



ANNUAL REPORT 2024/2025

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PART A

GENERAL INFORMATION





1 PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	Media Development and Diversity Agency
REGISTRATION NUMBER:	PE63
PHYSICAL ADDRESS:	GSM Building, SABC Auckland Park Campus, 26 Canary St, Auckland Park, 2006
POSTAL ADDRESS:	P.O. Box 42846 Fordsburg Johannesburg South Africa 2033
TELEPHONE NUMBER/S:	Tel: +27 (0)11 643 1100
EMAIL ADDRESS:	info@mdda.org.za
WEBSITE ADDRESS:	https://www.mdda.org.za
EXTERNAL AUDITORS:	Auditor-General South Africa
BANKERS:	Absa Bank South African Reserve Bank
SECRETARY:	Terrance Mbangwa

2 LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
AI	Artificial Intelligence
ARC	Audit and Risk Committee
BBBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSBS	Community Sound Broadcasting Service
CSCM	Community and Small Commercial Media
DoC	Department of Communications
EDF	Economic Development Fund
EHWP	Employee Health and Wellness Programme
FPB	Film and Publications Board
GCIS	Government Communications Information Systems
GRAP	Generally Recognised Accounting Practice
ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technology
IEC	Electoral Commission of South Africa
IPM	Institute of People Management
ITP-R	Invitation to Pre-Register
MDDA	Media Development and Diversity Agency
MDPMI	Media and Digital Platforms Market Inquiry
MEC	Member of the Executive Council
MICT SETA	The Media, Information, and Communication Technologies
MMA	Media Monitoring Africa
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NEMISA	National Electronic Media Institute of South Africa
NPO	Non-profit organisations
OD	Organisational Design
PFMA	Public Finance Management Act No.1 of 1999
RFS	Radio Frequency Spectrum
SANEF	South African National Editors' Forum
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SMMEs	Small, Medium, and Micro Enterprises
TR	Treasury Regulations
UNESCO	United Nations Educational, Scientific and Cultural Organisation

FOREWORD BY THE MINISTER IN THE PRESIDENCY



Ms Khumbudzo Ntshavheni, MP
Minister in the Presidency

In an era that the media sector continues to face existential threat due to the rapid growth of digital media, the Media Development and Diversity Agency, (MDDA), must be agile and resourceful towards the fulfilment of its mandate. It is my honour to present the Annual Report of the MDDA for the 2024–2025 financial year. This report underscores our unwavering commitment to building a vibrant, inclusive, and sustainable community and small commercial media landscape in South Africa in the digital era.

Despite the MDDA having invested more than 20 years into community media development initiatives, research indicates that merely 7% of respondents in the sector perceive their organizations as sustainable, with 74% identifying as partially sustainable. Community radio outperformed community television, as well as community and small commercial print, in terms of sustainability. Significant challenges faced by the sector include funding limitations, a shortage of skilled personnel, restricted access to advertising, and insufficient infrastructure.

The launch of the Community Media Sustainability Report in October 2024 marked a significant milestone in our journey to build resilient media institutions. The Community Media Sustainability Report outlines the challenges faced by community media and proposes innovative solutions to ensure their long-term viability. Most importantly, it is essential for the government, private sector, civil society, and development partners to work together to enhance the sustainability of the sector.

In line with the MDDA's mandate, we must future-proof community media to ensure it keeps pace with digital transformation while preserving its unique identity and social mission. Achieving this requires a forward-looking

funding strategy that prioritises digitisation, skills development, and infrastructure investment as central pillars of support for the sector.

We have intensified efforts to channel resources towards community and small commercial media, recognising the sector's essential role in advancing local democracy, preserving cultural heritage, and fostering public participation. Through targeted grant funding and strategic partnerships, the MDDA has supported a number of community radio, community TV and print projects, by providing financial and capacity-building initiatives to empower them to thrive in an increasingly competitive media environment.

The MDDA continues to play a pivotal role in the digitalisation of the community media sector, ensuring that even the most remote communities are not left behind in the digital revolution. In the year under review, the MDDA unveiled state-of-the-art broadcast studios at several community radio stations, including Mmabatho FM and Mahikeng FM in North West and Kanyamazane FM in Mpumalanga, equipping them with cutting-edge technology to expand audience reach and enhance content and sound quality.

At the heart of these achievements is the MDDA's commitment to building a capable, service-oriented institution. Under the leadership of the Board led by the Chairperson, Professor Hlengani Mathebula, and the management team, the Agency has strengthened its governance, streamlined operations, and reaffirmed its dedication to transparency and impact-driven service delivery.

As we celebrated 20 years of the MDDA's existence, we recommitted the MDDA to the vision of a media sector that reflects the full diversity of South African voices. Let us continue to support and empower the MDDA in its mission to democratise media access and foster inclusive development.

A handwritten signature in black ink, reading 'K Ntshavheni'. The signature is fluid and cursive, with a horizontal line underneath it.

Ms Khumbudzo Ntshavheni, MP
Minister in the Presidency

FOREWORD BY THE DEPUTY MINISTER IN THE PRESIDENCY

Mr Kenny Morolong, MP
Deputy Minister in the Presidency

The 2024/2025 Annual Report of the Media Development and Diversity Agency (MDDA) captures a year of bold innovation, strategic growth, and deepened community impact. It reflects the MDDA's enduring commitment to transforming South Africa's media landscape.

Digitalisation is no longer a future goal, it is our present reality. The MDDA has taken bold steps to equip community media outlet with digital tools and training.

The Agency has renewed its focus on channeling resources to community media and has expanded its grant funding programmes and technical support. These efforts are not only about financial assistance, they are about building capacity, fostering innovation, and enabling communities to tell their own stories.

The MDDA's Community Media Sustainability Report provides a clear roadmap in ensuring the long-term viability of community media. It highlights the importance of collaborative models, diversified revenue streams, and ongoing training to build resilient institutions.

As government, we affirm the vital importance of this work. The MDDA is our vehicle to ensure that community media is empowered to play its role in reflecting the realities of communities in the country from the most rural to the most urbanised. Through the MDDA we are building an equitable, inclusive media landscape in South Africa, one in which no community is voiceless, and no language is marginalised.

We emphasise that without accessible media, especially in our home languages, we cannot expect an informed citizenry, inclusive growth, or genuine accountability. It is through local broadcasters and print media that people come to know

their rights, engage with their leaders, and connect with their heritage.

With a revitalised leadership team and a sharpened strategic focus, the Agency is better positioned than ever to deliver on its mandate and respond to the evolving needs of the sector.

As we mark two decades of the MDDA's impact, we celebrate the progress made and look forward to a future where every South African has access to diverse, empowering media at a local level.

Let us continue to champion the MDDA's work and support its mission to build a truly inclusive media ecosystem.

A handwritten signature in black ink, appearing to be 'K Morolong', written over a horizontal line.

Mr Kenny Morolong, MP
Deputy Minister in the Presidency

3 FOREWORD BY THE CHAIRPERSON



Prof. Hlengani Mathebula
MDDA Chairperson of the Board

It is my honour to present the Annual Report for the period 1 April 2024 to 31 March 2025. This has been a year marked by both strategic innovation and a steadfast commitment to our mandate of promoting media diversity and ensuring universal access to information. Our journey during this reporting period has demonstrated that, despite an evolving and at times challenging socio-economic landscape, community and small commercial media remain critical pillars of South Africa's democratic communication system.

During the year under review, the MDDA pursued a strategic agenda anchored in sustainability, transformation, and innovation within the community media sector. A notable achievement was the launch of the Community Media Sustainability Model, an evidence-based framework designed to address persistent sectoral challenges, from resource scarcity to skills development gaps, while unlocking pathways to long-term viability. Our research, aligned with UNESCO's Media Viability Indicators, has provided the sector with fresh insights and actionable strategies.

The Board has also overseen significant progress on the Economic Development Fund (EDF) project, an important intervention arising from the Competition Commission's findings on unfair advertising practices that have historically disadvantaged community and small commercial media. The EDF represents a critical step towards correcting these imbalances by channelling resources more equitably and sustainably. The project is now in its final stages, and we look forward to launching the report in the coming financial year. We are confident that it will offer a roadmap for strengthening sector resilience and ensuring fairer access to advertising revenue.

Our successes this year were strengthened through partnerships with a wide range of stakeholders, including the Competition Commission, sector bodies, institutions of higher learning, and regulatory bodies such as ICASA and Sentech. These collaborations enabled the MDDA to deliver not only

financial support but also training, governance capacity-building, and research outputs that will serve as a reference point for years to come.

Our partnership with the Government Communication and Information System (GCIS) also remains a cornerstone of our work. Through this strategic relationship, we can align our advocacy and sector support initiatives with broader government communication priorities. This will ensure that community and small commercial media have a voice in the national information landscape.

While significant progress has been made, the Board has navigated persistent challenges, most notably the fragility of the financial base for many community media outlets, the rapid pace of technological change, and the continuing need to address skills gaps and governance issues. Additionally, the sector has been affected by the rising cost of broadcasting, print production, and digital migration requirements. These realities have reinforced our view that structural support mechanisms must be institutionalised to protect the gains made in media diversity over the past two decades.

Looking ahead, the Board's strategic focus will centre on implementing and refining the Community Media Sustainability Model. It will also expand access to training and technology, and advocating for long-term funding solutions to safeguard the sector's role in a healthy democracy. We aim to position the MDDA as a thought leader and convener that facilitates innovation, sector-wide collaboration, and policy development.

I wish to express my gratitude to my fellow Board members for their dedication and wisdom during this reporting period, and to the Chief Executive Officer, Executive Management, and staff of the MDDA for their unwavering professionalism and service. We also acknowledge the community and small commercial media outlets across the country who, often under difficult conditions, continue to tell the stories of their communities with courage and integrity.

As we reflect on the year under review, it is clear that the MDDA's mandate is as relevant as ever. The challenges we face are significant, but so too are the opportunities. With strategic clarity, strong partnerships, and a shared commitment to media diversity, we are confident that we will continue to empower communities, amplify diverse voices, and strengthen our democratic discourse.

Prof. Hlengani Mathebula
MDDA Chairperson of the Board

4 CHIEF EXECUTIVE OFFICER'S OVERVIEW



Shoeshoe Qhu

Chief Executive Officer | MDDA

It is my privilege to present this Annual Report for the 2024/25 financial year, which details the work of the Media Development and Diversity Agency (MDDA) in fulfilling its critical mandate within South Africa's media landscape. Our core commitment remains the promotion of development and diversity across the media sector. At the heart of our work, we are dedicated to enabling historically disadvantaged groups, marginalised languages and cultural communities, and underserved areas to access ownership, control, and participation in media platforms.

A pluralistic media environment is fundamental to a vibrant democracy. It ensures that all South Africans can access information that empowers them to participate meaningfully in society, enables social cohesion, and stimulates economic opportunities through employment and skills transfer.

Over the past year, the MDDA continued to build on its foundational work despite many persistent challenges in the sector. These include the sector's heavy reliance on advertising revenue, which remains concentrated and often inaccessible to smaller community and commercial media outlets; a lack of widespread understanding of community media's unique value; regulatory compliance challenges; governance and management capacity gaps; and constrained financial sustainability, exacerbated by limited consumer power in some communities.

I am pleased to report that the MDDA achieved an unqualified audit opinion with no material findings for 2024/25 financial year. This significant milestone and improvement over previous years reflects strengthened internal controls, improved governance processes, and enhanced accountability across the Agency. We remain committed to maintaining and building on this performance as it is a critical foundation for stakeholder confidence and sector support.

Our strategic focus remains aligned with the National Development Plan and broader government priorities aimed at promoting social inclusion, economic transformation, and a united South Africa. We have intensified our efforts to build sustainable partnerships with government entities, regulatory bodies, sector stakeholders, and the private sector. These collaborations are vital for mobilising resources, shaping enabling policy environments, and extending the reach and impact of community media.

We are advancing targeted interventions to support sector capacity, including governance and management training, editorial skills development, and facilitating digital transformation through infrastructure upgrades and technological support. Our commitment to nurturing strong, professional leadership and editorial integrity within community media is unwavering, as these qualities underpin both sustainability and credibility.

The MDDA recognises the critical role community media plays in amplifying marginalised voices. It further intensifies its support for inclusive content development and participation. We view community media as active agents of social change—platforms that promote human rights, advocate against gender-based violence, and advance democratic participation at the grassroots level.

During the year under review, the Agency continued to advocate for policy and legislative reforms that will enhance the regulatory environment for community media. These reforms aim to create a more enabling framework that supports sector growth, particularly around frequency licensing, advertising access, and pathways for sector graduation. Such reforms are crucial in addressing historic barriers and creating a more level playing field within the broader media ecosystem.

The MDDA has made significant strides in addressing the structural imbalance in advertising spend through the development of an Economic Development Fund. This fund increased financial support to community and small commercial media, directly responding to findings from key sector investigations into unfair advertising practices and seeking to catalyse greater financial sustainability for the sector.

Over the past year, the MDDA also played a pivotal role in supporting the democratic process during South Africa's local government elections. We intensified our efforts to ensure that community broadcasters and publishers were equipped to deliver timely, accurate, and relevant electoral information to their constituencies. We recognise the essential contribution of community media in facilitating informed participation.

This included targeted funding, training, and capacity building focused on election coverage, voter education, and combating misinformation. Our partnership with various electoral bodies and sector stakeholders enabled the rollout of coordinated communication strategies that promoted transparency, voter engagement, and social cohesion in often marginalised communities.

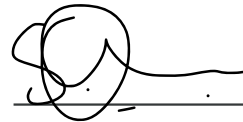
These efforts underscore the vital role community media play in strengthening our democracy by connecting citizens with the electoral process at a grassroots level, empowering voters with the knowledge they need to make informed choices. The experience gained and lessons learned during the local elections have further informed the MDDA's approach to capacity building, content development, and sector advocacy. We remain committed to deepening this engagement in future electoral cycles, ensuring that community media continue to serve as trusted platforms for civic education, democratic participation, and social accountability.

The success of the MDDA would not be possible without the dedication and professionalism of our employees, who are central to every aspect of our work. Their commitment, expertise, and passion are our greatest asset, and their active engagement continues to inspire progress.

As we look ahead to the coming year, our focus remains firmly on driving sector sustainability through innovative partnerships, enhanced governance, capacity building, and strategic advocacy. We will continue to champion community media's indispensable role in South Africa's democratic project ensuring that the diversity of voices within our nation is nurtured and sustained for generations to come.

In closing, I express my sincere gratitude to the Minister in the Presidency, Hon. Khumbudzo Ntshavheni, Deputy Minister in the Presidency, Hon. Kenny Morolong, the MDDA Board, Executive Management, and staff at the Agency, our government partners, sector stakeholders, and the community media practitioners who courageously serve their communities under challenging conditions.

Together, we remain committed to realising a media landscape that truly reflects the richness, diversity, and dynamism of South Africa.



Shoeshoe Qhu
Chief Executive Officer
MDDA



5 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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 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 G) have been prepared in accordance with the GRAP 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. It has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully



Shoeshoe Qhu
Chief Executive Officer
Date: 29 August 2025



Chairperson of the Board
Prof Hlengani Mathebula
Date: 29 August 2025

6 STRATEGIC OVERVIEW

6.1. Vision

Accessible, developmental, diversified, and sustainable community and small commercial media.

6.2. Mission

To support the development of a vibrant, innovative, sustainable, and people-centred community and small commercial media sector through resourcing, critical sector insights, capacity-building and ensuring inclusive participation of historically disadvantaged communities.

6.3. Values

The guiding principles that inform our organisation's culture and leadership and management style are embedded in the African ethos of Ubuntu/Botho. We are developmental in our orientation and character and a responsive, accountable, and empathetic organisation. This spirit is embedded in the following values that sustain us.

	VALUE	WHAT THAT MEANS IN PRACTICE
1	Integrity	We are honest, trustworthy, transparent, reliable, fair, accountable, and responsible for our actions.
2	Caring	We care for our people, our customers, our communities, industry stakeholders and the environment.
3	Excellence	We strive to achieve the best possible results in everything we do. We are efficient, effective, service delivery orientated, punctual, performance-driven and work collectively.
4	Commitment	We are passionate, go the extra mile, responsive, have a strong work ethic, are consistent and accessible.
5	Innovative	Future forward, thought leadership, open, dynamic, moving with the times, receptive to new ideas.

7 LEGISLATIVE AND OTHER MANDATES

CONSTITUTIONAL MANDATE

Section 32:

Everyone has a right to access to information.

Section 15 (1)

Everyone has the right to freedom of conscience, religion, thought, belief and opinion.

Languages – Section 6 (1)(2)

(2) Recognising the historically diminished use and status of the indigenous languages of our people, the state must take practical and positive measures to elevate the status and advance the use of these languages.

Freedom of Expression – Section 16 (1) (a)(b)

(1) Everyone has the right to freedom of expression, which includes-

(a) freedom of the press and other media.

LEGISLATIVE MANDATE

The Media Development and Diversity Agency (MDDA)'s mandate is to:

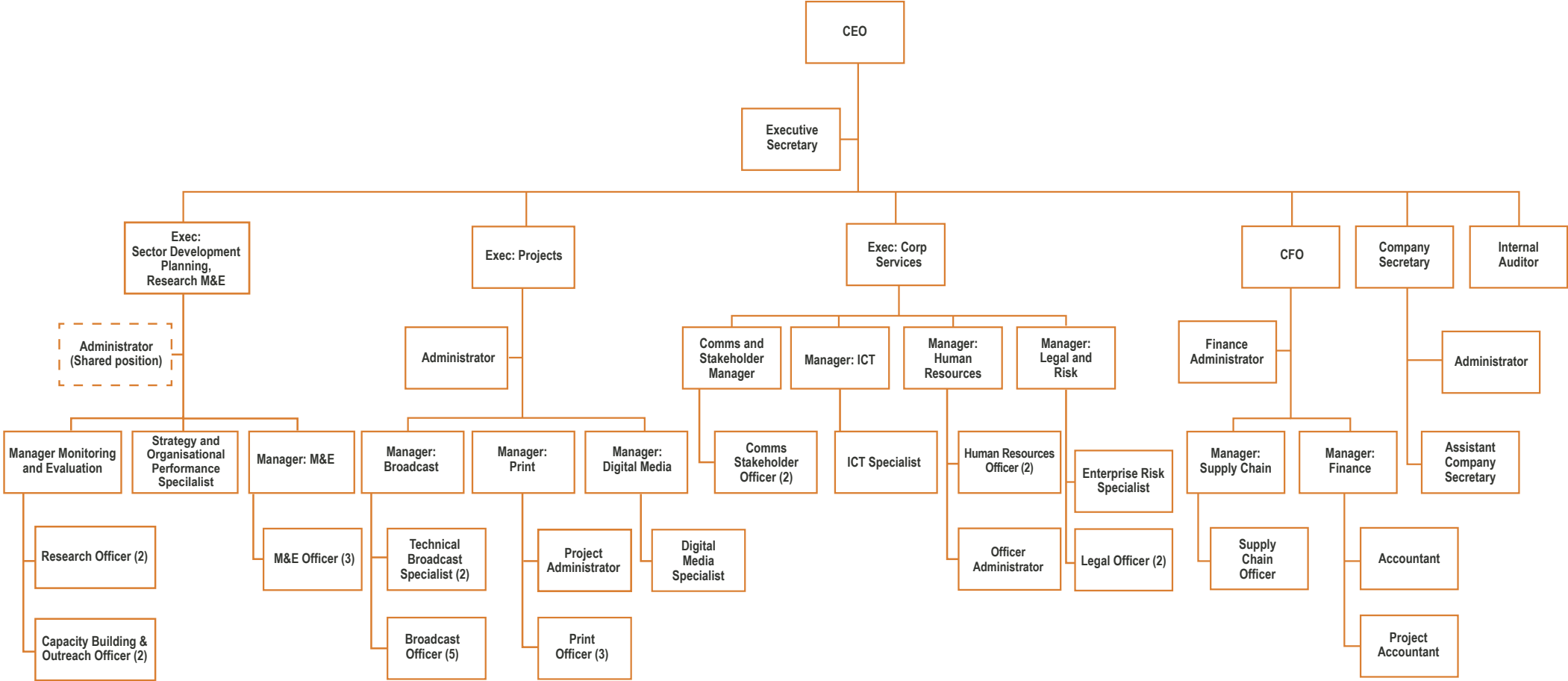
- Create an enabling environment for media development and diversity that reflects the needs and aspirations of all South Africans.
- Redress exclusion and marginalisation of disadvantaged communities and persons from access to the media and the media industry.
- Promote media development and diversity by providing support primarily to CSCM projects.
- Encourage ownership and control of, and access to, media by historically disadvantaged communities as well as by historically diminished indigenous language and cultural groups.
- Encourage the development of human resources and training, and capacity building, within the media industry, especially among historically disadvantaged groups.
- Encourage the channelling of resources to the community media and small commercial media sectors.
- Raise public awareness regarding media development and diversity issues.

The key concepts in the agency's mandate that makes up its name are defined in the Act as follows:

- **Media** – means all forms of mass communication, including print, publications, radio, television and new electronic platforms for delivering content.
- **Development** – means the development of media and infrastructure so that historically disadvantaged communities and persons have access to media as owners, managers, producers, and consumers of media.
- **Diversity** – regarding media, means access to the widest range of sources and information, as well as equitable representation within the media in general.
- **Agency** – media development and diversity agency established by section 2 of the Act.



8 ORGANISATIONAL STRUCTURE



MDDA BOARD OF DIRECTORS



Prof. Hlengani Mathebula
Chairperson



Mr Thembelani Mpakati



Mr Qondile Khedama



Mr Philly Moliwa



Ms. Jayshree Pather



Mr Collin Mashile

EXECUTIVES



Ms Shoeshoe Qhu
Chief Executive Officer



Ms Tintswalo Baadjie
Chief Financial Officer



Mr Mzuvukile Kashe
Executive Manager:
Projects



Noxolo Bhangaza
Executive Secretary

OFFICE OF THE CEO

FINANCE



Simphiwe Mthembu
Finance Manager



Possel Mabilo
Accountant



Mokgaetji Mashao
Project Accountant



Mojaki Mohibidu
Supply Chain Officer



Kholofelo Kekana
Finance Administrator

LEGAL AND RISK

ICT



Dawid Moreroa
Legal and Risk Manager



Remofilwe Mandindi
Legal Officer



Elenkie Matsimela
Legal Officer



Motsamai Tsotetsi
ICT Manager



Phathutshedzo Nyelisani
Systems Administrator

COMPANY SECRETARY (COSEC)

HUMAN RESOURCES (HR)



Terrance Mbangwa
Assistant Company
Secretary



Chwaro Koosentse
Administrative
Assistant



Winny Kubheka
Human Resources
Manager



Lindokuhle Nkosi
Human Resources
Officer



Yesani Maseko
Receptionist and
HR Administrator

SECTOR DEVELOPMENT AND RESEARCH



Lethabo Dibetso
Outreach and
Sector Development Manager



Thembelihle Sibeko
Monitoring and
Evaluation Manager



Khanyisa Mahlawule
Research Specialist



Nompumelelo Maduna
Monitoring and Evaluation
Officer



Gugulethu Bonnet
Monitoring and
Evaluation Officer



Thebeetsile Letsapa
Monitoring and
Evaluation Officer



Desiree Lebaea
Capacity Building &
Outreach officer



**Phathutshedzo
Netshifhefhe**
Strategy and Organisational
Performance Specialist



**Phathutshedzo
Rasilingwani**
Research Assistant



Mischka Lewis
Research Assistant



Qhamani Mnweba
Research Assistant



Sedirola Sithole
Research and Sector
Development Administrator

COMMUNITY PRINT AND DIGITAL PROJECTS



Boikhutso Tsikane
Manager Print and Digital



Bulali Dyakop
Digital Specialist



Pamela Mkhize
Madonsela – Print Officer



Michael Sive
Print Officer



Mpumelelo Magasela
Print Officer

COMMUNICATIONS AND STAKEHOLDER RELATIONS



Ayabulela Poro
Manager:
Communications and
Stakeholder Relations



Margaret Ndawonde
Communications and
Stakeholder Relations
Officer

COMMUNITY BROADCAST PROJECTS



Siphokazi Mgudlwa
Programme Manager



Danielle Baloyi
Project Officer



Tabani Nkomo
Project Officer



Michael Smurthwaite
EDF Manager



Ouma Moatsi
Project Administrator



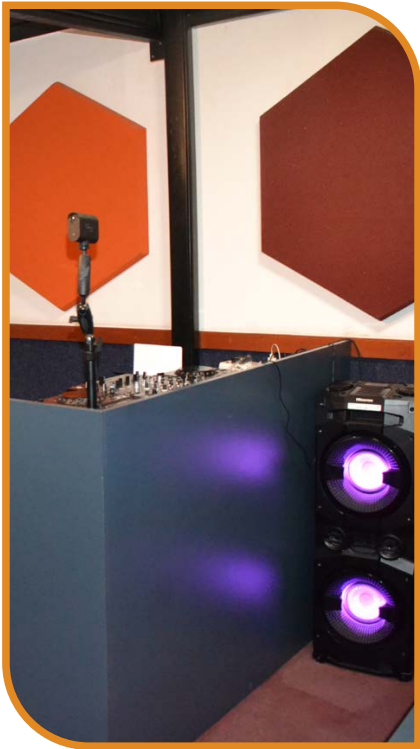
Sfiso Maphanga
Project Officer



Chimba Chibesa
Project Officer

EDF (SPECIAL PROJECT)







PART B

PERFORMANCE INFORMATION



1 AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor 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 84 of the Report of the Auditors Report, published as Part G: Financial Information.

2 OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

The 2024/2025 financial year saw the Media Development and Diversity Agency (MDDA) continue to fulfil its statutory mandate of promoting and developing a diverse, vibrant, and sustainable media sector, with a particular focus on community and small commercial media.

During the year under review, the MDDA:

- Approved 33 new grant funding projects, comprising 25 community radio, 1 community television, and 7 print/digital media outlets.
- Disbursed a total of R45 868 003.00 million in grant funding to new and continuing projects.
- Conducted 27 capacity-building and training workshops, benefiting participants in areas including financial management, governance, and digital skills development.
- Undertook 57 monitoring and evaluation visits to funded projects to assess compliance, governance, and impact.

Key achievements included the successful rollout of targeted digital migration and transformation support for community broadcasters and publishers, enabling beneficiaries to expand their online presence, diversify revenue streams, and adapt to evolving audience behaviours.

Challenges encountered included:

- Escalating operational and compliance costs within beneficiary organisations.
- Skills gaps in emerging technologies and digital content production.
- Economic pressures resulting in declining advertising revenue for small and community media.

Corrective steps taken by the Agency included:

- Strengthening partnerships with development finance institutions, government departments, and private sector stakeholders to leverage additional resources.
- Streamlining the funding application and adjudication process to reduce turnaround times.
- Introducing tailored mentorship programmes to improve beneficiaries' sustainability and governance.

External developments that shaped service delivery included continued audience migration to digital platforms, requiring media outlets to diversify distribution channels, and broader macroeconomic conditions that placed financial strain on media operations. The MDDA's programmes responded directly to these challenges through strategic technical support and digital readiness interventions.

2.2. Organisational Environment

Internally, the MDDA implemented measures to enhance institutional capacity, governance, and operational efficiency.

Key organisational developments included:

- Upgrading of ICT systems.
- Strengthening of monitoring and evaluation processes to ensure better tracking of funded projects' impact.
- Implementation of refined internal audit and risk management frameworks, which improved compliance and reduced audit findings compared to the previous financial year.

The Agency experienced no significant disruptions such as labour strikes or systemic operational failures. Management maintained continuous engagement with staff through performance reviews, training opportunities, and wellness programmes to ensure organisational resilience.

Internship Programme and Appointments

The MDDA's internship programme continued to play a pivotal role in nurturing young talent and fostering diversity within the Agency. Over the past year, nine interns and eight Workplace Integrated Learners (WIL) were welcomed into various units, where they actively contributed to projects and gained valuable hands-on experience. Moving forward, the MDDA remains committed to expanding and refining the internship programme to cultivate future leaders and strengthen our organisational resilience.

2.3. Key policy developments and legislative changes

There were no major legislative amendments affecting the MDDA mandate during the 2024/25 period. However, the Agency remained aligned to the overarching government priorities outlined in the Medium-Term Strategic Framework (MTSF) 2019–2024 and the National Development Plan (NDP) 2030.

The Agency aligned its operations with the revised White Paper on Audio and Audiovisual Media Services, which emphasises digital inclusion and transformation in the media sector.

Additionally, the MDDA contributed to policy dialogues on community media sustainability and participated in national forums addressing misinformation and media ethics.

Internally, the MDDA reviewed and updated several policy frameworks to strengthen governance and improve service delivery, including:

- The Grant Funding Policy, to enhance transparency, efficiency, and equitable distribution of resources.
- Procurement guidelines, to align with National Treasury regulations and promote efficiency in service acquisition.

These developments ensured that the MDDA remained responsive to the evolving needs of the community and small commercial media sector, while upholding the principles of fairness, transparency, and accountability in the allocation of public resources.

2.4. Progress towards achievement of institutional Impacts and Outcomes

In line with this revised framework, the entity had four outcomes and functions through five programmes: Governance and Administration; Grant and Seed Funding; Partnerships, Public Awareness and Advocacy; Capacity Building and Sector Development; and Innovation, Research, and Development.

The MDDA is reporting against the 2024/2025 Annual Performance Plan, Annual targets for 2024/25 are seventeen (17). Fifteen (15) of these were achieved, which means that the Agency achieved 88% of its annual targets. Two (2) of these seventeen targets were not achieved.

Programme 1 - had three annual targets which were contributing to one outcome which referred to a capable, effective and efficient organisation in support of the delivery of the MDDA mandate. Two annual targets were achieved, and one was not achieved.

Programme 2 - Sub-Programme 2.1 had two outcomes. The first outcome had annual targets which were contributing to one outcome which referred to 'Media diversity promoted through the growth of sustainable community based and small commercial media nationally' and both targets were achieved. The second outcome had an annual target which was contributing to one outcome which is being a 'capacitated, digitally responsive community-based media sector, and both targets were achieved.

Programme 2 -Sub-Programme 2.2 had two annual targets which were contributing to one outcome which referred to 'a capable, effective and efficient organisation in support of the delivery of the MDDA mandate' and both targets were achieved.

Programme 3 - had three annual targets which were contributing to one outcome which referred to 'capable, effective and efficient organisation in support of the delivery of the MDDA mandate' and all three targets were achieved.

Programme 4 - had three annual targets which were contributing to one outcome which referred to 'Increase in HDI communities accessing media opportunities and information through community and small commercial media' and all targets were achieved.

Programme 5 - had two annual targets which were contributing to one outcome which referred to 'capable, effective and efficient organisation in support of the delivery of the MDDA mandate' and both targets were achieved.

3 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1. MDDA Programme Performance Information 2024/2025 Financial Year

The following pages present the Performance Information Report as required in terms of Treasury Regulations and Section 55 (2) (a) of the PFMA. The objectives are measurable and aligned to the budget. This assists the Accounting Authority (the Board) to ensure that the Annual Report and Audited Financial Statements fairly present the performance against predetermined objectives of the Agency.

Accordingly, this Performance Information Report is a subject matter/agenda item of every Board and Executive Management meeting in line with the regulatory requirements, good corporate governance and proper oversight. This ensures that the Agency complies with the requirements of the Auditor General's audit findings in terms of Section 20 (2) (c) of the Public Audits Act No 25 of 2004 on the reported information relating to performance against predetermined objectives.

The MDDA is reporting against the Annual Performance Plan of 2024/2025 as tabled in Parliament on the 25th of March 2024. The Annual Performance Plan was developed to give effect to the MDDA Five-Year Strategic Plan for 2020/2021 - 2024/2025, which was tabled on the 18th of March 2020. Both the Strategic Plan and Annual Performance Plan have been developed in terms of the Revised Framework for Strategic Plans and Annual Performance Plans as per National Treasury Instruction No 5 of 2019/2020.

The 2024/2025 MDDA Annual Performance Plan has five (5) programmes, which include a total of seventeen (17) output indicators.

MDDA Programme Structure

The MDDA programme structure comprises five programmes, as shown below.

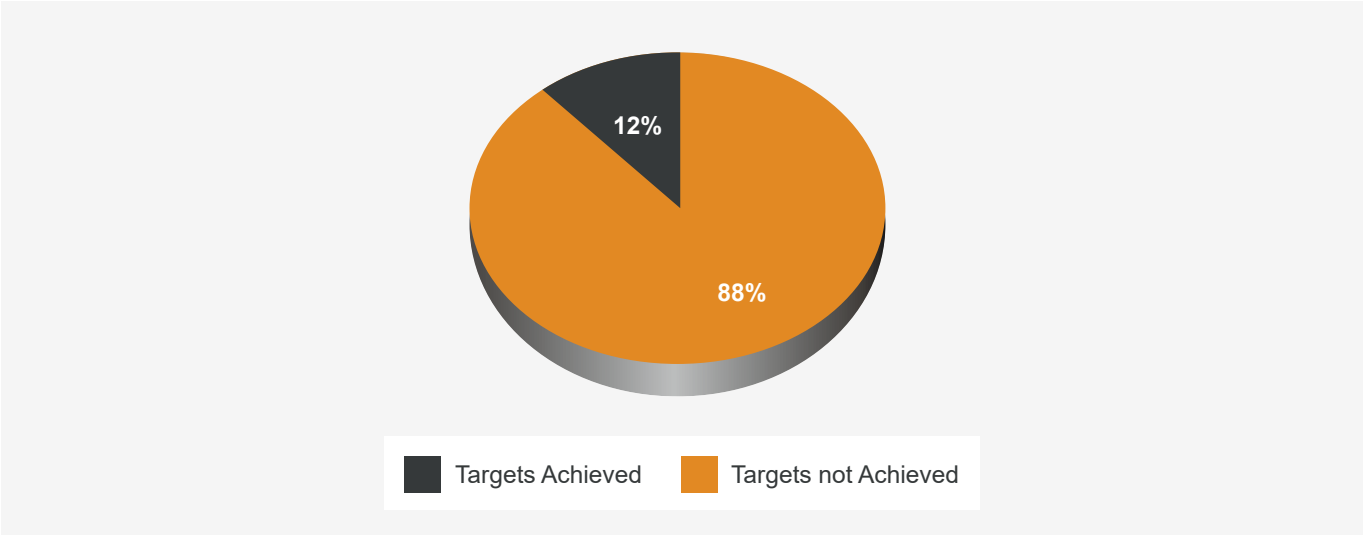


The MDDA is reporting against the 2024/2025 Annual Performance Plan. Annual targets for 2024/25 are seventeen (17). Fifteen (15) of these were achieved, which means that the Agency achieved 88% of its annual targets. Two (2) of these seventeen targets were not achieved.

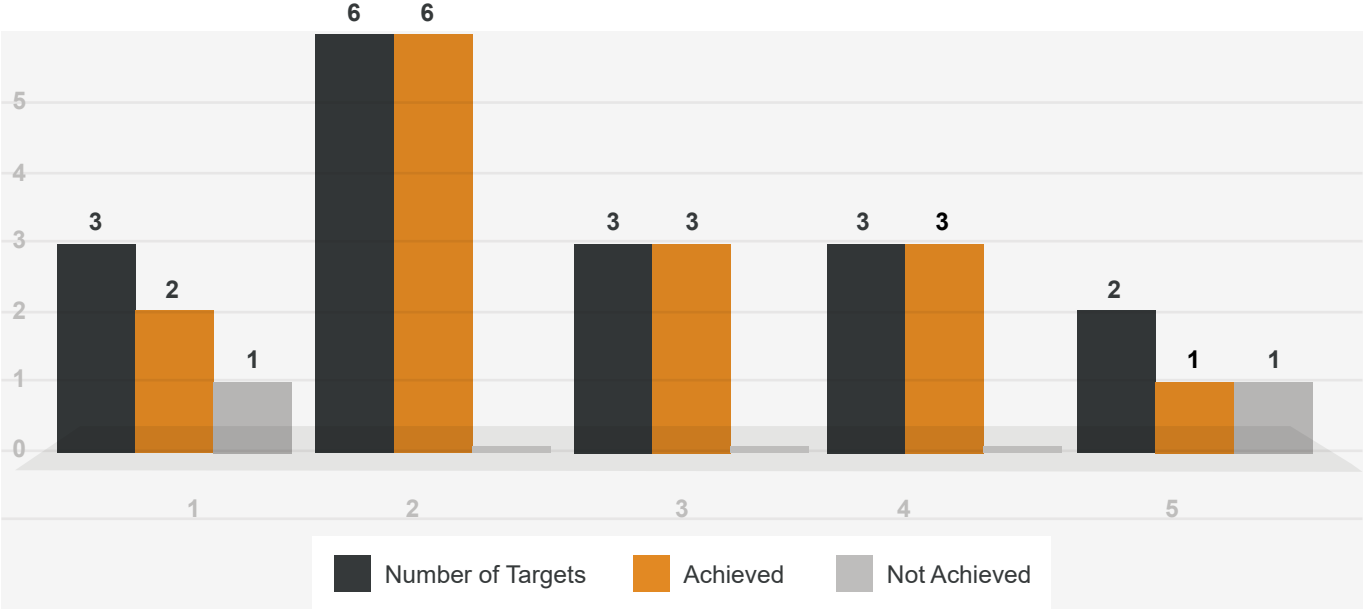
The output indicator that was not achieved fell under.

Targets not achieved	Reasons for deviations
Programme 1: Governance And Administration - Output indicator no 1: Unqualified audit opinion.	The entity obtained a qualified audit opinion due to studio equipment that was uplifted from radio stations that closed down and kept in storage with the aim of donating them to other deserving beneficiaries. The equipment should have been capitalised since there is service potential in donating them.
Programme 5: Innovation, Research and Development - Output indicator No 17: Number CSCM Audience Measurement Research Conducted.	Target not achieved. A service provider was appointed in the last quarter of the financial year.

Annual Overall Performance



Annual Performance by Programme



PROGRAMME 1 GOVERNANCE AND ADMINISTRATION

Purpose: The programme ensures effective leadership, strategic management, and operations, through continuous refinement of organisational strategy and the implementation of the appropriate legislation and best practice.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
A capable, effective, and efficient organisation in support of the delivery of the MDDA mandate	Unqualified audit	1. Unqualified audit opinion	Unqualified audit opinion for 2021-22 financial year.	Qualified audit opinion for 2022-23 financial year.	Unqualified audit opinion	Qualified audit opinion for 2023-24 financial year.	Unqualified audit opinion	The entity obtained a qualified audit opinion due to studio equipments that were uplifted from radio stations that closed down and kept in storage with the aim of donating them to other deserving beneficiaries. The equipment should have been capitalised since there is service potential in donating them.
	Improved Cyber security	2. Number of Cyber security reports produced and approved	New Indicator	New Indicator	4	4	-	Target Achieved
	Reputation and Brand Management	3. Survey study to determine value of the MDDA Brand and Reputation	New Indicator	New Indicator	2	2	-	Target Achieved

PROGRAMME 2 GRANT AND SEED FUNDING

Purpose: The programme promotes media development and diversity through financial and non-financial support for community broadcasting as well as community and small commercial print projects. The programme consists of two strategic objectives, encapsulated in two sub-programmes.

Sub-Programme 2.1: Community and Small Commercial Media

Purpose: The purpose of this sub-programme is to facilitate ownership, control and access to information and content production of community and small commercial media by historically disadvantaged communities.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
Media diversity promoted through the growth of sustainable community based and small commercial media nationally	Community broadcast project funding	4.Number of grant funding applications for community broadcast projects approved	23	22	22	26	4	Target Achieved. The funding was allocated for 22 projects, but based on the application requests from organisations, certain priority items were considered and thus resulted in excess funding to fund more organisations.
	Community and Small Commercial Media digital/print project funding	5. Number of grant funding applications for small commercial print or digital media projects approved	10	8	6	7	1	Target Achieved. The funding was allocated for 6 projects, but based on the application requests from organisations, certain priority items were considered and thus resulted in excess funding to fund more organisations.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
Capacitated, digitally responsive Community-based media sector	Community Media digital strategy implemented Community Media digital strategy	6. Number of media projects provided with digital support	17	23	22	70	48	Target Achieved. 22 projects were initially targeted. The demand for intervention exceeded the planned number, which then resulted in overachievement.
	Community and Small Commercial Media digital/print project funding	7. Community Media Digital strategy developed	New Indicator	New Indicator	Final Community Media Digital strategy developed and approved by the Board	Final Community Media Digital strategy developed and approved by the Board	-	Target Achieved

Sub-Programme 2.2: Monitoring and Evaluation

Purpose: The purpose of this sub-programme is to monitor and evaluate input, output, and compliance with MDDA grant-in-aid contracts to measure the effectiveness and efficiency of MDDA support.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
A capable, effective and efficient organisation in support of the delivery of the MDDA mandate	Annual evaluation of M&E reports	8. Number of annual evaluation reports generated	0	1	1	1	-	Target Achieved
	Monitoring reports on input, output, and compliance to MDDA grant-in-aid contracts	9. Number of monitoring reports generated on funded projects	75	51	56	57	1	Target Achieved. 56 projects were initially targeted. The demand for intervention exceeded the planned number, which then resulted in overachievement.

PROGRAMME 3 PARTNERSHIPS, PUBLIC AWARENESS, AND ADVOCACY

Purpose: This programme seeks to position the MDDA as a leading influencer and authoritative voice in the community and small commercial media, through the implementation of strategic partnerships to carry out media development and diversity interventions and create a positive image in pursuance of MDDA's mandate to grow the community and small commercial media.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
A capable, effective and efficient organisation in support of the delivery of the MDDA Mandate	Stakeholder engagements for (non-financial support) of the community and small commercial media	10. Number of stakeholder engagements for non-financial support held	21	18	8	14	6	Target Achieved. Active advocacy for community media resulted in overachievement.
	Thought Leadership media engagements to position the brand MDDA	11. Number of media engagements held	31	23	20	29	09	Target Achieved. Media showed a keen interest on MDDA's views on World Radio Day and World Mother Tongue.
	Fundraising initiatives for sustainable development of community and small commercial media	12. Number of proposals for funding presented to potential funders	7	10	4	8	4	Target Achieved. Our target for the year was four funding proposal, however, were able to meet with more potential funders.

PROGRAMME 4 CAPACITY BUILDING AND SECTOR DEVELOPMENT

Purpose: One of the objectives of the agency outlined in the MDDA Act of 2002 is to “encourage the development of human resources, training and capacity building within the media industry, especially amongst historically disadvantaged groups”. In response to this, the Agency has developed capacity-building programmes, which aim to provide community and small commercial media with the necessary skills needed for effective performance in day-to-day work.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
Increased HDI communities accessing media opportunities and information through community and small commercial media	Training interventions aimed at capacitating the community media with skills aligned to sector specific needs	13. Number of training interventions aimed at capacitating the community media with skills	10	10	8	15	7	Target Achieved. The overachievement is as a result of partnerships with various organisations, particularly the private sector (Google SA, Sanlam, Primedia & Menar Mining).
	Media and information literacy initiatives held	14. Number of media and information literacy initiatives held	3	5	8	11	3	Target Achieved. The overachievement is as a result of partnerships with various organisations including the Film and Publications Board, and Media Monitoring Africa.
	Accredited training programme implemented	15. Number of accredited training programme implemented	New Indicator	New Indicator	1	1	-	Target Achieved.

PROGRAMME 5 INNOVATION, RESEARCH, AND DEVELOPMENT

Purpose: The MDDA Act 14 of 2002 on Section 3 (VI) outlines the objectives of the Agency to include (amongst others) to “encourage research regarding media development and diversity”. There is also a lack of research and information specific to the sectors that inform programme development and strategic focus (e.g., not much information on the number of indigenous languages newspapers in SA, the number of readers of such newspapers, etc.). The purpose of this programme is therefore to champion research, development, and innovation to create a media development and diversity body of knowledge.

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations
			2022/23	2023/24				
A capable, effective, and efficient organisation in support of the delivery of the MDDA mandate	Research projects on key trends/ developments impacting the community media sector	16. Number of Research projects undertaken on key trends/ developments impacting the community media sector	2	2	3	4	1	Target Achieved. An additional research study was conducted to support the Communications division, as requested.
	CSCM Audience Measurement Research Conducted	17. Number CSCM Audience Measurement Research Conducted	New Indicator	New Indicator	3	1	-	Target not achieved. A service provider was appointed in the last quarter of the financial year.

Linking performance with budgets

Programme/activity/objective	2024/2025			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R	R	R	R	R	R
Governance and Administration	36 467 566	37 488 949	(1 021 383)	40 342 733	38 102 623	2 240 110
Grant and Seed Funding	70 473 477	61 977 238	8 496 239	89 688 144	66 523 372	23 164 772
Partnerships, public awareness and advocacy	3 297 300	2 796 796	500 504	3 758 569	2 840 327	918 242
Capacity building and sector development	3 069 586	2 301 172	768 414	2 651 374	2 423 457	227 917
Innovation, Research and Development	18 736 659	11 365 433	7 371 226	1 344 019	1 380 677	36 658
Total	132 044 588	115 929 588	16 115 000	137 784 839	111 270 456	26 514 383

Programme 1 (Governance and Administration)

The negative variance of R1 million is within the range and falls within acceptable limits and is primarily attributed to timing differences in disbursements.

Programme 2 (Grant and Seed Funding)

The underspending of R8 million is primarily attributable to timing differences in disbursements, which are influenced by the respective phases of each project. This variance also stems from extended grant contracts.

Programme 3 (Partnerships, public awareness and advocacy)

The positive variance of R500,000 is primarily due to scaled-back activities such as studio launches and the funders breakfast as well as travel expenses coming in lower than projected.

Programme 4 (Capacity building and sector development)

The positive variance of R768,000 is primarily attributed to lower than anticipated training costs for beneficiaries, along with the delay of the grant orientation manual, which will be produced in the new financial year.

Programme 5 (Innovation, Research and Development)

The positive variance of R7 million is primarily attributed to the delay of the audience measurement project, which will be scheduled for implementation in the new financial year.

4 REVENUE COLLECTION

The agency budgets in terms of clearly defined programmes. The following table summarises the final revenue collection. It provides an indication of the revenue by the agency. The under collection when compared to the budget is due to revenue from the Economic Development Fund which is recognised only when it is earned.

Sources of revenue	2024/2025			2023/2024		
	Estimate	Actual Amount Collected	(Over)/Under Expenditure	Estimate	Actual Amount Collected	(Over)/Under Collection
	R	R	R	R	R	R
Government grants & subsidies	38 568 000	43 911 000	5 343 000	45 475 146	41 647 244	3 827 902
Broadcast funders contributions	65 541 223	65 736 319	-195 096	67 096 376	66 048 868	1 047 508
Interest received - investments	5 366 432	5 356 826	9 606	4 119 110	6 738 341	-2 619 231
Total	109 475 655	109 661 145	-185 490	116 690 632	114 434 453	2 256 179

The following table summarises the final capital expenditure. It indicates the amount spent on the capital assets within the Agency. The procurement of new laptops was completed during the 2024/2025 financial year.

Infrastructure projects	2024/2025			2023/2024		
	Budget	Actual Expenditures	(Over)/Under Expenditure	Budget	Actual Expenditures	(Over)/Under Expenditure
	R	R	R	R	R	R
New replacement assets	1 579 000	727 518	851 482	370 000	472 165	- 102 165
Total	1 579 000	727 518	851 482	300 492	-	300 492

SUMMARY OF PROJECTS SUPPORTED FOR THE FINANCIAL YEAR

Projects Funded

The MDDA mandate is to support community and small commercial media projects as well as projects targeting historically disadvantaged communities, the support was weighted heavily towards media projects in rural areas.

Print Projects			
No	Project Name	Province	Approved Funding Amount
1	Dizindaba	Western Cape	R742 400.00
2	The Reporter	Limpopo	R763 400.00
3	The Guard	Free State	R756 200.00
4	Umbele	KwaZulu-Natal	R729 000.00
5	Rolling Inspiration	Western Cape	R847 000.00
6	Sivubela Intuthuko	KwaZulu-Natal	R819 400.00
7	Phethoho	Free State	R785 400.00

Broadcasting Projects			
No	Project Name	Province	Approved Funding Amount
1	Forte Community Radio	Eastern Cape	R 2 228 000.00
2	Ikhala FM	Eastern Cape	R 2 475 000.00
3	Alfred Nzo	Eastern Cape	R 1 945 000.00
4	Ekhephini FM	Eastern Cape	R 584 000.00
5	Mbhashe FM	Eastern Cape	R 2 705 000.00
6	919 FM	Gauteng	R 1 017 000.00
7	Mams FM	Gauteng	R 2 075 000.00
8	Tuks FM	Gauteng	1 900 000.00
9	Pheli FM	Gauteng	R 2 089 000.00
10	Poort FM	Gauteng	R 2 075 000.00
11	Nongoma Community Radio	KwaZulu-Natal	R 1 604 312.00
12	Vibe FM	KwaZulu-Natal	R 971 548.00
13	Abaqulusi Community Radio Station	KwaZulu-Natal	R 933 000.00
14	Midlands FM	KwaZulu-Natal	R 2 745 000.00
15	Radio Khwezi	KwaZulu-Natal	R 1 318 928.00
16	UGU Youth Radio	KwaZulu-Natal	R 906 000.00
17	Maputaland Community Radio NPC	KwaZulu-Natal	R 812 000.00
18	Mohodi Community Radio Station	Limpopo	R 400 000.00
19	Moletsi Community Radio	Limpopo	R 732 000.00
20	Ligwa Community Radio Station	Mpumalanga	R 822 000.00
21	Kanyamazane Community Radio NPC	Mpumalanga	R 400 000.00
22	Ratlou FM	North West	R 2 345 000.00
23	Aganang Community Radio Station	North West	R 962 000.00
24	Star FM	North West	R 2 075 000.00
25	Radio Teemaneng	Northern Cape	R 2 298 000.00
26	Cape Town TV	Western Cape	R 965 600.00

The above projects were approved during the third quarter of 2024/2025 financial year, and disbursement will take place in the first quarter of the 2025-2026 financial year.

PRINT AND DIGITAL MEDIA APPROVED PROJECTS

1 Dizindaba Community Newspaper



Dizindaba Iphephandaba lesiXhosa is an A3 tabloid-sized publication with 10000 copies printed and distributed every week for free at taxi ranks, shopping malls/centres, schools, clinics, government departments, libraries, and door-to-door in some areas.

The publication has 5 segments of coverage, content is segmented into five (5) areas of coverage: Community/Social news, Economic news, Political news, Church-related issues, and Sports. The newspaper content is 95% - isiXhosa and 5% English (Sport only). It was approved for **R742 400.00** to cover capital expenditure.

2 THE REPORTER



Boikgantsho Investment, trading as The Reporter, was registered in 2016. The newspaper is published in both Sepedi and English, with 5,000 copies printed twice a month. The project operates in Sekhukhune District Municipality which is a Category C municipality in Limpopo. It is the smallest district in terms of geographic location in the province, comprising four local municipalities: Ephraim Mogale, Fetakgomo Tubatse, Elias Motsoaledi and Makhuduthamaga.

The newspaper was approved for **R763 400.00** to cover capital expenditure and administration costs.

3 THE GUARD NEWSPAPER



The Guard Newspaper publishes solely in English and was registered in 2018 as an initiative by one female who had passion for newspapers as a means of communication. The project is situated in Qwaqwa, Thabo Mofutsanyana district municipality, where there are high levels of unemployment, rates of teenage pregnancy and HIV/Aids infections.

The area is poverty stricken with most families relying on government grants for income. The project prints 5 000 copies twice a month, with general content which includes disability news, GBV news, substance abuse and LGBTQI+ issues. The Guard Newspaper was approved for **R756 200.00** to cover capital expenditure.

4 UMBELE MAGAZINE



UMBELE
INCELA KOGWANSILE

Umbele is an isiZulu award-winning online business publication launched in September 2020 by Likhanyile Group (Pty) Ltd. Likhanyile is a Durban-based media and education services firm that is co-owned by Langa Khanyile and Slindile Khanyile, who are both seasoned journalists. The entity was established in 2014.

Umbele publishes economics, business, labour, personal finance, agriculture, SMMEs and executive profiles through articles and podcasts. Likhanyile is now expanding the brand with a print publication that will be published twice a month in KwaZulu-Natal and distributed primarily in low-income areas around KwaZulu-Natal and other parts of Gauteng targeting mainly the working class, SMMEs, small-scale farmers in both the formal and informal sectors and aspiring entrepreneurs.

The publication was approved for **R729 000.00** to cover printing, operational costs and stipends.

5 ROLLING INSPIRATION



Rolling Inspiration is a digital, lifestyle magazine that publishes inspirational stories about people with mobility impairment. The publication shares information on education, work, love, sports, travel and so much more.

It is published by the QuadPara Association of South Africa (QASA), which has its head offices in Durban, KwaZulu-Natal. The digital publication was approved for **R847 000.00** to cover capital expenditure.

6 SIVUBELA INTUTHUKO



Sivubela Intuthuko newspaper is a community newspaper which was established to service peri-urban and rural communities across KwaZulu Natal, where there is generally lack of or inadequate access to crucial information. Amongst other challenges, these communities are faced with the reality of poor service delivery, hence the newspaper's priority is to make critical information, specifically around issues of community development, easily available so that

these communities are empowered with information and/or knowledge so that they can tap into opportunities that are available for the betterment of their lives.

Sivubela intuthuko is a biweekly newspaper that is published in isiZulu and prints 125 000 copies (8 pages or more) which are distributed in the KwaDukuza, Maphumulo, Mandeni and Ndwedwe municipalities. It was approved for **R819 400.00** to cover capital expenditure, operational costs and stipends.

7 PHETHOHO NEWS



Phethoho News was registered in 2011 by two members and recently added the third member. The project operates in Setso Local Municipality situated in the eastern Free State within the regional boundaries of the Thabo Mofutsanyane District Municipality.

The publication started as A4 size printing in black and white and distributing 3000 copies to the community. The project now produces 10 000 tabloid size, 12 pages printed in colour with 60% Sesotho and 40% English. It was approved for **R785 400.00** to cover content production and stipends. Phethoho News was previously funded in 2012 and 2014.

COMMUNITY BROADCAST APPROVED PROJECTS

1 Forte Community Radio - 88.2 MHz FM



Forte FM is a vibrant **community radio station** based in **Alice**, located at the **University of Fort Hare** (Amathole District, Eastern Cape). It originated as a campus-based station in the early 2000s and expanded to serve the broader local community. It was licensed by ICASA in 2005.

The station's broadcast format is a mix of talk, news, and diverse music with a heavy focus on local issues, culture, and empowerment. It broadcasts in 75% IsiXhosa, 20% English and 5% Afrikaans.

Forte FM was approved for **R 2 228 000.00** to cover capital expenditure and administration costs.

2 Ikhala Community Radio



Ikhala Community Radio Station is a newly established community radio service based in Cookhouse, within the Blue Crane Route Local Municipality under the Sarah Baartman District Municipality in the Eastern Cape Province.

The station has been on-air for only three months and serves the geographical area covering Cookhouse, Pearston, and Somerset East. Ikhala FM holds an ICASA community broadcast licence which will expire on 10 August 2030.

The station's broadcast format is 50% Talk, 50% Music, and broadcasts in isiXhosa (60%), Afrikaans (30%), English (10%). It was approved for **R 2 475 000.00** to cover capital expenditure, content production, and procurement of a transmitter.

3 Alfred Nzo Community Radio Station - ANCR



Alfred Nzo Community Radio (ANCR) is a non-profit company established in 2007 to serve as a community sound broadcasting service for the Alfred Nzo District, covering Umzimvubu, Matatiele, Ntabankulu, Mbizana, and surrounding areas. The station is committed to unity, non-racialism, and non-sexist broadcasting values and engages with stakeholders on social, cultural, and interfaith levels.

The station broadcasts in isiXhosa – 60%, English – 15%, Sesotho – 10%, isiZulu – 10%, and 5% shared among isiBhaca, isiHlubi, isiXesibe, isiPhuthi. The MDDA has approved **R 1 945 000.00** in grant funding for studio upgrades and administrative costs to support the station's growth and community service.

4 Ekhephini FM



Ekhephini FM is a community radio station based in Barkley East, operating under the Senqu Local Municipality

in the Joe Gqabi District, Eastern Cape. Founded by community members in 2005 and licensed by ICASA in 2006, it is a registered NPC governed by a board elected every 3 years. The station provides informative, educational, and entertaining programming focused on social development issues like crime, unemployment, and underdevelopment.

Its broadcast format is 70% talk and 30% music, and the broadcast languages are IsiXhosa 70%, English 5%, Sesotho 20% and Afrikaans 5%. The station was approved for **R 1 951 600** to cover content production, training, capital expenditure and administration fees.

5 Mbashe FM



The station is a new 24-hour community station in the Amathole District, broadcasting mainly in isiXhosa with strong emphasis on talk content and South African music. Despite operating from a rural village with makeshift equipment, it has quickly attracted community interest.

Mbashe FM's Broadcast Languages are isiXhosa – 95%, and English – 5%. The station was approved for **R 2,705 000.00** to improve studios, transmission, programming, and administration.

6 919 FM



919 FM is a community radio station registered as a non-profit company (NPC). The station is based in Gauteng and was created by the Gauteng Media Development Project NPC to service the community in Johannesburg's northern suburbs and surrounding areas and has been in existence since 1 July 2021.

The station broadcasts in English with a transmitter that is located in Bryanston, and a footprint that extends from Soweto, across the northern suburbs of Johannesburg, to OR Tambo. Its focus is on a can-do, upbeat mindset, and the power of music to make listeners feel good.

919 FM's broadcast format is 30% talk and 70% music, with 80% of it being local music content. The station was supported for an amount of **R 1 017 000.00** for content production, capital expenditure and transmitter.

7 Mams Radio



Mams Radio broadcasts around City of Tshwane, Gauteng Province – specifically Mamelodi and Eesterust. It was launched on 11 April 2011 to inform, educate, and provide quality entertainment that promotes a positive lifestyle.

It follows an adult contemporary format with a music mix from the 90s–2000s (R&B, Soul, Kwaito, House) and covers relevant stories to engage both youth and older audiences. Its vision is to be a leading, credible community voice, promoting innovation, local talent development, and media training.

It broadcasts in English – 30%, Setswana/Sepedi – 30%, isiNdebele – 10%, XiTsonga – 10%, Mamelodi Lingo – 10%, and Afrikaans – 10%

The station was approved for **R 2 075 000.00** for administration fees, transmission fees, and capital expenditure.

8 TUKS FM – 107.2 FM



Tuks FM, based at the University of Pretoria, broadcasts to the Greater Tshwane area with a youth-focused edutainment format. Recently licensed in April 2023, the station operates primarily in English and Afrikaans, with the language split of 80% English and 20% Afrikaans.

Tuks FM is supported by a large volunteer base. It was approved for **R 1 900 000.00** to cover upgrades to its outdated studio equipment as part of capital expenditure improvements.

9 Pheli FM – 95.5 FM



Pheli FM is a community-driven station in Atteridgeville, Gauteng, focused on using radio to address pressing social issues and uplift the township. Broadcasting evenly in four languages, it delivers a mix of 40% talk and 60% music while offering extensive local news coverage. The MDDA approved **R 2 089 000.00** in funding for studio upgrades and rental costs to strengthen the station's operational and broadcasting capacity.

10 Poort FM - 88.2 FM

Poort FM is a Pretoria-based community station licensed in 2022, broadcasting mainly in English and Afrikaans. The broadcast language split is 70% English and 30% Afrikaans. It offers a wide range of programming and invests in local talent development. Facing challenges with outdated broadcasting equipment, it secured **R 2 075 000.00** in MDDA funding to modernise studios and cover administrative costs.

11 Nongoma FM - 88.3 FM

Nongoma FM is a vibrant youth-driven community radio station serving the rural Nongoma area in KwaZulu-Natal. Licensed in 2023, it broadcasts in isiZulu and English with a 55% talk and 45% music format. The station addresses a lack of local media by providing reliable community information and youth-focused content, both on-air and through a large social media following. For its latest funding round, the MDDA approved **R 1 604 312.00** to support programming, operational costs, transmission, and studio equipment.

12 VIBE FM – 94.7 MHz

Vibe FM is a community radio station based in KwaMashu, KwaZulu-Natal. The station was licensed by ICASA as part of a group of 15 identified community radio frequencies in the nodal development point areas throughout the country. These community radio stations were licensed to enhance the government programme, Integrated Sustainable Rural Development Plan (strategy) to ensure that certain areas based in remote rural and urban centres are prioritised for development.

Vibe FM broadcasts in 60% isiZulu and 40% English. It was approved for **R 1 301 548.00** to cover Capital expenditure, Transmission fees & Administration costs. It previously benefited from MDDA funding in 2012 & 2020.

13 Abaqulusi Community Radio Station - ACR 90.7 FM

Abaqulusi Community Radio Station, 90.7 FM, is located in the heart of Vryheid, Mzinyathi district in Abaqulusi Local Municipality, KwaZulu-Natal. The station actively promotes local arts and culture through informative programming that celebrates the community's creativity and heritage.

It was conceptualised in the early 2000s and formally registered as a non-profit organisation in 2013 under the NPO and Social Development Act of 1997. The station was established to address the lack of representation of community issues and voices in mainstream media.

Abaqulusi community radio broadcasts in English 3%, isiZulu 93% and Afrikaans 4%, and plays 80% local music. It was approved for **R933 000.00** to go towards content production, capital expenditure, transmission fees and administration fees.

14 Midlands FM

Midlands 104 FM is operated by Mpumelelo Sport and Cultural Experience. The station has been active since 2016 and was licensed by ICASA on 31 August 2023 to provide community-sound broadcasting in the uMgungundlovu District, KwaZulu-Natal. The station is governed by a skilled board with expertise in media, law, business development, accountancy, community development, and fundraising, with 50% women and 20% youth representation. Midlands 104 FM aims to be more than a broadcaster — it promotes community participation in programme creation, skills transfer to youth and women, and coverage of local culture, arts, education, and information. The station has also been granted an ECNS licence to self-distribute its signal and broadcasts in isiZulu – 80%, English – 15%, Afrikaans – 5%.

The station was approved for **R 2 745 000.00** for administration, transmission, and capital expenditure (including studios, transmission equipment, laptops, desktops, inverter, and OBE).

15 Radio Khwezi - 90.5 & 107.7 MHz

Radio Khwezi, founded in 2009 in Umzinyathi, KwaZulu-Natal, reaches rural communities across eight municipal areas. These are: Kranskop, Ndwendwe, Maphumulo, Msinga, Nkandla, Lower Tugela, Lower Mfolozi and Umvoti.

Radio Khwezi broadcasts in IsiZulu 80%, English 20%, with an hour in Afrikaans and an hour in German daily. The station focuses on talk and music programming that educates, empowers, and uplifts. The station was approved for **R1 318 928.00** to cover transmission fees and a new production studio.

16 UGU YOUTH RADIO – 93.4FM

Ugu Youth Radio, founded in 2010 in Port Shepstone, is a youth-driven community broadcaster licensed to serve the Ugu District. The station broadcasts in English 20%, IsiZulu 75% and IsiXhosa 5%. The station's content is aimed at community development, youth empowerment, and cultural promotion.

It was approved for **R906,000** to cover Sentech transmission costs and capital upgrades, following previous funding in 2012 and 2018.

17 Maputaland Community Radio

Maputaland
Community Radio

The station serves one of the most remote and underserved regions in KwaZulu-Natal, providing vital news, information, and cultural content to Ubombo, Ingwavuma, and surrounding areas. Broadcasting mainly in IsiZulu, the station plays a key role in community development and public participation. Despite significant outreach efforts, it faces financial challenges due to limited local revenue generation and rural infrastructure constraints. It was approved for **R812 000** to support programming, operations, transmission costs, and the purchase of a power backup system to sustain outreach in areas without electricity.

18 Mohodi FM

Mohodi Community Radio is incorporated as a non-profit organisation (NPO) based in the Manthata Village in Limpopo. Its main aim is to educate and inform listeners about their rights through quality programming and playing an advocacy role on behalf of the community by reporting on issues such as poverty alleviation and fighting the scourge of gender-based violence.

The station was licensed in 2000 and broadcasts 100% in Setswana. It was approved for **R400 000.00** to cover content production.

19 Moletsi FM

Moletsi FM is incorporated as a non-profit organisation based in Limpopo Province. This is one of the few community radio stations led by a woman. The station started in a small studio and now it owns a big structure with the intention of venturing into television as well and has managed to install a signal tower within its premises.

Moletsi FM was initiated in 1997, and it operates from Moletsi village outside the city, and it broadcasts in 80% Sepedi, 10% English, 5% Tshivenda and 5% Xitsonga.

The station's funding history with the MDDA spans the following years: 2009, 2011, 2016, 2020 and 2022. It was approved for **R732 00.00** to cover content production and capital expenditure.

20 Ligwa FM

Ligwa Community Radio was licensed in 2018 to cover the entire District Municipality of Gert Sibande. The station broadcasts in the following languages: IsiSwati 20%, IsiNdebele 20%, IsiZulu 20%, Sesotho 15%, English 15% and Afrikaans 10%. At the heart of the station is development of the area and empowerment through the airwaves. The station targets the whole family with its quality and relevant content.

The station's broadcast format is 60% talk and 40% music. It was approved for **R852 000.00** to cover content production and capital expenditure.

21 Kanyamazane Community Radio station



Kanyamazane CR is a community radio station based in Kanyamazane, in Nelspruit in the Ehlanzeni District Municipality. The station was formed in 1998 and went on air in 2010. The station provides services to inform, educate and entertain the surrounding community of the Ehlanzeni district, specifically the Kanyamazane area as per the geographic ICASA licence.

The station's broadcast format is 50% talk and 50% Music. It broadcasts in SiSwati 65%, 15% IsiZulu, 15% English and 5% Township Lingo. It was approved for **R400 000.00** to cover programme production, administration, codecs, back up batteries.

22 Madibogo Community Radio Station



Madibogo Community Radio Station, otherwise known as Ratlou FM, was licensed in March 2023 and broadcasts on 100.4 FM, predominantly in Setswana (75%) as well as Sesotho (15%), English (10%), and IsiXhosa (5%).

Ratlou FM serves the rural Ratlou Local Municipality in North West province and aims to educate, inform, and empower its listeners through diverse cultural and current affairs programming. The station was approved for **R 2 345 000.00** to support its operations, infrastructure, and content production.

23 Aganang Community Radio - Aganang FM - 90.0Mhz



Aganang FM is a community radio station licensed by ICASA. It was first licensed in 2015, and has been on air for 10 years, serving the Dr. Kenneth Kaunda District Municipality in North West Province. The station has received three rounds of funding from the MDDA.

The station's languages of broadcast are: Seswati – 44%, Afrikaans – 29%, Sesotho – 12%, IsiXhosa – 11%, and other languages – 4%. Aganang FM was approved for **R962,000.00** to go towards, content production, administration costs, and transmission costs.

24 STAR FM – 91.9 FM



Star FM is a North West-based community radio station serving Stilfontein and surrounding towns, it broadcasts in five languages, SeTswana 30%, SeSotho 20%, IsiXhosa 20%, English 20% and Afrikaans 10%.

Star FM was founded in 2015 and operates rent-free in exchange for airtime. The station focuses on reducing cultural stereotypes, delivering truthful news, and providing a platform for community voices. It has a talk-heavy format and a strong commitment to local music. It plays a vital role in the region's information ecosystem and was approved for **R2 075 000.00** to cover capital upgrades, including new studios and equipment, marking its first funding since 2012.

25 RADIO TEEMANENG – 89.1 FM



Radio Teemaneng is a community radio station serving Kimberley and surrounding towns (Barkley West, Warrenton, Danielskuil, Ritchie, and Windsorton) in the Northern Cape's Diamond Region. Licensed by ICASA, the station has been on air for 30 years, aiming to "inform, educate and entertain" while promoting diversity through multilingual programming and community access.

Radio Teemaneng's broadcasts in English 40%, Setswana 30%, Afrikaans 20%, IsiXhosa 10%. It was approved for **R2 298 000.00** to cover capital expenditure.

26 Cape Town TV Western Cape



Cape Town TV (CTV) is a non-profit, free-to-air community television station in the Western Cape, licensed by ICASA to serve the greater Cape Town metropolitan area, including Greater Cape Town Metro, Winelands, and Atlantis District. It empowers communities through television by promoting local content creation and offering access to training, production tools, and platforms for income generation.

Cape Town TV (CTV) broadcasts in English, isiXhosa, and Afrikaans. For the current funding period, the station was approved for **R965,600** specifically to assist with transmission costs. This marks CTV's fifth round of MDDA support, following previous grants in 2012, 2016, 2019, and 2022. The station is ICASA-compliant and receives additional funding from international donors (e.g., MDIF).

RESEARCH, TRAINING, AND DEVELOPMENT – 2024/25FY

CAPACITY BUILDING

Elections Readiness Workshops

On 29 May 2024, South Africa held its 7th National and Provincial Elections, marking 30 years of democracy. This pivotal election introduced significant reforms, including the participation of independent candidates and a new three-ballot system. These changes heightened the media's responsibility to deliver fair, accurate, and informative coverage.

In the first quarter of the period under review, The Agency continued implementing election readiness workshops.

On 17 May 2024, the MDDA in collaboration with the IEC conducted a virtual session presented by the IEC Chairperson Mr. Mosotho Moepya. The purpose was to ensure that community media journalists are prepared and informed about principles, and changes in electoral related legislation that would be important in covering the 2024 National and Provincial Elections. Community media journalists received training on their expected roles in covering accurate and fair elections. The training included anticipated challenges, and amendments to electoral laws and regulations governing elections, including new features and voting procedures. One hundred and thirty-three (133) community media journalists and content producers attended the session through Microsoft Teams. On average the audience post reach on Facebook varied between 187 to 302 with audience engagement (comments and sharing) varied between 11 to 25.

i. Roundtable Discussion

The Sector Development Unit conducted a hybrid session to discuss the risks and challenges faced by journalists, as well as best practices for ensuring their safety during Elections. The role of churches in politics was also discussed. Speakers included Prof. Maphunye, UNISA) and Ms. Lubisi-Nkosinkulu (MMA). Few stations based in Johannesburg attended in-person session, whilst more people joined a livestreamed session through social media platforms. On average the livestream reached 173 people on Facebook.

ii. Fact Checking and Verification Workshop

Fact Checking and Verification are crucial components of journalism, ensuring accuracy, maintaining credibility, and combating misinformation. These practices are essential for upholding the public's trust in media and holding those in power accountable. The unit hosted a hybrid Fact Checking and Verification workshop. Community media journalists had an opportunity to learn key principles and techniques for fact checking and verification, including how to identify reliable sources to assess the credibility of information, challenges and benefits associated with the use of generative AI technology in content production and news reporting. Twenty-three (23) people attended in-person session; 42 others joined a livestreamed session.

On average the livestream reached between 279-471 on Facebook. Community media that attended in person include Moretele, Pheli FM, Eldos FM, Alex FM, EK FM, Radio Veritas, Poort FM, Garankuwa FM and Kasie FM.

Broadcast Technical Training

This two-phased accredited training programme was designed to provide radio operators with the technical skills and knowledge needed to operate and maintain a community radio station equipment. The training comprised of both theory and practical sessions which covered a range of topics, including the use of various types of radio equipment (microphones, mixing boards, and audio software, radio transmitters and antennas), broadcast spectrum management, how to operate and monitor equipment, fault finding, maintenance and repair, control signal strength and sound quality, and general day-to-day operations of a studio. During the period under review, community broadcasters in coastal provinces were targeted. A total of 36 qualifying technicians and seven MDDA Broadcast team members successfully completed the programme.

Community broadcasters that participated include Maputaland Community Radio, Radio West Coast, Radio 7441, Umgungundlovu Radio, Engcobo FM, Highway Radio, Zibonele FM, ICORA, 1KZN TV, Abaqulusi Community Radio, Ekhepheni, Inanda FM, Kouga, Oasis FM, Radio Khwezi, Ndlambe FM, Waterberg Wave, Ulundi Christian Radio, Rhodes Music Radio and Radio KC.

PRIMEDIA Community Radio Days Conference

Effective stakeholder engagement, collaboration was central in the execution of much of the work the Unit carried out during the period under review. Stakeholder management increases transparency and ensures that policies and programmes are more effective and inclusive. In partnership with Primedia, the Agency hosted the Community Radio Days conference. The conference provided a platform for knowledge sharing on best practices, and innovative ideas to advance the community radio sector. It featured panel discussions and presentations on a wide range of topics such as changing roles of content in the ever-changing competitive and digital media landscape, use of generative AI in media space and its potential influence on media content, community media sustainability issues with relevant solutions, explore the best solution and practices in commercialising the radio sector. It was attended by Gauteng radio stations, and sector bodies such as ICASA, GCIS, NAB, NCRF. Eighty community media representatives attended the conference in Johannesburg, and 40 in Cape Town respectively.

An important element to the conference was the two-day Job Shadowing /Masterclass Session. The purpose of the two-day programme was to facilitate skills transfer and

was led by Primedia mentors for selected community radio stations. It covered key aspects of the business of radio such as Programming, Presenting, Sales and Marketing techniques, and general radio management tips. Stations were capacitated and empowered on how to advance their operations, commercialise their stations and be able to develop revenue generation strategies. A total of nine delegates participated in Johannesburg, from UJ FM, VUT FM, Alex FM, Pheli FM, Rainbow FM, EKFM, Star FM and Radio Veritas. In Cape Town, 7 delegates attended from Rx Radio, Bush Radio, Zibonele FM, Radio West Coast, UCT Radio and Radio 7441.

Content Generation Workshop

In partnership with NEMISA, the Unit implemented a workshop targeted at in-land community and small-commercial publishers. The purpose was to enhance their skills on how to create engaging and relevant content. As part of the partnership NEMISA appointed facilitators and equipment used for training, whilst the MDDA covered accommodation and venue. The key subjects included Community Mapping and Research, Writing and Distribution, Visual Content, Photography etc. Throughout the workshop, participants engaged in group work and hands-on exercises that promoted collaboration and creativity. Utilising digital tools such as Canva and Adobe, attendees were able to apply their learning in practice, particularly for graphic design and editing.

This workshop also provided an opportunity for networking, creating a sense of community among publishers for continued relationship. Attendance for the workshop was impressive, with 29 out of the expected 30 participants present. Publications represented include Puisano News, The Youth Voice Newspaper, Zikode Bulletin, Khanyisa News, Loxion News, Kgatelopele News, Northwest on Sunday, Betlehem News Spot, Vryburg Post, Phetoho News, Seipone News, Naledi News, Inside Education, Morongwa News, Letsholo News, and Womanity Magazine.

Sales and Marketing Workshop

The Unit implemented a 3-day virtual Sales and Marketing workshop for both community print and broadcast practitioners. The training attracted over 100 participants each day, an impressive attendance which emphasises the demand for such critical training sessions for the sector. A service provider Smart Tech, facilitated the workshop, bringing industry expert presenters who delivered well-structured sessions each day. The presenters shared their extensive knowledge and provided practical examples ensuring that the content was relevant and applicable in real-world.

It covered key topics such as the audience and stakeholder engagement techniques, all types of digital marketing, and branding techniques. Participants expressed their appreciation to the MDDA for hosting this most needed session as captured from the chat box, highlighting its relevance and

effectiveness in enhancing their skills on effective sales and marketing strategies in the ever-evolving digital environment.

Community Media Strategic Planning & Governance Workshop

The Unit organised Strategic Planning and Governance Workshops aimed at enhancing the collaboration between Station Managers and Board Members. This initiative was designed to guide participating projects in formulating actionable strategies and improving governance and compliance practices. It covered subjects such as the Strategic Planning Process, Risk Management, Broadcasting Standard Regulations, External Stakeholder and Regulatory Compliance, Board Governance, Legal and Grant Compliance Management, with contributions from MDDA, ICASA, and GCIS.

Overall, 71 participants from various radio and television stations across all nine provinces attended the sessions. It was divided into two clusters, implemented consecutively on weekends, in Gauteng and Kwazulu-Natal. Projects represented include Mafisa FM, Ulwazi FM, Radio Teemaneng, TUT FM, Blouberg FM, Eyethu FM, Qwa-Qwa FM, Nzhelele FM, BCR, Radio Riverside, Tshwane FM, Mkhondo FM, Inanda FM, Sajonisi FM, Uthungulu FN, Vibe FM, Radio Namakwaland, UCR, Ra Radio, 1KZN, KZN FM, Rise FM, Highway Radio, Zibonele FM, Inkonjane, and Ugu Youth Radio.

Menar Mining Journalism Training

The annual Mining Journalism Training took place in November 2024 at Menar House in Sandton. The training was organised by Menar Academy and the MDDA was afforded an opportunity to send delegates from the community media sector to attend the training. This initiative served as a knowledge-sharing platform to improve mining literacy among journalists, professionals, and students from diverse sectors interested in mining issues, ensuring effective reporting on mining issues. A total of 25 participants were present.

Among the five community media projects recommended by the MDDA, three projects were eligible to participate following an application evaluation process: Nongoma FM, Kurara FM, and Pheli FM.

The three projects also went on a site visit on day 2 at the Gugulethu Canyon Coal operations in Mpumalanga where they experienced a live blast and processing plant. Participants were provided with training tools and uniform and all necessary kit during a site visit. This approach allowed participants to acquire both theoretical knowledge and practical insights into mining operations, enhancing their ability to report accurately and contribute to better-informed public on mining related topics.

RESEARCH

Community Media Skills Assessment Study

Main Objective: This project aims to evaluate existing skills, identify gaps, and determine desired training programs to address skill challenges within the community media sector.

Methodologies Employed: The research utilized a mixed-methods approach. Customized questionnaires were designed for both print and broadcast participants, administered through face-to-face and online platforms, including Google Forms and MS Teams. Structured questionnaires were also developed to facilitate engagements with training providers and industry bodies.

Findings – General findings indicate a appreciation for the trainings provided by the MDDA. However, there is a common need for enhanced digital skills, and in-person trainings.

Use of Artificial Intelligence (AI) in South African Newsrooms

Main Objective: The primary aim of this project is to understand the integration of AI technologies within South African newsrooms, identifying the challenges, opportunities, and overall effectiveness of AI adoption.

Methodologies Employed: A comprehensive implementation plan was developed, employing both qualitative and quantitative approaches. A survey questionnaire was developed and distributed through face-to-face and online JotForm software to various media outlets including both community and mainstream media across all provinces. Additionally, in-depth interviews were conducted with AI development experts and industry stakeholders using a structured interview

Findings: Overall, It can be concluded that there is a notable resistance to AI adoption, particularly within print media. Broadcast outlets reported a higher familiarity with AI technologies, but a still cautious in terms of entirely relying on these tools.

Community Media Summit Closing Report: 30 Years of Democracy

As part of its mandate to ensure that the community media sector develops and grows to serve the South African citizens better and deepen our democracy, the MDDA joined the Government Communications and Information Systems (GCIS) and other partners in the celebration of the 30 Years of Freedom and Democracy campaign. This The community media summit took place in Khayelitsha, Cape Town, Western Cape on Tuesday 4th February 2025.

The summit was arranged to address the challenges and opportunities within the community media sector and to reflect on the contributions of community media sector over the past three decades. The summit underscored the vital

role the community media plays in shaping public opinion and reinforcing democracy. The summit also addressed challenges facing the sector such as financial insecurity, the need for robust stakeholder support.

The Role of Community Media in Post-Democratic South Africa: Exploring Alternative Funding Models for Sustainability

Community media serves as a vital platform for promoting democratic participation, fostering social cohesion, and amplifying marginalized voices. In post-democratic South Africa, where economic inequality and media monopolies challenge equitable access to information, community media holds significant potential for advancing public discourse and inclusivity. However, the sector faces critical sustainability challenges, primarily due to reliance on volatile funding sources such as advertising and donor contributions. This study explores the dual dimensions of the role of community media in a post-democratic society and alternative funding models to ensure its longevity.





PART C

GOVERNANCE



1 INTRODUCTION

The MDDA is committed to upholding the highest standards of corporate governance, ensuring transparency, accountability, and ethical conduct in all its operations. As a public entity reporting to the Minister in the Presidency, the MDDA adheres to legislative requirements, including the Public Finance Management Act (PFMA), the MDDA Act, and other applicable governance frameworks. The Agency's governance structures are designed to provide effective oversight, strategic direction, and operational efficiency, enabling the MDDA to fulfill its mandate of promoting media development and diversity in South Africa.

The MDDA Board, comprising non-executive members appointed through a transparent nomination process, assumes ultimate accountability for the Agency's performance. The Board is supported by specialised committees, including the Audit and Risk Committee, Projects Oversight Committee, Research and Capacity Building Committee, and Corporate Affairs Committee, which provide focused oversight on key

aspects of the Agency's operations. These committees ensure rigorous screening of governance practices, risk management, and internal controls, while also driving strategic initiatives aligned with the MDDA's objectives.

During the reporting period, the MDDA demonstrated its commitment to good governance through regular Board and committee meetings, robust policy reviews, and active engagement with stakeholders, including the Parliamentary Portfolio Committee on Communication and Digital Technology. The Agency also prioritised continuous training and development for Board members to enhance their capacity to effectively oversee the MDDA's activities.

This section of the annual report highlights the MDDA's governance framework, key activities undertaken by the Board and its committees, and the measures implemented to ensure good governance, compliance, operational excellence, and alignment with the Agency's strategic goals.

2 PORTFOLIO COMMITTEES

The MDDA attended six Portfolio Committee meetings on Communications and Digital Communications during the 2024/25 financial year.

The Agency attended the PCCDT meeting held on the 25 April 2024 to present the 2024/25 Annual Performance Plan. The MDDA participated in a three-day Induction Programme hosted by the Parliamentary Portfolio Committee for Communications and Digital Technologies on the 20 to 22 August 2024. MDDA appeared before the Portfolio Committee to present the 3rd and 4th quarter 2023/24 Performance Information and Financial Reports on 10 to 20 September 2024.

The MDDA presented the 2023/24 Annual Report to the Portfolio Committee on Communications and Digital Technologies on 15 October 2024.

At the PCCDT meeting held on 18 February 2024, the MDDA provided operational support to GCIS regarding governance updates for Boards of Entities. Finally, on the 25 March 2025 the MDDA briefed the Portfolio Committee on the 2024/25 First and Second Quarter Expenditure and Financial Reports, as well as audit action plans based on AGSA recommendations. These meetings reflect MDDA's active engagement with the Portfolio Committee to ensure oversight and accountability.

3 EXECUTIVE AUTHORITY

The MDDA submitted quarterly performance reports to the Executive Authority, National Treasury, and the Department of Planning, Performance Monitoring, and Evaluation (DPME) as part of its legislative requirements. The Agency also submitted its Strategic Plans and the Annual Performance Plan as legislatively prescribed by the Public Finance Management Act, No. 1 of 1999.

The Agency submitted its reports on the following dates:

Quarter 1 - Performance Information and Finance Report
31 July 2024

Quarter 2 - Performance Information and Finance Report
31 October 2024

Quarter 3 - Performance Information and Finance Report
31 January 2025

Quarter 4 - Performance Information and Finance Report
30 April 2025

4 THE ACCOUNTING AUTHORITY / BOARD

Introduction

The Board MDDA plays a pivotal role in ensuring the effective governance, strategic direction, and accountability of the organisation. The Board assumes ultimate accountability and responsibility for the performance of the MDDA, ensuring that the organisation fulfils its mandate to promote media development and diversity. The Board sets the strategic direction of the MDDA, aligning its activities with the Five-Year Strategic Plan and Annual Performance Plan. This includes approving policies, frameworks, and initiatives that guide the organisation's operations. The Board is committed to fairness, freedom of expression, openness, and accountability, ensuring compliance with the Constitution and other laws of the Republic of South Africa. The Board represents the legitimate interests of the MDDA and its stakeholders, including community and small commercial media entities. It advocates for the growth and sustainability of these sectors. The Board regularly appears before the Parliamentary Portfolio Committee on Communication and Digital Technology to provide updates on governance, performance, and financial matters. This ensures transparency and accountability to the legislative authority. The Board actively monitors the implementation of the Employment Equity Plan, ensuring that the MDDA meets its diversity and inclusion targets. The Board reviews financial reports and audit action plans, ensuring that the MDDA utilises its grant funding effectively and complies with financial regulations.

The MDDA Board is integral to the success of the organisation, providing strategic leadership, governance, and oversight while advocating for media development and diversity. Its role ensures that the MDDA fulfils its mandate effectively, complies with legal and ethical standards, and contributes to the growth of community and small commercial media in South Africa.

The role of the MDDA Board also includes the following:

- The Board ensures that the MDDA Mandate is met
- Ensures that the MDDA complies with applicable laws, regulations, and policy
- Formulates, monitors, reviews corporate strategy, major plans of action, risk policy, annual budgets, and business plans
- Ensures that the shareholders' performance objectives are achieved
- Manages potential conflicts of interest and develops a clear definition of levels of materiality.

Further, the MDDA Act provides for the Agency not to interfere in the editorial content of the media.

Board Charter

The Board's Charter serves as a foundational document that outlines the roles, responsibilities, and governance framework for the MDDA Board, its committees, and executive management. It is designed to ensure adherence to corporate governance principles, compliance with relevant legislation, and alignment with the MDDA's strategic objectives. The Charter defines the fiduciary duties of the Board, including strategic oversight, governance, risk management, and ensuring compliance with laws such as the MDDA Act, PFMA, and King IV Code on Corporate Governance. It emphasises the Board's accountability to the Shareholder (Minister in the Presidency) and broader stakeholders, including grantees, employees, and the public.

The Charter establishes four key committees: Audit and Risk Committee (ARC), Projects Oversight Committee (POC), Research, Capacity Building, Monitoring and Evaluation Committee, and Corporate Affairs Committee (CAC). It specifies the delegation of authority to committees while retaining ultimate accountability with the Board.

The Charter mandates adherence to ethical standards, transparency, and accountability in all Board dealings. It includes provisions for conflict-of-interest management, Board evaluations, and continuous training for members. The Charter requires the Board to monitor operational performance, ensure alignment with strategic objectives, and oversee the implementation of policies and frameworks. The Charter mandates the establishment of a compliance framework to ensure adherence to laws, regulations, and codes of good business practice.

The Board has consistently convened ordinary and special meetings to address strategic and operational matters. The MDDA Board has also ensure that it made significant progress in complying with its Charter, demonstrating strong governance, accountability, and commitment to its mandate. The Board's proactive approach to oversight, representation, and operational support ensures alignment with its Charter and contributes to the effective functioning of the MDDA.

Code of Conduct

The Board is committed to a code of conduct, which it reviews and adopts on an annual basis. This code of conduct ensures that each member acts with integrity when performing his or her responsibilities on behalf of the MDDA. The Code outlines the MDDA Board's fiduciary duties and defines its responsibilities towards stakeholders, staff members, and government.

All members of the Board have also taken an oath or affirmation committing them to the principles of fairness; freedom of expression; openness; accountability; and upholding and protecting the Constitution and other laws of the Republic of South Africa.

Composition of the Board

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Prof Hlengani Mathebula	Board member and Chairperson of the MDDA Board	8 June 2021	Active	Ph.D. Master of Management from the University of the Witwatersrand and Bachelor of Arts (B.A.), BTH (Hons) from the University of the North completed the Senior Executive Programme at Harvard Business School.	An accomplished business leader with more than 20 years' experience in the financial services industry.	Makhuva investment Group Mathebula Tourism and Agriculture Ignite Africa Advisory Group Hlengani Wa Makhuva Investment HPCSA University of Limpopo BBEC Shoprite Holdings HMI BRANDSA Trust Giyani Private Hospital Group Opco	None.	6

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Ms Jayshree Pather	Board member	21 February 2024	Active	Master of Sciences in Development Planning (Wits University)	Human rights activist, communications professional, researcher	None	Research, Capacity Building and Monitoring and Evaluation Committee and Projects Oversight Committee	6
Mr Thembelani Mpakati	Board member	21 February 2024	Active	Bachelor of Law (LLB) degree and a National Diploma in Cost and Management Accounting (CCMA) Institution UNISA and Walter Sisulu University respectively	Lawyer, leadership, negotiator and mediator	Nako Mpakati Nontuli Project (Pty) Ltd Ayathemba Trading and Projects	Corporate Affairs Committee, Audit and Risk Committee (alternate member), Projects Oversight Committee	6

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Mr Qondile Khedama	Board member	21 February 2024	Active	Advanced Diploma in Public Management, Programme in Management Development for Municipal Finance as well as Developmental Communications. Digital Marketing certificate, Public Relations and Leadership certificate, Feature Writing certificate, Newspaper Management, Project Management and Events Managements	He is currently Head of Communications for the Mangaung Metro Municipality and a contributor to the PAN African Foundation (PAN), University of the Free State, Centenary Public Lectures as well as Eyewitness News (EWN)	None	Research, Capacity Building and Monitoring and Evaluation Committee	6
Mr Philemon Moiwa	Board member	13 March 2025	Active	Master's Degree in Business Leadership (MBL), Bachelor of Laws (LLB), Bachelor of Arts in Education (BA Ed), Bachelor of Arts in Education (Hons)	Broadcasting-ICT, Legal, Governance, Policy and Regulation	Reagoka Trading and Projects DC Swan Trading and Projects	Corporate Affairs Committee, Projects Oversight Committee, Alternative member of the Audit and Risk Committee	1

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Mr Collin Mashile	Board member	11 December 2024	Active	Master of Communications: Management Science Strathclyde Business School University of Strathclyde-Glasgow, Scotland Post Graduate Diploma in Communications & Media Regulation European University Institute's Florence School of Regulation (FSR), San Domenico di Fiesole (FI) Florence – Italy; and BA Dramatic Arts (Honours) (Theories of Communications, Television and Media Studies), University of Witwatersrand, Johannesburg, South Africa	Media Diversity and Pluralism, Ownership and Control, International Public Policy and Strategies, Digital Media and Information Literacy Community Media Regulatory Policy Development, Research and Analysis	None	Corporate Affairs Committee, Projects Oversight Committee, Alternative member of the Audit and Risk Committee	1

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Ms Carol Mohlala	Board member	19 May 2022	18 May 2025 (End of term)	BA Degree (majored In Industrial Sociology and Media Studies)	An experienced researcher, writer, and communications expert. Extensive experience in the media sector at large.	Mohlala Motors	Projects Oversight Committee, Corporate Affairs Committee, Research, Capacity Building and Monitoring and Evaluation Committee (Chairperson)	7
Ms Nadia Bulbulia	Board member	10 September 2021	9 September 2024 (End of term)	Speech and Drama Teachers Diploma and a Bachelor of Art in Dramatic Arts (Honours). Master's Degree in Humanities (MA with Distinction).	Operations and strategic expertise specifically, in the broadcast sector, including the creation of a new audience research entity, serving on boards of self- regulatory agencies and related industry organisations, stakeholder management and engagement and the representative for broadcasters on Ministerial advisory bodies and panels and before Parliamentary Portfolio Committees.	CBFA - Children and Broadcasting Foundation for Africa	Research Capacity Building and Monitoring and Evaluation, Corporate Affairs Committee (Chairperson) and Projects Oversight Committee	6

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Mr Hoosain Karjieker	Board member and commercial print representative	17 November 2021	16 November 2024 (End of term)	B. Com degree, a diploma in Project Management and a National Diploma in Internal Auditing.	Strategy Development, Planning and Reporting, Relationship Management, Operational Management; and Staff and Contractor Management and Leadership	Turgat Counter Clockwise Media Findal Cape Town Aluminium And Extrusions Think Big Network Chaaday Media Holdings Bizzamm Portable Investment Holdings Automated Broadcasting Network Bhekisisa Development Media Knockout Media Mguardian Relta 10 M And G Africa Alpha Media Investment Holdings	Corporate Affairs Committee, Projects Oversight Committee (Chairperson) and Audit and Risk Committee	7

Committees

The MDDA Board has established four committees to effectively discharge its duties and provide oversight on specific aspects of the agency's business affairs. These committees ensure transparency, accountability, and full disclosure of their activities. Below is a brief overview of the committee structure:

Audit and Risk Committee (ARC):

Purpose: Plays a pivotal role in corporate governance, focusing on governance, risk management, and internal control practices.

Activities: Reviews organisational performance, internal audit reports, risk management, and legal matters. It also considers policies and compliance frameworks.

Projects Oversight Committee (POC):

Purpose: Supports the Board in overseeing funding activities and ensuring alignment with the MDDA mandate.

Activities: Reviews grant funding applications, monitors funding activities, and addresses policy considerations for community media.

Research, Capacity Building, Monitoring & Evaluation Committee:

Purpose: Focuses on research, capacity building, and monitoring and evaluation within the organisation.

Activities: Reviews quarterly reports on research, capacity building, and monitoring and evaluation initiatives.

Corporate Affairs Committee (CAC):

Purpose: Oversees human resources, ICT, stakeholder engagement, and communications.

Activities: Processes reports from HR, ICT, and communications units, and addresses organisational development matters.

Each committee is chaired by an independent non-executive member, with membership reviewed regularly to ensure relevant skills and expertise. Committees provide recommendations to the Board but do not have independent decision-making powers unless specifically authorised. Committees meet regularly to review reports, policies, and organisational performance.

This structure ensures that the MDDA Board maintains effective oversight and governance across critical areas of the agency's operations.

Committee	No. of meetings held	No. of members	Name of members
Audit and Risk Committee	6	5	Prof Rajesh Mahabeer Ms Margaret Phiri Ms Nompumelelo Phasha Mr Faizal Docrat Mr Dalson Modiba Mr Hoosain Karjieker (Alternate Board Representative) Mr Thembelani Mpakati (Alternate Board Representative) Mr Collin Mashile (Board Representative) Mr Qondile Khedama (Alternate Board Representative)
Corporate Affairs Committee	4	4	Mr Thembelani Mpakati Ms Carol Mohlala Prof Hlengani Mathebula Mr Hoosain Karjieker
Projects Oversight Committee	7	4	Mr Hoosain Karjieker Ms Jayshree Pather Ms Carol Mohlala Prof Hlengani Mathebula
Research, Capacity Building, Training, and Monitoring & Evaluation Committee	4	3	Ms Carol Mohlala Mr Qondile Khedama Ms Jayshree Pather

Remuneration of board members

The remuneration of MDDA Board members is determined in accordance with National Treasury Regulations and the approved MDDA Remuneration Policy. Members who are

appointed by the State are not eligible to earn fees. Prof Mathebula has opted not to receive fees, allowances or claims until he directs the Agency, this is in line with a Board resolution.

Non-executive Directors

Name	Remuneration	Other allowance	Other re-imbursements	Total
Prof. Hlengani Mathebula (Chairperson)	109 344	-	-	109 344
Mr. Hoosain Karjieker	188 200	-	-	188 200
Ms. Nadia Bulbulia	85 658	-	-	85 658
Mr. Qondile Khedama	35 544	-	-	35 544
Ms. Carol Mohlala	15 234	-	-	15 234
Mr. Thembelani Mpakati	169 522	-	-	169 522
Ms. Jayshree Pather	180 199	-	-	180 199
Total	783 701	-	-	783 701

Audit and Risk Committee (ARC)

Name	Remuneration	Other allowance	Other re-imbursements	Total
Prof. R Mahabeer	74 362	-	-	74 362
Ms. M Phiri	71 969	-	-	71 969
Ms. N Phasha	9 000	-	-	9 000
Ms. D Hlatshwayo	45 331	-	-	45 331
Mr. F Docrat	19 258	-	-	19 258
Total	219 920	-	-	219 920

5 RISK MANAGEMENT

In a world marked by accelerating technological change, economic volatility, and complex socio-political dynamics, the Media Development and Diversity Agency (MDDA) recognises that effective risk management is essential not only for organisational survival but for sustained growth and impact. The MDDA embraces risk management as a strategic enabler integrated into every facet of its operations, governance, and culture to safeguard its mandate and advance South Africa's media diversity agenda.

The MDDA has developed and institutionalised a comprehensive Risk Management Policy and Strategy, fully aligned with the Public Sector Risk Management Framework

and the Public Finance Management Act (PFMA). This policy framework establishes clear principles and processes for risk identification, assessment, mitigation, and monitoring, ensuring that risk management is embedded across all organisational levels. The Agency's Enterprise Risk Management Framework (ERMF) is now fully operational, providing a unified, dynamic platform that integrates risk data, facilitates real-time decision-making, and supports strategic agility.

Recognising the fast-evolving risk landscape, the MDDA conducts rigorous, periodic risk assessments that go beyond compliance to anticipate emerging threats and opportunities.

These assessments incorporate insights from technological trends, legislative developments, sector shifts, and socio-economic factors. For example, the Agency's Digital Innovation Strategy actively addresses risks related to digital transformation, cyber security, and media convergence, positioning the MDDA as a forward-thinking leader in the media development space.

The MDDA Board has established a dedicated Risk Management Committee that provides strategic oversight of the Agency's risk profile and mitigation efforts. This Committee ensures that risks are managed within approved risk appetite and tolerance levels, with a sharp focus on mitigating high-impact risks that could impede the Agency's strategic objectives. The Committee's mandate includes oversight of fraud prevention, governance compliance, and business continuity, ensuring a holistic approach to organisational resilience.

Complementing this, the MDDA's Audit Committee plays a critical role in independently advising on risk management and monitoring the effectiveness of internal controls and risk mitigation measures. Through quarterly reviews and audit engagements, the Committee strengthens transparency, accountability, and stakeholder confidence in the Agency's governance framework.

The MDDA has demonstrated significant progress in risk management, reflected in improved audit outcomes, enhanced internal controls, and the successful implementation of some of their annual risk plan interventions during the 2024/25 financial year. These implementations have contributed to stronger organisational performance and more effective stewardship of public resources.

Nonetheless, the Agency acknowledges areas requiring further enhancement, particularly in asset management and digital risk mitigation. In response, the MDDA is executing targeted action plans that include advanced asset tracking systems, staff capacity development, and investment in cutting-edge digital risk monitoring technologies. These initiatives are supported by an ongoing organisational redesign aimed at streamlining processes and reinforcing governance structures.

Ethical governance is one of the foundational pillars of the MDDA's risk management approach. The Agency upholds stringent ethical standards, zero tolerance for corruption, and transparent funding practices aligned with the South African Press Code and digital media ethics. This ethical commitment underpins stakeholder trust and reinforces the Agency's credibility in the media sector.

The MDDA's Business Continuity Management System (BCMS) is fully integrated within its risk framework, ensuring preparedness for disruptions ranging from cyber incidents to natural disasters. Regular testing and continuous refinement of continuity plans guarantee that critical functions and service delivery are maintained without interruption, safeguarding the Agency's mandate and reputation.

As the MDDA advances into 2024/25 and beyond, it remains committed to evolving its risk management practices to meet emerging challenges and leverage new opportunities. By integrating strategic governance, ethical leadership, digital innovation, and continuous learning, the MDDA is poised to enhance its resilience and deliver greater impact for South Africa's media diversity landscape.

6 INTERNAL CONTROL UNIT

The following internal audit work was completed during the year under review:

Corporate governance

The Committee approved the internal audit report which indicates that the control environment relating to the corporate governance activities were moderate and improvement on the control environment is required.

Financial management

The ARC approved the internal audit report which indicates that there is an adequate control environment relating to the financial performance and financial management.

Audit of predetermined objectives

The ARC approved the internal audit report which indicates that the control environment relating to the Audit of the Predetermined Objectives on 2024/2025 Annual Performance Reporting were moderate and improvement on the control environment is required.

7 INTERNAL AUDIT AND AUDIT COMMITTEES

The National Treasury (NT) developed the Internal Audit (IA) Framework in the 2003/2004 financial year. The framework establishes a minimum set of guidelines for the development and operation of internal auditing in the public service to ensure that Internal Audit Activities (IAA) adhere to the Public Finance Management Act and the Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing (ISPPA).

To ensure compliance with the Internal Audit (IA) framework, the MDDA Board approved the MDDA Audit and Risk Committee (ARC) charter, which outlines the ARC's purpose and authority. The ARC reviewed and approved the MDDA Internal Audit (IA) charter, methodology, three-year rolling plan comprising internal audit coverage areas, and one-year risk-based internal audit plan.

The internal audit is responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all significant areas of the organisation and its operations, and the IA carried out these reviews in accordance with its plan.

Summary of planned key activities, among others, carried out by the Internal Audit during the year:

- Review of Draft Annual Performance Plan
- Human Capital Management Review
- Risk Management Review
- Grant and Seeding Review
- Supply Chain and Expenditure Review (excluding tenders)
- Probity Review – Appointment of a Panel of Legal Service Providers for a Period of Three Years
- Governance and Compliance – POPI Act
- Follow up Review – Internal Audit and External Audit Findings
- Review of Performance Information

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Prof Rajesh Mahabeer	CA(SA) FCMA CGMA FCA (England & Wales) BFP FCCA CIA FIIASA M.Inst.D SARIPA INSOL MBA (Derby) MCom (UKZN) Post Grad Dip Acc (UKZN) N Dip Cost Acc (DUT) PhD (Candidate) (WITS)	External	N/A	1 October 2024	N/A	3/3
Ms Margaret Phiri	Bcom. Accounting Degree CTA/B Compt honours CA(SA)	External	N/A	1 April 2021	N/A	5/6
Ms Nompumelelo Phasha	LLM, LLB, Bachelor of Arts in law	External	N/A	2 May 2024	N/A	3/6

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Mr Dalson Modiba	Bachelor of Rations (4 year commerce degree majoring in Accounting (with distinction), Auditing, Business Economics and Commercial Law) from the University of the North or Turfloop (now Limpopo) and was the only student to graduate in 1995 for this degree; • Higher Diploma in Computer Audit from University of the Witwatersrand (Wits) in 2001; • Senior Management Programme certificate from University of Pretoria (UP) in 2008; and • Bachelor of Commerce Honours Degree in Business Management from University of South Africa (UNISA) in 2011.	External	N/A	28 January 2025	N/A	4/5
Mr Collin Mashile	Master of Communications - Management Science, Post Graduate Diploma in Communications and Media Regulation, BA Dramatic Arts (Honours) (Theories of Communications, Television and Media Studies)	External	N/A	28 January 2025	N/A	0/1

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Mr Qondile Khedama	Advanced Diploma in Public Management, a Programme in Management Development for Municipal Finance as well as Developmental Communications. certificates covering Digital Marketing, Public Relations and Leadership, Feature Writing, Newspaper Management, Project Management and Events Managements among others	External	N/A	29 January 2025	N/A	1/1
Mr Thembelani Mpakati	Bachelor of Law (LLB) degree and a National Diploma in Cost and Management Accounting (CCMA)	External	N/A	29 January 2024	29 January 2025	2/2
Mr Hoosain Karjieker	B. Compt degree, Diploma in Project Management National Diploma in Internal Auditing.	External	N/A	15 November 2024	16 November 2024	2/2
Ms Dudu Hlatshwayo	MBL, Bachelor of Social Science (Honors), Senior Executive Leadership Development Program, Certified Business Advisor	External	N/A	2 April 2023	30 September 2024	2/2

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Mr Faizal Docrat	Master of Business Administration – Thames Valley University (UK) in conjunction with Millpark Business School (2002) Chartered Director (2019) – Institute of Directors South Africa: CD (SA) Information Systems Audit and Control Association (ISACA): Certified Information Security Manager (CISM - 2004) Certified Information Systems Auditor (CISA - 2004) Certified in the Governance of Enterprise Information Technology (CGEIT - 2009) Institute of Risk Management South Africa: Certified Risk Management Practitioner (CRMprac - 2018) University of Witwatersrand – (1995) - Management Advancement Program (MAP34)	External	N/A	1 April 2024	29 July 2024	2/2
	Total Quality Management - Transnet (1995) Computer Users Council: (1985) – Computer Operations Proficiency Examination					

8 COMPLIANCE WITH LAWS AND REGULATIONS

The entity has drafted a compliance matrix, which alludes to all legislative frameworks applicable to the MDDA. The Audit and Risk Committee conducts oversight against quarterly

reporting of the entity's compliance with the compliance matrix and reports to the MDDA Board on progress of the entity in this regard.

9 FRAUD AND CORRUPTION

The Media Development and Diversity Agency (MDDA) is committed to upholding the highest standards of integrity, transparency, and accountability in all its operations. Recognising the significant risks that fraud and corruption pose to public trust and effective service delivery, the MDDA has developed and implemented a comprehensive Anti-Fraud and Corruption Prevention Plan as a critical component of its governance framework and risk management strategy.

The MDDA's Fraud Prevention Plan is aligned with national legislation, including the Public Finance Management Act (PFMA), and reflects best practices in the public sector. This plan outlines the Agency's zero-tolerance stance towards fraud and corruption and sets out clear measures for prevention, detection, investigation, and response.

9.1 Key elements of the plan include:

Risk-Based Approach: The MDDA conducts regular fraud risk assessments to identify vulnerabilities across its operations, including grant funding, procurement, and asset management. These assessments inform targeted controls and mitigation strategies.

Internal Campaigns and Capacity Building: The Agency implements ongoing fraud prevention campaigns and staff training to foster an ethical culture and raise awareness of fraud risks and reporting procedures.

Control Enhancements: Following audit findings related to asset management, the MDDA strengthened controls over asset tracking and verification processes, reducing opportunities for misappropriation and fraud.

The MDDA has made significant progress in implementing its fraud prevention plan, improving on its implementation of fraud prevention and risk management strategies during the 2024/25 financial year. This progress has contributed to improved internal controls and enhanced confidence among stakeholders.

9.2 Mechanisms for Reporting Fraud and Corruption

To encourage the timely and confidential reporting of suspected fraud and corruption, the MDDA has established robust reporting mechanisms.

Whistleblowing Policy: The Agency provides a secure and confidential whistleblowing channel that enables employees,

contractors, and stakeholders to disclose concerns about suspected fraudulent or corrupt activities without fear of retaliation. This mechanism aligns with the Protected Disclosures Act and supports a culture of openness and accountability.

Multiple Reporting Channels: Reports can be made via dedicated email addresses, hotlines, or directly to the internal audit and risk management units. These channels are widely communicated and accessible to all staff and stakeholders.

Awareness and Accessibility: Regular communication campaigns ensure that all employees understand how to report concerns and the importance of doing so in maintaining organisational integrity.

9.3 Handling of Fraud and Corruption Cases

Upon receipt of a report or detection of irregularities, the MDDA follows a structured and transparent process.

Preliminary Assessment: Initial screening is conducted by the internal audit or risk management team to determine the validity and urgency of the allegation.

Formal Investigation: Where warranted, a formal investigation is launched by qualified investigators, ensuring confidentiality and due process.

Collaboration with Authorities: The MDDA cooperates fully with law enforcement agencies and prosecutorial bodies when criminal conduct is suspected.

Disciplinary and Legal Action: Appropriate disciplinary measures, including dismissal and prosecution, are pursued against perpetrators. Financial redress and recovery actions are also implemented where possible.

Reporting and Oversight: The Audit and Risk Committee receives quarterly reports on fraud and corruption cases, including outcomes and lessons learned, ensuring continuous oversight and improvement.

9.4 Governance and Oversight

The MDDA Board has established a Risk Management Committee and an Audit Committee that provide rigorous oversight of fraud and corruption risks and the effectiveness of prevention and response measures. These committees

review quarterly reports on fraud risk profiles, incidents, and mitigation actions to ensure alignment with the Agency's risk appetite and governance standards.

The MDDA's comprehensive fraud and corruption management framework, anchored by a robust prevention plan, accessible reporting mechanisms, and decisive

response protocols, is central to safeguarding public resources and maintaining stakeholder trust. Through continuous improvement and a culture of ethical leadership, the MDDA is committed to fostering a transparent, accountable, and resilient organisation that effectively delivers on its mandate to support media development and diversity in South Africa.

10 MINIMISING CONFLICT OF INTEREST

The MDDA Board approved the revised Code of Conduct and Ethics Policy, which was then shared with all staff. All employees conduct an annual Declaration of Interest. All other processes, including hiring and supply chain management,

also include declarations of interest. Members should be recused if they are in a conflict of interest as defined by the policy.

11 CODE OF CONDUCT

The Media Development and Diversity Agency (MDDA) upholds a comprehensive Code of Conduct and Ethics that serves as the foundation of its organisational culture and governance. This Code combines aspirational ethical values with specific behavioural standards to guide all employees, management, and stakeholders in conducting themselves with integrity, professionalism, and accountability at all times.

The Code is designed to:

- Promote the highest standards of competence, honesty, and ethical behaviour.
- Ensure compliance with applicable laws, regulations, and policies, including the South African Constitution, Public Finance Management Act (PFMA), and Protection of Personal Information Act (POPI).
- Foster a respectful, inclusive, and harassment-free workplace where dignity and diversity are valued.
- Encourage transparency, openness, and responsible decision-making aligned with the MDDA's mandate to support media development and diversity.

By embedding these principles, the Code strengthens the MDDA's reputation, builds stakeholder trust, and creates a work environment where ethical dilemmas are addressed proactively and consistently.

Effect of the Code on the Public Entity

The Code of Conduct and Ethics has a profound impact on the MDDA by:

- Guiding Behaviour: It provides clear direction on acceptable and unacceptable conduct, helping employees make ethical choices even in complex situations without constant supervision.
- Enhancing Governance: The Code reinforces accountability mechanisms and supports compliance with governance frameworks, thereby reducing risks related to fraud, corruption, and misconduct.
- Supporting Organisational Values: It nurtures a culture of integrity, respect, and professionalism, which directly

contributes to improved organisational performance and stakeholder confidence.

- Protecting Reputation: By upholding ethical standards, the MDDA safeguards its credibility and legitimacy as a statutory body committed to public service.

Process Followed for Breach of the Code of Conduct

The MDDA has established a clear, fair, and transparent process to address breaches of the Code of Conduct and Ethics:

- Reporting: Employees, managers, or stakeholders who become aware of suspected breaches are encouraged to report concerns promptly. Reporting channels include direct supervisors, Human Resources, the internal audit unit, or confidential whistleblowing mechanisms designed to protect the identity of the reporter.
- Preliminary Assessment: Upon receipt of a report, the relevant unit conducts an initial assessment to determine the validity and seriousness of the allegation.
- Formal Investigation: If warranted, a formal investigation is initiated by designated officials or an independent investigator. The process ensures confidentiality, impartiality, and adherence to due process.
- Disciplinary Action: Where a breach is substantiated, appropriate disciplinary measures are taken following the MDDA's disciplinary code and relevant labour laws. Actions may range from warnings and counselling to suspension, dismissal, or legal referral depending on the severity of the misconduct.
- Right to Respond: The employee or official accused of a breach is allowed to respond to the allegations before any final decision is made, ensuring fairness and transparency.
- Reporting and Oversight: Outcomes of investigations and disciplinary actions are reported to senior management and the Audit and Risk Committee to ensure oversight and to inform continuous improvement in ethics management.
- Prevention and Education: Following breaches, the MDDA reviews policies and conducts targeted training to prevent recurrence and reinforce ethical awareness.

12 HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The MDDA strives to foster and maintain a stable, healthy, safe and productive working environment and implements a wellness scheme, with frequent desktop wellness awareness information, that is available for all employees. The Agency has a policy which does not unfairly discriminate against persons who choose to smoke. However, all general work areas have been designated as “smoke-free”.

The MDDA policy makes it compulsory to belong to a medical aid and currently administer its medical aid through the Discovery Medical Aid Scheme where all employees, with the exception of those employees who are, and wish to remain members of an alternative scheme of which their spouses or partners is already a member.

In accordance with Agency’s corporate responsibility to comply with Laws and Regulations, and its intent to provide its employees with a safe and secure working environment, the Agency nominated new members into the Occupational Health and Safety committee and a compliance letter of good standing as issued by the Department of Labour was issued for Compensation for Occupational Injuries and Diseases Act. It takes all reasonable steps to provide secure premises and safe equipment. The controlled access to the Agency’s work areas and general premises is maintained in accordance with relevant security and safety procedures to protect property, possessions and persons. The Occupational Health and Safety Act is accessible to all employees as it is displayed on the notice board.

13 COMPANY/ BOARD SECRETARY

Board Members have unrestricted access to the advice and services of the Company Secretary as well as the Secretariat Unit. The Company Secretary together, with other assurance functions, monitors MDDA’s compliance with the requirements of the PFMA, National Treasury Regulations, the MDDA Act and other relevant and applicable legislation.

The Company Secretary assists the Board Chairperson to conduct an annual Board evaluation process.

14 SOCIAL RESPONSIBILITY

The Media Development and Diversity Agency (MDDA) has a crucial social responsibility to promote media diversity, inclusivity, and access to information. This social responsibility is realised through creating an inclusive, diverse, and responsible media environment that empowers all South Africans to access and participate in the media landscape. By fulfilling these responsibilities, MDDA contributes to a more democratic and informed society.

Promoting Media Diversity:

- MDDA’s primary responsibility is to foster diversity in the media industry by supporting and encouraging the establishment of community and small commercial media projects. This includes initiatives that represent historically disadvantaged, marginalised communities and ensure a plurality of voices in the media.
- MDDA aims to bridge the digital divide and improve media access for historically disadvantaged groups, including rural communities, women, youth, and people with disabilities. By providing support and resources, MDDA enables these groups to participate in media creation and consumption.
- MDDA’s social responsibility extends to empowering media entrepreneurs, especially those from disadvantaged backgrounds. By providing financial support and capacity-building programmes, the agency helps aspiring media professionals to establish viable and sustainable media ventures.

Fostering Media Literacy and Critical Thinking:

- MDDA’s social responsibility includes promoting media literacy among citizens to enable them to critically analyse media content, identify misinformation, and make informed decisions. This helps create an informed and responsible media audience.

Supporting Diverse Content Creation:

- MDDA encourages media organisations to produce content that reflects the diversity of South Africa’s society. This includes content that represents various cultures, languages, genders, and perspectives, thus promoting social cohesion and understanding.

15 AUDIT COMMITTEE REPORT

Audit and Risk Committee Report of the Media Development and Diversity Agency ("MDDA")

I am pleased to present you with the report of the MDDA Audit and Risk Committee ("Committee") for the financial year ended 31 March 2025. This report has been prepared in accordance with the Public Finance Management Act 1 of 1999 as amended ("PFMA").

While the previous financial year presented notable challenges, including material irregularities and control deficiencies, the MDDA has demonstrated resilience and a focused approach to improving governance, financial management, and compliance processes. The audit opinion for the most recent financial year has improved to an unqualified opinion with no material findings, referred to as "Clean Audit Outcome", marking a significant milestone for the Media Development and Diversity Agency. The MDDA's efforts to develop and monitor an audit action plan, enhance oversight mechanisms, and align operations with regulatory requirements have contributed to this positive outcome.

Statutory Duties

The Committee is constituted as a statutory Committee of the MDDA in line with the PFMA, it is accountable to the Board and MDDA's stakeholders. It is a Committee of the Board in respect of all other duties the Board assigns to it and has been delegated powers to perform its functions in accordance with the PFMA and National Treasury Regulations of the PFMA.

In the year under review, the Committee carried out its responsibilities as set out in its terms of reference approved by the Board.

We share below key information about the role and functions of the Committee.

- Review of the interim financial reports with management and the external auditors before filing with the Regulators and consider whether they are complete and consistent with the information known to committee members.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with management, the internal auditors, and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Review the Annual Financial Statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review with management, the internal auditors, and the external auditors the results of the audit, including any difficulties encountered.

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements

The Committee operated under terms of reference which were reviewed by the Committee during the year under review and approved by the Board.

The Committee considered the strategic risks and their impact on achieving the Group's strategy and assessed the adequacy of controls and the combined assurance applied over the identified risks. The Committee monitored the effectiveness of the internal control environment through the review of reports from the Internal Auditors, Management and the External Auditors, and ensured the quality of financial reporting through the review of the financial statements submitted to the Committee. The Committee monitored compliance with legal and regulatory provisions that the MDDA must adhere to.

Having reviewed information provided by management, the internal auditors and the external auditors on the adequacy of controls, combined assurance, financial reporting, business continuity and risk management, the Committee is of the view that internal controls have been effective in all material respects during the year under review.

Significant Financial Statements Reporting Issues

Assumptions and estimates or judgements are a significant part of the financial reporting process and are evaluated carefully by the Committee ahead of the finalisation of the Agency's financial statements. The Committee reviewed the main judgements and assumptions made by management, and the conclusions drawn from the available information and evidence. The Committee encouraged rigorous discussion on internal controls, accounting and disclosure matters. In addition to these main areas of focus, the Committee also covered matters relating to corporate planning, budgeting, taxation, legal, and compliance matters.

Composition and meetings

The Audit and Risk Committee is composed of 3 independent members. The Committee is chaired by Prof Rajesh Mahabeer who took over after the resignation of Ms Dudu Hlatshwayo on the 30 September 2024. Prof Mahabeer is the appointed Chair of the Committee from the 1 October 2025 for a period of three years. Ms Maragret Phiri, Mr Dalson Modiba and Ms Nompumelelo Phasha are members of the Committee. The Board representative on the Committee is Mr Collin Mashile and Mr Qondile Khedama is an alternative member representing the Board.

Members of the Committee possess adequate knowledge and skills to carry out their duties. The deep and varied experience of the Committee members gives perspective and insight to the Committee's deliberations and decisions. We confirm that the Committee has met all legal and regulatory requirements from a composition and independence perspective.

The Committee met six times during the financial year, with attendance per the table below. There were four quarterly meetings, and two scheduled special meetings. The purpose of the special meetings was to consider the draft and audited financial statements and Performance Report.

Name	Date appointed	Date Resigned	No. of Meetings attended
Prof Rajesh Mahabeer	1 October 2024	N/A	3/3
Ms Margaret Phiri	1 April 2021	N/A	5/6
Ms Nompumelelo Phasha	1 April 2021	N/A	3/6
Mr Dalson Modiba	2 May 2024	N/A	4/5
Mr Collin Mashile	28 January 2025	N/A	0/1
Mr Qondile Khedama	29 January 2025	N/A	1/1
Mr Thembelani Mpakati	1 April 2024	29 January 2025	2/2
Mr Hoosain Karjieker	15 November 2024	16 November 2024	2/2
Ms Dudu Hlatshwayo	2 April 2023	30 September 2024	2/2
Mr Faizal Docrat	1 April 2024	29 July 2024	2/2

Committee Performance

The performance of the Committee is reviewed as part of effectiveness of the review of the Board and its Committees. The Board and committee assessment was not conducted during the year under review.

Role of the Chairperson

The role of the Chairperson of the Committee requires regular interactions with the heads of Internal Audit, Risk Management, Finance and External Audit to understand the Agency's operations and risks facing the business. These interactions are an essential part of the role of the Chairperson as they provide an additional layer of assurance to gain comfort that the control functions are aligned in terms of their understanding of the risks facing the agency and mitigation thereof.

The Committee reports that it has discharged its responsibilities relating to the following:

Financial Statements

The Committee has received Quarterly Performance Reports from Finance at each quarterly meeting, which included financial reports and reports on irregular, fruitless and wasteful expenditure, supply chain management, compliance, and legal matters. The Committee reviewed the effectiveness of the MDDA's system of internal control over the financial reporting period.

The Committee has considered the appropriateness of accounting policies and practices and any areas of judgement, and significant issues that have been discussed

with the External Auditors, completeness of disclosures and compliance with financial reporting standards and other relevant financial and governance reporting requirements.

Whilst the liquidity and solvency of the Agency is closely monitored on a regular basis by management, the Committee and Board expressly considered the assumptions underlying the going concern of the group as part of approval of the Annual Financial Statements.

For the year ended 31 March 2025, the Committee recommended to the Board that, based on its knowledge of the group, it is appropriate for the financial statements to be prepared on a going concern basis.

The Committee has considered the MDDA's Annual Financial Statements for the year ended 31 March 2025 and has concluded that they present a reliable and fair view of the financial position in compliance with the PFMA. The Committee has also considered that the annual report and financial statements are understandable and provide necessary information for the shareholder and stakeholders to assess the Agency's financial position, performance and prospects.

The MDDA's Annual Financial Statements have been recommended by the Committee to the Board for approval.

The effectiveness of internal control:

The following internal audit work was completed during the year under review:

• Corporate governance

The Committee approved the internal audit report which indicates that the control environment relating to the corporate governance activities were moderate and improvement on the control environment is required.

• Financial management

The ARC approved the internal audit report which indicates that there is an adequate control environment relating to the financial performance and financial management.

• Audit of predetermined objectives

The ARC approved the internal audit report which indicates that the control environment relating to the Audit of the Predetermined Objectives on 2024/2025 Annual Performance Reporting were moderate and improvement on the control environment is required.

External Audit

The Auditor General South Africa (AGSA) is the External Auditor for the MDDA. Being responsible for oversight of the External Auditor, the Committee considered the re-appointment of the External Auditor before making a recommendation to the Board. The Committee approved the external audit strategy and external audit fees, thus confirming that the audit scope and key audit risks were appropriate for the audit that followed.

The Committee also reviewed the findings and recommendations of the External Auditor as reported in the 2024/25 Management Letter and it concurs with same.

Lastly, the Committee has considered the independence and evaluated the effectiveness of the External Auditor to assess independence, competence and conflict of interest. There were no non-audit services provided by the External Auditor.

With due consideration of the material irregularity issued to the MDDA in the previous financial year, the Committee is pleased to advise that the material irregularity was closed out and that comprehensive controls to avoid a recurrence have been implemented.

Internal Audit

Internal Audit performs an independent assurance function. Internal Audit has a functional reporting line to the Audit and Risk Committee and an administrative reporting line to the CEO. Internal Audit provides independent and objective assurance to the Board through the Committee that governance processes, risk management and systems of internal control are adequate and effective to mitigate the significant control risks that have an impact on the sustainability of the MDDA.

The Internal Audit function has conducted its affairs in compliance with the approved Charter and approved Audit Plan and has discharged its responsibilities as contained therein.

During the year under review, as outsourced Internal Audit partner, OMA performed a wide range of audits as per the

operational plan approved by the Audit and Risk Committee that included performance Information, review of Draft Annual Performance Plan, human resources management, risk management, grant and seeding, and supply chain (excluding tender processes) and expenditure review as well as governance and compliance.

The Unit also conducted follow up reviews. The Internal Audit has reported to Management on an ongoing basis and thereafter at Audit and Risk Committee Meetings on a quarterly basis, in terms of audits finalised and status of corrective action taken by management.

In the period under review, there were no investigations undertaken by the Unit.

Chief Financial Officer and Finance Function

The Committee considered, among other things, the Chief Financial Officer's qualifications, experience, leadership, technical expertise and professional relationships. The Committee is satisfied that the experience and expertise of the Chief Financial Officer are appropriate.

The Committee also considered the expertise, resourcing and experience of the Group's Finance function. The Committee considered, among others, performance, integrity and professionalism, competencies, risk management, effective communication, risk management and planning, financial reporting and management, and culture of the Finance function. The Committee is satisfied that the finance function has the appropriate expertise, capacity, and experience.

Looking Ahead

On behalf of the Audit and Risk Committee, I commend the MDDA team for their dedication and collaboration in achieving an improved audit opinion. Moving forward, the Agency remains committed to maintaining this standard and further enhancing its internal controls and compliance measures to ensure continued accountability and transparency in fulfilling its mandate.

Conclusion

As a Committee, we are satisfied that we have complied with our statutory responsibilities and terms of reference. Having had regard to all material risks and factors that may impact on the integrity of the Annual Financial statements and following appropriate review, we recommended the Annual Financial Statements of the Media Development and Diversity Agency for the year ended 31 March 2025 to the Board for its consideration and approval.

Prof Rajesh Mahabeer
Chairperson of the Audit Committee
MDDA

Date:

16 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The MDDA does not issue licences or concessions.
Developing and implementing a preferential procurement policy?	N/A	The MDDA is implementing the Preferential Policy Framework Act (Act 5 of 2000), Preferential Procurement Regulations 2002 and National Treasury Instructions and Practices Notes.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	There are no SOEs under MDDA control.
Developing criteria for entering into partnerships with the private sector?	N/A	The MDDA does not enter into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The MDDA does not offer incentives, grant and investment schemes.





PART D

HUMAN RESOURCE MANAGEMENT



1 INTRODUCTION

The 2024/25 financial year was one of strategic advancement and meaningful progress for the Human Resources (HR) Department at the Media Development and Diversity Agency (MDDA). The HR strategy during this period was deliberately aligned to the Agency's broader organisational goals, with a strong emphasis on building institutional capacity, strengthening leadership, and fostering an inclusive, high-performing culture.

The HR unit's work was guided by six key strategic thrusts. First, the focus on recruitment, retention, and succession planning ensured that the MDDA attracted capable talent, retained high-performing individuals, and prepared for future leadership transitions. Second, transformation and inclusivity were driven through employment equity, with the aim of building a more representative and diverse workforce. The MDDA approved a new three-year Employment Equity Plan and conducted training for the EE Committee to support its implementation. These actions reflect the agency's ongoing commitment to promoting a diverse, inclusive, and equitable workplace.

Third, training and development remained a cornerstone of the HR approach, with initiatives aimed at upskilling employees, enhancing capabilities, and supporting continuous professional growth. Capacity building remained a top priority. Thirteen (13) training interventions were delivered in the areas of governance, monitoring and evaluation, cybersecurity, people management, records management, Microsoft Office, and time and report writing.

Performance management continued to serve as the fourth pillar of MDDA's human resources strategy, with a strong focus on individual accountability, clearly defined expectations, and measurable outcomes. This was achieved through structured assessments and performance contracting processes. The MDDA promotes a performance-driven culture as a strategic organisational objective, aimed at identifying high-potential employees and fostering continuous learning and development. During the reporting period, the Agency successfully concluded the performance contracting process for the 2024/25 financial year. In addition, the Human

Resources department ensured that performance incentives for the 2023/24 financial year were paid timeously to all qualifying employees.

Fifth, efforts to enhance organisational culture and support change management helped foster a work environment characterised by engagement, collaboration, and adaptability. A comprehensive review and redesign of the organisational structure were finalised, including the evaluation of job profiles and the issuing of new placement letters. Consultations were held with employees and the Communications Workers Union to conclude the review of HR policies and the Hybrid Working Policy. The revised HR policies were formally approved by the MDDA Board.

Lastly, employee health and wellness pillar remained central to the HR agenda, with programmes supporting the physical, emotional, and mental wellbeing of staff. The MDDA continued to prioritise staff wellness and engagement through comprehensive programmes. The Employee Wellness Programme offered support on mental health, bereavement, and financial wellbeing, often in collaboration with partners such as the LYRA and SABC. The #StaffConnect programme featured events such as Women's Month celebrations, Mandela Day activities at Bafikile Primary School, a potjiekos competition, a "Sip and Paint" engagement session, and the International Day of Happiness celebration. The #MyWellbeing initiative encouraged healthy habits, budgeting, and personal boundary-setting. Employees were recognised for long service, receiving certificates and additional leave days in acknowledgement of their contributions.

The 2024/25 financial year represented a period of consolidation and innovation for the HR. From implementing a refined organisational structure to expanding training programmes and wellness initiatives, the department laid a strong foundation for a more capable and engaged workforce. The progress made reflects the MDDA's continued investment in its people, demonstrating a commitment to inclusive transformation, employee wellbeing, and future-ready leadership.

2 HUMAN RESOURCE OVERSIGHT STATISTICS

As at the end of the reporting period, the MDDA had a permanent staff complement of 41 employees, against an approved organisational structure of 55 positions. Of the 14 vacant posts, only four were funded, resulting in a vacancy rate of 9%.

During the year, there were three terminations of permanent employment two due to resignations and one due to the passing of an employee. In support of workforce development and operational capacity, the Agency also engaged nine interns, eight Workplace Integrated Learners (WIL), and six employees on temporary fixed-term contracts.

2.1 Personnel related expenditure

Personnel Cost by programme/ activity/ objective

The MDDA follows a total cost to company (TCTC) remuneration model, which enhances flexibility in structuring employee salary packages. This approach ensures that employee compensation is competitive in the labour market and fairly reflects the value of services rendered. Under this model, all statutory and fringe benefits are incorporated into a single comprehensive remuneration figure, enabling greater transparency and individualised salary planning. As part of the total remuneration offering, the MDDA provides employees with fringe benefits, including a provident fund administered by Liberty and medical aid administered by Discovery. These benefits are integral to the TCTC package and are mandatory for all permanent employees. In addition, qualifying employees receive cell phone allowances to support work-related communication needs and study assistance to encourage continuous learning and development.

The total staff complement for the 2024/25 financial year includes all permanent and fixed-term employees, as well as those who exited the Agency during the year. It also accounts for the interns and work integrated learners who were placed as part of the MDDA's internship and development programme. The personnel cost breakdown reflects all compensation and benefits disbursed under each programme or activity area in line with the Agency's operational structure and strategic objectives.

During the 2024/2025 financial year, the MDDA allocated a total of R899,562.00 in performance rewards as part of its commitment to recognising and incentivising employee contributions. These rewards support the organisation's objective of enhancing productivity and aligning individual performance with strategic goals.

During the 2024/2025 financial year, the MDDA invested R231,450 in training and development initiatives, representing 0.62% of total personnel expenditure of R37,241,571. A total of 37 employees received training during the year, resulting in an average training cost of approximately R15,499 per employee.

This investment reflects the organisation's ongoing commitment to staff capacity building and professional development, which are critical to achieving its strategic objectives and improving service delivery. Training programmes focused on enhancing technical skills, leadership capabilities, and compliance with relevant legislative frameworks.

Programme/activity/ objective	Total Expenditure for the entity	Personnel Expenditure (R)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee
Office of the CEO	3 279 319	2 633 548	80%	2	1 316 774
Finance	8 753 194	6 919 600	79%	8	864 950
Communications & Strategy	2 796 796	1 463 103	52%	3	487 701
Company Secretary	2 207 437	2 168 490	98%	3	722 830
Legal Services	4 010 713	2 624 578	65%	4	656 144
Internal Audit	5 629 260	721 645	13%	1	721 645
Human Resources & Corporate Affairs	8 867 936	3 270 794	37%	3	1 090 265
Projects	62 130 344	11 141 254	18%	14	795 804
Research, Training, Monitoring & Evaluation	13 647 912	6 754 356	49%	10	675 436

Personnel cost by salary band

Level	Personnel Expenditure)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee
Top Management	6 115 814	16%	3	2 038 605
Senior Management	12 659 377	34%	11	1 150 852
Professional qualified	13 849 086	37%	24	577 045
Skilled	3 219 728	9%	10	321 973
Semi-skilled	1 397 566	4%	33	42 350
Unskilled	-	-	-	-
Total	37 241 571	-	81	4 130 826

Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure
Top Management	-	6 115 814
Senior Management	316 911	12 659 377
Professional qualified	424 394	13 849 086
Skilled Technical	131 650	3 219 728
Semi-skilled	26 607	1 397 566
Unskilled	-	-
Total	899 562	37 241 571

Training Costs

Programme//activity/objective	Personnel Expenditure (R)	Training Expenditure (R)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Training & Development	37 241 570,66	1 127 584,96	3,03%	37	30 475

Employment and vacancies

No suitable internal candidates met the minimum requirements for the vacant positions at the time of recruitment. To attract and retain talent, the MDDA continued to implement measures such as market-related remuneration packages, opportunities for professional development, and flexible work arrangements where feasible. Employment Equity considerations remained integral to all recruitment decisions to ensure progress toward transformation targets.

The Agency is confident that planned recruitment initiatives in the upcoming financial year will address the remaining vacancies in these critical occupational levels. In addition, the Agency is prioritising its succession planning framework in the new financial year to strengthen the internal talent pool for future vacancies.

Programme/activity/objective	2024/2025 (April) No. of Employees	2024/2025 Approved Posts	2024/2025 (March) No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	3	5	3	2	40%
Senior Management	7	11	9	2	18%
Professional qualified	18	33	23	10	30%
Skilled	5	5	5	0	0%
Semi-skilled	1	1	1	0	0%
Total	34	55	41	14	-

Programme/activity/objective	2024/2025 (April) No. of Employees	2024/2025 Approved Posts	2024/2025 (March) No. of Employees	2024/2025 Vacancies	% of vacancies
Office of the CEO	2	2	2	0	0%
Internal Audit	1	1	1		0%
Corporate Services	6	14	9	5	36%
Sector Development, Planning, M&E and Research	6	11	7	4	36%
Projects	13	17	13	4	24%
Company Secretary	2	3	3	0	0%
Finance	4	7	6	1	14%
Total	34	55	41	14	-

Programme/activity/objective	2024/2025 (April) No. of Employees	2024/2025 Approved Posts	2024/2025 (March)	2024/2025 Vacancies	% of vacancies
			No. of Employees		
Top Management	3	5	3	2	40%
Senior Management	7	11	9	1	7%
Professional qualified	18	33	23	3	13%
Skilled	5	5	5	2	20%
Semi-skilled	1	1	1	0	0%
Total	34	55	41	7	-

Employment changes

The organisation experienced an overall increase in staff during the reporting period, with employment rising from 34 employees at the start of the year to 41 at year-end. This growth was primarily driven by 10 new appointments across various salary bands, particularly within the professionally qualified category, which saw the largest intake of new staff.

A total of three terminations occurred during the year, two resignations and one death, representing an overall turnover rate of 8.8%. The increase in headcount reflects the MDDA's efforts to strengthen organisational capacity, fill critical vacancies, and advance its strategic objectives. Recruitment activities were guided by the Employment Equity Plan to ensure diversity and representativity across occupational levels.

Table: Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	3	0	0	3
Senior Management	7	2	0	9
Professional qualified	18	8	3	23
Skilled	5	0	0	5
Semi-skilled	1	0	0	1
Total	34	10	3	41

Reasons for staff leaving

During the reporting period, a total of three employees left the organisation. Two employees resigned, citing personal career development opportunities and relocation as the primary reasons. One employee passed away.

Table: Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	1	33%
Resignation	2	67%
Dismissal	0	0
Retirement	0	0
Ill health	0	0
Expiry of contract	0	0
Other	0	0
Total	3	-

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	0
Total	-

Equity Target and Employment Equity Status

The MDDA implemented two Employment Equity (EE) Plans for the periods 1 October 2023 to 30 September 2024 and 1 October 2024 to 30 September 2025. These plans are designed to promote an inclusive, equitable workplace by ensuring demographic representation across all occupational levels in alignment with the Employment Equity Act and the National Economically Active Population (EAP).

Following the approval of the revised organisational structure, the EE Plan was updated to reflect 55 approved positions, effective from 1 October 2024. As of 31 March 2025, the MDDA had 41 permanent employees. Of this workforce, 100% identified as black (African and Indian), with female representation at 66%, exceeding transformation targets in key areas.

The MDDA continues to make progress toward achieving its Employment Equity (EE) targets, with overall gender representation closely aligned to targets. African males and females remain the dominant groups across all occupational levels, reflecting the organisation's commitment to transformation. However, variances persist in race diversity, with minimal or no representation from Coloured, Indian, and White groups in most categories, despite targeted recruitment efforts.

Representation of people with disabilities remains below target. These gaps are being addressed through targeted recruitment campaigns.

Targeted recruitment drives to address under-representation in identified groups, particularly Coloured and Indian employees in senior and professional levels. Inclusion of Employment Equity considerations in recruitment processes. Engagement with disability organisations to identify and attract suitably qualified candidates with disabilities.

The MDDA will continue to monitor EE performance quarterly, implement corrective measures where gaps exist, and align workforce planning with strategic transformation objectives.

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	2	0	0	0	0	0	0
Senior Management	4	4	0	0	0	0	0	0
Professional qualified	8	9	0	1	0	1	0	0
Skilled	0	0	0	0	0	0	0	0
Semi-skilled	1	1	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	14	16	0	1	0	1	0	0

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	2	0	0	0	0	0	0
Senior Management	4	4	0	0	1	1	0	1
Professional qualified	15	14	0	0	0	1	0	0
Skilled	5	5	0	0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	26	25	0	0	1	1	0	1

Levels	DISABLED STAFF			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	1	1	0	0
Skilled	0	1	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	1	2	0	0



PART E

PFMA COMPLIANCE REPORT



1 IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R	R
Opening balance	4 846 297	1 472 183
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	3 063 766	3 374 114
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
Closing balance	7 910 063	4 846 297

Reconciling notes

Description	2024/2025	2023/2024
	R	R
Irregular expenditure that was under assessment in 2024/25	0	3 374 114
Irregular expenditure that relates to 2022/23 and identified in 2023/24	0	0
Irregular expenditure for the current year	3 063 766	0
Total	3 063 766	3 374 114

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

Description ¹	2024/2025	2023/2024
	R	R
Irregular expenditure under assessment	2 045 697	491 498
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	2 045 697	491 498

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R	R
Irregular expenditure condoned	0	0
Total	0	0

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

Description	2024/2025	2023/2024
	R	R
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R	R
Irregular expenditure recoverable	0	0
Total	0	0

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R	R
Irregular expenditure written off	0	0
Total	0	0

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Not applicable
Total

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

Description	2024/2025	2023/2024
	R	R
Non applicable		
Total		

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

Disciplinary steps taken
None

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R	R
Opening balance	574 870	81 769
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	0	493 101
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing balance	574 870	574 870

Reconciling notes

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure that was under assessment	0	493 101
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	0	493 101
Total	0	493 101

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

Description ²	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total³	0	0

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure recoverable	0	0
Total	0	0

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

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure written off	0	0
Total	0	0

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

Disciplinary steps taken
None

1.3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)**a) Details of material losses through criminal conduct**

Material losses through criminal conduct	2024/2025	2023/2024
	R	R
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	0	0

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R	R
(Group major categories, but list material items)	0	0
Total	0	0

c) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R	R
(Group major categories, but list material items)	0	0
Total	0	0

d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R	R
(Group major categories, but list material items)	0	0
Total	0	0

2 INFORMATION ON LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R
Valid invoices received	267	25,404,084
Invoices paid within 30 days or agreed period	264	25,175,351
Invoices paid after 30 days or agreed period	3	228,733
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

3 INFORMATION ON SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R
Case ware Annual Renewal	Adapt IT	Sole provider	once off	107 713
CIGFARO Conference	Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO)	Sole provider	once off	7 898
Professional membership fees	Institute of People Management (IPM)	Sole provider	once off	2 239
Professional membership fees	Institute of Risk Management South Africa (IRMSA)	Sole provider	once off	11 609
Professional membership fees	IoDSA Membership	Sole provider	once off	43 500
Professional membership fees	SAIPA Membership	Sole provider	once off	8 372
Professional membership fees	SABPP Membership	Sole provider	once off	5 960
Professional membership fees	SAMEA Membership	Sole provider	once off	1 260
Professional membership fees	NAB Membership Fees	Sole provider	once off	72 871
Audience measurement	Audit Bureau of Circulations of South Africa	Sole provider	N/A	1 150 000
Total				1 411 422

3.2. Contract variations and expansions

Project description	Name of supplier	Reason for variation/extension	Contract number	Value of contract
HR System upgrade to SAGE 300	Finware Enterprise Systems	MDDA has an existing contract, and HR needs additional modules to optimise their workforce management	N/A	1 207
Additional Licenses	ClearTech Solutions	New officials joined the organisation and exceeded the projected number of licenses	N/A	129 000
Additional Licenses	ClearTech Solutions	The workflows needed for some units within the project necessitate a different licensing structure for their development	N/A	4 869
Total				135 076



PART F

ENVIRONMENTAL LANDSCAPE AND FUNDING



GROWTH AND DEVELOPMENT OF LOCAL MEDIA

The MDDA Act No. 14 of 2002 established the MDDA to help create an enabling environment for media development and diversity that is conducive to public discourse, and which reflects the needs and aspirations of all South Africans.

Despite the fact that transformation of the media remains a challenge for South African democracy, the media landscape has changed considerably since 2004, with the MDDA being the largest contributor to enabling access to, control of, and management of the sector by historically disadvantaged individuals.

More than ever before, all the languages of South Africa are being actively used to communicate and engage with communities, with the community broadcast sector far outstripping their mainstream counterparts in this regard.

The MDDA has invested significantly in the purchase of world-class radio equipment, and to further enable quality productions, has commenced from 2019/2020, including an allocation for content production in the grant funding package.

Similarly, the community and small commercial print sector has grown significantly in recent years with South Africa now boasting more than 200 small publishers.

FUNDING OF THE AGENCY

Section 15 of the MDDA Act provides for funding of the Agency consisting of:

- Money appropriated by Parliament;
- Money received in terms of agreements contemplated in section 21;
- Domestic and foreign grants;
- Interest derived from any investments; or
- Money lawfully accruing from any other source.

The money referred to above must be utilised to:

- Fund projects and activities connected therewith, including project evaluation, feasibility studies, needs analyses, research, and training; and
- Defray expenses, including expenses regarding remuneration, allowances, pensions, and other service benefits referred to in section 12 (6) of the Act, incurred by the Agency in the performance of its functions under the Act as long as such expenses do not exceed the prescribed percentage of the funds referred to above.

Description	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
	R	R	R	R	R	R
Total budget from DoC/GCIS	31 795 000	32 279 000	60 187 627	51 753 326	45 475 146	38 568 000
Broadcast Income	56 313 833	60 915 177	64 948 917	64 888 360	67 096 376	65 736 319
Total	88 108 833	93 194 177	125 136 544	116 641 686	112 571 522	104 304 318

The Economic Development Fund (EDF) - conditional grant transferred to revenue in the 2024/25 financial year has caused a minor increase in grant revenue. The EDF programmes have been initiated since 2022/23 financial year and a total of R38 645 889 conditional grants is anticipated to be transferred to revenue over the MTEF.

Broadcast funders - ICASA License holders have the option to pay the USAF levies to ICASA or MDDA, levies paid to MDDA are categorised as revenue. Eighty percent (80%) of the broadcast contributions are made by Multichoice. Multichoice has committed to contribute R45 million per year over the MTEF. Multichoice has been contributing above the committed funds in the prior financial years. The broadcast contribution is projected to increase by 1% over MTEF as a reflection of expected industry growth based on historical trends.

Grants income – MDDA receives an unconditional grant allocation through Government Communications Systems (GCIS), the grant is used to fund operational expenditure. National Treasury has introduced spending curtailment measures and reduced MDDA allocations. Government Grants will only increase by an average of 5% over the MTEF, the increase is below the inflation levels which warranted a reduction on expenditure.

Broadcast Partners

- HEART 104.9 FM
- IGAGASI FM
- RADIO ALGOA
- E TV (PTY) LTD
- Y FM RADIO STATION
- HOT/CLASSIC FM
- EAST COAST RADIO
- CAPRICORN FM
- MULTICHOICE AFRICA (PTY)
- SABC
- RADIO JACARANDA
- CAPE TALK
- KFM / CRESCENT CONSORTIUM
- RADIO 702 PRIMEDIA BROADCASTING
- HIGHVELD STEREO (AFRICA ON AIR) 947
- VUMA 103 FM PTY LTD
- KAYA FM (PTY) LTD
- RISE FM

Foreign Grants

No foreign grants were received in the year under review.

Rollover

For the period under review, the MDDA has requested R9 715 000 rollover of funds in respect of committed funds to be disbursed to project beneficiaries and service providers at a future date.

Funding Cycles

The MDDA was funded by government through the Department of Communications up to 2019 and now through the GCIS which will report to the Presidency. The Agency is also funded by broadcast media companies as per funding agreements signed between the MDDA and these partners. The funding cycle from government is in line with the Agency's financial year, which is April to March. However, the funding cycles for broadcast funds is November to November. Due to the different cycles of funding, the MDDA will always, at the financial year end, reflect funds from broadcast funders that still need to be approved.

Regulatory and Contractual Requirements**MDDA regulations state that:**

- At least 60% of grant funds should go to community media projects
- At least 25% to small commercial projects
- 5% to research projects





PART G

FINANCIAL INFORMATION



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON MEDIA DEVELOPMENT AND DIVERSITY AGENCY

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Media Development and Diversity Agency (MDDA) set out on pages 90 to 118, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the MDDA as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with the Standard of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 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 responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 25 to the financial statements, the corresponding figures for the 31 March 2025 were restated as a result of an error in the financial statements of the public entity at, and for the year ended 31 March 2024.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of 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 public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 87, forms part of my auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
13. I selected the following material performance indicators related to Programme 2: Grant & Seed Funding, Programme 3: Partnership, Public awareness and Advocacy and Programme 4: Capacity Building and Sector Development presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of grant funding applications for community broadcast projects approved.
 - Number of grant funding applications for small commercial print or digital media projects approved.
 - Number of media projects provided with digital support.

- Number of annual evaluation reports generated.
 - Number of monitoring reports generated on funded projects.
 - Number of stakeholder engagements for non-financial support held.
 - Number of media engagements held.
 - Number of proposals for funding and support presented to potential funders.
 - Number of training interventions aimed at capacitating the community media with skills.
 - Number of media and information literacy initiatives held.
 - Number of accredited training programmes implemented
14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included.
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
 - the reported performance information is presented in the annual performance report in the prescribed manner.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected indicators.

Material misstatements

18. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 2: Grant and Seed

Funding. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

19. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
20. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
21. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
22. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

23. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
24. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
25. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. I did not identify any significant deficiencies in internal control.

Material irregularities

29. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Failure to institute recovery processes against beneficiaries who misused grant funding.

30. The public entity did not implement effective, efficient, and transparent systems of financial and risk management and internal control in line with section 51(1)(a) of the PFMA, as the public entity did not implement monitoring controls to ensure the efficient and effective usage of grant funding by beneficiaries in line with the requirements of the grant in aid agreement. Furthermore, the public entity did not invoke its right to recover disbursed funds from beneficiaries that did not utilise grant funding in line with the provisions of grant aid agreements and for which write-backs had been approved by the board. This indicates non-adherence to the requirements of paragraph 31.1 of the grant funding policy and paragraph 6.1.1 of the grant in aid agreements.
31. The accounting authority was notified of the material irregularity on 12 April 2024. The following actions have been taken to resolve the material irregularity:
- The beneficiary's grant-in-aid agreements have been terminated.
 - The Agency has initiated recovery processes for the potentially misappropriated funds and is actively engaging with the beneficiary to facilitate the payments.
 - Letters of demand have been issued to the beneficiaries who have been identified to have misused grant funding.

32. The accounting authority had, in addition to the above actions, planned to take the following additional steps to resolve the material irregularity:
- Strengthen controls and oversight mechanisms to prevent similar losses in the future and ensure compliance with the remedial actions in place to recover any misused or misappropriated funds.
 - Strengthening oversight mechanisms such as issuance of non-compliance and breach notices.
 - Enhancing compliance procedures.
 - Providing additional training to beneficiaries on financial management and reporting requirements.
33. The accounting authority undertook the following steps on the material irregularity during the reporting period:
- For the beneficiaries who have been identified to have misused grant funding. The beneficiary's grant-in-aid agreements have been terminated.
 - Letters of demand have been issued to the relevant beneficiaries who have been identified to have misused grant funding.
 - The agency has initiated recovery processes for the potential misappropriated funds, monies from only one beneficiary has been recovery.
 - For the remaining beneficiaries, there has been non-recovery of misappropriated funds due to the implications of the prescription act.
 - Relevant training has been provided to beneficiaries and employees on financial management matters and compliance with grant-in-aid agreements.
34. I will follow up on the implementation of the steps taken during my next audit.

Auditor-General

Pretoria

Date: 31 July 2025



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2025



General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Media Development and Diversity Agency (MDDA) is a statutory development agency for promoting and ensuring media development and diversity in South Africa, set up as a partnership between the South African Government and major print and broadcasting companies to assist in (amongst others) developing community and small commercial media in South Africa. It was established in 2003, in terms of the MDDA Act No. 14 of 2002 and started providing grant funding to projects on 29 January 2004.
Directors	Prof. Hlengani Mathebula (Chairperson) Mr. Qondile Khedama Mr. Philemon Moilwa Ms. Jayshree Pather Mr. Thembelani Mpakati Mr. Collin Mashile
Registered office	SABC Auckland Park Campus GSM Building 26 Canary Road Auckland Park 2006
Bankers	Absa Bank Limited South African Reserve Bank
Auditors	Auditor-General South Africa
Secretary	Terrance Mbangwa

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2025

INDEX:

The reports and statements set out below comprise the annual financial statements presented to the parliament:

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ABBREVIATIONS USED:

COID	Compensation for Occupational Injuries and Diseases
PFMA	Public Finance Management Act
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards



DIRECTORS' RESPONSIBILITIES AND APPROVAL

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing,

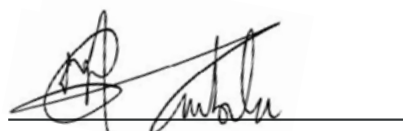
managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members have reviewed the entity's cash flow forecast for the year to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the allocation from the fiscus and broadcast funders for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The annual financial statements set out on page 90, which have been prepared on the going concern basis, were approved by the board on 31 July 2025 and were signed on its behalf by:



Prof. Hlengani Mathebula
Chairperson

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Current Assets			
Receivables from exchange transactions	3	1 033 403	476 547
Receivables from non-exchange transactions	4	-	42 280
Cash and cash equivalents	5	81 103 276	82 916 636
		82 136 679	83 435 463
Non-Current Assets			
Property, plant and equipment	6	1 627 773	2 750 109
Total Assets		83 764 452	86 185 572
Liabilities			
Current Liabilities			
Operating lease liability	7	694 576	656 874
Payables from exchange transactions	8	4 294 698	2 898 373
Unspent conditional grants and receipts	9	8 707 541	13 508 074
Provisions	10	2 445 351	2 110 460
		16 142 166	19 173 781
Total Liabilities		16 142 166	19 173 781
Net Assets		67 622 286	67 011 791
Accumulated surplus		67 622 286	67 011 791
Total Net Assets		67 622 286	67 011 791

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024
Revenue			
Revenue from exchange transactions			
Fees earned		413 696	-
EDF Income		513 098	543 721
Other income		133 216	-
Interest received	11	5 356 826	6 738 341
Total revenue from exchange transactions		6 416 836	7 282 062
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	12	43 911 364	41 647 244
Broadcast funders contribution	13	65 736 319	66 048 868
Recoveries		405 347	-
Total revenue from non-exchange transactions		110 053 030	107 696 112
Total revenue		116 469 866	114 978 174
Expenditure			
Employee related costs	14	(38 683 805)	(35 092 956)
Depreciation and amortisation	15	(741 596)	(646 728)
Lease rentals on operating lease	16	(2 452 826)	(3 210 540)
Grant cost expenditure	17	(58 372 765)	(61 409 112)
Administration expenses	18	(15 678 599)	(18 533 167)
Total expenditure		(115 929 591)	(118 892 503)
Surplus (deficit) for the year		540 275	(3 914 329)

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2023	70 926 121	70 926 121
Changes in net assets Surplus for the year	(3 612 338)	(3 612 338)
Total changes	(3 612 338)	(3 612 338)
Opening balance as previously reported	67 082 011	67 082 011
Balance at 01 April 2024 as restated*	67 082 011	67 082 011
Changes in net assets Surplus for the year	540 275	540 275
Total changes	540 275	540 275
Balance at 31 March 2025	67 622 286	67 622 286

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Receipts			
Grants		38 568 000	36 753 757
Interest income		5 356 826	6 738 341
Broadcast funders contribution		65 736 319	66 048 868
Other income		1 529 872	-
		111 191 017	109 540 966
Payments			
Employee costs		(37 687 500)	(35 092 956)
Suppliers		(16 338 723)	(22 260 079)
Grant cost expenditure		(58 372 765)	(60 966 251)
		(112 398 988)	(118 319 286)
Net cash flows from operating activities	20	(1 207 971)	(8 778 320)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(727 518)	(472 407)
Proceeds from sale of property, plant and equipment	6	122 129	-
Net cash flows from investing activities		(605 389)	(472 407)
Net increase/(decrease) in cash and cash equivalents		(1 813 360)	(9 250 727)
Cash and cash equivalents at the beginning of the year		82 916 636	92 167 363
Cash and cash equivalents at the end of the year	5	81 103 276	82 916 636

The accounting policies on pages 96 to 103 and the notes on pages 104 to 118 form an integral part of the annual financial statements.

1. Significant accounting policies

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), 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.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.5 Significant judgements and sources of estimation uncertainty

The MDDA makes estimates and assumptions that effects the reported amounts of assets and liabilities within the current and subsequent financial years. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance. There does, however, not appear to be a significant risk that these assumptions will cause significant adjustments to the carrying amount of assets and liabilities within subsequent financial years.

Significant judgements include:

Impairment testing

The MDDA reviews and tests the carrying value of non-cash generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of recoverable services amount of each group of assets

Useful lives of property, plant and equipment

The MDDA re-assesses the useful lives and residual values of property, plant and equipment and intangible assets on an annual basis. In reassessing the useful lives and residual values of property, plant and equipment management considers the condition and the use of the individual assets, to determine the remaining period over which the assets can and will be used.

1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

1.6 Property, plant and equipment (continued)

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	10 - 20 years
Office equipment	Straight-line	5 - 10 years
IT equipment	Straight-line	3 - 8 years
Leasehold improvements	Straight-line	3 - 8 years
Studio Equipment	Straight-line	5 - 20 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Classification

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting. The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognises either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair

value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognises the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

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

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.10 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either: the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either: an entity's decision to terminate an employee's employment before the normal retirement date; or an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

1.11 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 29.

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

GRAP 17 requires disclosure of Property, plant and equipment related commitments. MDDA discloses commitments in relation to the grant expenditure even though they do not meet GRAP 17 disclosure requirement. The disclosure is for the purposes of attaining fair presentation since grant expenditure is the most significant part of MDDA operations and the commitment disclosure will give more insight to the users of the financial statements.

1.13 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.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

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

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest

Revenue arising from the use by others of entity assets yielding interest, 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.

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the 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 reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

1.15 Grant cost expenditure

Grant cost expenditure relates to grants disbursed to grant beneficiaries.

Expenditure is only recognised when the beneficiary has met all the contractual disbursement requirements

1.16 Administration expenses

Administration expenses relate to all the expenditure incurred on a day to day running of the entity except:

- Employee cost
- Depreciation and impairment
- Grant cost expenditure

1.17 Irregular expenditure

Irregular expenditure is expenditure that was incurred in contravention of relevant legislation, other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation including:

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of that Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

1.18 Fruitless and wasteful expenditure

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

1.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.20 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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 perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

1.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.22 Prior period errors and adjustments

Errors can arise in respect of the recognition, measurement, presentation or disclosure of elements of financial statements. Prior period errors are omissions from, and misstatements in, an entity's financial statements for one or more prior periods arising from failure to use/misuse of reliable information that:

- Was available when the financial statements for that period were issued
- Could have been reasonably expected to be taken into account in those financial statements.

A prior period error is corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the entity restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable (which may be the current period)

When it is impracticable to determine the cumulative effect, at the beginning of the current period, of an error on all prior periods, the entity restate the comparative information to correct the error prospectively from the earliest date practicable.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 001 Presentation on Financial Statements	01 April 2025	Unlikely there will be a material impact
GRAP 104 Financial Instruments	01 April 2025	Unlikely there will be a material impact
GRAP 22 Foreign currency transactions and advance consideration	01 April 2025	Unlikely there will be a material impact

3. Receivables from exchange transactions

Figures in Rand	2025	2024
Prepayments	586 515	414 297
Other receivables	446 888	62 250
	1 033 403	476 547
Other receivables		
Total receivables	1 033 403	476 547
Financial asset receivables included in receivables from exchange		
Total receivables from exchange transactions	1 033 403	476 547

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Prepaid expenses relates to advance payments made to service providers/service not rendered at year end. Other receivables for prior year pertains to double payment made to the service provider.

4. Receivables from non-exchange transactions

Debtors - Other	-	42 280
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5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 763 938	9 906 220
Short-term deposits	75 339 338	73 010 416
	81 103 276	82 916 636

Short-term deposits are the surplus funds deposited on the South African Reserve Bank Call Account. Funds are available for withdrawal immediately.

The cash and cash equivalents balance includes (R51 101 440) funds committed for the approved grant beneficiaries, refer to note No. 21 for commitment disclosure.

6. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	1 256 449	(755 100)	501 349	1 347 760	(781 647)	566 113
Office equipment	65 682	(48 785)	16 897	97 694	(77 627)	20 067
IT equipment	2 642 301	(1 532 774)	1 109 527	3 696 772	(2 745 465)	951 307
Leasehold improvements	1 527 715	(1 527 715)	-	1 527 715	(1 527 713)	2
Studio Equipment	-	-	-	1 514 611	(301 991)	1 212 620
Total	5 492 147	(3 864 374)	1 627 773	8 184 552	(5 434 443)	2 750 109

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Furniture and fixtures	566 113	-	-	-	(64 764)	501 349
Office equipment	20 067	-	-	-	(3 170)	16 897
IT equipment	951 307	727 518	(122 129)	-	(447 169)	1 109 527
Leasehold improvements	2	-	-	-	(2)	-
Studio Equipment	1 212 620	-	-	(986 128)	(226 492)	-
Total	2 750 109	727 518	(122 129)	(986 128)	(741 597)	1 627 773

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Impairment loss	Total
Furniture and fixtures	622 933	-	(56 820)	-	566 113
Office equipment	6 632	20 242	(6 807)	-	20 067
IT equipment	838 912	452 165	(281 112)	(58 658)	951 307
Leasehold improvements	2	-	-	-	2
Studio Equipment	1 514 611	-	(301 991)	-	1 212 620
	2 983 090	472 407	(646 730)	(58 658)	2 750 109

Pledged as security

No assets are pledged as security.

Expenditure incurred to repair and maintain property, plant and equipment

7. Operating lease asset (liability)

Figures in Rand	2025	2024
Current liabilities	694 576	656 874

8. Payables from exchange transactions

Trade payables	3 037 518	2 207 543
Accrued leave pay	1 110 926	493 535
Other Accrued expenses	146 254	197 295
	4 294 698	2 898 373

9. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Department of Communication - Programme production	5 802 470	5 802 150
Competition Commission - Economic development fund	2 905 071	7 705 924
	8 707 541	13 508 074

Figures in Rand	2025	2024
Movement during the year		
Balance at the beginning of the year	13 508 394	18 539 615
Additions during the year	330 131	396 668
Disbursements to beneficiaries	(4 617 886)	(4 893 488)
Income recognition during the year	(513 098)	(534 721)
	8 707 541	13 508 074

Programme Production

During the 2008/2009 financial year, MDDA entered into a Memorandum of Understanding with the Department of Communications for Programme Production support for broadcast projects for an R 20 million. The remainder of R5,8 million will be realised as revenue as spending occurs.

Competition Commission

The Competition Commission fined different role players within the media industry for uncompetitive behaviour and requested MDDA to manage the Economic Development Fund and implement remedial projects on its behalf.

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised. See note for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

10. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Employee costs - provisions	2 110 460	2 445 351	(899 561)	(1 210 899)	2 445 351

Reconciliation of provisions - 2024

Employee cost provisions	2 093 795	2 110 460	(1 236 355)	(857 440)	2 110 460
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The provisions relates to the provision for staff performance bonuses. Bonuses are provided based on the projected staff performance.

11. Interest Income

Interest revenue		
Bank	5 356 826	6 738 341

12. Government grants & subsidies

Figures in Rand	2025	2024
Operating grants		
GCIS	38 568 000	36 173 000
Competition Commission	4 617 886	4 893 487
MICT : SETA Grant - Conditional	725 478	580 757
	43 911 364	41 647 244

13. Broadcast funders contributions

Broadcaster contributions	65 736 319	66 048 868
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14. Employee related costs

Basic	30 299 001	26 669 439
Performance Bonuses	1 234 452	1 223 603
UIF	95 156	88 722
SDL	331 758	305 163
Leave pay provision charge	756 024	127 392
Cell phone allowance	647 000	616 000
Travel, motor car, accommodation, subsistence and other allowances	536 790	552 130
Acting allowances	1 530 699	2 590 551
Contributions to Provident fund	3 252 925	2 919 956
	38 683 805	35 092 956

15. Depreciation and amortisation

Property, plant and equipment	741 596	646 728
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16. Lease rentals on operating lease

Premises		
Contractual amounts	2 452 826	3 210 540

17. Grant cost expenditure

Figures in Rand	2025	2024
Other subsidies		
Grant disbursement	45 868 003	49 090 867
Projects systems expenses	12 365 324	11 742 236
Training, workshop, and other administration costs	725 478	580 757
	58 372 765	61 409 112

Grant disbursements relate to the funds paid to beneficiaries.

Projects systems expenses relates to the projects management systems costs.

Workshop and travelling costs incurred by the projects managing, research and monitoring units are classified as workshop and travelling costs.

18. Administration expenses

Other subsidies		
Advertising	97 520	168 478
Auditors remuneration	3 036 201	2 864 349
Bank charges	37 139	34 669
Computer expenses	839 936	546 167
Consulting and professional fees	2 373 913	1 645 033
Insurance	104 524	115 867
Licenses	1 081 257	387 388
Placement fees	363 183	542 591
Postage and courier	8 403	86 864
Printing and stationery	108 678	53 735
Repairs and maintenance	180 000	535 404
Staff welfare	53 133	60 629
Telecommunications costs	570 592	670 593
Training	456 747	322 174
Travel - local	1 127 584	2 573 694
Electricity	669 305	-
Storage	87 090	-
Board administration costs	598 666	576 008
Non-executive directors emoluments	1 003 623	984 826
Communications	427 878	2 687 823
Legal fees	1 211 646	3 068 054
Cyber Attack	-	451 308
Loss on asset disposal	122 132	58 658
Legal Settlement	704 562	-
Other expenses	414 887	98 855
	15 678 599	18 533 167

19. Auditors' remuneration

Figures in Rand	2025	2024
Fees	3 036 201	2 864 349

20. Cash used in operations

Surplus (deficit)	540 275	(3 914 329)
Adjustments for:		
Depreciation and amortisation	741 596	646 728
Impairment deficit	-	58 658
Movements in operating lease assets and accruals	37 702	234 284
Movements in provisions	334 891	16 665
Changes in working capital:		
Receivables from exchange transactions	(556 856)	(296 922)
Other receivables from non-exchange transactions	42 280	-
Payables from exchange transactions	1 396 645	(462 891)
Unspent conditional grants and receipts	(3 744 504)	(5 060 513)
	(1 207 971)	(8 778 320)

21. Commitments**Operational commitments****Already contracted for but not provided for**

• Opening Balance	50 439 466	56 373 691
• Projects Approved	47 134 856	45 337 715
• Disbursement to projects	(41 250 117)	(44 197 378)
• Write-backs	(5 222 765)	(7 074 562)
	51 101 440	50 439 466

Total operational commitments

Already contracted for but not provided for	51 101 440	50 439 466
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The entity has entered into contracts to fund community radio, TV, print, digital projects, media and advertising bursaries commitments regarding the projects are shown above. All funding agreements are for periods up to 18 months for the projects and 36 months for media and advertising students' bursaries.

Other operational commitments

- Open orders	2 370 167	444 868
- Long term contracts	3 131 842	3 659 617
	5 502 009	4 104 485

Operating leases - as lessee (expense)

Figures in Rand	2025	2024
Minimum lease payments due		
- within one year	2 602 517	2 404 842
- in second to fifth year inclusive	4 224 124	7 245 727
	6 826 641	9 650 569

Office building

MDDA office space is leased from SABC. The lease agreement is for a period of 60 months. The lease has an annual escalation of 7%. There is no provision for contingent rental.

22. Related parties**Relationships**

Members	Refer to note below
Controlling entity	The Presidency
Shareholder with significant influence	Government Communication Information Systems
Members of key management	Refer to note below

Related party balances**Amounts included in Trade receivable (Trade Payable) regarding related parties**

DCDT - Conditional grants	(5 802 470)	(5 802)
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Department of Communication and Digital Technologies

The R 5 802 470 relates to a conditional grant received in relation to programme production.

Government Communications Information Systems

MDDA has received grants to the value of R38 568 000 from GCIS in the 2024-25 financial year (2023/24 - R36 173 000)

23. Directors emoluments

Executive Management

2025

	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Acting allowance	Subsistence and travelling	Total
Ms Shoeshoe Qhu: CEO	1 791 114	-	254 582	-	20 704	2 066 400
Ms Tintswalo Baadjie: CFO	1 602 968	-	336 148	-	3 519	1 942 635
Mr. Mzu Kashe: Executive Manager: Projects	1 811 058	-	256 988	-	38 885	2 106 931
Mr.Lethabo Dibetso: Acting Executive Manager: RTMC until 30 November 2024	1 187 792	-	171 618	194 554	39 876	1 593 840
	6 392 932	-	1 019 336	194 554	102 984	7 709 806

2024

	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Acting allowance	Subsistence and travelling	Total
Ms Nomkhosi Peter: Acting CEO (Seconded)	983 071	-	-	604 414	-	1 587 485
Ms Shoeshoe Qhu: CEO (Appointed on 02 January 2024)	427 500	-	63 998	-	-	491 498
Ms Tintswalo Baadjie: CFO (Appointed on 17 April 2023)	1 461 337	-	325 919	-	-	1 787 256
Mr Khathutshelo Maposa: Acting CFO (Resigned on 06 April 2023)	13 194	-	63 730	55 527	-	132 451
Mr. Mzu Kashe: Executive Manager: Projects	1 714 753	-	267 412	46 800	-	2 028 965
Mr.Lethabo Dibetso: Acting Executive Manager: RTMC	1 134 500	72 000	223 806	264 303	-	1 694 609
	5 734 355	72 000	944 865	971 044	-	7 722 264

Non-executive Directors

2025

	Members' fees	Other benefits*	Total
Prof. Hlengani Mathebula (Chairperson)*	109 344	-	109 344
Mr. Hoosain Karjieker	188 200	-	188 200
Ms. Nadia Bulbulia	85 658	-	85 658
Mr. Qondile Khedama	35 544	-	35 544
Ms. Carol Mohlala**	15 234	-	15 234
Mr. Thembelani Mpakati	169 522	-	169 522
Ms. Jayshree Pather	180 199	-	180 199
	783 701	-	783 701

2024

	Members' fees	Other benefits*	Total
Prof. Hlengani Mathebula (Chairperson)	224 266	-	224 266
Ms. Brenda Leonard	98 172	-	98 172
Ms. Marina Clarke	116 442	-	116 442
Mr. Hoosain Karjieker	229 930	-	229 930
Ms. Nadia Bulbulia	159 894	-	159 894
Ms. Martina Della Togna	141 912	-	141 912
Mr. Thembelani Mpakati	9 720	-	9 720
Ms. Jayshree Pather	9 720	-	9 720
	990 056	-	990 056

*The Board adopted a resolution, at the request of the Chairperson, for him to forego the receipt of MDDA Board fees and allowances from 1 November 2024 until such time as the MDDA's performance has improved.

** The following individual served as MDDA board members but are not remunerated because they are shareholder representative or work for other organs of state. They are however, entitled to reimbursement of their travel and data expenditure.

Audit and Risk Committee (ARC)**2025**

	Emoluments	Other benefits*	Total
Prof. R Mahabeer	74 362	-	74 362
Ms. M Phiri	71 969	-	71 969
Ms. N Phasha	9 000	-	9 000
Ms. D Hlatshwayo	45 331	-	45 331
Mr. F Docrat	19 258	-	19 258
	219 920	-	219 920

2024

	Emoluments	Other benefits*	Total
Mr. Fortune Mkhabela**	-	-	-
Ms. Margaret Phiri	35 775	-	35 775
Ms. Matseliso Shongwe	40 815	-	40 815
Mr. Simon Mankgaba** Mr. Hoosain Karjieker	-	-	400
Mr. F Docrat	-	-	-
	76 590	-	76 990

* Other benefits comprise travel allowance and medical benefit.

** These members do not receive remuneration for meeting attendance or board fees, as they are employed by other organs of state. However, members are entitled for reimbursement of their travel and data expenditure as disclosed.

24. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Figures in Rand	2025	2024
Irregular expenditure	3 063 766	3 374 114
Fruitless and wasteful expenditure	-	493 101
Closing balance	3 063 766	3 867 215

*Refer to reconciling notes in the annual report

Irregular expenditure

The non-compliance that resulted in the irregular expenditure originates from the 2023 financial year, when a five-year building lease contract was deemed irregular. The related expenditure is recognised annually as rental payments are made

25. Prior-year adjustments

Presented below are those items contained in the statement of financial position and statement of financial performance that have been affected by prior-year adjustments:

Statement of financial position

2024

	Note	As previously reported	Correction of error	Total
PPE: Studio Equipment	6	-	1 514 611	1 514 611
PPE: Accumulated Depreciation	6	-	(301 990)	(301 990)
Statement of Changes in Net Assets		65 799 172	1 282 839	67 082 011
		65 799 172	2 495 460	68 294 632

Statement of financial performance

2024

	Note	As previously reported	Correction of error	Total
Depreciation and amortisation	15	(344 737)	(301 990)	(646 728)

The prior period error relates to studio equipment, which was previously held in storage and had to be capitalised retrospectively.

The prior year cost, net changes in Net Assets, and accumulated depreciation have been adjusted

26. Events after the reporting date

Legal Claim:

An employee has instituted legal proceedings against the MDDA for defamation to the value of R10 million rands. The basis of the claims being that, there was no legal basis for the charges launched against him and that the circulation of his suspension defamed him.

27. Going concern

We draw attention to the fact that at 31 March 2025, the entity had an accumulated surplus of R67 622 286 and that the entity's total assets exceed its liabilities by R67 622 286.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

28. Risk management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, entity treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the entity's derivative financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
• Payables from exchange transactions	3 037 518	-	-	-
• PPE: Accumulated Depreciation	2 445 351	-	-	-
• Statement of Changes in Net Assets	694 576	-	-	-

At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
• Payables from exchange transactions	2 456 432	-	-	-
• PPE: Accumulated Depreciation	2 110 460	-	-	-
• Statement of Changes in Net Assets	656 874	-	-	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Market risk

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

Cash flow interest rate risk

Financial instrument	Current interest rate	Due in less than a year	Due in one to two years	Due in two to three years	Due in three to four years	Due after five years
Cash in current banking institutions	7,50 %	81 103 276	-	-	-	-

29. Contingencies

Contingent assets

As at 31 March 2025, the entity has the following contingent assets, which have not been recognised in the statement of financial position in accordance with GRAP 19, as the outcome is uncertain and/or the obligation cannot be reliably measured

2025	Amount (R)	Nature of Contingency	Likelihood
Claim Against a beneficiary	53 534,67	Alleged breach of contract	Possible
Claim Against a beneficiary	633 900,00	Alleged breach of contract	Possible
Claim Against a beneficiary	319 284,00	Alleged breach of contract	Possible
Claim Against a beneficiary	25 428,40	Alleged breach of contract	Possible
Claim Against an employee	521 120	Unauthorised sick leave	Possible

2024	Amount (R)	Nature of Contingency	Likelihood
Claim Against an employee	521 120	Unauthorised sick leave	Possible

The contingent asset disclosed above are not recognised in the financial statements because it is not probable that an outflow of resources embodying economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability. Management will continue to monitor these matters and recognise a provision when the recognition criteria in GRAP 19 are met.

Contingent liability

As at 31 March 2025, the entity has the following contingent liability, which have not been recognised in the statement of financial position in accordance with GRAP 19, as the outcome is uncertain and/or the obligation cannot be reliably measured

2025	Amount (R)	Nature of Contingency	Likelihood
A claim against the MDDA Board	500 000	Alleged defamatory case	Possible

2024	Amount (R)	Nature of Contingency	Likelihood
Claim Against an employee	500 000	Alleged defamatory case	Possible
A civil Claim	174 561	Storage fees	Possible

The contingent liabilities disclosed above are not recognised in the financial statements because it is not probable that an outflow of resources embodying economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability. Management will continue to monitor these matters and recognise a provision when the recognition criteria in GRAP 19 are met.

Contingent surplus fund

In terms of section 53 (3) of the PFMA, public entities listed in Schedule 3A and 3C to the PFMA may not retain cash surpluses that were realised in the previous financial year without obtaining the prior written approval of National Treasury.

During September 2020, National Treasury Issued Instruction No. 12 of 2020/21 which gave more details to the surplus definition. According to this Instruction, the calculation of surplus funds should be in terms of Paragraph 3.2 of the National Treasury Instruction.

Calculation of surplus

Figures in Rand	2025	2024
Cash and cash equivalents	81 103 276	82 916 636
Add: receivables	1 033 403	518 827
Less: current liabilities	15 609 696	19 173 781
	66 526 983	64 261 682

Notwithstanding the accumulated surplus above, MDDA has a period end commitments in the form of contracts with various service providers as indicated in note 21, the below reflects the accumulated surplus after taking into account the impact of these commitments:

Committed Amount

Amount per surplus calculation above	66 526 983	64 261 682
Less: Project commitments	51 101 440	50 439 466
Less: Operational commitments	6 009 600	4 104 485
Less: Operating leases	6 826 641	9 650 569
Accumulated surplus net off commitments	2 589 302	67 162
Uncommitted surpluses	2 589 302	67 162

30. Segment Reporting

GRAP 18 requires entities to provide information about the specific operational objectives and major activities of an entity as well as the resources devoted to and costs of these objectives and activities. A segment is an activity of an entity: that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity); whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and for which separate financial information is available.

Management has considered the information which is reported internally and such information does not meet the criteria of segments. MDDA provide funding to beneficiaries for media development and that is the only segment of the entity.

Management has thus concluded that MDDA does not meet the requirements for segment reporting.

31. Budget Information

GRAP 24 states that an entity that prepares and presents financial statements under the accrual basis of accounting shall apply this Standard. The Standard further states in GRAP 24.03 that the Standard is applied by entities that are required, or elected, to make their approved budgets publicly available; and they are held publicly accountable for those budgets. According to GRAP 24.04 a publicly available approved budget means that the budget has been approved; and made available to the public at large by tabling in Parliament, legislature, municipal council. This standard does not require approved budgets to be made publicly available, nor does it require that financial statements disclose information about, or make comparisons with approved budgets that are not made publicly available. The MDDA budget is not publicly available as it is not tabled in Parliament. It is for this reason that this information will not be disclosed in the financial statements but will be included as part of the annual report.



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