quarterly brochures with information on productions and events at Artscape.	4 printed brochures	4 brochures were printed this year.	
			Utilise social networks and website for marketing and advertising purposes.	Promotion of productions via print, electronic website and social media.	4 quarterly statistical reports we presented by the marketing team indicating the promotion of events via social media and website. In addition adverts were placed weekly in the relevant newspapers.	
RURAL OUTREACH						
To increase the interest in the performing arts in non-urban areas	To present an artistic programme in non-urban areas	Greater awareness and involvement in the performing arts in nonurban areas through outreach programmes.	Present a major outreach programme for non-urban areas annually in a different municipal region.	1 Major outreach programme	The Worcester Outreach Program, supported by the Breede River Municipality, took place in October 2015. It included a very successful schools programme and Gala performance.	
NEW WRITING PROGRAMME						
To facilitate and mentor promising new talent.	To promote the development of new writers and the encouragement of creative new writing talent.	Present a playwriting workshop to attract and develop new writing talent.	Playwriting workshops	1 workshop	Principals & Vices Workshop was held on 23 March 2016 with a total number of 300 participants	
				Commission new artistic script	Kalahari Swaan was identified as a new artistic script and following input from Artscape Creative Manager the production was staged in July 2015.	

KEY OBJECTIVE	STRATEGY	OUTPUT	SERVICE DELIVERY INDICATOR	TARGET	ACTUAL PERFORMANCE	ACHIEVEMENT
RESOURCE CENTRE						
To facilitate training programmes for emerging artists and arts practitioners through the Resource Centre	To present training programmes and information sessions to emerging artists and arts practitioners.	Dedicated training programmes and information sessions for emerging artists and arts practitioners.	Presentation of dedicated training programmes and information sessions for emerging artists and arts practitioners.	Annually present 4 sessions for emerging artists and practitioners.	26 workshops/ information sessions were conducted during 2015/2016.	
To provide access to available performing arts resources and expertise for arts practitioners.	To provide access to resources to members.	Records kept of resource centre members and users of the resource centre.	To maintain a record of the resource centre members and its usage.	To maintain monthly statistics of resource centre membership and usage.	Resource Centre membership reached 325 at the end of the 2015/2016 financial year. Statistics on the usage of the Resource Centre computers was also maintained and this figure exceed 6,000 for 2015/2016.	
TECHNICAL TRAINING PROGRAMME						
To enhance skills training and skills transfer through the technical training programme.	To provide training in specialised theatre services and internships in the various aspects of theatre management.	A dedicated technical training programme.	Enrol at least 6 trainees on a one – year technical training programme.	Presentation of a technical training programme	6 trainees were enrolled and they also underwent work integrated learning on various Artscape productions from June 2015 to March 2016. In March 2016 they completed the Producing and Arts Entrepreneurship theory module.	
TRAINING						
To maintain training and development plans that will ensure a highly skilled workforce in Artscape.	To develop training and development plans that will ensure a highly skilled workforce in Artscape.	An approved training and development plan.	Identification of training requirements and an annual update of the training and development plan.	Annually identify and execute training requirements	Training was provided to staff in terms of the needs identified. This resulted in 56 staff attending training initiatives: Roles and Responsibilities of Trade Unions; Safe Lifting Technique Workshop; Performance Management Workshop; Institute of Risk Management of South Africa Workshop; Tax Reform Workshop; Nation Building, Social Cohesion and Reconciliation Workshop	

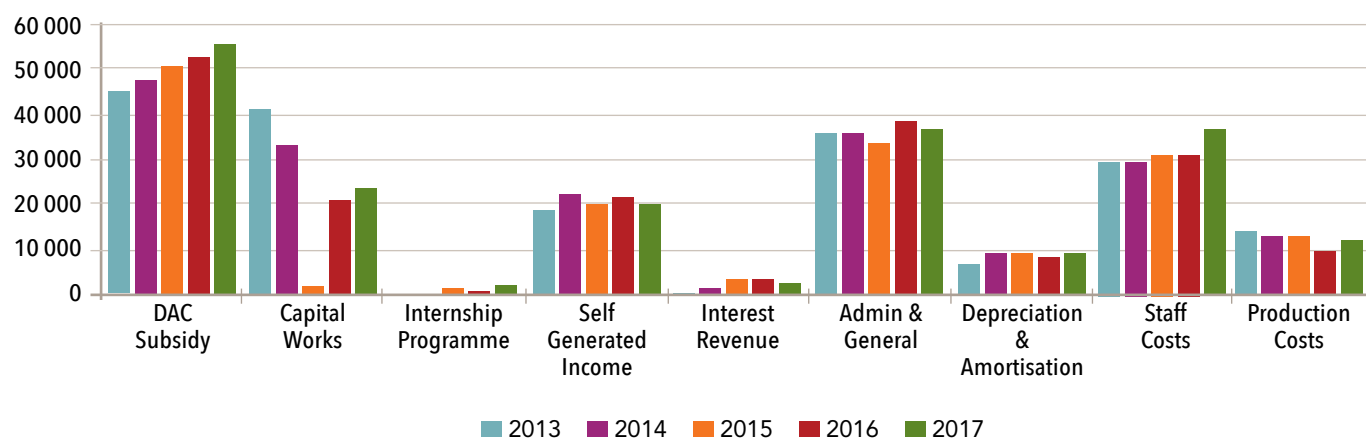
Summary of financial information

	2012/13 R'000	2013/14 R'000	2014/2015 R'000	2015/2016 R'000	2016/2017 R'000
REVENUE					
State contribution	44 985	47 821	50 755	53 090	55 904
State contribution – essential capital works	41 180	33 095	2 051	20 701	23 711
State contribution – projects	–	–	–	197	1 487
Provincial contribution	–	–	1 115	709	474
Venue rentals	3 169	4 280	5 370	5 971	5 874
Marketing & sponsorships	4 407	4 725	1 704	419	538
Business ventures/Other income	8 132	10 588	9 935	12 966	10 725
Performing Arts Programme	4 139	2 749	3 459	2 686	3 019
Investment revenue	850	1 105	3 107	3 117	2 358
TOTAL	106 862	104 363	77 496	99 856	104 090
EXPENDITURE					
Administrative expenses (excluding capitalised maintenance expenditure)	36 079	35 477	33 892	37 823	36 928
Amortisation and Depreciation	7 301	9 123	9 315	8 905	9 385
Compensation of employees	29 779	30 286	31 494	30 860	37 251
Performing arts programme	13 394	12 733	12 460	9 746	12 180
TOTAL	86 553	87 619	87 161	87 334	95 744
SURPLUS/(DEFICIT)	20 309	16 744	(9 665)	12 522	8 346

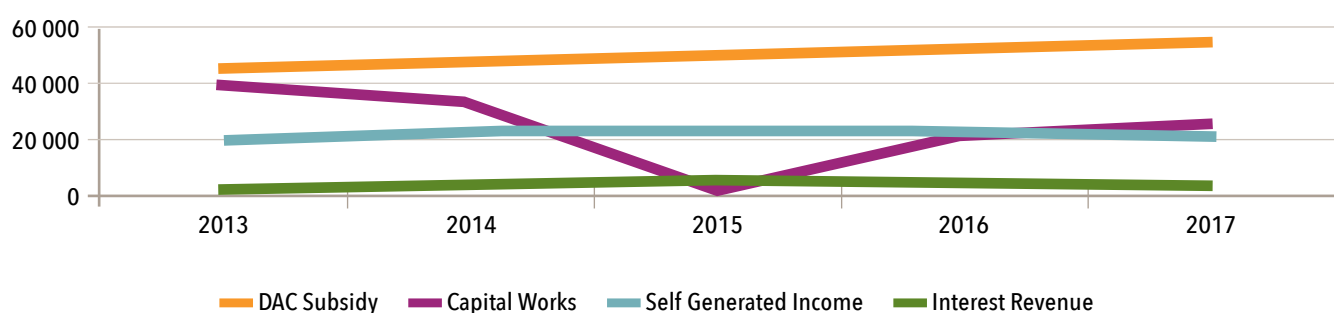
Revenue and expenditure trends

	2012/13 R'000	2013/14 R'000	2014/2015 R'000	2015/2016 R'000	2016/2017 R'000
REVENUE					
Annual subsidy	42%	46%	65%	53%	54%
Essential maintenance contribution	39%	32%	3%	21%	23%
Internship programme	0%	0%	2%	1%	1%
Other revenue	19%	22%	30%	25%	22%
TOTAL	100%	100%	100%	100%	100%
EXPENDITURE					
Administrative expenses	42%	40%	39%	44%	39%
Amortisation and Depreciation	8%	10%	11%	10%	10%
Compensation of employees	34%	35%	36%	35%	38%
Performing arts programme	16%	15%	14%	11%	13%
TOTAL	100%	100%	100%	100%	100%

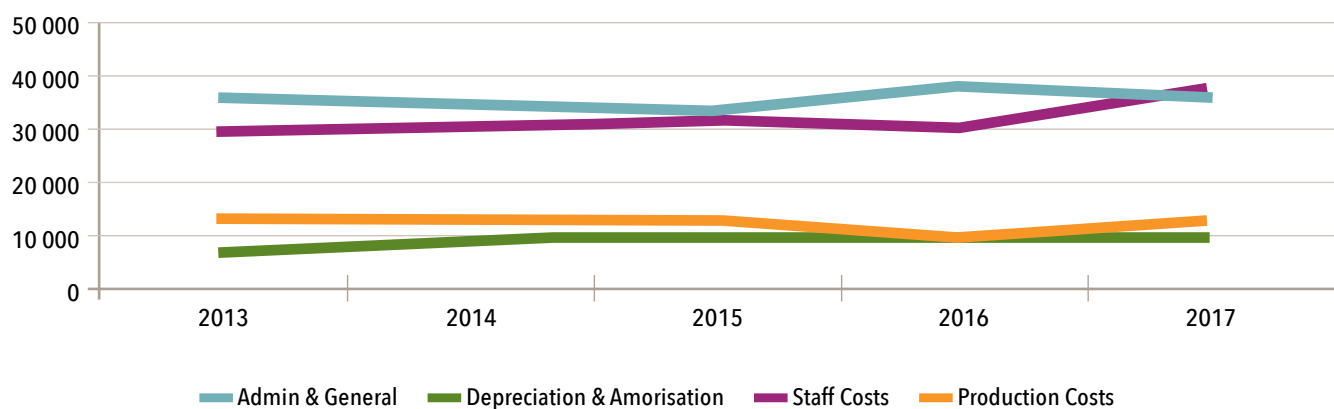
Clustered Financial Performance 2013 – 2017



Income 2013 – 2017



Expenses 2013 – 2017



PRODUCTIONS & EVENTS

For the period 1 April 2016 to 31 March 2017



Rural Outreach Program

Artscape celebrated its 10th year of Rural Outreach Programs in the mountainous region of the Cederberg on 21 October 2016. Received with great enthusiasm and support from the Cederberg Municipality and Cederberg Kunstefees, Artscape arrived in Clanwilliam on 18 October 2016 to transform the local Clanwilliam Secondary School Hall into a spectacular theatre. Through this program rural areas experience first-hand what professional theatre is about. The Cederberg Municipality was fully behind this and is a strategic partner alongside the Cederberg Kunstefees and the Western Cape Education Department.

GENRE	Number of Productions or Events	Number of Performances
Opera	4	17
Ballet/Dance	37	121
Musicals/Musical Theatre	11	131
Concerts	62	83
Variety Shows	4	30
Drama/Comedy	37	204
Youth Theatre	21	111
Corporate Events	84	–
Films	17	22
Film And Photo Shoots	81	–
Exhibitions	46	–
Inclusive Arts Department Projects	72	–
Hospitality Events	91	–
Other Events (Including Meetings)	262	–
Rehearsal Room Hire	15	–
Total	844	719



Women and Humanity Festival

The Artscape Women's Humanity Arts Festival celebrated its 10th anniversary in 2016, a milestone achievement for this artistic and culturally rich celebration which seeks to highlight the plight of the disenfranchised members of our society. Each year, our three pillars of celebration include:

- ▶ Celebrating Humanity
- ▶ Celebrating Women
- ▶ Celebrating the Disabled

The 10th anniversary of this annual festival coincided with the 40th commemoration of the June 16th youth uprising; the 60th anniversary of the 1956 Women's March to the Union Buildings in Pretoria and the 20th anniversary of our country's new Constitution, and so the intergenerational theme of 60 years – Where are we now? was a very fitting theme in honouring the women who marched to the Union Buildings, the youth who rose up in revolt on June 16th two of many events which gave birth to the drafting and legislating of our country's liberated Constitution.

The programme this year included the Humanity Walk which commenced at the Iziko Slave Lodge with a blessing by women inter-faith leaders and culminated on the steps of Artscape Theatre.

CAPITAL WORKS

The Artscape Theatre complex continues to be revived and enhanced through the various building improvement projects and upgrading of stage machinery and equipment.

During the 2016/2017 financial year the following projects were completed rounding off the current back of house upgrades:

- ▶ Dressing rooms
- ▶ New rehearsal room (level 2)
- ▶ Theatre kitchen
- ▶ Library
- ▶ Lobbies and passages (including signage)
- ▶ External canopies

Funding for the next set of projects has already been secured for the 2017/2018 financial year and this will allow Artscape to:

- ▶ Upgrade foyers
- ▶ Upgrade stage equipment
- ▶ Install generators



ANNIE



GOVERNANCE

Introduction

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

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

Executive Authority

The Department of Arts & Culture is the Executive Authority.

During the current year, the following reports were submitted to the Department of Arts & Culture

- ▶ Annual Performance Plan 2017/2018
- ▶ Quarterly Reports for the quarters ending June 2016, September 2016, December 2016 and March 2017

The Chairperson signed the *Shareholder's Compact* for 2016/17 with the Minister of Arts & Culture on 8 April 2016.

The Accounting Authority

Artscape's Council, appointed by the Minister of Arts & Culture, acts as the accounting authority in terms of the PFMA.

Corporate Governance Arrangements

The Artscape Council and Management continued their commitment to the principles of good corporate governance as prescribed by the King III Report, and constantly strive for the highest standards of professionalism, integrity and ethics.

We are satisfied that the institution has applied adequate corporate practices of transparency, integrity and accountability for the year.

Following Council's improved risk management oversight, Council conducted a strategic workshop in November 2016 to agree on transformation objectives and strategy for Artscape. The outcomes of the workshop formed the basis of the annual performance plan for 2017/2018.

Council continued its risk management oversight through the Audit and Risk Committee.

In order to ensure that the risks attached to the capital works projects are properly managed, Council established a building committee. This committee will meet on a regular basis and advises Council on all building related projects.

The Human Resources Committee continued to monitor employee-related policies and practices. It reported to Council on its work and functioning. The overall staff demographics have shown a positive advance towards the set targets.

Council met 5 times during the review period and has reviewed systems of internal control, risk management, budgets and strategic plans to maximise efficiencies in fulfilling its statutory mandate. Urgent matters were dealt with by the Executive Committee which reported to full Council for ratification.

COUNCIL

The following Council members, appointed by the Minister of Arts & Culture on 1 December 2014, were in office at 31 March 2017:

Prof Somadoda Fikeni (Chairperson)
 Mr Neo Muyanga (Deputy Chairperson)
 Dr Marian Jacobs
 Ms Raelene Rorke Clarke
 Princess Celenhle Dlamini
 Ms Leigh Meinert
 Mr Mjikisile Vulindlu

The current Council appointed Mrs Ruth Benjamin-Swales and Advocate Johan Kruger as independent members to the Audit and Risk Committee.

COUNCIL MEMBERS' ATTENDANCE OF MEETINGS – APRIL 2016 TO MARCH 2017

COUNCIL MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Fikeni, S (Chair)	5	5
Muyanga, N (Deputy Chair)	5	4
Vulindlu, M	5	4
Dlamini, C	5	4
Jacobs, M	5	4
Meinert, L	5	5
Rorke Clarke, R	5	4

EXECUTIVE COMMITTEE MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Fikeni, S (Chair)	3	3
Muyanga, N (Deputy Chair)	3	1
Vulindlu, M	3	3
Dlamini, C	3	3

HUMAN RESOURCES COMMITTEE MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Vulindlu, M (Chair)	4	4
Rorke Clarke, R	4	4
Meinert, L	4	4
Jacobs, M	4	3

AUDIT & RISK COMMITTEE MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Benjamin-Swales, R (Independent Chair appointed by Council)	5	5
Kruger, J (Independent member appointed by Council)	5	0
Vulindlu, M	5	3
Dlamini, C	5	5
Jacobs, M	5	4

SPATIAL INFRASTRUCTURE COMMITTEE MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Muyanga, N (Chair)	3	3
Fikeni, S	3	2
Jacobs, M	3	3
N Khan	3	2
T Tavenga	3	0

SOCIAL ETHICS AND TRANSFORMATION COMMITTEE MEETINGS

Member	Number of Meetings	Number Of Meetings Attended
Dlamini, C (Chair)	1	1
Fikeni, S	1	1
Vulindlu, M	1	1
Rorke Clarke, R	1	1
Muyanga, N	1	1

STRATEGIC SESSION

Member	Number of Meetings	Number Of Meetings Attended
Fikeni, S (Chair)	1	1
Muyanga, N (Deputy Chair)	1	1
Vulindlu, M	1	1
Dlamini, C	1	1
Jacobs, M	1	1
Meinert, L	1	1
Rorke Clarke, R	1	1
Benjamin-Swales, R	1	1

Remuneration of Council Members

Artscape is a schedule 3A National Public Entity, subject to the Public Finance Management Act and Treasury regulations.

In terms of Treasury Regulation 20.2.2, National Treasury determines the maximum remuneration tariffs of Non-official members. Official members, i.e. employees of National, Provincial and Local Government and Entities of Government serving on Councils or Committees are not entitled to additional remuneration. Artscape is classified as a Category E2 Public Entity.

In terms of Chapter 3, paragraph 3.1.6 of Treasury Regulations, these remuneration tariffs are also applicable to Audit Committee members who are not in the full time employment of the State.

Rates payable per official meeting attended:

	Meeting rate	Comment
Chairperson	R1 451	The rate per meeting includes remuneration for preparation time, and shall not exceed the daily rate.
Vice-Chairperson	R984	The rate per meeting includes remuneration for preparation time, and shall not exceed the daily rate.
Member	R873 (local members) R1 164 (out of town members)	The rate per meeting includes remuneration for preparation time, and shall not exceed the daily rate.

Members of committees, other than the audit committee are remunerated on the same basis as council members.

Remuneration of Audit Committee Members payable per official meeting attended:

	Daily Rate	Comment
Chairperson	R2 909	The rate per meeting includes remuneration for preparation time, and shall not exceed the daily rate.
Member	R1 765	The rate per meeting includes remuneration for preparation time, and shall not exceed the daily rate.

Remuneration of Council and Committee Members

Non – executive directors

Dr S Fikeni	Chairperson	13 059
Mr N Muyanga	Deputy Chairperson	6 084
Dr M Jacobs		4 656
Princess C Dlamini		9 312
Mr M Vulindlu	Employed by City of Cape Town (no fee payable)	–
Ms R Rorke Clarke		6 984
Ms L Meinert		5 529
		45 624

Audit and Risk Committee Members

Ms R Benjamin-Swales	Chairperson	16 582
Adv. J Kruger (resigned January 2017)		–
Princess C Dlamini		8 825
Dr M Jacobs		7 060
Mr M Vulindlu		–
		32 467

Human Resources Committee Members

Mr M Vulindlu	Chairperson	–
Ms R Rorke Clarke		4 656
Ms L Meinert		3 492
Dr M Jacobs		2 619
		10 767

Spatial Infrastructure Committee Members

Mr N Muyanga	Chairperson	2 952
Dr S Fikeni		2 902
Dr M Jacobs		2 619
Mr N Khan		1 746
Mr T Tavenga		–
		10 219

Social, Ethics and Transformation Committee: (since November 2016)

Princess C Dlamini (Chairperson)	1 164
Adv. J Kruger (resigned January 2017)	1 451
Princess C Dlamini	984
Dr M Jacobs	1 164
Mr M Vulindlu	–
	4 763
	103 840

Risk management

Artscape annually conducts a risk management workshop. This workshop is attended by management and key members of staff. Management utilises the Risk Intelligence Map to assist in the categorisation and identification of key risk areas.

Once all pertinent risks had been identified each risk is assessed in terms of its impact on achieving the business objectives as well as the likelihood of the risk occurring. This is done on an inherent risk basis, i.e. before considering existing systems, processes, controls and people in place to manage the risk. The outcomes of the risk management workshop are presented to the Audit and Risk Committee and form the basis for the internal audit coverage plan. The Audit and Risk Committee as well as the Council may wish to include/incorporate additional risks if deemed necessary.

Management ensures that existing controls and processes are in place to make sure that risks are sufficiently addressed and will implement specific action plans to manage the inherent risk exposure to an acceptable level. The risk register is updated in a quarterly risk management action plan.

Internal control unit

KPMG was appointed as Artscape's internal auditors in 2015.

Artscape has an internal Compliance department that monitors compliance to internal policies and procedures.

Audit and Risk Committee Responsibility

The Audit and Risk Committee is mandated by Council to provide the necessary oversight to ensure that the governance, risk management and control environment is sound and effective through the processes facilitated by management and the assurance obtained by internal and external audit.

The report of this committee appears on page 48 of the Annual Report.

Compliance with laws and regulations

The system of internal control is considered effective as the various reports of the Internal Auditors and the Auditor-General have not reported any significant or material non-compliance with prescribed policies and procedures and laws and regulations in the current year.

Internal Audit conducted a health check and supply chain review to test compliance to policies and procedures, laws and regulations.

Fraud and corruption

Artscape has a fraud prevention plan and strategy based on prevention, detection, response and investigation.

Staff guilty of misconduct are disciplined in term of Artscape's disciplinary code. All disciplinary matters are reported to Council's Human Resources Committee and also included in the Annual Report (see page 55).

The Audit and Risk Committee also consider fraud at each and every meeting.

Minimising conflict of interest

All staff members are required to make annual declarations of interest to avoid conflict of interest.

Council and Audit and Risk Committee members are required to declare their interest at every meeting.

Code of conduct

A code of conduct is in place for all staff members. Any breaches of the code of conduct may result in disciplinary action being taken against staff members.

Artscape also has a code of conduct for Council members, communicated to them at the time of their appointment to Council.

Health safety and environmental issues

In order to ensure safety on stage, Artscape provide all the hirers with a copy of the theatre rules and regulations as part of the venue rental agreement.

As part of the building and renovation projects, an outside health, safety environmental company was appointed as consultants to ensure that health, safety and environmental issues are considered and adhered to.

Social responsibility

Artscape has an internship programme to provide on the job training to interns from schools, universities and arts organisations. In addition to this Artscape also has exchange programmes with organisations.

In the current year Artscape hosted:

- an internship programme, supported by the Extended Public Works Programme (EPWP) of the Provincial Government of the Western Cape;
- "incubator projects" through the Resource Centre for new and upcoming artists or artistic organisations which was funded by the Department of Arts and Culture.
- CEMMEA exchange students were hosted at Artscape and 3 Artscape interns were hosted by an arts organisation in France.

The initiative to introduce disadvantage communities to the Artscape Theatre. This initiative is supported by the agreement with Golden Arrow Bus Company to transport audience members from diverse communities to final dress rehearsals and productions.

Audit and Risk Committee Report

We are pleased to present our report for the financial year ended 31 March 2017.

Members and Attendance

The Audit and Risk Committee (The committee) consists of the members listed hereunder and meets at least twice per annum as required by the Public Finance Management Act and as per its approved terms of reference. During the 2016/2017 financial year there were 5 meetings.

Members 1 April 2016 – 31 March 2017	Number of meetings attended
Ms R Benjamin-Swales (Independent member and chairperson)	5
Dr M Jacobs (Council member)	4
Princess C Dlamini (Council member)	5
Mr M Vulindlu (Council member)	3
Advocate J Kruger (Independent member) – resigned January 2017	0

Audit and Risk Committee Responsibility

The Committee reports that it has complied with its responsibilities arising from section 51(1)(a) of the PFMA and Treasury Regulation 27.1.10. The Committee also reports that it has adopted appropriate formal terms of reference as its Audit and Risk Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

Risk Management

The Committee ensured that risks identified through its risk management workshop are continuously monitored and that the risk register is updated on a regular basis.

The Effectiveness of Internal Control

In their management letter for the current year the AGSA reported findings on supply chain management in relation to non-compliance with prescribed policies and procedures and laws and regulations, as well as some findings of a housekeeping nature. These reported findings had no impact on the AGSA Audit report and will be addressed by management and monitored by the Committee and Internal Auditors in the next financial year. Based on the AGSA management letter and reports of the Internal Auditors the overall system of internal control is considered to be effective.

The Quality of Quarterly Reports

The Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Institution during the year under review.

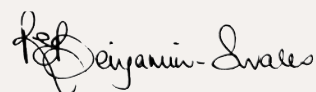
Evaluation of Financial Statements and Predetermined Objectives

The Committee has reviewed the:

- ▶ Audited annual financial statements to be included in the annual report;
- ▶ Report on predetermined objectives to be included in the annual report;
- ▶ AGSA management letter and management's response and
- ▶ Report of the Auditor-General for the year ended 31 March 2017.

The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the AGSA.

The Committee is pleased to report that the AGSA has, once again, presented Artscape with a clean audit report.



R Benjamin-Swales

Chairperson of the Audit Committee

31 July 2017



NAMA JAZZ SERIES



RENT



MOST WANTED



MAMA AFRICA



VUTHELA



STAIRWAY TO HEAVEN



ARTSABILITY

STAIRWAY TO HEAVEN



HUMAN RESOURCE MANAGEMENT

Introduction

Council established a Human Resource Committee (HRC) consisting of Mr M Vulindlu, Ms L Meinert, Dr M Jacobs and Ms R Rorke Clarke to provide oversight over human resource management at the public entity.

- ▶ Overview of HR matters at the public entity
- ▶ Set HR priorities for the year under review and the impact of these priorities
- ▶ Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce
- ▶ Employee performance management framework
- ▶ Employee wellness programmes
- ▶ Policy development
- ▶ Highlight achievements
- ▶ Challenges faced by the public entity
- ▶ Future HR plans /goals

Human Resource Oversight Statistics

Human Resources Management

Personnel Expenditure

As at 31 March 2017 Artscape employed 85 (2016: 80) persons on a permanent basis and 16 (2016: 17) persons on an annual contractual basis. Depending on operational requirements, additional staff is appointed on a part-time or casual basis.

	Operating expenses	Compensation of employees	Training & Capacity Building	Other staff overheads	Total staff cost	Total staff cost as a percentage of operating expenses
	R'000	R'000	R'000	R'000	R'000	
2017	96 121	35 948	421	1 303	37 251	38%
2016	87 088	29 968	105	893	30 861	35%

Analysis of staff compensation (excluding part-time wages)

	Salary & Other Benefits		Overtime		Provident Fund		Medical Assistance		Cost of Employment	
	(R'000)	% Staff Cost	(R'000)	% Staff Cost	(R'000)	% Staff Cost	(R'000)	% Staff Cost	Staff Compensation (Excluding Part Time)	Average Staff Expenditure (R'000)
2017	27 659	79.25%	1 481	4.24%	3 452	9.89%	2 311	6.62%	34 903	356
2016	22 566	77.01%	1 613	5.50%	2 971	10.14%	2 153	7.35%	29 303	302

Employment and Vacancies as at 31 March 2017

	Number of posts	Number of posts filled	Vacancy	Vacancy Rate
Permanent staff	93	85	13	14%
Annual contractual staff	17	16	0	0%
TOTAL	110	101	14	14%

Staff turnover for the period 1 April 2016 – 31 March 2017

	Staff as at 31 March 2016	New Appointments	Transfer between contract and permanent	Terminations	Staff as at 31 March 2017
Permanent staff	80	3	6	4	85
Annual Contract staff	17	10	-6	5	16
TOTAL	97	13	0	9	101

Reasons for leaving the Institution

Termination type	Number of employees	% of total terminations	% of total number of employees
Resignations	10	100%	10%
TOTAL	10	100%	10%

Staff Profile

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (gr. 20 – 25)	0	2	0	0	1	1	0	0	0	0	4
Senior management (gr. 16 – 19)	3	1	0	0	0	0	0	1	0	0	5
Professionally qualified and experienced specialists and mid-management (gr. 11 – 15)	0	11	0	1	1	3	0	0	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (gr. 6 – 10)	7	20	0	1	3	6	0	4	0	0	41
Semi-skilled and discretionary decision making (gr. 3 – 5)	1	8	0	0	2	7	0	1	0	0	19
Unskilled and defined decision making (gr. 1 & 2)	1	2	0	0	0	1	0	0	0	0	4
Grand Total	13	45	0	3	11	23	0	6	0	0	101
Total Permanent	12	44	0	2	7	18	0	6	0	0	85
Total Contract	1	1	0	1	4	5	0	0	0	0	16

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (gr. 20 – 25)	0	1,98	0	0	0,99	0,99	0	0			3,96
Senior management (gr. 16 – 19)	2,97	0,99	0	0	0	0	0	0,99			4,95
Professionally qualified and experienced specialists and mid-management (gr. 11 – 15)	0	10,89	0	0,99	0,99	2,97	0	0			15,84
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (gr. 6 – 10)	6,93	19,8	0	0,99	2,97	5,94	0	3,96			40,59
Semi-skilled and discretionary decision making (gr. 3 – 5)	0,99	7,92	0	0	1,98	6,94	0	0,99			18,82
Unskilled and defined decision making (gr. 1 & 2)	0,99	1,98	0	0	0	0,99	0	0			3,96
Total Permanent	11,88	43,56	0	1,98	6,93	17,83	0	5,94			88,12
Total Temporary	0,99	0,99	0	0,99	3,96	4,95	0	0			11,88
Grand Total	12,87	44,55	0	2,97	10,89	22,78	0	5,94			100
Western Cape Eap	19,9	26,2	0,4	8,2	16,1	22,5	0,1	6,6			100
Variance	7,03	-18,35	0,4	5,23	5,21	-0,28	0,1	0,66	0	0	0

Health Promotion and HIV/AIDS Programmes

Artscape annually hosts programmes aimed at promoting employee wellness and health. Amongst others a corporate wellness day, a programme on financial wellness as well as counselling sessions were arranged.

Misconduct and Disciplinary Hearings for permanent and annual contractual employees finalised

Permanent and Contractual Staff: None

Part-time employees: None

Skills Development

Artscape's skills development programme included ongoing training to permanent and contractual staff, the annual technical training programme and the internship programme (supported by the Provincial Government of the Western Cape's EPWP programme). Other ad-hoc opportunities for skills development is the job shadowing programme that is provided on request to high school learners and tertiary students.

Training needs identified and provided to permanent and annual contractual employees for the period 1 April 2016 to 31 March 2017

Gender	Number of employees (previous period)	Training needs identified and provided (previous period)
Male	85 (80)	81 (56)
Female	16 (17)	53 (30)
Total	101 (97)	134 (86)

Analysis of training costs (Excluding part time)

	Staff compensation	Training & Capacity Building R'000	Training & Capacity building as % of staff compensation	Training needs identified and provided	Average training & capacity building cost per training provided R'000
2017	37 251	421	1.17%	134	3.14
2016	30 861	105	0.35%	86	1.22

Technical training programme trainees for the period 1 April 2016 to 31 March 2017

Gender	Number of trainees 2016/2017
Male	2
Female	4
Total	6

EPWP internship opportunities provided for the period 1 April 2016 to 31 March 2017

Gender	Number of interns
Male	3
Female	7
Total	10

Performance Rewards

None during the current year.

SLAVA



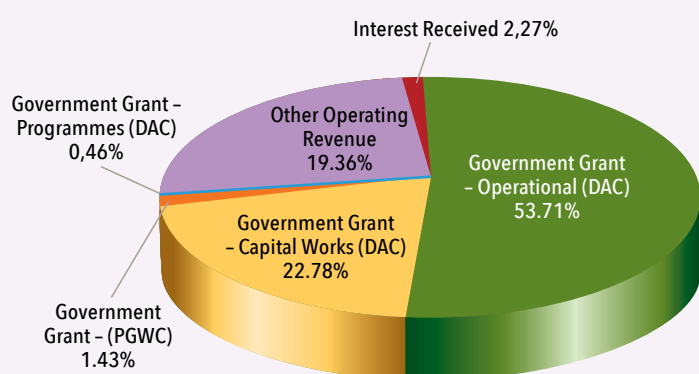
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FINANCIAL INFORMATION

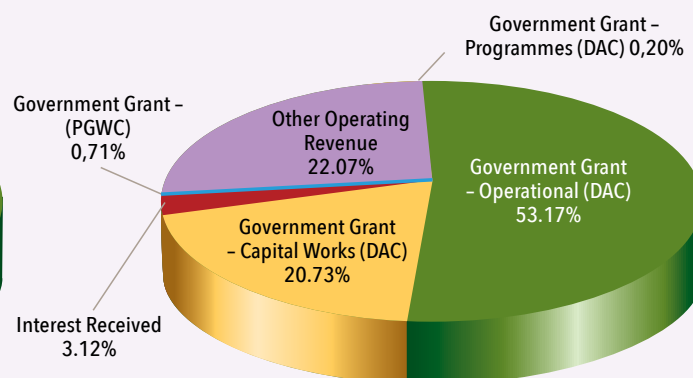
Overview of the year ended 31 March 2017

Total revenue increased by 5% from R99.856m to R104.090m. The total government grants for 2017 increased from 2016 to 78% of total revenue (2016: 75%), while other operating income generated by the Institution contributed 20% of total revenue. Interest revenue contributed 2% of total revenue.

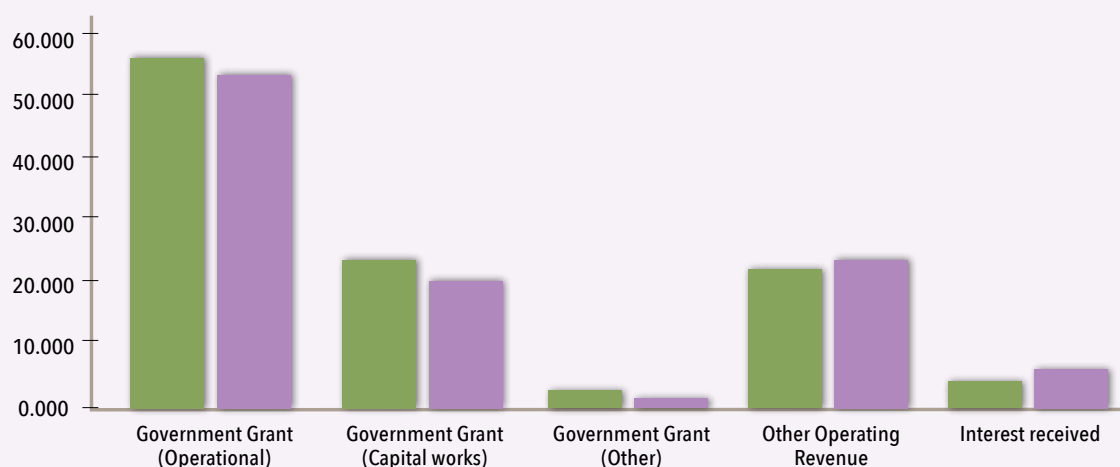
REVENUE SPLIT 2017



REVENUE SPLIT 2016



The graph below reflects a comparison of revenue between 2017 and 2016.



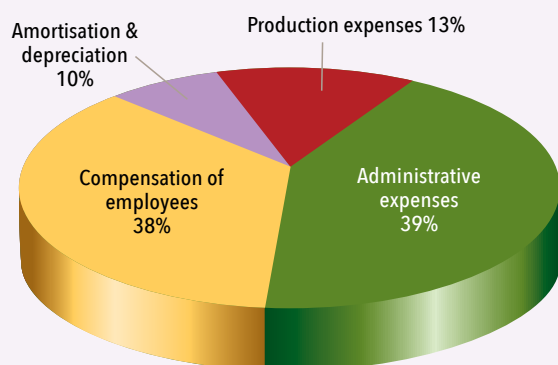
	Government Grant (Operational)	Government Grant (Capital works)	Government Grant (Other)	Other Operating Revenue	Interest received
2017 / '000	55 904	23 711	1 961	21 224	2 358
2016 / '000	53 090	20 700	906	20 157	3 117

- The annual grant from the Department of Arts and Culture (DAC) increased by 5% from R53.90m to R55.904m.
- R23.711m of the DAC funding received in the prior years was released to revenue in the current year.
- Other Government Grants utilised in the current year included, R1.487m from DAC for the Incubator Programme and R0.474m from PGWC for the EPWP Internship Programme.
- Other operating revenue decreased by 4% from R22.043m to R20.157. This is as a result of reduced box office and marketing revenue.
- Interest received decreased from R3.117m to R2.358 due to the utilisation of deferred funds utilised this reduced the capital balance in the bank thus reducing the interest.

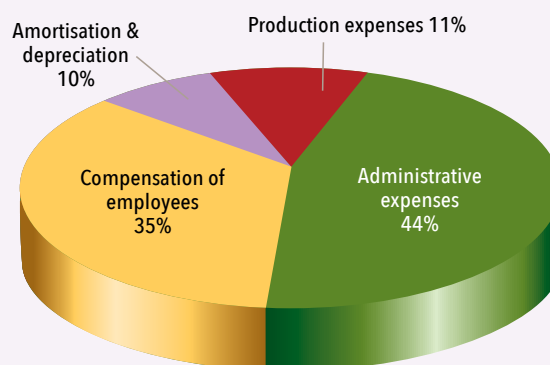
Operating Expenses

A comparison between 2017 and 2016 shows an 11% increase in total expenses incurred by the institution.

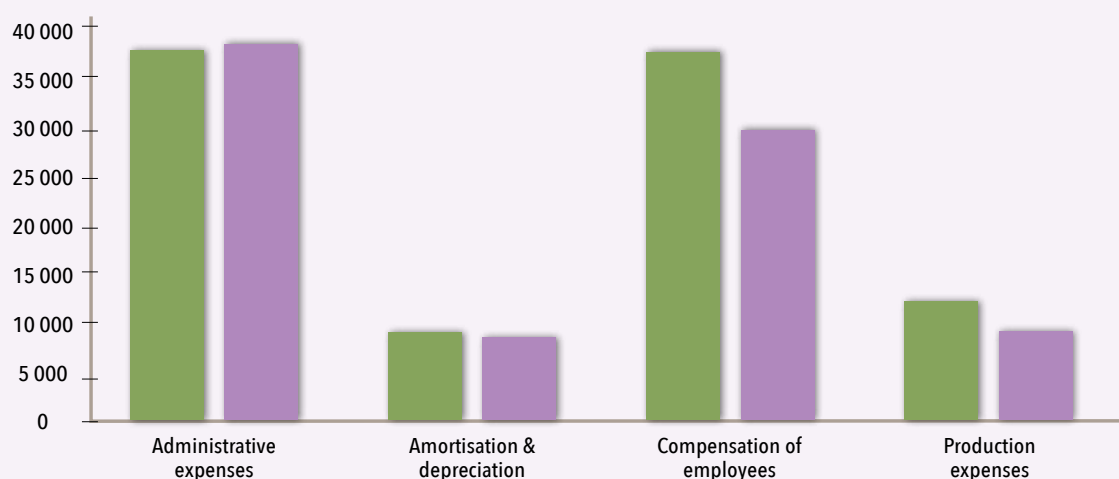
EXPENDITURE SPLIT 2017



EXPENDITURE SPLIT 2016



The graph below reflects a comparison of revenue between 2017 and 2016.



	Administrative expenses	Amortisation & depreciation	Compensation of employees	Production expenses
2017 / '000	36 928	9 385	37 251	12 180
2016 / '000	37 823	8 905	30 860	9 746

Administration expenses (including amortisation and depreciation) increased from R47.080m to R47.380m.

Substantial increases include:

- Electricity and water increased by 9% to R7.753m;
- Audit fees (external and internal) increased by 76% to R1.927m;
- Repairs and maintenance increased by 48% to R1.770m due to the new capital works project that started in July 2015;
- IT support and related services increased by 14% to R0.609m.

The impact of these increases has been lessened by decreases in administrative expenses such as:

- Catering decreased by 17% to R10.840m;
- Security decreased by 16% to R3.536m;
- Cleaning services decreased by 12% to R3.008m;
- Office and telephone costs decreased by 5% to R0.954m.

Compensation of employees increased from R30.860m to R37.251m, an increase of 21%. This was mainly as a result of an organigram review which resulted in additional positions that needed to be filled.

Production costs increased by 25% to R12.180m. This increase was as a result of new programmes that were piloted during the 2016/2017 financial year.

Operating Surplus

An operating surplus of R8.347 (2016: R12.522m) was achieved for this financial year. The operating surplus is the result of deferred funding for capital works being utilised to improve the value of the leased property and increases in other revenue.

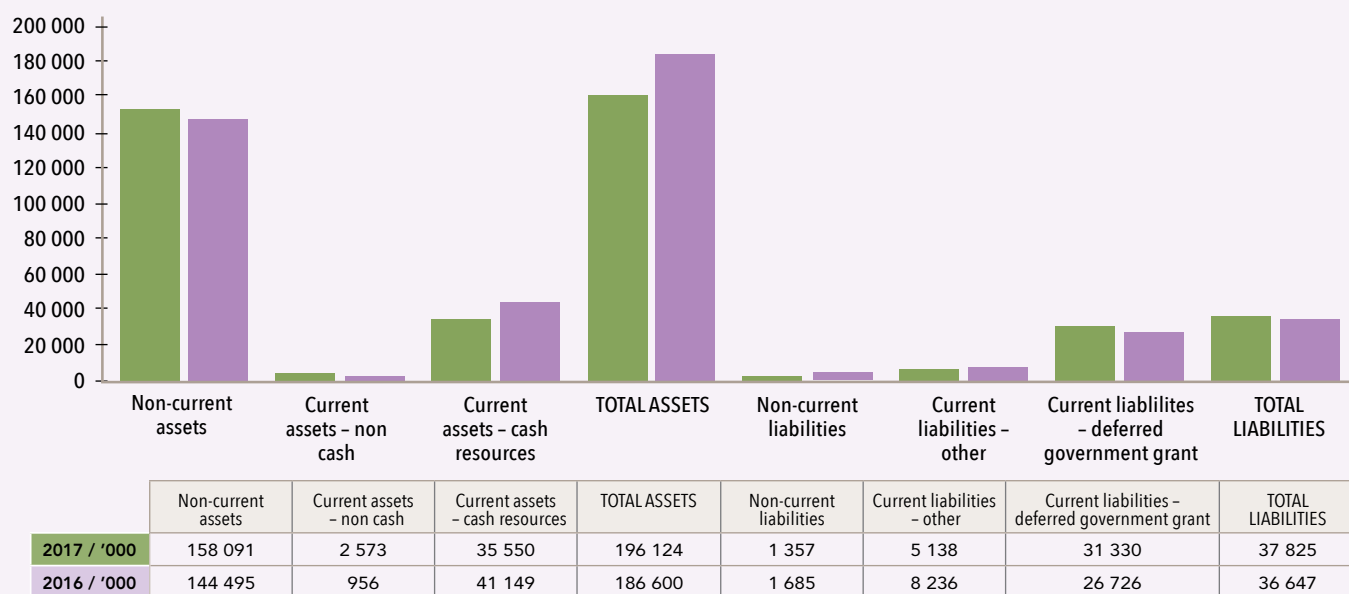
Provision for post-retirement medical benefit

The actuarial valuation, as well as current contributions paid, resulted in a liability being raised of R1.716m. This is a decrease from 2016 which is mainly due to the number of members receiving the benefit being reduced by one person.

Surplus

An accounting surplus of R8.347 (2016 surplus: R12.522m) was recorded for the year ended 31 March 2017.

Financial Position



The increase in non-current assets is due to the improvements to leased property, the space optimisation projects completed and other minor additions to non-current assets.

The increase in non-cash current assets is due to the increase in receivables and future production expenses.

The decrease in cash resources is as a result of funds being spent on the capital works project which was completed during this financial year.

Non-current liabilities decreased due to the decrease in the actuarial valuation of the post-retirement medical benefit.

Current liabilities (other) decreased primarily due to a lower liability for payables from exchange transactions.

In summary Artscape is in a healthy financial position with sufficient cash reserves to meet its short and long-term commitments.

REPORT OF THE AUDITOR GENERAL TO PARLIAMENT ON ARTSCAPE

For the 2016 – 2017 Financial Year

Report on the audit of the financial statements

1. I have audited the financial statements of the Artscape set out on pages 66 to 98, which comprise the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison budget and actual amount for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Artscape as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards on Generally Recognised Accounting Practices (SA Standards on GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatement of corresponding financial statements

7. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an enhancement of the financial statements of Artscape at, and for the year ended, 31 March 2017

Responsibilities accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards on GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting authority is responsible for assessing the entities ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the entity or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 – business development	6 – 7
Programme 3 – public engagement	8

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
 - Programme 2 – business development
 - Programme 3 – public engagement

Other matter

17. I draw attention to the matter below.

Achievement of planned targets

18. Refer to the annual performance report on 1 – 8 for information on the achievement of planned targets for the year and explanations provided for the under achievement of a number of targets. This information should be considered in the context of the conclusions expressed on the usefulness and reliability of the reported performance information in paragraphs 16 of this report.

Report on audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
20. I did not identify any instances of material non-compliance in respect of the compliance criteria for the applicable subject matters.

Other information

21. Artscape's accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in the auditor's report.
22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Internal control deficiencies

24. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

31 July 2017



AUDITOR GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the entities compliance with respect to the selected subject matters.

Financial statements

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

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and here applicable, related safeguards.

STATEMENT OF RESPONSIBILITY

The Public Finance Management Act 1999 (Act No 1 of 1999) requires the Accounting Authority to ensure that Artscape keeps full and proper records of its financial affairs. The annual financial statements should fairly present the state of affairs of Artscape, its financial results, its performance against predetermined objectives and its financial position at year end.

The Annual Financial Statements are the responsibility of the Accounting Authority. The Auditor-General South Africa is responsible for independently auditing and reporting on the financial statements.

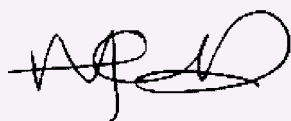
The financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board. The annual financial statements are based on appropriate accounting policies, supported by reasonable and prudent judgements and estimates.

The Accounting Authority is responsible for the Institution's internal controls and risk management. These controls are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets and to prevent and detect material misstatements and loss. Nothing has come to the attention of the Accounting Authority to indicate any material breakdown in the functioning of these controls, procedures and systems during the year underreview.

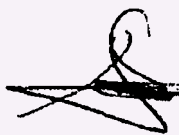
In view of our current financial position, the Accounting Authority has every reason to believe that Artscape will be a going concern in the year ahead and has continued to adopt the going concern basis in preparing the financial statements.

Submission of Annual Financial Statements

The annual financial statements for the year ended 31 March 2017 set out on pages 66 to 98, which have been submitted for auditing on 31 May 2017 in terms of section 51(1)(f) of the Public Finance Management Act, 1999 (Act 1 of 1999), were approved by the accounting authority and were signed on its behalf by:



Marlene le Roux
CHIEF EXECUTIVE OFFICER



Peter Pedlar
CHIEF FINANCIAL OFFICER

Accounting Authority Report

For the year ended 31 March 2017

Artscape is a declared Cultural Institution in terms of Section 3 of the Cultural Institution's Act 1998, (Act 119 of 1998). The entity is listed as a schedule 3A entity (national entity) under the Public Finance Management Act, 1999 (Act 1 of 1999).

Artscape's Council acts as the Accounting Authority in terms of the Public Finance Management Act.

Council

The following Council members, appointed by the Minister of Arts & Culture on 1 December 2014, were in office at 31 March 2017:

Prof Somadoda Fikeni (Chairperson)
Mr Neo Muyanga (Deputy Chairperson)
Dr Marian Jacobs
Ms Raelene Rorke
Princess Celenhle Dlamini
Ms Leigh Meinert
Mr Mjikisile Vulindlu

Executive Management

The executive management are responsible for the day-to-day management of the Institution and are in full-time employ of the Institution. Marlene Le Roux, was appointed as the CEO since November 2015 and Peter Pedlar was appointed as Chief Financial Officer (CFO) since April 2016. As at 31 March 2017, the Executive Management consisted of the following:

CEO	Marlene le Roux
CFO	Peter Pedlar
Manager: Human Resources	Lungisani Nkomo
Director: Operations	Marius Golding
Interim Director: Inclusive Arts	Thoko Ntshinga
Company Secretary	Ilze-Marie De Wet

Nature Of Business

The main objective is to advance, promote and preserve the performing arts in South Africa, but predominantly in the Western Cape.

Controlling Entity

The Department of Arts and Culture is the controlling entity and has ownership control of Artscape.

Addresses

The Institution's business and postal addresses are as follows:

BUSINESS ADDRESS	POSTAL ADDRESS
ARTSCAPE Theatre Centre	P O Box 4107
DF Malan Street	Cape Town
Cape Town, 8001	8000
Country of incorporation:	Republic of South Africa

Statement of Financial Position

As at 31 March 2017

	Note(s)	2017 R	2016 R
ASSETS			
Current assets			
Cash and cash equivalents	3	35,459,750	41,149,331
Trade and other receivables from exchange transactions	4	1,049,765	372,186
Net expenditure from future production	5	1,173,971	356,943
Inventories	6	349,936	226,708
		38,033,422	42,105,168
Non-current assets			
Property, plant and equipment	7	158,043,035	144,483,667
Intangible assets	8	47,995	11,029
		158,091,030	144,494,696
TOTAL ASSETS		196,124,452	186,599,864
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	9	4,777,652	7,875,712
Unspent government grants and receipts	10	31,329,785	26,725,596
Current portion of post retirement medical aid liability	12	360,000	359,000
Current portion of finance lease liability	11	1,080	1,638
		36,468,517	34,961,946
Non-current liabilities			
Post retirement medical benefit	12	1,356,000	1,685,000
Finance lease liability	11	720	–
		1,356,720	1,685,000
TOTAL LIABILITIES		37,825,237	36,646,946
Net assets		158,299,215	149,952,918
Accumulated Surplus		158,299,215	149,952,918
TOTAL NET ASSETS AND LIABILITIES		196,124,452	186,599,864

Statement of Financial Performance

For the year ended 31 March 2017

	Note(s)	2017 R	2016 R
REVENUE			
Revenue from non-exchange transactions			
Government grants – Operational (DAC)		55,904,000	53,090,000
Government grants – Capital Works (DAC)	10	23,711,152	20,700,536
Government grants – Incubator Programme (DAC)	10	1,486,899	196,921
Government grants – PGWC	10	473,630	709,116
Donations		83,246	–
Sponsorship – General	13	392,350	251,005
		82,051,277	74,947,578
Revenue from exchange transactions			
Other operating revenue	13	19,681,098	21,791,776
Interest earned – external investments	14	2,358,157	3,117,175
		22,039,255	24,908,951
TOTAL REVENUE		104,090,532	99,856,529
EXPENSES			
Employee related costs	15	37,251,352	30,860,526
Repairs and maintenance	16	1,769,822	1,192,567
Depreciation and amortisation expense	17	9,385,326	8,905,858
Other operating expense	18	23,020,567	22,734,199
Administrative expenses	19	24,694,060	23,394,849
TOTAL EXPENSES		96,121,126	87,088,000
OTHER GAINS / (LOSSES)		376,891	(246,960)
Gain/(Loss) on sale of assets	20	48,891	(3,960)
Gain/(loss) on provision for post-retirement medical benefit	12	328,000	(243,000)
CONTINUING OPERATIONS SURPLUS		8,346,297	12,521,569
TOTAL SURPLUS FOR THE PERIOD		8,346,297	12,521,569

Statement of Changes in Net Assets

For the year ended 31 March 2017

	Accumulated Surplus	Total Net Assets
	R	R
FOR THE YEAR ENDED 31 MARCH 2015	137,431,349	137,431,349
BALANCE AT 1 APRIL 2015	<u>137,431,349</u>	<u>137,431,349</u>
Surplus for the period	12,521,569	12,521,569
		—
FOR THE YEAR ENDED 31 MARCH 2016	<u>149,952,918</u>	<u>149,952,918</u>
BALANCE AT 1 APRIL 2016	<u>149,952,918</u>	<u>149,952,918</u>
Surplus for the period	8,346,297	8,346,297
		—
FOR THE YEAR ENDED 31 MARCH 2017	<u>158,299,215</u>	<u>158,299,215</u>

Cash Flow Statement

For the year ended 31 March 2017

	Note(s)	2017 R	2016 R
Cash flows from operating activities			
Receipts		98,210,172	70,724,813
Cash received from government grants and customers		95,852,014	67,607,638
Interest received - investment	14	2,358,157	3,117,175
Payments		80,963,898	61,370,213
Cash paid to suppliers and employees		80,963,898	61,370,213
Net cash flows from operating activities	22	17,246,274	9,354,600
Cash flows from investing activities			
Purchase of Property, Plant and Equipment		(22,930,453)	(20,467,261)
Purchase of Intangible Assets		(54,455)	(7,260)
Proceeds on Disposal of Property, Plant and Equipment		48,891	
Net cash flows from investing activities.		(22,936,016)	(20,474,521)
Cash flows from financing activities			
Finance lease liabilities		162	(12,211)
Net cash flows from financing activities		162	(12,211)
Net increase/(decrease) in cash and cash equivalents		(5,689,580)	(11,132,132)
Cash and cash equivalents at the beginning of the year		41,149,331	52,281,463
Effect of exchange rate movement on cash balances			
Cash and cash equivalents at the end of the year	3	35,459,750	41,149,331

Statements of Comparison Budget and Actual Amount

As at 31 March 2017

Actual		Actual amounts oncomparable basis	Original Approved Budget	Adjustment	Final Approved Budget	Difference between final budget and actual
2016		2017				
R		R	R	R	R	R
99,856,529	INCOME	104,090,532	84,984,000		84,984,000	19,106,533
74,696,572	Government grants	81,575,681	59,904,000	–	59,904,000	21,671,681
22,042,781	Rendering of services	20,156,694	23,880,000	–	23,880,000	(3,723,306)
3,117,175	Investment revenue	2,358,157	1,200,000	–	1,200,000	1,158,157
87,088,000	OPERATING EXPENDITURE	96,121,127	84,984,000	–	84,984,000	11,137,127
36,382,623	Administrative expenses	35,534,211	32,753,000	–	32,753,000	2,781,211
8,905,858	Amortisation and depreciation	9,385,326	6,456,000	–	6,456,000	2,929,326
30,860,526	Compensation of employees	37,251,352	37,000,000	–	37,000,000	251,352
1,192,567	Repairs and maintenance	1,769,822	675,000	–	675,000	1,094,822
9,746,425	Production expenses	12,180,416	8,100,000	–	8,100,000	4,080,416
12,768,529	OPERATING SURPLUS	7,969,405	–		–	7,969,405
(3,960)	Gain/(Loss) on sale of assets	48,891				48,891
(243,000)	Gain/(loss) on provision for post-retirement medical benefit	328,000				328,000
12,521,569	SURPLUS	8,346,297	–		–	8,346,297
20,467,261	CAPITAL EXPENDITURE	22,930,453	4,000,000	–	4,000,000	18,930,453

Reconciliation of approved budget surplus with the (deficit) / surplus in the statement of financial performance

		2017	2016
		R	R
Net surplus per the statement of financial performance		8,346,297	12,521,569
<i>Adjusted for:</i>			
(Increase)in capital works grant utilised	1*	(21,671,681)	(17,606,572)
Decrease in other operating revenue	2*	3,723,306	1,576,218
Increase in interest received	3*	(1,158,157)	(2,117,175)
Increase in administrative expenses	4*	2,781,211	5,478,721
Increase in amortisation and depreciation	5*	2,929,326	2,504,958
Increase in compensation of employees	6*	251,352	(4,765,410)
Increase in repairs and maintenance	7*	1,094,822	
Increase in other production expenses	8*	4,080,416	2,046,425
Increase in provisions other expenditure		(328,000)	361,266
Increase in gain on sale of assets		(48,891)	
Net surplus per approved budget		–	–

The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget. In addition, adjustments to amounts in the financial statements for timing differences associated with the continuing appropriation and differences in the entities covered (government business enterprises) were made to express the actual amounts on a comparable basis to the final approved budget. The amounts of these adjustments are identified in the above table.

Explanation of differences between budget and actual amounts

- 1* Capital works projects have been undertaken during the current year thus an increase in utilised government grants.
- 2* Operating revenue decreased primarily due to a decrease in productions, venue rental, manufacturing and marketing income.
- 3* Interest income increased due to more unspent cash being invested in the investment account to earn better returns.
- 4* Administrative expenses increased primarily due to the increases of the catering expenses concomitant to the additional catering revenue generated and the increases in the external and internal audit fees. Other major contribution factor is the increase in the travelling costs due to more board meetings and more shuttle services needed to transport staff who were working at the evening shows.
- 5* Depreciation and Amortisation cost increased due to new assets acquired during the year.
- 6* Employee cost exceeded the budgeted amount primarily due to the post retirement medical expenses and staff leave provision which was previously budgeted as a part of administrative expenses.
- 7* Maintenance costs increased due to the refurbishments of back of house and the aged equipment needing to be serviced.
- 8* Production expenses increased as a result of the increase in productions to meet the objectives of a diversified artistic programme and DAC Minister's 10-point plan.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999). These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures have been rounded to the nearest Rand. Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP. The principal accounting policies adopted in the preparation of these annual financial statements are set out below. The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated.

1.1 Going concern assumption

The financial statements have been prepared on a going concern basis in accordance with Standards of Generally Recognised Accounting Practice on a basis consistent with the prior year.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Impairment of trade receivables

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

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short term nature of these assets and liabilities.

Provisions and contingencies

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

Property, plant and equipment and intangible assets

Artscape assesses the useful life and residual values of these assets based on the condition of the assets and the current practice for the replacement.

1.3 Property, Plant and Equipment

Land and buildings are registered in the name of the Provincial Government of the Western Cape (PGWC) and are made available to Artscape on a permanent basis. Such land and buildings not belonging to Artscape are not recognised as property, plant and equipment.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Property, plant and equipment are stated at historical cost less accumulated depreciation. Improvements to the property belonging to PGWC is capitalised and are stated at cost less accumulated depreciation. Work in progress on improvements to leased property are capitalised and are stated at cost and transferred to improvements to leased property upon completion. Vehicles, equipment, music instruments, furniture and fittings and computers are depreciated on a straight-line basis over their estimated useful lives to their residual value.

The useful life of an item of property, plant and equipment is the period over which the assets are expected to be available for use by Artscape. The residual value is the estimated amount that Artscape would obtain from the disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or over the term of the lease, where the lease period is shorter (as listed in note 1.6.1 below).

Surpluses and losses on disposal of property, plant and equipment are credited or charged to the statement of financial performance and is recognised as a profit or loss on disposal.

Depreciation is calculated on the straight-line method, to write off the cost of each asset to estimated residual values over its estimated useful life as follows:

Improvement to leasehold property	10 – 25 years
Motor vehicles	4 – 5 years
Cellular phones	2 years
Equipment	5 years
Musical instruments, furniture and fittings	10 years
Computer equipment	3 years

Artworks are not depreciated as their current residual value is expected to be greater than their carrying amount. Stage props and costumes are written off on acquisition. Work in progress is not depreciated and is transferred to improvement to leasehold property upon completion.

Annual reassessment of useful life

The useful life of an item of property, plant and equipment is the period over which the asset is expected to be available for use by Artscape.

The useful life of assets is reassessed on an annual basis to ensure that the estimated useful lives are still appropriate.

Where a change in the estimated useful life is identified, the change is accounted for as a change in accounting estimate on a prospective basis. In other words, the remaining value is written off on a straight-line basis over the remaining newly assessed useful life.

Residual values

Residual values are reviewed each year and, where estimates differ from those previously determined, the difference is accounted for as a change in accounting estimates on a prospective basis.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Impairment

The carrying amount of assets, other than inventories, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. For the purpose of impairment testing, the condition of the asset is evaluated to ascertain its value in use. Where the asset is damaged beyond repair, the fair value of the asset is its scrap value.

An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

1.4 Intangible Assets

Intangible assets, being identifiable non-monetary assets without physical substance, are accounted for in terms of the cost model, at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets comprise of computer software and have been assessed as having a useful life of 3 years with the amortisation charge thereon recognised on a straight line basis.

The residual value of an intangible asset is assumed to be zero as there is no expectation of disposing of it before the end of its economic life.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. For the purpose of impairment testing, the condition of the asset is evaluated to ascertain its value in use. Where the asset is damaged beyond repair, the fair value of the asset is its scrap value.

1.5 Inventory

Inventory is valued at the lower of cost, determined on the first-in first-out basis, and net realisable value (the estimated selling price in the ordinary course of business, less the costs necessary to make the sale).

1.6 Leases

1.6.1 Financial Leases

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to Artscape. Assets subject to finance lease agreements are capitalised at their cash equivalent and the corresponding liabilities are raised. The cost of the assets is depreciated at appropriate rates using the straight-line basis over the estimated useful lives of the assets. Lease payments are allocated between finance costs and the capital repayments using the effective interest rate method. Lease finance costs are expensed when incurred.

1.6.2 Operating Leases

Operating leases are those leases, which do not fall within the scope of the above definition. Payments made under operating leases are charged to the statement of financial performance on a straight-line basis over the period of the lease.

Notes to the Annual Financial Statement for the year ended 31 March 2017

1.7 Financial Instruments

Financial instruments recognised on the statement of financial position include cash and cash equivalents, trade and other receivables and trade and other payables. Management determines the classification of its financial assets and financial liabilities at initial recognition. The classification depends on the purpose for which the financial assets were acquired.

1.7.1 Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for doubtful debts. Trade and other receivables are assessed individually for impairment in terms of recoverability.

1.7.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, as well as deposits held on call with banks and are stated at cost. Interest on cash in bank and call accounts are accrued on a monthly basis and disclosed as interest received in the statement of financial performance.

1.7.3 Trade and other payables

Trade and other payables comprise trade payables, accruals and amounts owed to third parties in relation to employee costs. Trade and other payables are categorised as a financial instrument under current liabilities and recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, where applicable.

1.8 Provisions and contingencies

Provisions are recognised where the Artscape has a present legal or constructive obligation as a result of a past event; a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Contingent assets and contingent liabilities are not recognised.

1.9 Commitments

Commitments represent goods/services that have been approved and/or contracted, but where no delivery has taken place at the reporting date. Commitments are thus not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

1.10 Related party

Related party transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control. The disclosure note details the related party relationships and transactions.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Individual as well as their close family members and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other

Party in making financial and/or operating decisions.

Key management personnel are defined as the Chief Executive Officer and all other management reporting directly to the Chief Executive Officer or as designated by the Chief Executive Officer.

Artscape operates as a National Public Entity with its parent department being the Department of Arts & Culture and it is therefore regarded as a related party. As a consequence of the constitutional independence of the three spheres of government in South Africa, all entities common controlled by the Department of Arts & Culture are considered to be related parties.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

National Department of Arts & Culture (DAC) has ownership control over Artscape. DAC provides Artscape with an operational grant, additional funding for essential maintenance and funding for special projects and events. All public entities under the control of DAC are also regarded as related parties

The Provincial Government of the Western Cape (PGWC) owns the Artscape Theatre Centre. No rental for the use of the premises is being charged to Artscape.

Cathseta, the Culture Art Tourism Hospitality and Sports Sector Education and Training Authority established under the Skills Development Act (No 97 of 1998) [the Skills Act] for the Tourism, Hospitality and Sport Economic Sector.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to such functions. Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity. Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.11 Employee benefits

1.11.1 Short-term employee benefit

The cost of all short term employee benefits is recognised during the period in which the employee renders the related service. The provisions for employee entitlements to salaries, wages and annual leave represents the amount which Artscape has a present obligation to pay as a result of employees' service provided for at the reporting date. The provisions have been calculated at undiscounted amounts based on current salary rates.

1.11.2 Defined contribution plans

Prior to 30 September 2009 employees could elect to join either the existing pension fund, a defined benefit fund, or the newly formed Provident Fund for the Performing Arts Institutions, a defined contribution fund. Since this date, all qualifying employees had to join the defined contribution fund.

Contributions in respect of defined contribution plans are recognised as an expense in the year to which they relate.

Notes to the Annual Financial Statement for the year ended 31 March 2017

1.11.3 Post-retirement medical benefits

With effect from 31 March 2000 the Institution changed its accounting policy relating to post-retirement medical benefit costs. Provision is made for post-retirement benefits in the form of medical aid benefits for certain employees who were pensioned prior to 1997 and employees approved by Council subsequent to this date. The total cost is assessed in accordance with the advice of qualified and independent actuaries. The amount accrued for post-retirement medical benefits are included as provisions.

The cost of providing benefits under this plan is determined using the projected unit credit actuarial valuation method. The current service in respect of the defined benefit plan is recognised as an expense in the current period. Past service costs and actuarial gains and losses relating to the above-mentioned retired employees are charged to the statement of financial performance in full in the current period.

1.12 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and the amount of the revenue can be measured reliably.
- Interest is recognised, in surplus or deficit, using the effective interest rate method.

Other operating revenue

Other operating revenue comprises venue rental revenue, marketing and publicity services, revenue from catering services, costume manufacturing and hiring of costumes and other décor.

1.13 Revenue from non-exchange transactions

Revenue from non-exchange transactions arises when an entity receives value from another entity without directly giving approximately equal value in exchange. An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition.

This revenue will be measured at the amount of increase in net assets recognised by the entity.

An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as revenue, except to the extent that a liability is recognised for the same inflow. As an entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it will reduce the carrying amount of the liability recognised as an amount equal to that reduction.

Grants received from Government are recognised as per note 1.14.

Artscape has entered into a lease agreement for the free use of certain land and buildings belonging to the Provincial Government of the Western Cape.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Sponsorship received is recognised as revenue, on a systematic basis, over the period necessary to match them with the related costs, which they are intended to compensate.

1.14 Government grants

Grants related to operational expenditure is recognised as revenue when it is probable that the transfer payment will be received and the amount can be estimated reliably, unless, an obligation exists to use the transferred resources in a certain way or return the resources to the transferor. Where it is a requirement to only use the resources in a certain way with no corresponding requirement to return those resources, then no obligation exists and the revenue is recognised. Where an obligation exists, the resource is recognised as deferred revenue until the obligations are met and then recognised as revenue.

Grants related to the acquisition or construction of an asset is recognised as revenue when it is probable that the transfer payment will be received and the amount can be estimated reliably, unless, an obligation exists to use the transferred resources in a certain way or return the resources to the transferor. Where it is a requirement to only use the resources in a certain way with no corresponding requirement to return those resources, then no obligation exists and the revenue is recognised. Where an obligation exists, the resource is recognised as deferred revenue until the obligations are met and then recognised as revenue.

1.15 Unauthorised, Irregular and fruitless and wasteful expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.
- In terms of section 55(2)(b)(i) of the Public Finance Management Act, 1999 the financial statements must include particulars of any unauthorised, irregular, fruitless and wasteful expenditure.
- All unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.
- Irregular expenditure means expenditure incurred in contravention of, or not in accordance with a requirement of any applicable legislation, including the PFMA.
- Irregular expenditure as defined in section 1 of the PFMA as expenditure other than unauthorised expenditure, incurred in
 - (a) contravention of or that is not in accordance with a requirement of any applicable legislation, including the PFMA; or
 - (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act;
 - (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Notes to the Annual Financial Statement for the year ended 31 March 2017

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

All irregular and fruitless and wasteful expenditure is charged against income in the period in which they were incurred.

1.16 Budget information

The approved budget is prepared on a cash basis and presented by functional classification linked to performance outcome objectives, where possible. The approved budget covers the fiscal period from 1 April to 31 March.

The financial statements and the budget are not on the same basis of accounting. The actual financial statement information is presented on a comparable basis to the budget information. The comparison and reconciliation between the statement of financial performance and the budget for the reporting period have been included in Statement of Comparison of Budget and Actual Amounts.

The net surplus per the statement of financial performance is reconciled to the budget surplus and the material differences, as determined by the materiality and significance framework, are explained in Statement of Comparison of Budget and Actual Amounts.

1.17 Comparative figures

Comparative figures have been adjusted to conform to changes in the presentation of the current year, where necessary.

Notes to the Annual Financial Statement for the year ended 31 March 2017

2. New Standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, Artscape has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation:	Effective Date	Expected Impact
Amendments to GRAP 16 – Investment property	01-Apr-16	Not material
Amendments to GRAP 17 – Property, plant and equipment	01-Apr-16	Not material
GRAP 12 – Selection of an appropriate reporting framework by public entities	01-Apr-16	Not material

2.2 Standards and interpretations issued, but not yet effective

At the date of authorisation of the financial statements for the year ended 31 March 2017, the following standards were issued but not yet effective and Management is of the opinion that the impact of the application of the standards will be as follows:

GRAP 20 Related Party Disclosures

This statement will not have an effect on the financial position, performance or disclosure of Artscape as Artscape currently subscribes to the requirements of this standard.

GRAP 108 Statutory Receivables

This statement will not have an effect on the financial position, performance or disclosure of Artscape as the statement will not apply to Artscape.

GRAP 32 Service Concession Arrangements: Grantor

This statement will not have an effect on the financial position, performance or disclosure of Artscape as the statement will not apply to Artscape

GRAP 109 – Accounting by principals and agents

This statement will not have an effect on the financial position, performance or disclosure of Artscape as the statement will not apply to Artscape

IGRAP 17 Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset

This statement will not have an effect on the financial position, performance or disclosure of Artscape as the statement will not apply to Artscape

All applicable standards will be adopted at its effective date.

Notes to the Annual Financial Statement for the year ended 31 March 2017

3. Cash and cash Equivalents

	2017 R	2016 R
Cash and cash equivalents consist of the following:		
Cash on hand	27,618	24,907
Cash at bank – ABSA	–	806
Cash at bank – Nedbank	65,121	410,311
Call deposit and investments	35,367,011	40,713,307
Less: Bank Overdraft	–	–
Total Cash and cash Equivalents	35,459,750	41,149,331

4. Trade and Other Receivables from Exchange Transactions

	Balance as at 31 March 2017		
	Gross Balances	Provision for Doubtful Debts	Net Balance
	R	R	R
Trade receivables	275,441	(19,354)	256,087
Prepayments	121,132	–	121,132
Other sundry debtors	672,546	–	672,546
Total	1,069,119	(19,354)	1,049,765

	Balance as at 31 March 2017		
	Gross Balances	Provision for Doubtful Debts	Net Balance
	R	R	R
Trade receivables	282,104	(37,470)	244,635
Prepayments	92,562	–	92,562
Other sundry debtors	34,989	–	34,989
Total	409,655	(37,470)	372,186

Notes to the Annual Financial Statement for the year ended 31 March 2017

	2017	2016
	R	R
Ageing of trade receivables		
Current (0 – 30 days)	174,658	158,072
31 – 60 Days	5,359	27,869
61 – 90 Days	7,422	2,845
91 + Days	88,002	93,318
Provision for bad debts	(19,354)	(37,470)
Total	256,087	244,635
Reconciliation of the doubtful debt provision		
Balance at beginning of the year	37,470	88,976
Contributions to provision	–	–
Doubtful debts written off against provision	(10,102)	(7,288)
Reversal of provision	(8,014)	(44,218)
Balance at end of year	19,354	37,470

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above

The amounts are subject to the Artscape's standard credit terms and are due within a maximum of either 30 days after month end or the payment terms stated on the initial contract with the debtors.

At 31 March 2017, trade and other receivables can be analysed as follows:

Neither past nor due	174,658	184,681
Past due but not impaired	81,429	59,953
Past due and impaired	19,354	37,470
	275,441	282,104

The ageing of amounts past due but not impaired is as follows:

30 days past due	81,429	59,953
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5. Net expenditure from future production

All revenue and expenditure relating to productions and projects in respect of which the majority of the performances have not been presented by 31 March 2017 is deferred to the following financial year to the extent that such expenses are considered recoverable from the future production revenue.

Expenditure paid for future productions	1,173,971	356,943
Total expenditure on future productions	1,173,971	356,943

6. Inventory

Consumables – cafeteria, restaurant and bars	349,936	226,708
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Notes to the Annual Financial Statement for the year ended 31 March 2017

7. Property, Plant and Equipment

	2017			2016		
	Cost	Accumulated Depreciation & Impairment	Carrying Value	Cost	Accumulated Depreciation & Impairment	Carrying Value
	R	R	R	R	R	R
Motor Vehicles	785,492	(785,479)	13	983,212	(983,198)	13
Equipment	20,747,731	(15,359,533)	5,388,198	16,060,651	(13,135,624)	2,925,027
Musical instruments	464,285	(453,348)	10,937	464,285	(445,075)	19,210
Furniture & Fittings	7,118,282	(4,581,701)	2,536,580	6,651,076	(4,140,153)	2,510,923
Computer Equipment	2,253,619	(1,666,133)	587,486	1,802,998	(1,489,658)	313,340
Capital Work in Progress	5,371,266	–	5,371,266	21,509,683	–	21,509,683
Improvement to leased property	176,494,483	(32,568,374)	143,926,110	143,150,803	(26,130,796)	117,020,006
Artworks	222,444	–	222,444	185,464	–	185,464
Total	213,457,603	(55,414,568)	158,043,035	190,808,172	(46,324,505)	144,483,667

Reconciliation of Property, Plant and Equipment – 2017

	Carrying Value Opening Balance	Additions	Disposals	Depreciation	Transfer in/out	Carrying Value Closing Balance
	R	R	R	R	R	R
Motor Vehicles	14	–	(1)	–	–	13
Equipment	2,925,027	4,728,609	(3)	(2,265,434)	–	5,388,198
Musical instruments	19,210	–	–	(8,273)	–	10,937
Furniture & Fittings	2,510,923	467,206	–	(441,549)	–	2,536,580
Computer Equipment	313,340	492,394	(3,244)	(215,003)	–	587,486
Capital Work in Progress	21,509,683	–	–	–	(16,138,416)	5,371,266
Improvement to leased property	117,020,006	17,205,265	–	(6,437,577)	16,138,416	143,926,110
Artworks	185,464	36,980	–	–	–	222,444
Total	144,483,667	22,930,453	(3,248)	(9,367,837)	–	158,043,035

Reconciliation of Property, Plant and Equipment – 2016

Motor Vehicles	14	–	–	–	–	14
Equipment	4,873,076	297,768	(108)	(2,245,709)	–	2,925,027
Musical instruments	27,483	–	–	(8,273)	–	19,210
Furniture & Fittings	2,958,184	–	(1,368)	(445,893)	–	2,510,923
Computer Equipment	353,197	163,150	(2,484)	(200,523)	–	313,340
Capital Work in Progress	1,503,340	20,006,343	–	–	–	21,509,683
Improvement to leased property	123,013,001	–	–	(5,992,995)	–	117,020,006
Artworks	185,464	–	–	–	–	185,464
Total	132,913,759	20,467,261	(3,960)	(8,893,393)	–	144,483,667

Notes to the Annual Financial Statement for the year ended 31 March 2017

8. Intangible Assets

Reconciliation of Carrying Value

	2017			2016		
	Cost	Accumulated Amortisation & Impairment	Carrying Value	Cost	Accumulated Amortisation & Impairment	Carrying Value
	R	R	R	R	R	R
Computer Software	1,040,632	(992,638)	47,995	986,178	(975,149)	11,029
Total	1,040,632	(992,638)	47,995	986,178	(975,149)	11,029

Reconciliation of Intangible Assets – 2017

	Carrying Value Opening Balance	Additions	Disposals	Amortisation	Impairment	Carrying Value Closing Balance
	R	R	R	R	R	R
Computer Software	11,029	54,455	–	(17,489)	–	47,995
Total	11,029	54,455	–	(17,489)	–	47,995

Reconciliation of Intangible Assets – 2016

Computer Software	16,235	7,260	(1)	(12,465)	–	11,029
Total	16,235	7,260	(1)	(12,465)	–	11,029

9. Trade and Other Payables from Exchange Transactions

	2017	2016
	R	R
Trade payables	3,241,943	6,260,551
Staff leave accrual	1,047,930	642,950
Payables to third parties	487,779	972,211
Total creditors	4,777,652	7,875,712

Notes to the Annual Financial Statement for the year ended 31 March 2017

10. Unspent government grants and receipts

	2017 R	2016 R
DEPARTMENT OF ARTS & CULTURE		
Capital works		
Carrying amount at beginning of year	25,322,517	46,023,053
Amount received for capital works	28,270,000	–
Amount utilised for capital works	(23,711,152)	(20,700,536)
Carrying amount at end of year	29,881,365	25,322,517
Incubator Programme		
Carrying amount at beginning of year	1,403,079	–
Amount received for incubator programme	1,408,000	1,600,000
Amount utilised for incubator programme	(1,486,899)	(196,921)
Carrying amount at end of year	1,324,180	1,403,079
Total carrying amount at end of year	31,205,545	26,725,596
PROVINCIAL DEPARTMENT OF THE WESTERN CAPE		
Carrying amount at beginning of year	–	–
Amount received for maintenance	190,000	178,080
Amount utilised for maintenance	(190,000)	(178,080)
Carrying amount at end of year	–	–
Carrying amount at beginning of year		105,988
Amount received for sponsored projects (EPWP)	407,869	425,047
Amount utilised for sponsored projects (EPWP)	(283,630)	(531,035)
Carrying amount at end of year	124,239	–
Total carrying amount of unspent government grants at end of year	31,329,785	26,725,596

In terms of GRAP 23 the unspent government grant will be recognised to the revenue as and when the conditions of the grant have been complied with. Refer to notes 26.

Notes to the Annual Financial Statement for the year ended 31 March 2017

11. Finance Lease Liability

	2017 R	2016 R
Total minimum lease payment	5,980	1,638
within one year	3,588	(1,638)
Within two to five years	2,392	–
Less the lease payment for the subscription	(4,180)	–
Present value of minimum lease payment	1,800	–
Present value if minimum lease payment due	1,800	–
Within one year	1,080	–
Within two to five years	720	–
Non-current liability	720	–
Current liability	1,080	–

The finance lease liability is in respect of cellular phone contracts and is classified as finance lease.

12. Post Retirement Medical Benefit

Provision is made for certain post retirement medical benefit by funding a portion of the medical contributions of eligible retired employees. Refer to note 24.

Gross carrying amount at beginning of year	2,044,000	1,801,000
Interest cost	164,000	122,000
Effect of Termination Benefit	–	237,000
Expected benefit payment	(373,000)	(252,000)
Actuarial (gain)/loss	(119,000)	136,000
Gross carrying amount at end of year	1,716,000	2,044,000
Accounted for as follows:		
Non-current liabilities	1,356,000	1,685,000
Current liabilities	360,000	359,000
	1,716,000	2,044,000
Movement of Post-retirement medical benefit liabilities		
Expected benefit payment	(373,000)	(252,000)
Interest cost	164,000	122,000
Actuarial loss/(gain)	(119,000)	373,000
Total actuarial loss/(gain)	(328,000)	243,000

Notes to the Annual Financial Statement for the year ended 31 March 2017

13. Other operating revenue

	2017 R	2016 R
Revenue from exchange transactions		
Venue rental	5,873,631	5,970,695
Manufacturing services	381,103	562,945
Marketing and advertising	63,441	168,275
Production revenue	3,018,597	2,676,271
Revenue – cafeteria, restaurant and bars	10,144,184	12,079,832
Other revenue	200,141	333,759
Total	19,681,098	21,791,776
Revenue from non-exchange transactions		
Sponsorship – General	392,350	251,005

14. Interest Earned – External Investments

Bank – Call account and Short term investments	2,358,157	3,117,175
Total	2,358,157	3,117,175

15. Employee cost

UIF contributions	176,648	164,515
Provident fund contributions	3,452,718	2,970,596
Medical aid contributions	2,311,230	2,153,424
Post retirement medical aid contribution	477,134	298,266
Overtime and shift allowances	1,481,519	1,613,341
Gross salaries, wages and other allowances	28,526,522	23,065,713
Provision for accumulated leaves	825,581	594,670
Total	37,251,352	30,860,526

Notes to the Annual Financial Statement for the year ended 31 March 2017

16. Repairs and Maintenance

	2017 R	2016 R
Repairs and Maintenance during the year	1,769,822	1,192,567
Total	1,769,822	1,192,567

17. Depreciation and Amortisation Expense

Property, plant and equipment	9,367,837	8,893,394
Intangible assets	17,489	12,465
Total	9,385,326	8,905,858

18. Other operating expense

Catering – cafeteria, restaurant and bars	10,840,151	12,987,775
Production expenses	12,180,416	9,746,425
Total	23,020,567	22,734,199

19. Administrative expenses

External auditor's remuneration	1,409,334	1,043,179
Internal auditor's remuneration	517,332	239,400
Bad debts reversed	(8,014)	(44,126)
Bank charges	105,436	94,562
Cleaning service	3,008,028	3,425,732
Consultancy fees	444,377	81,961
IT maintenance and support	609,098	536,574
Council and audit committee members' remuneration	103,840	89,202
Electricity and water	7,753,317	7,134,468
Insurance	181,944	177,553
Legal fee	27,360	–
Manufacturing consumables	14,006	18,186
Security services	3,536,270	4,218,921
Marketing and publicity	1,688,515	1,483,047
Operating leases	150,517	129,563
Office cost and telephone	953,813	1,006,084
Operating consumables	518,775	514,694
Other sundry expense	736,775	616,722
Staff related expense	644,166	654,503
Transport and travelling cost	2,299,171	1,974,625
Total	24,694,060	23,394,849

Notes to the Annual Financial Statement for the year ended 31 March 2017

20. Gain (Loss) on sale of assets

	2017	2016
	R	R
Property, plant and equipment	48,891	(3,960)
Total	48,891	(3,960)

21. Operating lease

The operating leases comprise rentals charged for the leases of telephone and photocopier equipment. The minimum operating lease commitments for these non-cancellable operating leases are:

Due with in one year	168,262	27,128
Due later than one year but not later than five year	58,675	–
	226,938	27,128

22. Cash flows from operating activities

Surplus/(deficit) for the year from:	8,346,297	12,521,569
Adjustment for :		
Gain/(loss) on sale of Property plant Equipment	(48,891)	3,960
Non-cash transactions	3,248	–
Depreciation and Amortisation	9,385,326	8,905,858
Investment income	(2,358,157)	(3,117,175)
Increase/(Decrease) in provision for post-retirement benefit obligation	(328,000)	243,000
	14,999,823	18,557,212
Operating surplus before working capital changes:		
(Increase)/decrease in inventories	(123,228)	33,902
(Increase)/decrease in future production expenditure	(817,028)	825,130
(Increase)/decrease in trade and other receivables	(677,579)	2,386,562
Increase/(decrease) in conditional grants and receipts	4,604,189	(19,438,444)
Increase/(decrease) in trade and other payables	(3,098,061)	3,873,063
	(111,707)	(12,319,786)
Investment income	2,358,157	3,117,175
Net cash flows from operating activities	17,246,274	9,354,600

Notes to the Annual Financial Statement for the year ended 31 March 2017

23. Remuneration**23.1 Emoluments of Non-Executive Management and Members of Accounting Authority/Committee**

Council Members:

Prof S Fikeni (Chairperson)	13,059	16,992
Mr N Muyanga (Deputy – Chairperson as from 1 December 2014)	6,084	4,560
Mr M Vulindlu (employed by City of Cape Town no fee payable)	–	–
Ms R Rorke Clarke	6,984	3,408
Dr M Jacobs	4,656	4,860
Princess C Dlamini	9,312	14,768
Ms L Meinert	5,529	4,050
	45,624	48,638

Audit and Risk Committee Members

Ms R Benjamin-Swales (Chairperson)	16,582	16,212
Adv. J Kruger (resigned January 2017)	–	3,444
Princess C Dlamini	8,825	6,888
Dr M Jacobs	7,060	6,888
Mr M Vulindlu (employed by City of Cape Town – no fee payable)	–	–
T Sishuba (as from 19 Feb 2017)	–	–
	32,467	33,432

Human Resources Committee Members

Mr M Vulindlu (Chairperson)(employed by City of Cape Town – no fee payable)		
Dr M Jacobs	2,619	810
Ms L Meinert	3,492	3,240
Ms R Rorke Clarke	4,656	3,082
	10,767	7,132

Spatial Infrastructure Committee members

Mr N Muyanga (Chairperson)	2,952	–
Prof S Fikeni	2,902	–
Dr M Jacobs	2,619	–
N Khan (non Board member) – member of committee since June 2016	1,746	–
T Tavenga (non Board member) – member of committee since June 2016	–	–
	10,219	–

Social, Ethics and Transformation Committee: (since November 2016)

Princess C Dlamini (Chairperson)	1,164	–
Prof S Fikeni	1,451	–
Mr N Muyanga	984	–
Ms R Rorke Clarke	1,164	–
	4,763	–

Total emoluments of Council and Committees

103,840	89,202
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Notes to the Annual Financial Statement for the year ended 31 March 2017

23.2 Emoluments of executive directors

	Basic salary and allowances	Social Contributions	2017 Total	2016 Total
Ms M Le Roux (CEO)	1,286,395	305,266	1,591,661	1,635,268
Mr P Lourens (CFO until 31 Oct 2015)	–	–	–	1,351,641
Mr P Pedlar (CFO from 1 April 2016)	1,237,390	246,610	1,484,000	–
Mr M Golding (Director : Operations from 1 January 2017)	259,927	44,562	304,489	–
Ms T Ntshinga (Interim Director: InclusiveArts)	891,260		891,260	–
	2,388,577	291,172	4,271,410	2,986,909

24. Employee Benefit

Provision for staff accumulated leave	1,047,930	642,950
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Provident fund contributions

The defined contribution Provident Fund, which covers 89 employees (2016: 83) at year-end, employer and employee contributions in the current year amounted to R3 452 718 (2016: R4 297 930).

Post retirement medical benefit

Artscape operates a post-retirement benefit scheme for eligible retired employees. The liability raised is in respect of the 6 (2016: 7) qualifying employees. The cost of this is recognised, as determined by independent actuaries, over the estimated service lives of the employees concerned. The most recent valuation of this liability was 31 March 2017.

Trend Information

The trend information as required by GRAP 25 for the previous 5 years, determined by the independent actuaries is:

	R' Million				
	March 17	March 16	March 15	March 14	March 13
Present value of obligations	1,716	2,044	1,801	1,274	1,676
Fair value of plan assets	–	–	–	–	–
Present value of obligations in excess of plan assets	1,716	2,044	1,801	1,274	1,676
Experience adjustments					
(Actuarial gain/(loss) before changes in assumptions)					
In respect of present value of obligations	0.119	(0.136)	(0.573)	0.288	(0.169)
In respect of fair value of plan assets	–	–	–	–	–

Notes to the Annual Financial Statement for the year ended 31 March 2017

Valuation method and main assumptions

The actuarial valuation method used by the actuaries to value the liabilities is the Projected Unit Credit Method prescribed by GRAP 25. Future benefits valued are projected using specific actuarial assumptions and the liability for in-service

member is accrued over expected working lifetime. Any plan assets are valued at current market value as required by GRAP 25. In order to undertake the valuation, it is necessary to make a number of assumptions.

The most significant assumptions used for the current and previous valuations were a discount rate of 8.23% (2016: 8,9%) and health care cost inflation of 7,86% (2016: 8,7%).

Sensitivity Results

The results of the valuation are extremely sensitive to the assumptions used.

The valuation results set out above are based on a number of assumptions. The value of the liability could turn out to be overstated or understated, depending on the extent to which actual experience differs from the assumptions adopted. The liability was recalculated to show the effect of:

A one percentage point decrease or increase in the rate of health care cost inflation; A one percentage point decrease or increase in the discount rate.

	Health Care Cost Inflation		
	Central Assumption 7,86%	-1%	1%
Accrued contributions liability as at 31 March 2017 (R' Million)			
% Change	1716	1,790	1,647
Current service cost + Interest cost 2016/17 (R' Million)			
% Change	0.125	0.131	0.119
	Discount rate		
	Central Assumption 8,23%	-1%	1%
Sensitivity results from previous valuation			
Accrued contributions liability as at 31 March 2017 (R' Million)			
% Change	1716	1,645	1,794
Current service cost + Interest cost 2016/17 (R' Million)			
% Change	0.125	0.134	0.115

Notes to the Annual Financial Statement for the year ended 31 March 2017

25. Financial Instruments and Risk Management

25.1 Financial instruments

Financial instruments carried on the statement of financial position are classified as financial assets and as financial liabilities in terms of GRAP 104 and consist of trade and other receivables, cash and cash equivalents and trade and other payables.

In accordance with GRAP104.45 the financial liabilities and assets of Artscape are classified as follows:

Financial Assets carried at amortised cost		
Cash and cash equivalents	35,459,750	41,149,331
Trade and other receivables (excluding prepayment)	928,632	279,624
	36,388,382	41,428,955
Financial Liabilities carried at amortised cost		
Trade and other payables	4,777,652	7,875,712
Finance lease liabilities	1,800	1,638
	4,779,452	7,877,350

25.2 Fair Value

At 31 March 2017 and 31 March 2016 the carrying values of financial instruments reported in the financial statements approximate their fair value.

25.3 Credit Risk

Cash and cash equivalents

Credit risk is mitigated by the fact that Artscape only deposits cash surpluses with major banks of high credit standing. The maximum exposure to credit risk at the reporting date is the bank balances as disclosed in the Statement of Financial Performance . The table below shows the credit rating and balances of the banks used by Artscape.

	Rating	2017	2016
Nedbank Limited	AA1	35,432,132	41,123,618
ABSA Bank Limited	AA1	0	806

Trade and Other Receivables

Credit risk is mitigated through management's assessment of the credit quality of debtors, taking into account their financial position, payment history, their production track record and the perceived perception of the quality of the production prior to it being staged. Each production is assessed individually and the agreement is negotiated and assessed in consultation with and the respective producer or promoter. Without classifying debtors differently, the assessment is done to ensure a fair practice an equitable agreement for all users of the same space whilst ensuring the presentation of excellent and varied products, meeting audience expectations and public demand. No collateral is held for any debtor.

The maximum exposure to credit risk at the reporting date is the fair value of trade and other receivables as disclosed in note 4. Five debtors that constitute 55% of the trade receivables balance have a favourable payment history. The recoverability of amounts due by the professional arts companies associated with Artscape is dependent on the continued public and private funding for these arts companies which is needed to continue their operations. Management is of the opinion that these debts are fully recoverable.

Notes to the Annual Financial Statement for the year ended 31 March 2017

25.3 Liquidity Risk

Artscape manages liquidity risk by monitoring its cash flow requirements. Council is of the opinion that the net carrying value of the liabilities approximate their fair value and that Artscape has sufficient resources to settle its short term liabilities.

The table below analyses Artscape's financial liabilities into maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

Maturity analysis

2017	Less than 12 months	Over 12 months
Trade payables	3,241,943	
leave accruals	1,047,930	
Other payables	487,779	
Finance lease liabilities	1,080	720

Maturity analysis

2016	Less than 12 months	Over 12 months
Trade payables	6,260,549	
leave accruals	642,950	
Other payables	972,211	
Finance lease liabilities	1,638	

The deferred government grant revenue is not a financial liability as it is similar to revenue received in advance, and has been excluded from the maturity analysis. It will only become a financial liability if it becomes re-payable.

26. Related Parties

26.1 Department of Arts & Culture

The National Department of Arts & Culture (DAC) has ownership control over Artscape. DAC provides Artscape with an operational grant, additional funding for essential maintenance and funding for special projects and events.

All public entities under the control of DAC are related parties. Except for the transaction with the DAC public entities listed below, Artscape had no transactions with any of the other entities.

Details of the transactions between DAC and Artscape are as follows:

Revenue received

Operational grant	55,904,000	53,090,000
Capital works grant	28,270,000	–
Incubator programme	1,408,000	1,600,000
Total revenue received for the year	85,582,000	54,690,000
Amount deferred as balance as at year end	31,329,785	26,725,596

The deferred government grant will be fully utilised during the 2017/2018 and 2018/2019 financial year as part of the new tender to be awarded for the ongoing space optimization projects.

Notes to the Annual Financial Statement for the year ended 31 March 2017

26.2 Provincial Government of the Western Cape

	2017	2016
	R	R
The Provincial Government of the Western Cape (PGWC) owns the Artscape Theatre Centre. No rental for the use of the premises is being charged to Artscape. PGWC is responsible for the structural maintenance of the building and the maintenance of stages.		
Details of the transactions between Artscape and PGWC are as follows:		
Revenue received		
Annual maintenance	190,000	178,080
Contribution to EPWP internship programme – 2016/17	407,869	425,048
Total revenue received for the year	597,869	603,128
Amount deferred as balance as at year end	124,239	–

The management of Artscape are those responsible for planning, directing and controlling the activities of Artscape. As a result, the board members and directors are related parties to Artscape. Their remunerations are disclosed under notes 23.

27. Irregular Expenditure

Reconciliation of irregular expenditure		
Opening balance -	2,759,735	2,383,145
Add: Irregular expenditure - due to the overspending on the budget	8,207,801	2,759,735
Add: Irregular expenditure	955,193	5,709,904
Less: Condoned or written off by relevant authority	–	(8,093,049)
Irregular expenditure awaiting condonement	11,922,729	2,759,735

Analysis of current year irregular expenditure:

The irregular expenditure of R 8 207 801 (R 2 759 735 for 2015/2016 financial year) was a result of the overspending on the budget although Artscape has a net surplus for the year.

28. Commitments

At the financial performance date Artscape had outstanding commitments in respect of orders placed for goods and services but not yet received or rendered. These commitments are in respect of:

Goods and services	17,464,176	574,722
Capital expenditure	2,652,698	12,798,880
	20,116,874	13,373,602

Notes to the Annual Financial Statement for the year ended 31 March 2017

29. Segment Reporting

It is the view of management that the programmes of the Artscape are not segments in terms of the definition in GRAP 18 and therefore segment reporting is not required. Management's considerations whether segments exist are the following: GRAP 18, paragraph 5 defines a segment as follows: "A segment is an activity of an entity:

- (a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- (b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- (c) for which separate financial information is available."

Taking the Artscape's programmes into consideration and the types of internal management reports as well as the annual financial statements, the following can be deduced when assessed against the definition of segment reporting:

Administration Programmes are support functions to the entity for the generate economic benefits and Business development programmes cannot generate economic benefit alone and they can not been seen as segments. Public Engagement Programmes on the other hand does not generate economic benefits. All reporting is done on an aggregated economic reporting level.

Programmes are based on the Artscape's functional activities with support service departments bearing the cost of a general nature. Accordingly data is not analysed for allocation to individual departments.

30. Events after the reporting date

No adjusting events have occurred after the reporting date.

31. Public Finance Management Act 1999 (Act No 1 Of 1999)

Section 55 (2)

No material losses through criminal conduct or fruitless or wasteful expenditure were incurred during the year. Irregular expenditure has been disclosed in note 27.

Section 54 (2)

In terms of the PFMA and Treasury Regulation 28.1.5 the Council has developed and agreed to a framework of acceptable levels of materiality and significance.

Notes to the Annual Financial Statement for the year ended 31 March 2017

32. Prior year re-classification

The following expenses have been re-classified to provide better useful information to the user of the annual financial statements (AFS). However, there is no impact to total expenditure and total surplus for the year presented in the statement of financial performance. Presented below are those items contained in the statement of financial performance and notes that have been affected by the prior-year reclassification.

			2017 R	2016 R
Statement of financial performance	notes	As previous reported	Reclassification	Restated
Expense				
Employee related costs		29,967,590	892,936	30,860,526
Staff leave provision	14	–	594,670	594,670
Pensioner medical aid contribution	14	–	298,266	298,266
Administrative expenses		38,173,820	-14,778,971	23,394,849
Staff related cost	18	1,249,173	(594,670)	654,503
Repairs and Maintenance	15	1,192,567	(1,192,567)	–
Catering – cafeteria, restaurant and bars	17	12,987,774	(12,987,774)	–
Gain/(Loss) on sale of assets	19	3,960	(3,960)	–
Repairs and Maintenance	15	–	1,192,567	1,192,567
Provision for post retirement medical benefit	11	541,266	(298,266)	243,000
Production expense	17	9,746,425	(9,746,425)	–
Other operating expenses	17	–	22,734,199	22,734,199
Catering – cafeteria, restaurant and bars		–	12,987,774	12,987,774
Production expenses		–	9,746,425	9,746,425
Gain/(Loss) on sale of assets	19	–	3,960	3,960
Net impact		78,429,101	–	78,429,101

The following irregular expenditure of R2 759 735 respect to the overspending on the approved prior year budget has been disclosed as the irregular expenditure for 2015/2016 financial year although Artscape has gained surplus for the prior year.

Notes 27 Irregular expenditure

	As previous reported	Correction	Restated
Irregular expenditure – due to the overspending on the budget	–	2,759,735	2,759,735
Irregular expenditure awaiting condonement	–	2,759,735	2,759,735



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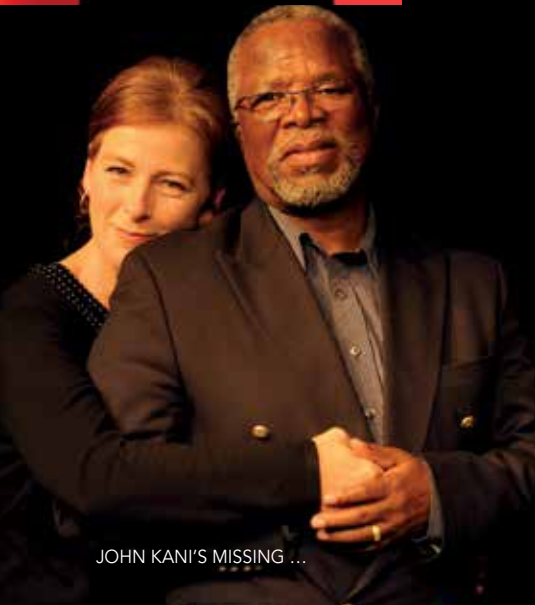
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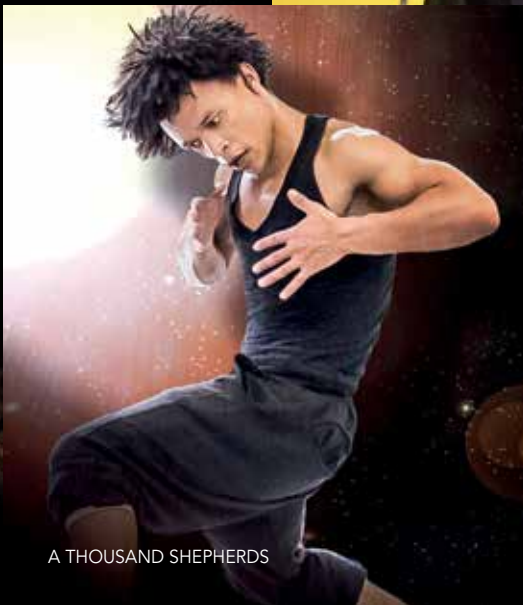
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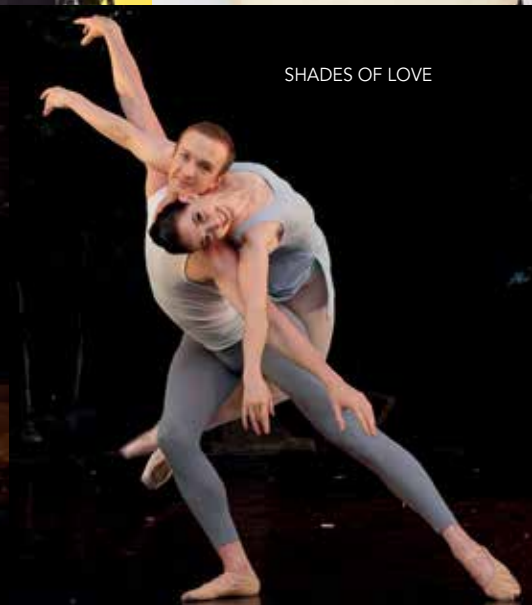
BENJAMIN KALALA



JOHN KANI'S MISSING ...



A THOUSAND SHEPHERDS



SHADES OF LOVE



CHASING SHADOWS



NOTHING BUT THE TRUTH

ARTSCAPE



an agency of the
Department of Arts and Culture

REGISTERED OFFICE

ARTSCAPE Theatre Centre
DF Malan Street, Cape Town 8001
P.O. Box 4107 Cape Town 8000

Artscape

Switchboard: 021 410 9800

Fax: 021 421 5448

Email: artscape@artscape.co.za

Website: www.artscape.co.za



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