ANNUAL REPORT 2024/2025

ARTSCAPE

an agency of the
Department of Sport, Arts and Culture

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PART A

GENERAL INFORMATION

1. GENERAL INFORMATION

REGISTERED NAME	ARTSCAPE
BUSINESS ADDRESS	ARTSCAPE Theatre Centre DF Malan Street CAPE TOWN 8001
POSTAL ADDRESS	P O Box 4107 CAPE TOWN 8000
TELEPHONE NUMBER	+27 21 410 9800
FAX NUMBER	+27 21 421 5448
E-MAIL ADDRESS	artscape@artscape.co.za
WEBSITE ADDRESS	www.artscape.co.za
EXTERNAL AUDITORS	Auditor-General of South Africa 19 Park Lane Milnerton Cape Town 7441
INTERNAL AUDITORS	Nexia SAB&T SAB & T House Cnr Birmingham & Canterbury Street N1 City 7460
BANKERS	Nedbank
COMPANY SECRETARY	Ilze-Marie de Wet

2. LIST OF ABBREVIATIONS/ ACRONYMS

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

3. FOREWORD BY THE CHAIRPERSON

On behalf of Artscape Council and Staff, it is my pleasure to present the annual report for the financial year 2024/2025. Artscape is a leading South African performing arts institution under the Department of Sports, Arts and Culture and this report presents the results of its financial and programme performance for the aforementioned financial year.

I am extremely proud to report that Artscape has achieved another clean audit for the last year under review. The entity also achieved 100% of its pre-determined targets, bearing testimony to a culture of sound governance practices, commitment to good financial controls and good financial management.

Arts has the capacity to create common ground between people and experiences and to reveal our commonalities. Yet, the arts can only foster greater social cohesion if all sectors – National, Provincial and Local government, Education and funding bodies can collaborate to enhance a sustainable future and build an effective creative skilled education curriculum which feeds into a creative sector.

Artscape's unique model is based on fostering community partners, good relationships with all levels of government as well as private sector buy in. Exchange programmes with various developmental organisations abroad ensure that young creatives are exposed to best practice, business and entrepreneurship skills. Technical training and vocational skills are high priorities for Artscape.

The financial year under review saw National Treasury introduce strict austerity measures in a prevailing tough economic environment. Despite any challenges, Artscape proudly hosted full capacity productions and events that addressed inclusivity, transformation and education, continuing to expand its audience base this year, as per our mandate.

Furthermore, our staff, suppliers, audience, performers and programme content are all consistently reflective of the diverse demography and cultures of Cape Town and South Africa. Artscape is determined to remain a leading South African and African performing arts institution that will also contribute to economic development and social cohesion in Cape Town, the Western Cape and nationally.

I would like to thank and acknowledge the significant contribution, visionary leadership, stewardship, and dedication towards the entity, made by previous Council members during their tenure. They laid a solid foundation for future growth to be actioned and achieved by new members, each of whom brings to the entity immense collective expertise and knowledge to make a meaningful contribution to Artscape, enabling us to achieve our ambition of remaining a leading and transformed South African and African performing arts centre.

As we look to the future, Artscape is enthusiastic about the year ahead, as we focus on adapting global industry trends that will ensure we stay relevant and strengthen our position as one of the leading performing theatres in Africa. We aim to keep transformation at the core of our strategic focus by ensuring that areas such as preferential procurement, disability and being environmentally friendly are continuously improved upon.

To the CEO and her Executive: a big thank you for leading and steering Artscape with distinction towards the achievement of our targets. I thank you for your commitment to ensuring the entity maintained its industry-leading position. I also extend my appreciation to the entire staff for your contribution to another highly successful year. We remain steadfastly committed to maintaining high standards of ethics and governance.

To our key stakeholders: The National Department of Sports, Arts and Culture, Western Cape Provincial Government, The City of Cape Town, and suppliers…you are critical to the sustainability of our business and I thank you for your continued support, guidance and engagement. To our valued and loyal patrons, a big thank you for continuing to support us despite tough economic conditions. Your continued loyalty and passion to Artscape inspires us to keep our commitment to you, of presenting artistic programmes and events that cater for the diverse needs of all communities and cultural groups while maintaining good corporate governance.

And lastly, and by no means the least, I would like to offer my sincere appreciation to our Council members for their robust inputs on all levels of debate and decision-making processes. We should always remember that disagreement is not a bad thing but it is how we say it that is important as this forms part of a building block to one collective decision. Let's continue our good work!

Zakaria Gordon
Chairperson Artscape Council

4. ARTSCAPE COUNCIL

Zakaria Gordon
Chairperson

Clint Abrahams

Saba Zahara HoneyBush

Phil Molefe

Jean Wilke

Krishna Govender

Karen Meiring

Jacqui Lapoorta

Khwezi Kunene

5. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Artscape, as an agency of the Department of Sport, Arts and Culture remains a home for all arts genres from opera to pop, rock to hip-hop, orchestra to indigenous sounds, ballet, contemporary dance, drama and so much more. We boast a fully inclusive theatre experience for all those who live in and visit the Western Cape.

The Human Resource element is of utmost importance at Artscape. Our staff come with different skill sets, varied backgrounds and personalities. Understanding that, and tailor-making staff development and training versus the needs of your patrons, is of paramount importance. This is why we constantly invest in our staff via upskilling and training, filling any gaps we can identify. We continue to work on our model and all our associated companies are helping to add to this model.

One of our main focus areas is to make the building accessible for persons with disabilities and we have made big strides towards this priority. We forged partnerships with Western Cape Network on Disability and Western Cape Provincial Deaf Society to ensure that persons with disabilities have optimal access to facilities which will enhance their theatre experience. This is how the Loop system for hearing impaired patrons came about to ensure a full theatrical experience for all patrons, irrespective of hearing impairment. We also embarked on workshops to train our staff to better assist persons with physical disabilities to have 100% access to the building. Liveable Universal Access Consultants recently launched AVA, the world's first Universal Access Artificial Intelligence (UAAI), a groundbreaking innovation set to transform hospitality and tourism for persons with disabilities as well as the launch of its offices at Artscape. The office serves as a Resource Centre for the tourism bodies, government and the public to learn about Universal Access and Universal Design Principles as well as a collaborative space for knowledge sharing and project development in the accessibility sector, ensuring that Artscape's modifications embody true inclusivity of persons with disabilities.

During August 2024 we dedicated the month to the Women's Humanity Festival where we showcased productions by female artists and producers as well as hosting a number of workshops pertinent to women's month. The festival in 2024 was also the launching pad for the ***#stepupforchange campaign*** which is in support of the fight against GBV. This festival hosts many a new voice that may have, in the past, been marginalized or not been heard before. The curation of such a festival requires meticulous planning in order to give voice to the voiceless.

Another focus that speaks to our mandate of inclusivity is the outreach to rural communities and hosting community organisations in our Resource Centre. Our flagship programmes year after year see the development aspects of our youth and our schools and giving a voice to those who have in the past been marginalised or who did not have the confidence or the opportunities to tell their stories on a stage. Art on all levels is a powerful tool that can be used to foster social cohesion and actively bring our diverse nation together. However, it is of utmost importance that artists must be seen as professionals. Artscape believes in Arts Appreciation, being a home for professional artists, hosting upcoming and established arts companies and making the building accessible for NGO's. Artscape has been conducting its Rural Outreach Programme since 2004, bringing professional theatre experiences to rural communities across the Western Cape. Each year, a different town is selected, where venues such as school halls are transformed into fully equipped theatres. The programme includes performances, technical workshops, and career exhibitions, aiming to inspire and educate local audiences, especially youth.

Artscape has developed various flagships with the focus on development. The initiatives provide practical lessons and mentorship, building self-confidence while nurturing local talent. A highlight of the programme is the annual Youth Classical Concert at the Artscape Theatre Centre, where young soloists and vocalists get the chance to perform with a professional orchestra—a stepping stone to future musical careers. Another good example is the Youth Jazz Festival, offering classes from expert jazz musicians and fun live performance events. It has become an annual must-see on the theatrical calendar.

Every year, Artscape hosts its annual setworks—a series of school-based plays that bring classic texts to life in many styles and languages. Schools from all over—from Durbanville to Manenburg—come together to watch these productions in all three official provincial languages. The events feature plays like ***Krismis van Map Jacobs, Buzani Ku Bawu, My Children! My Africa!*** and ***Julius Caesar***. At these events, learners are exposed to a rich mix of cultural and artistic ideas and are confronted with the challenges portrayed in the plays, such as social issues, identity struggles, and historical conflicts. This gives students from various walks of life a unique chance to connect, share ideas, and understand how these timeless works still matter today.

Then there is the New Voices programme which gives new talents and new plays an opportunity to be staged either as staged-readings for possible future full production development or give full productions a chance to be seen in a real theatre with all the bells and whistles. The same goes for our annual High School Drama Festival – where schools are given a chance to showcase their works on a fully-fledged theatre stage and schools are able to see and engage with one another's works.

Add the LGBTQIA+ community in the mix. We need to salute these brave producers and performers because Artscape is one of the few institutions that have engaged with the LGBTQIA+ community and their very specific artform and their plights, and made it part of mainstream theatre…and not something that needs to take place in an "underground" space in the dead of night. And, the marketing of these productions has brought so many more diverse audience members to the theatre and has done so much for audience development. Indeed a proud moment for Artscape.

These are but a few of the strides we have made in the last few years. But, none of the above can happen if we do not have clear, transparent and excellent governance. It does nobody any good to boast all kinds of programmes and events if we do not have an overarching Council, Exco and staff compliment to have the vision and the expertise to govern Artscape, and to execute with excellence. Thank you to the Council under the leadership of Zakaria Gordon, and to the Executive Committee and the staff – you are what make and keep this machine well-oiled. You are the reason we have clear audits annually. Thank you!

Artscape remains deeply appreciative of the constant support and contributions from all stakeholders and role-players to the ongoing sustainability of this gem of a cultural institution which ultimately benefits our primary stakeholders – the patrons, without whom the building would just be an empty shell. I wish to thank them sincerely for choosing Artscape as their Theatre of Choice.

And, we will never be so arrogant to believe that we have reached all our goals. Far from it. There are many goals still to be achieved. I always remind myself and my staff: never to rest on our laurels. We need to work relentlessly to better ourselves and for the betterment of Artscape, and in turn for the progress of our country.

It is with humility that I try to carry out my duties as the CEO of Artscape and with modest, but resolute devotion that I will forge ahead to continue to do so.

Marlene le Roux
CEO: Artscape

6. 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 are consistent with the annual financial statements audited by the Auditor-General of South Africa.

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the 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 support of this information.

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

The external auditors are engaged 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 entity for the financial year ended 31 March 2025.

Marlene le Roux
Chief Executive Officer
31 July 2025

Zakaria Gordon
Chairperson
31 July 2025

7. STRATEGIC OVERVIEW

VISION

To be the Theatre of choice.

MISSION

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

ARTSCAPE CORE VALUES

- Inclusiveness
- People Centred
- Excellence
- Innovation

8. LEGISLATIVE AND OTHER MANDATES

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

KEY MANDATE

- Artscape was declared a Cultural Institution in terms of section 3 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998). Artscape is listed as a Schedule 3A (national entity) under the Public Finance Management Act, 1999 (Act No. 1 of 1999).
- Artscape's objects were published in the Government Gazette No 25242, 1 August 2003

In addition to this Artscape operates under various legal mandates, including amongst others:

- The Constitution of the Republic of South Africa
- The Public Finance Management Act (PFMA) (Act
- No. 1 of 1999)
- The Treasury Regulations and Division of Revenue Act, 2010 (Act No. 1 of 2010)
- The Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- The Labour Relations Act, 1995 (Act No. 66 of 1995)
- The Occupational Health and Safety Act, 1993 (Act No. 59 of 1993)
- The Preferential Procurement Policy Framework Act, 2000 (ACT No 5 of 2000)

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

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

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

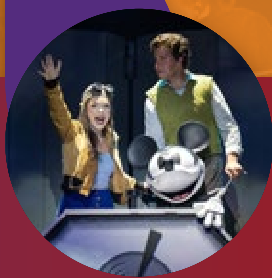
To be the appropriate legal recipient and accountable reporting body for funding received from the Department of Sport, Arts & Culture and grants received from third parties, and for expending such grants, in accordance with the terms and conditions under which same were received.

9. ORGANISATIONAL STRUCTURE


ARTSCAPE WOMEN'S
HUMANITY FESTIVAL







PART B

PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently conducts findings engagement and does not express an assurance opinion or conclusion on the performance information.

The audit conclusion on the performance against predetermined objectives is included in the report to management, with no 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 68 of the Report, published in Part F: Financial Information, under the heading "Report of The Auditor-General".

2. OVERVIEW OF PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

Artscape managed to achieve 100% (12 out of 12) of our annual performance targets despite budget challenges. Artscape contributed to socio–economic transformation by providing opportunities to historically disadvantaged groups and entrepreneurs to participate, grow and develop within the sector. Management reports to Council on a quarterly basis. Artscape provides employment by procuring goods and services where possible from small and micro enterprises owned and operated by previously disadvantaged people.

Artscape has active community engagement with artists, arts companies and the public at large through our resource centre. We also provide artists and arts companies and suppliers with the necessary guidance to enable them to register on the National Treasury Central Supplier Database.

2.2 ORGANISATIONAL ENVIRONMENT

Despite the financial challenges, Artscape, managed to remain financially viable and in a sound financial position.

2.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The following policies were approved and/or amended during the year:

Business Continuity Policy

Progress towards achievement of Institutional Impacts and Outcomes

Artscape did not amend its 2020 – 2025 Strategic Plan. In terms of the Outcomes stated in our Strategic Plan, we have aligned our Annual Performance Plan to these. We have continually achieved the targets as set out in our Annual Performance Plan ensuring that the outcomes of the Strategic Plan are met.

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

INTRODUCTION

Tough economic conditions continue to prevail due to unemployment, inflation and continued interest rate hikes. As we look ahead to the 2025/2026 financial year, it is important to start reimagining how the arts can continue to have an impact. The overall goal is to make a meaningful contribution to social cohesion, nation building and youth development. We will continue to expand on the experiences of utilizing virtual platforms and incorporate them into our programmes.

No amendments were made to the 2020/2025 Business Strategy during the financial year under review.

The progress made towards the achievement of the institutional impacts and outcomes can be summarized as follows:

PROGRAMME 1: ADMINISTRATION

Artscape managed to achieve its aim to ensure a robust and sustainable financial future for the entity and operated on a financially sustainable basis by achieving a surplus on a cash basis.

The entity continued striving towards developing and sustaining employee competence, creating a high-performance culture and a conducive environment for a motivated workforce. Performance Management Agreements were also concluded with all employees.

An unqualified audit has been achieved by the entity for the financial year, ensuring achievement of its aim to operate effectively and sustainably and ensure good governance and compliance. Irregular expenditure was incurred due to non-compliance to legislation.

Artscape achieved its target to remain a venue of choice and to enhance the Artscape brand and achieved 100% of its targets in terms of its Marketing Plan.

PROGRAMME 2: BUSINESS DEVELOPMENT

Artscape managed to exceed its targets and presented 16 diverse arts productions and 3 festivals through partnerships and/ or funded programmes by presenting productions both virtually and physically.

Artscape also managed to exceed its targets and presented 5 educational programmes through successful partnership with educational organizations.

PROGRAMME 3: INFRASTRUCTURE

The entity continued to achieve infrastructure excellence and offered a safe, functional and universal facility to all theatre goers on an equal theatre going experience.

By presenting on both physical and virtual platforms, the entity managed to exceed its target and presented 16 productions and 3 festivals and 356 events during the financial year.

The entity achieved 100% of its targets in terms of its Annual Maintenance Plan.

In order to develop and leverage on existing digital technology to promote digital engagements, interactions and ticketing, the entity strives to achieve 100% of its targets in terms of its approved Annual IT Plan. The entity achieved 100% of its targets in terms of its IT Plan.

4. PERFORMANCE INFORMATION BY PROGRAMME/ ACTIVITY/OBJECTIVE

Artscape's Annual Performance Plan for the 2024/2025 financial year identified the following strategic outcome-oriented goals and objectives:

Programme 1: Administration

Sub programme 1.1: ENSURE A ROBUST AND SUSTAINABLE FINANCIAL FUTURE

OBJECTIVE: Operate on a financially sustainable basis

Perspectives

Financial sustainability is vital as it will enable Artscape to cover its Admin costs and to prioritise activities in order to achieve its mandate. Financial sustainability also ensures the survival and continuity of the organisation in the long run. Striving for Financial sustainability will encourage effective and efficient planning.

- Funding challenges include:
- Funding received from Donors are ear-marked for specific programmes
- Funding received from DSAC is not sufficient to cover Fixed administration costs
- DSAC funding does not increase at the same rate as the expenditure
- Economic conditions affect third-stream income predictions and the organisation has no control on these conditions
- Continuity of programmes that are successful as far as achieving our mandate are concerned, cannot be maintained due to lack of funds

Artscape is feeling the crunch as business is not improving from the third-stream income's point of view. Artscape experienced tremendous challenges with regards to its cash flow since December 2018. A turnaround strategy was implemented where we reduced operating expenses to ensure that we meet our monthly obligations and to ensure that we remain a going concern.

Artcape commit to In-house programmes which are financially viable and adhere to DSAC objectives. This does not always yield the result we based our planning on. Funds therefore have to be sourced from funds ear-marked for administration costs, and that is one of the reasons why we are operating at a deficit. It is imperative that, as mentioned above, we only roll out programmes that have been funded, and use Third stream income as funds to bridge the current deficit gap as well as work toward future financial sustainability.

The following aspects have to be attended to, in order to ensure financial sustainability:

- Ensure continuous monitoring of the Budget vs Actual costs and have acceptable commentary on the variances and take action where necessary.
- Ensure that all programmes that are rolled out, are fully funded.
- Ensure that Artscape has a financial plan over and above the annual budget. A financial plan that is dynamic and can be changed depending on the circumstances, in order to meet short term and long term goals without compromising the long term goals.
- Ensure that we continue to implement measures in place that encourage cost savings throughout the organization.
- Ensure that the positive attitude towards cost savings starts from Senior management in the organisation and drills down to the employee in the lower levels of the organisation.
- Ensure that we have set targets of how much income should be generated before committing to Transformation Programmes.
- Ensure that we adopt an attitude that clearly shows that we cannot spend funds we do not have.
- Engage with current and future partners well in advance, to manage financial expectations.

Continuous monitoring of the various business areas to ensure that they will contribute to achieving Artscape mandate and are not detrimental to Artscape's long term Financial sustainability goal.

Linking to Government priorities

PRIORITY 2:
ECONOMIC TRANSFORMATION AND JOB CREATION
Establish partnerships for corporate social investments and/or capital raising – along the value chain

Sub programme 1.2: SUSTAINING EMPLOYEE COMPETENCE AND CULTURE

OBJECTIVE:
Competent and motivated workforce achieving their performance targets

PERSPECTIVES:

To achieve Artscape's mandate and vision, will require a competent workforce. Competency development is a crucial driving force for increasing employee effectiveness and employability in the industry. Mature entities develop their employees not only for self, but for serving in the industry or any organ of the state. Artscape will therefore partake on initiatives that will stimulate competency development as well as creating a conducive environment for performance. Focusing on developing and sustaining employee competence is very important for Artscape and this will result in the following:

- The creation and sustaining of a high-performance culture
- Unleashing employee interest on continuous learning/ self-development
- Superior service by employees thereby positioning Artscape as a theatre of choice
- Trust and confidence in the entity by all relevant stakeholders
- Improve staff morale and improving staff retention rate

In order to ensure employee competence is sustained, Artscape must ensure a clear functional and post structure, ensure role clarity for all employees through signed job profiles, ensure a functional performance management system is implemented and sustained. Artscape must create the understanding by all that Performance Management is a journey and not a destination, and create a conducive environment for performance management. Artscape should prioritise employee wellness and embrace ethics of care as key business deliverables.

Excellence in Leadership and Staff - Artscape will continue to strive to maintain strong leadership in its executive management and continue to develop excellence within its management and staff at all levels. Artscape should have a competent, motivated and client centred work force which is representative of the South African and Provincial demography.

LINKING TO GOVERNMENT PRIORITIES

Artscape operates within the ambit of the broader DSAC priorities and Artscape's HR objective are linked to the following Government priorities:

PRIORITY 3:
EDUCATION, SKILLS AND HEALTH
Develop skills along the value chain (human capital development pipeline) – core and support functions

PRIORITY 1:
A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE
Honest and capable state with professional, ethical and meritocratic public servants contributing to an improved level of trust in the public sector and credibility of public institutions

Sub programme 1.3: ENSURE EFFECTIVE AND SUSTAINABLE OPERATIONS AND GOVERNANCE

OBJECTIVE:
Efficient and compliant operations and processes

PERSPECTIVES

Artscape prides itself on being recognised for receiving unqualified audit opinions for numerous years. A unqualified audit report provides current and potential funders the assurance that internal controls are in place and that their donations will be managed in terms of the conditions applicable, and in terms of the Public Finance Management Act.

For the year that ended 31 March 2023, Artscape received an unqualified audit opinion.

The challenges to achieve an Unqualified Audit Opinion include:

- Inconsistent interpretation and application of GRAP standards by the Auditor General from year to year
- Inconsistent interpretation of GRAP by different offices of the AG
- Non-compliance by staff of SCM policies and the PFMA
- Failure of systems of Internal Control
- Artscape not being a going concern if it is unable to reduce its operating expenses in line with its income, resulting in Artscape not being able to pay its suppliers and staff on time

LINKING TO GOVERNMENT PRIORITIES

PRIORITY 1:
A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE
Compliance with regulations and organisations that operate in a fair and transparent manner

Sub programme 1.4: DEVELOP ARTSCAPE BRAND

OBJECTIVE:
Enhanced Artscape Brand

PERSPECTIVES

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

LINK TO GOVERNMENT PRIORITIES

PRIORITY 6:
SOCIAL COHESION AND SAFER COMMUNITIES
Promoting social cohesion across society through increasing interaction across race and class - Sharing of space across race and class – winning nation and active nation. Explanation of Planned Performance over the Five-Year Planning Period.

Programme 2: Business Development

Sub-programme 2.1: DIVERSE PROGRAMMES

OBJECTIVE:
Create arts programme that serves the community

PERSPECTIVES:

Artscape's vision is to create a platform for emerging arts practitioners and so enrich the collective art and culture experience. The various Artscape programmes encompasses development, inclusivity and outreach. Participants are given opportunities to develop and showcase their skills through workshops, mentorships and productions. The programmes that have been presented to date have contributed greatly to youth development, social cohesion, job creation and nation building. The programmes continue to have an impact on both those that participate and those that attend the performances. It is important to continue to create opportunities, through the arts, for everyone.

- **Education & development** – this will include workshops, mentorship programmes and productions with a strong focus on youth
- **Inclusivity** – to ensure that there is a platform for marginalised art forms and artists, this includes the encouragement of new works
- **Social cohesion** – a focus on nation building through the celebration of national days
- **Outreach** – to enable accessibility and exposure to the opportunities that exist within the arts industry. This will include roadshows that will engage those in rural and peri-urban areas

The current economic climate has meant that funding for the various programmes have continued to become scarce. The impact of this is that decisions need to be made with regard to the programmes that are to be done as well as the extent of these programmes.

The following concepts will underpin the programme offering at Artscape:

- **Multicultural Programme** – Artscape has in both its vision statement and mission statement the focus on multicultural performing arts to achieve growth and transformation. The primary strategic objective of Artscape will be to fulfil this vision and mission by ensuring an artistic programme in its complex which achieves transformation and growth in the performing arts while acknowledging, supporting and developing the multiple cultures of its stakeholders. The focus on multiculturalism must ensure that the sum of the individual performing arts programme creates a whole which is more than the sum of the individual parts. In other words, Artscape will focus, on a holistic approach to ensure a multicultural performing arts programme where Western arts, Indigenous Arts, and other cultural programmes do not just co-exist, but in fact contribute to one another.
- **Aspirational Artscape** – Artscape will focus its development activities on developing itself as an aspirational venue in which to perform. This will focus on developing multiple art forms and programmes where the objective will eventually be to present and perform these programmes in the Artscape facilities. The aspiration of excellence in Artscape should mean that performers have "not arrived" until they have performed at Artscape.
- **Diverse Educational Programmes** – Artscape should continue to place a significant strategic emphasis on the participation of the younger generations in the performing arts.

- **Diverse Programmes** – The development of the programmes and the delivery through the facilities should continually balance the objectives of quality product with development and the provision of opportunities for growth and transformation.
- **Rural Outreach Programme** – In Artscape's endeavours to embrace all communities in the Western Cape, Artscape embarks on an annual programme of structured community outreach programmes, in partnership with local government. Through these programmes the interest in the performing arts is enhanced in non-urban areas.

LINK TO GOVERNMENT PRIORITIES

PRIORITY 2:
ECONOMIC TRANSFORMATION AND JOB CREATION
Creating job opportunities for youth within the arts sector

PRIORITY 6:
SOCIAL COHESION AND SAFER COMMUNITIES
Equal opportunities, inclusion and redress - honour men and women, fast track the promotion and implementation of indigenous languages, as well as active citizenry and leadership - Celebrate National Days on an intercultural basis and ensure that they are fully inclusive of all South Africans.

Sub-programme 2.2: DIVERSE EDUCATIONAL PROGRAMME

OBJECTIVE:
Create educational programme that serves the community

PERSPECTIVES:

Artscape's vision is to create a platform for emerging arts practitioners and so enrich the collective art and culture experience. The various Artscape education programmes also encompasses development, inclusivity and outreach. Participants are given opportunities to develop and showcase their skills through workshops, mentorships and productions. The programmes that have been presented to date have contributed greatly to youth development, social cohesion, job creation and nation building. It is important to continue to create opportunities, through the arts, for everyone. Specific activities to achieve this include:

- **Internship Programme** – The internship programme provides training and skills transfer in arts administration and management and is fully dependent on dedicated funding.
- **Continental Exchange** – Artscape should aim to develop its Academy as the leading and aspirational location for technical performing arts training and should establish links with festivals and theatres across the continent to develop technical exchange programmes and establish the demand for the technical training and education through the Academy.
- **Resource Centre** – In order to ensure that emerging artists, arts practitioners and arts organisations have access to the necessary resources, Artscape's Resource Centre facilitates training programmes and workshops to build capacity and in some instances, a base from which to operate administratively.

LINKING TO GOVERNMENT PRIORITIES

PRIORITY 3:
EDUCATION, SKILLS AND HEALTH
Place young people in international internship and or exchange programmes established through bilateral and multilateral partnerships and develop and implement cultural programmes in schools and communities that raise awareness of career opportunities in the creative industries.

PROGRAMME 3: PUBLIC ENGAGEMENT

Sub-programme 3.1
INFRASTRUCTURE EXCELLENCE

OBJECTIVE:
Safe, functional, universal design facilities

PERSPECTIVES:

Over the years, the Artscape leadership has strived to achieve Infrastructure Excellence by adopting a strong maintenance ethic and has systems in place to ensure effective and efficient maintenance of the building infrastructure. The failure of, or a lack of maintenance, could have serious economic, social, health, safety or security consequences.

We have developed and implemented asset management plans for our building infrastructure, which includes strategic infrastructure that Artscape cannot do without to achieve its mandate. Maintenance plays an important role as it ensures that limited maintenance and capital works resources achieve the best possible outcome for the organisation.

It is also mandatory for the accounting officer of a public entity, in terms of the GIAMA (Government Immovable Asset Management Act), the PFMA and Public Service Act, 1994, to assess the utilisation and functional performance of its immovable assets in terms of service delivery objectives and to prioritise the need for repair, upgrade or refurbishment of state-owned immovable assets. The Accounting authority should also ensure appropriate steps are taken to implement the provisions of the OHSA.

LINK TO GOVERNMENT PRIORITIES:

In line with the Government's overarching priorities, we have identified:

PRIORITY 5:
SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT which will be addressed by ensuring that the building is accessible to all communities including persons with disability.

Sub-programme 3.2
LEVERAGE TECHNOLOGY

OBJECTIVE:
Leverage on Technology to achieve its mandate and objectives and improve Artscape's service to its stakeholders

PERSPECTIVES:

The ICT function plays an important role in supporting the various business strategies and activities of Artscape. It is the enabler within the organisation ensuring that the organisation remains effective and efficient.

Leveraging Information technology faces a number of challenges, including the rapidly changing technology landscape and the fact that most stage technology developers are in the USA and Europe and Asia and few of these products have distributors in South Africa. This means that while we may be aware of new technologies we do not always have the opportunity to see them in operation and if they will be useful to Artscape. The financial constraints mean that certain projects take longer to implement.

The diagram alongside highlights the key business areas on which ICT needs to focus:

LINK TO GOVERNMENT PRIORITIES

Government Priority 5 (Spatial Integration, Human Settlements and Local Government) will be addressed by:

- A spatially integrated sport, arts, culture and heritage infrastructure space
- Using technology to enhance the experience of arts facilities and programmes
- Leveraging technology to engage with audiences

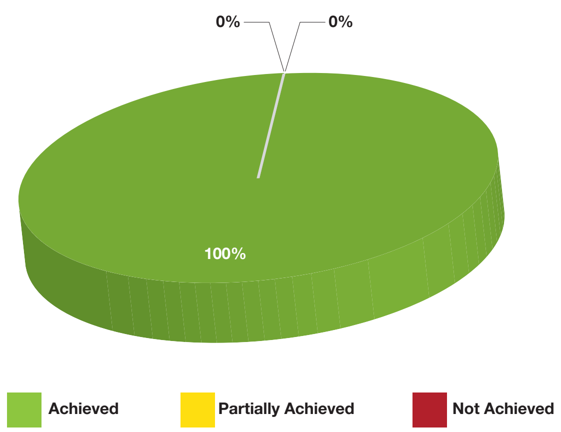
PART B
PERFORMANCE INFRMATION

5. PERFORMANCE INFORMATION BY PROGRAMME

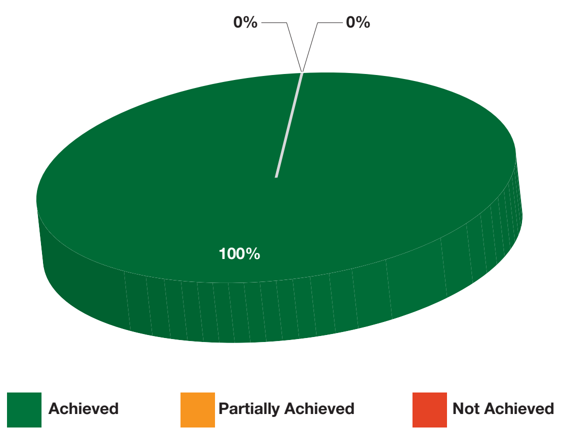
		Summary of Actual Performance as at 31 March 2025: Total Targets	Achieved	Partially Achieved	Not Achieved	Summary of Actual Performance as at 31 March 2024: Total Targets	Achieved	Partially Achieved	Not Achieved
Programme 1	Administration	5	5			6	6		
Programme 2	Business Development	3	3			3	3		
Programme 3	Infrastructure	4	4			4	4		
		12	12	0	0	13	13	0	0
			100%	**0%**	**0%**		**100%**	**0%**	**0%**

- Achieved – indicates that the annual target was achieved or exceeded.
- Partially achieved – indicates that the annual target was not fully achieved, but that progress was made towards achieving the target.
- Not achieved – indicates that the annual target was not achieved or that the level of achievement was not significant. Reasons for non-achievement to be noted.

Actual Performance Against Targets 2024/2025



Actual Performance Against Targets 2023/2024



PROGRAMME 1: ADMINISTRATION

SUB PROGRAMME 1.1: OPERATE IN A FINANCIALLY SUSTAINABLE ORGANIZATION

PURPOSE: To ensure a robust and sustainable financial future for the Artscape

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Ensure a robust and sustainable financial future	To operate on a financially sustainable basis	Achieve a breakeven surplus/ deficit	Zero deficit on budget presented	A surplus of R21,2 m was achieved for the 2022/2023 FY on a cash basis (excluding depreciation)	A surplus of R14,6 m was achieved for the 2023/2024 FY on a cash basis (excluding depreciation)	Achieve breakeven (zero deficit) or better on a cash budget basis (excluding depreciation)	A surplus of R12,038m was achieved for the 2024/2025 FY on a cash basis (excluding depreciation)	☺		
			Generate revenue through venue rental and box office income	Not applicable	Not applicable	Generate Venue rental and box office income of at least R1,450 million	A revenue of R7,443m was achieved for the 2024/2025 FY	☺		Venue rental improved due to the return of international productions and producer confidence improving which lead to increase in productions and audience numbers.

SUB PROGRAMME 1.2: COMPETENT AND MOTIVATED WORKFORCE ACHIEVING THEIR PERFORMANCE TARGETS

PURPOSE: To develop and sustain an employee competent culture

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Sustaining Employee Competence and Culture	Competent and motivated workforce achieving their performance targets	Performance Management Agreements (PMA) signed	Signed and assessed Performance agreements	PMA's for all employees were signed for the 2022/2023 FY	PMA's for all full-time employees were signed for the 2023/2024 fy and reviews were conducted	Performance agreements for all full-time employees signed with annual reviews	PMA's for all full-time employees were signed for the 2024/2025 FY and reviews were conducted	☺		

SUB PROGRAMME 1.3: Efficient and compliant operations and processes

PURPOSE: To develop and sustain compliance throughout Artscape

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Effective and Sustainable Operations and good Governance	Efficient and compliant operations and processes	Unqualified audit and no material non-compliance or fraud events	Unqualified audit opinion	For the 2021/2022 financial year Artscape received a Clean Audit outcome	For the 2022/2023 financial year Artscape received an unqualified audit outcome	Achieve an Unqualified Audit outcome (1 Annual Statutory Audit) without repeat findings	For the 2023/2024 financial year Artscape received an unqualified audit outcome	☺		

SUB PROGRAMME 1.4: TO ENSURE THAT ARTSCAPE IS A VENUE OF CHOICE

PURPOSE: To develop Artscape Brand

Objective	Outcomes	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
To ensure that Artscape is a venue of choice	Enhanced Artscape Brand	Communications and Marketing Strategy	Implemented Approved Annual Marketing Plan	100% of targets achieved	100% of targets achieved	Achieve targets as per approved Annual Marketing Plan (100%)	100% of targets achieved	☺		
				Not Applicable	An approved strategy is in place until July 2024	Not Applicable	Not Applicable			

PROGRAMME 2: BUSINESS DEVELOPMENT

SUB PROGRAMME 2.1: DIVERSE AND INCLUSIVE PROGRAMMES

PURPOSE: To facilitate Artscape Programmes that are Diverse and Inclusive

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Diverse Arts Programme	Annual arts programme that serves the entire community	Annual arts programme	Present annual arts programme	26 Productions and 4 festivals were presented during the 2022/2023 FY	29	Present diverse arts programme through partnerships and/or funded programmes (physical or virtual) as per Annual Flagship Plan - 14 productions	16	☺	2	Funding received from all spheres of government enabled Artscape to present additional productions and festivals.
					4	- 3 Festivals	4	☺	1	

SUB PROGRAMME 2.2: DIVERSE EDUCATIONAL PROGRAMME

PURPOSE: To evolve Artscape's offering to include more Diverse and Inclusive Educational Programmes

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Diverse Educational Programme	Educational programme that serves the entire community	Diverse educational programme	Present educational programme	7 educational programmes were presented	9 educational programmes were presented	Present 4 educational programmes through partnerships and/or funded programmes (physical or virtual)	5 educational programmes were presented		1	With the securing of funding and then working with partners/ producers we were able to present additional programmes
		Partnerships signed	Relevant quality Partnerships	3 unique partnerships were concluded with the producers of the setwork productions	Not Applicable	Not Applicable	Not Applicable			

PROGRAMME 3: INFRASTRUCTURE

SUB PROGRAMME 3.1: INFRASTRUCTURE EXCELLENCE

PURPOSE: To ensure that Artscape facilities are safe, functional and accessible to all.

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Infrastructure Excellence	Safe, functional, Universal Design facilities	All theatre goers to have an equal theatre going experience	No of Events (physical or virtual)	256	276	200	356		156	The increase in productions and events can be attributed to: The more large international productions on our stages Producers and artists presenting more productions and events post pandemic The trust in Artscape by producers to stage their productions at our venues
			No of patrons	162,827	304,234	100,000	295,282		195,282	The return of popular productions and the increase in the overall number of productions and events resulted in an increase in the number of patrons

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Infrastructure Excellence *(continued)*	Safe, functional, Universal Design facilities *(continued)*	All theatre goers to have an equal theatre going experience *(continued)*	Approved Annual Maintenance Plan	100% of tasks completed	100% of tasks completed	Achieve tasks as per approved annual maintenance plan (100%)	100% of tasks completed	☺		

SUB PROGRAMME 3.2: LEVERAGE ON TECHNOLOGY

PURPOSE: To develop and leverage on existing digital technology to promote digital engagements, interactions and ticketing

Objective	Outcome	Output	Output indicator	Audited performance 2022/2023	Audited performance 2023/2024	Annual target 2024/2025	Actual performance 2024/2025	Achievement 2024/2025	Deviation from planned target 2024/2025	Reason for over/under achievement 2024/2025
Leverage on Technology	Effective IT systems that supports all business operations	Efficient IT Systems	Approved Annual IT Plan	100% of tasks were completed	100% of tasks were completed	Achieve targets as per approved IT plan (100%)	100% of tasks were completed	☺		

Marlene le Roux
CEO

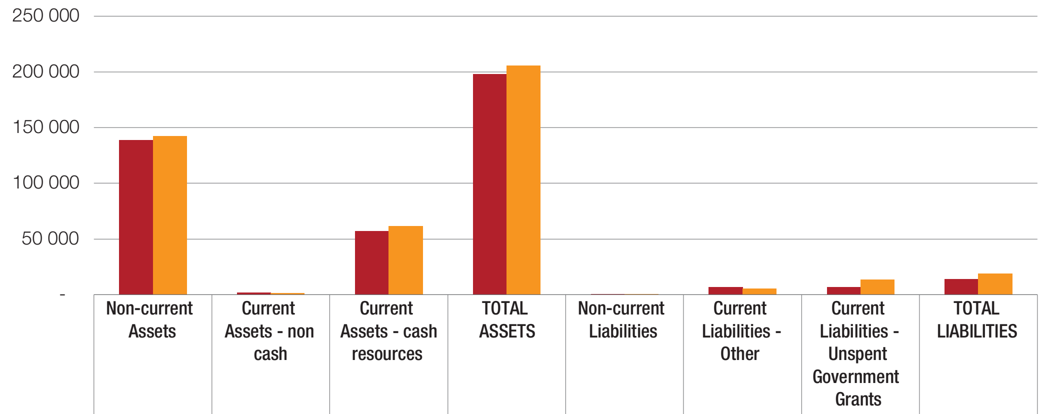
Yonela Schaupp
CFO

6. SUMMARY OF FINANCIAL INFORMATION

6.1 OPERATING SURPLUS

An operating deficit of R 2.362 m (2024 surplus of R0.2 m) was achieved for this financial year. The operating surplus is mainly the result of the managing of costs much more effectively through our turnaround strategy, a substantial increase in the venue rentals and interest income. The DSAC operational grant increased marginally from the previous year.

Financial Position



	Non-current Assets	Current Assets - non cash	Current Assets - cash resources	TOTAL ASSETS	Non-current Liabilities	Current Liabilities - Other	Current Liabilities - Unspent Government Grants	TOTAL LIABILITIES
2025	138 840	1 941	57 109	197 890	280	6 558	7 092	13 931
2024	142 296	1 310	61 754	205 360	267	5 435	13 334	19 036

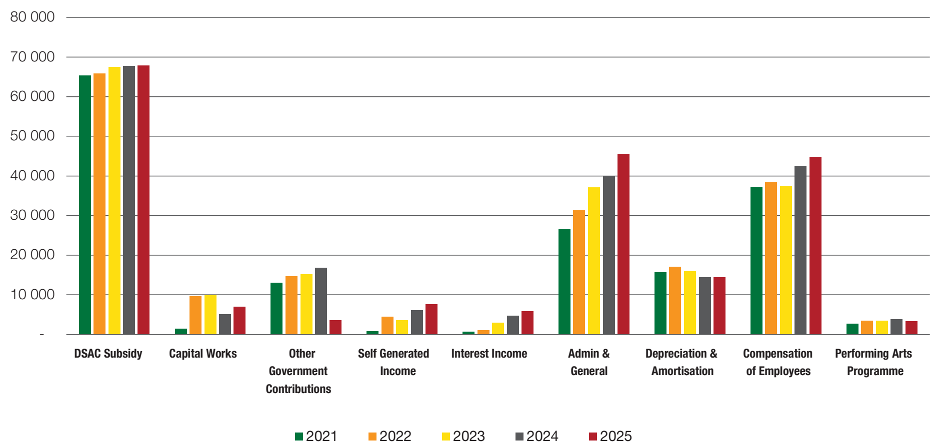
6.2 LINKING PERFORMANCE WITH BUDGETS

Programme Expenditure

	2023/2024			2024/2025		
Programme/activity/objective	Budget R	Actual expenditure R	(Over)/under expenditure R	Budget R	Actual expenditure R	(Over)/under expenditure R
Administration	98 697 000	86 397 218	12 299 782	98 528 000	92 115 333	6 412 667
Business development	0	3 851 106	(3 851 106)	3 400 000	3 419 452	-19 452
Infrastructure	10 965 000	10 390 675	574 325	19 584 000	12 602 228	6 981 772
TOTAL	**109 662 000**	**100 638 999**	**9 023 001**	**121 512 000**	**108 137 013**	**13 374 987**

Due to cost containment measures, lower than inflation salary increase, and the delay in the filling of vacant positions, resulted in Administration expenditure being below budget.

Clustered Performance 2021–2025



6.3 REVENUE COLLECTION

Sources of revenue	2023/2024 Budget R	2023/2024 Actual amount collected R	2023/2024 Over/(under) collection R	2024/2025 Budget R	2024/2025 Actual amount collected R	2024/2025 Over/(under) collection R
Grants - Operational DSAC	67 738 000	67 738 000	-	67 887 000	67 887 000	-
Grants - Capital (DSAC)	4 474 000	5 111 144	637 144	7 300 000	7 057 425	-242 575
Grants -Incubator Programme (DSAC)	-	2 042 578	2 042 578	1 606 100	1 606 101	-
Grants - PGWC	-	295 568	295 568	192 900	218 200	25 300
Grants - City of Cape Town	-	1 671 317	1 671 317	1 700 000	1 700 000	-
Sponsorship - General	-	10 001	10 001	101 000	10 000	-91 000
Lease (Service-in-kind)	12 550 000	12 757 971	207 971	13 554 000	13 906 188	352 188
Venue rental	5 900 000	5 464 149	-435 851	6 300 000	6 582 814	282 814
Other operating revenue		569 784	569 784	800 000	986 526	186 526
Interest earned	1 000 000	4 752 669	3 752 669	2 071 000	5 832 611	3 761 611
TOTAL	**91 662 000**	**100 413 181**	**8 751 181**	**101 512 000**	**105 786 866**	**4 274 864**

Venue rental has improved in comparison to the past 2 financial years. The rentals charged to producers were increased from the previous year, and the number of productions increased. Unfortunately, the DSAC Operational grant increased only by 0.2%.

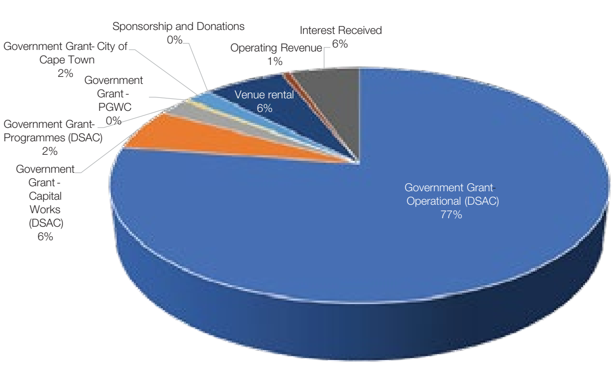
Interest income improved due to higher interest rates and an improved cash flow position.

Total revenue increased by only 5.35% in 2025, from R100,4m to R1105,8m, mainly due increase in Revenue from Exchange transactions in general. The annual grant from the Department of Sport, Arts and Culture (DSAC) increased by 0,22% from R67,7m to R67,9m, whilst interest increased from R4,8 m to R5,8m.

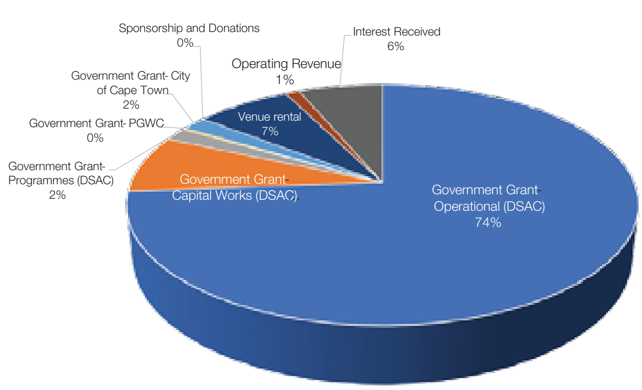
The total government grants for 2025 increased slightly by 3% from 2024 and comprised 74% of total revenue (2024: 76%). Revenue from exchange transactions contributed 12,6% of total revenue (2024: 10.7%). Other Government Grants utilised in the current year included R7,05m from DSAC for Capital Works, R1,6m for the Incubator Programme and R1,7m from the City of Cape Town.

Revenue from exchange transactions increased by 24.25% from R10,8 m to R13,48m, mainly because of the increase in venue rentals and Interest received. Interest revenue contributed 5,5% of total revenue. Interest received increased from R4,7m to R5,8m due to significantly higher interest rates and improved cash flow.

Revenue Split 2024



Revenue Split 2025



6.4 CAPITAL INVESTMENT

	2023/2024			2024/2025		
INFRASTRUCTURE PROJECTS	Budget '000	Actual expenditure '000	(Over)/under expenditure '000	Budget '000	Actual expenditure '000	(Over)/under expenditure '000
Facilities Management and Building Maintenance	882	153	729	2 829	2 241	588
Upgrade of Theatre Stage Machinery and Flying system controls	6 272	151	6 121	6 121	1 244	4 877
Sound Equipment	2 299	1 872	427	428	340	88
Audio Visual Equipment	4 387	2 907	1 480	1 480	588	892
IT Infrastructure	33	29	4	4	-	4

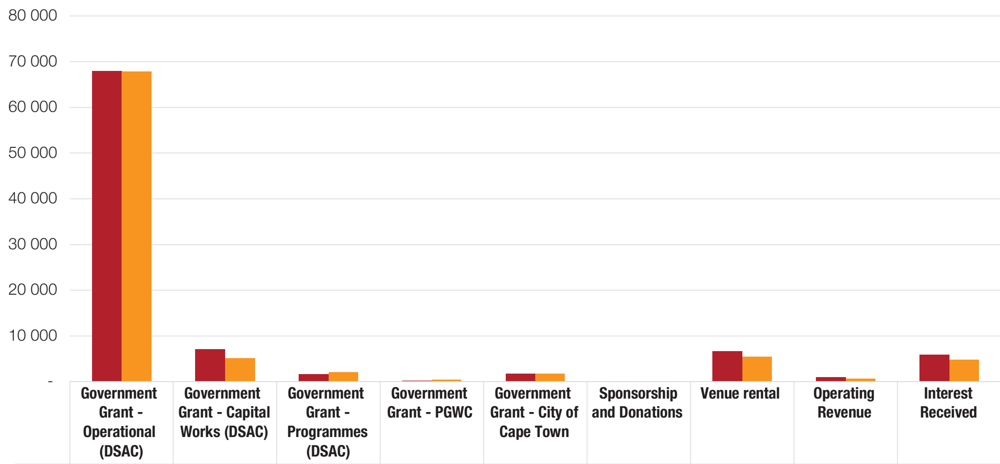
The replacement of the stage machinery and flying system controls in the Theatre venue commenced during the current year. This is a multi-year project which is scheduled around the use of the venue to ensure limited impact to productions and is estimated to be completed at the end of 2026. In addition to this project there was also procurement of audio-visual equipment which is becoming a standing feature in stage productions and upgrade to sound equipment.

The refurbishment of some facilities within the building, including the Arena performance venue ablutions, bar area and catering facilities were also completed during the 2024/2025 financial year. The refurbishment of two rehearsals rooms is still underway and is estimated to be completed in quarter two of the 2025/2026 financial year.

All facilities and venues are extensively used as intended. Artscape therefore has a maintenance strategy which provides the structure within which to strategically manage the maintenance and to assist in managing optimization of the life cycle of Artscape assets in accordance with the business needs of the organisation. In addition, we have a MOA in place with the landlord, Provincial Government Western Cape, who is responsible for the maintenance and repairs of critical infrastructure, such as public lifts, HVAC, roof and fire protection, amongst other.

Artscape recognizes and continually pursue best practices for the purpose of enhancing employee and public safety, maintenance projects undertaken, including the replacement of building elements original to the building which posed safety risks and were not compliant with current building regulations

Revenue Comparison



	Government Grant - Operational (DSAC)	Government Grant - Capital Works (DSAC)	Government Grant - Programmes (DSAC)	Government Grant - PGWC	Government Grant - City of Cape Town	Sponsorship and Donations	Venue rental	Operating Revenue	Interest Received
2025	67 887	7 057	1 606	218	1 700	10	6 583	987	5 833
2024	67 738	5 111	2 043	296	1 671	10	5 464	570	4 753

6.5 OPERATING EXPENSES

A comparison between 2025 and 2024 shows an increase of R7.4 million in total expenses incurred.

Administrative expenses (excluding depreciation and amortisation expenses and other operating expenses) increased from R38.5m to R42,4m in 2025.

Electricity and water consumption increased by R1,37 million from R9,1m to R10,4m due to the theatre being opened to a lot more productions during the current financial year as well as tariff increases.

Transport related expenses increased from R1.385m in 2024 to R1,1m in 2025 due to an increase in activities.

Compensation of employees increased by 5.61% from R42.5m to R44,8m. This was mainly because of a 5% salary adjustment for the 2025 financial year, an increase in overtime worked, and a performance incentive paid to staff in the current financial year.

Production costs decreased by 11.21% to R3,4m.

The decrease in non-current assets is due to a significant depreciation charge of R14,4m for the year.

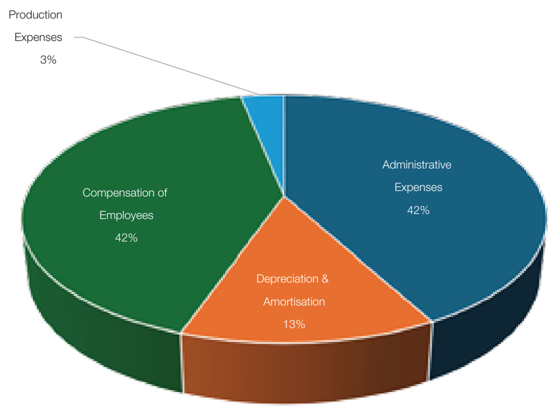
The increase in trade and other receivables from the previous year, is due to assets procured that could not be capitalized at year as they were not fully operational and therefore had to be recognized in the Asset clearing account.

The balance of R 57,1m in cash resources can be attributed to our implemented turnaround strategy which improved cash flows. Another contributing factor is the capital funding from DSAC.

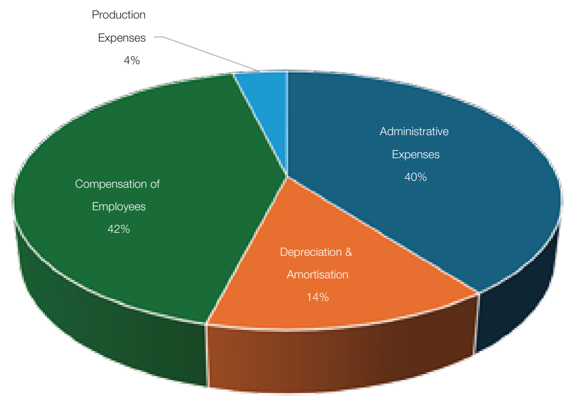
Non–current liabilities increased due to the increase in the actuarial valuation of the post–retirement medical benefit from R267 351 in 2024 to R279 843 in 2025.

Current liabilities (other) decreased primarily due to a decrease in unspent government grants, majority of which is Capital works. A few Capital projects were finalised during the year.

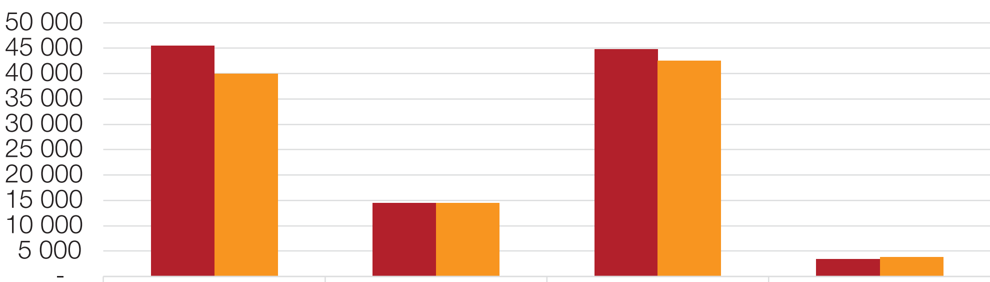
Expenditure Split 2025



Expenditure Split 2024



Expenditure Comparison



	Administrative Expenses	Depreciation & Amortisation	Compensation of Employees	Production Expenses
2025	45 453	14 400	44 864	3 419
2024	39 898	14 409	42 481	3 851

PRODUCTIONS AND EVENTS

Apart from all the many professional productions staged, Artscape also, on an annual basis, presents a diverse artistic and educational programme, collectively known as our Flagship Programmes. The Programmes cover diverse genres within the performing arts and creates opportunities for learning and growth and are intended to serve mainly:

- Young, emerging arts practitioners;
- School learners – to explore the performing arts;
- School learners – to engage with education through the arts; and
- Previously marginalized artists and art forms (including languages).

The programmes have been identified in line with the Government's imperatives of education, youth development, job creation, inclusivity and social cohesion. The programmes are also aligned to the objectives of Artscape, in terms of Section 8(5) of the Cultural Institutions Act, 1998, Act No 119 of 1998) are as follows (the list below is an extract of the relevant objectives):

- Making the performing arts accessible to the general public and ensuring that productions are a true reflection of the cultural diversity of South Africa;
- Promoting the appreciation, understanding and enjoyment of the performing arts among the general public;
- Providing high quality arts education and development with due consideration of the needs of the general public;
- Encouraging artists to adopt the stage and associated arts as their profession;
- Encouraging and promoting the writing and producing of new performing art works for presentation on stage; and
- Promoting indigenous art forms and creativity through, but not limited to, script writing, musical composition and choreography.

Artscape's Flagship Programmes have 3 main focus areas:

- Youth – providing opportunities for young people to learn, develop and participate.
- Diversity and Inclusivity – ensuring that there are platforms that incorporate various genres, abilities, cultures and languages. There is a key focus on persons living with disabilities.
- Education – educational and developmental programmes and workshops for school learners and young persons looking to experience the arts.

Our flagship programmes include:

- young jazz and classical musicians;
- script writing programmes;
- grade 12 learners attending setwork productions in the three official languages of the Western Cape;
- an Annual heritage concert showcasing our diverse cultures, celebrating national days such as Women's Month;
- an annual ArtsAbility Festival with a strong focus on persons with disabilities in the arts;
- Schools Arts Festival that brings schools from across the Western Cape to perform on our stages; and
- The High School Drama Festival gives an opportunity to school learners to develop and stage their own production.

CELEBRATING 21 YEARS OF MUSIC MENTORSHIP

Specifically established to ensure the skills transfer from our recognized, professional jazz musicians to young talented ones, the two-day showcase, Youth Jazz Series was preceded by a range of masterclasses under the tutelage of well-known jazz professionals. The primary objective of this programme remains to ensure the longevity of this genre for posterity.

To mark the 21 years of this programme we brought back six of the past participants who have grown from young musicians and have now established themselves in the industry, to be the mentors to this year's budding talent. They have all participated in the programme, some more than once and have all gone on to establish themselves as highly successful professional musicians, award winning recording artists, touring performers, musical directors, and dedicated educators. The 11 young participants learnt much from these mentors during the weeks leading up to the concert performance on 21 June. They "wowed" the audience as they showcased their talents on stage. The School Jazz Bands, under the guidance of senior education specialists of the Western Cape Education Department, took to the stage on Saturday 22 June, jazzing up popular known songs to delight the audience.

RURAL OUTREACH

The Annual Rural Outreach programme is a way of connecting with the previously disadvantaged communities (beyond the City boundaries) and taking the arts into these communities. Through the programme we reach the primary and high schools in the area by sharing the various performing arts genres and the technical aspects of theatre. The week is rounded off by a showcase gala performance that is open to the public and the funds from ticket sales from this concert is for the benefit of an identified NGO that operates in the community.

The Annual Rural Outreach Programme was restarted in 2024 following a hiatus due to the pandemic. This year's Rural Outreach Concerts were showcased in Mamre near Atlantis on the West Coast. This year's outreach concerts featured the classical genres of ballet and opera alongside jazz, hip-hop and contemporary dance. As part of the revival of the programme a short documentary was created that tells the story of the impact of the Rural Outreach Programme on the community.





PART C

GOVERNANCE

1. INTRODUCTION

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

Parliament, the Executive Authority and the Accounting Authority of Artscape are responsible for corporate governance. Artscape's Council, appointed by the Minister of Sport, Arts & Culture, acts as the accounting authority in terms of the Public Finance Management Act.

PORTFOLIO COMMITTEE

No meetings between the Portfolio Committee and Artscape took place during the year under review.

EXECUTIVE AUTHORITY

The Minister of Sport, Arts & Culture is the Executive Authority of Artscape. Quarterly reports are submitted through DSAC to the Executive Authority. No major issues have been brought to the attention of the Executive Authority.

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

- Annual Performance Plan 2025/2026.
- Strategic Plan 2025 - 2030
- Quarterly Reports for the quarters ending June 2024, September 2024, December 2024 and March 2025
- The Chairperson signed the Shareholder's Compact for 2025/2026 with the Minister of Sport, Arts & Culture on 12 May 2024.

No major issues have been raised.

THE ACCOUNTING AUTHORITY/ BOARD

The Artscape Council continued their commitment to the principles of good corporate governance as prescribed by the King IV Report, and constantly strive for the highest standards of professionalism, integrity and ethics. Council is satisfied that the institution has applied adequate corporate practices of transparency, integrity and accountability for the year.

The Council is the accounting authority of the entity. The Council constitutes the fundamental base for the application of corporate governance principles in the entity and the entity is headed by and controlled by an effective and efficient Council, comprising of non– executive directors representing the necessary skills to strategically guide the public entity. The Council has an absolute responsibility for the performance of the public entity and is fully accountable to the entity for such performance. The Council also gives strategic direction to the entity.

Council conducted a strategic workshop on 29 January 2025 and agreed on a strategy for Artscape. Council met 5 times during the review period and has reviewed systems of internal control, risk management, budgets and strategic plans to maximise efficiencies in fulfilling its statutory mandate.

Council continued its risk management oversight through the Audit and Risk Committee. The Social Ethics and Human Resources Committee continued to monitor employee–related policies and practices and reported to Council on its work and functioning. The overall staff demographics have shown a positive advance towards targets. This Committee continued to monitor adherence to the entity's Transformation Strategy.

COUNCIL CHARTER

The role of the Council is stipulated in its Charter and includes inter alia the following:

- Absolute responsibility for the performance of the public entity
- Full and effective control over the public entity
- Ensuring that the public entity complies with applicable laws, regulations, and government policy
- Formulating, monitoring, reviewing corporate strategy, major plans of action, risk policy, annual budgets, and business plans
- Ensuring that the shareholders' performance objectives are achieved
- Managing potential conflicts of interest
- Attend Council and Council committee meetings
- Ensuring that financial statements are prepared
- Appraising the performance of the CEO
- Maintaining integrity, responsibility, and accountability

COUNCIL MEETINGS

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Rajesh Jock	Chair	9 Dec 2020	N/A	Masters of Philosophy Postgraduate Higher Diploma in Company Law Postgraduate Diploma: Marketing Management Bachelor of Commerce	Organisational Development Marketing and Communications Corporate Governance and Company Law	National Consumer Tribunal: HR Governance Committee Chairperson Karuna Home: Chairperson DRS Envision: Director	None	4
Krishna Govender	Member	9 Dec 2023	N/A	BCom (Hons) CA (SA)	Governance Business strategy and planning Risk management External and Internal audit Procurement processes Accounting and Taxation	uMsunduzi Museum South African Library for the Blind	Audit and Risk Committee member: Council for Higher Education Finance committee Chair: uMsunduzi Museum Core functions committee member: South African Library for the Blind	4
Ndileka Manana	Member	20 Jan 2021	N/A	Bcom (UDW), Post Grad Business Management (UKZN University Of Natal, Post Graduate Diploma in Business Management	Business development Marketing Human resource development	State Theatre	None	4
Phumzile Maseko	Member	9 Dec 2023	N/A	BCom (Hons) Certified Ethics Officer	Corporate Governance Treasury Finance	PACOFS SAIFM	None	4
Mongezi Menye	Member	20 Jan 2021	N/A	Master of Philosophy (MPhil) degree in Conflict, Transformation and Management Bachelor of Law (B. Juris) degree	Legal, Forensic Investigations, Governance, Compliance and Ethics	None	Member of the Ethics Committee: South African Institute of Chartered Accountants (SAICA). Member of the Ethics Committee: Health Professions Council of South Africa (HPCSA). Consumer Advisory Panel: Independent Communications Authority of South Africa (ICASA)	4

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Karen Meiring	Member	9 Dec 2020	N/A	BA Drama (Honours) Postgraduate Diploma in Advanced Theatre Studies	Arts Festival Programming, Curation, Funding and Theatre production Team leadership, resources, policies, strategy and structure development Corporate Governance Community audience development and education Media relations and marketing	SBA Nuuseum Tribuo Disaster Relief Fund Encounters Documentary Film Festival Afrikaans 100 Playhouse Company	None	4
Xoliswa Nduneni-Ngema	Member	9 Dec 2020	N/A	B.Soc.Science Marketing Management Public Relations, Damelin Municipal Executive Financial Management	Arts & Culture Management Strategy & Business Plan formulation and implementation Programming & Content management Formulation and management of Budgets Stakeholder management HR Strategy	Joburg City Theatres Braamfontein Improvement District	None	3
Jerry Pooe	Member	9 Dec 2020	N/A	BA Degree – Drama And Social Anthropology Theatre Arts Certificate	Arts Management and Administration Policy Making Organizational Human Resources Writing and Directing	Kwa Culture Board based in KZN KZN Federation of Community Arts Centres	None	3
Philip van Ryneveld	Member	20 Jan 2021	N/A	BA (Hons) in Politics, Philosophy and Economics at Oxford University, United Kingdom (Rhodes Scholar) MA in Development Studies, The Netherlands (World Council of Churches scholar)	Public finance and administration Public sector decentralization City Management Public transport	None	Advisory Board of the Centre for Transport Studies, University of Cape Town	4

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Crystal Abdoll	External ARC Member	9 April 2021	N/A	Chartered Accountant - CA(SA) Post Graduate Diploma: Certified Internal Auditing B Compt Hons CA(SA) Certified Internal Auditor (CIA) Certificate in the Theory of Accounting B Com (Hons)	Corporate governance Risk and compliance management Financial management and reporting Accounting Internal and external auditing Strategy formulation Performance management and monitoring ICT governance Project management Supply chain management	Trustee: National Lottery Participants Trust Director: Western Cape Liquor Authority Director: Casidra SOC Ltd Agent (MISA) Director: Scouts South Africa	Audit Committee Member: City of Cape Town (effective 1 November 2024) Trustee: National Lottery Participants Trust Director: Western Cape Liquor Authority Director: Casidra SOC Ltd Audit Committee Member: Department of Cooperative Governance (DCoG) Audit Committee Member: Municipal Infrastructure Support Agent (MISA) Director: Scouts South Africa (appointed on 12 June 2019)	N/A
Richard Rhoda	External ARC Member	9 April 2021	N/A	CTA: CA(SA)	Trustee of Amy Foundation	Audit, Business Finance, Accounting and Tax	Chairperson Risk Committee of COGSTA Northern Cape	N/A

New Council (Appointed December 2024)

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Zakaria Gordon	Chair	8 Dec 2024	N/A		Business Strategy Entreprenial Skills Stakeholder Management Leadership			1
Krishna Govender	Member	8 Dec 2024	N/A	BCom (Hons) CA (SA)	Governance Business strategy and planning Risk management External and Internal audit Procurement processes Accounting and Taxation	uMsunduzi Museum South African Library for the Blind Mally Govender and Associates CC	Audit and Risk Committee member: Council for Higher Education Finance committee Chair: uMsunduzi Museum Core functions committee member: South African Library for the Blind Audit Committee:: Gautrain Management Agency Audit & Risk Committee: Artscape	1
Karen Meiring	Member	8 Dec 2024	N/A	BA Drama (Honours) Postgraduate Diploma in Advanced Theatre Studies	Arts Festival Programming, Curation, Funding and Theatre production Team leadership, resources, policies, strategy and structure development Corporate Governance	SBA Nuuseum Tribuo Disaster Relief Fund Encounters Documentary Film Festival Afrikaans 100 Playhouse Company	None	1

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Khwezi Kunene	Member	8 Dec 2024	N/A	BSc Property Development	Contract Management Corporate Governance Stakeholder Management	Playhouse Company		1
Jean Wilke	Member	8 Dec 2024	N/A	BA Law Master of Law, Bachelor or Arts LTCL Perfomance (Speech & Drama)	Law Research Corporate Governance Higher Education			1
Clint Abrahams	Member	8 Dec 2024	N/A	MArch degree	Architecture and community engagement			1
Phil Molefe	Member	8 Dec 2024	N/A	Master of Business Leadership	Governance and Strategy Development	Immedia Technology Development; The Playhouse	Entity? Fundraising	1
Saba Zahara HoneyBush	Member	8 Dec 2024	N/A	MBA Humanitarian Social Entrepreneurship Certificate in Cloud Engineering Certificate in Cybersecurity Analysis Digital Marketing Master Certification Global Press Reporting Certificate Masters in Integrative Ecosocial Design – In progress Certifications in Practical Application of Statistics in the Culturaland Creative Industries, Batik Design, Intellectual Property Rights (IPR) for African (CCIs)	Strategic Communications and Digital Media Cultural and Creative Industries Development Environmental Justice and Indigenous Knowledge Systems Social Entrepreneurship and Impact Strategy Policy Advocacy and Stakeholder Engagement Community-based Investigative Journalism Tech for Development and Inclusive Design Women's Economic Empowerment and Entrepreneurship Data Analysis for Cultural and Creative Industries Community Arts Facilitation and Healing / Public Arts	Visual Arts Cluster of South Africa NPC		1
Jacqui Lapoorta	Member	8 Dec 2024	N/A	Bachelor of Accounting (Hons) CA (SA)	Audit, Accounting, Governance & Risk management	Koinonia Welfare & Development Program NPO Susan Lapoorta Child & Youth Care Centre	Witzenberg Municipality; Performance, Risk & Audit Committee	1

COMMITTEES

Audit & Risk Committee (6 members)	Number of Meetings held	Number of Meetings attended
Mr Philip van Ryneveld (Chairperson)	3	3
Mr Krishna Govender	3	3
Ms Ndileka Manana	3	3
Mr Mongezi Menye	3	3
Ms Crystal Abdoll (external member)	3	2
Mr Richard Rhoda (external member)	3	2

Social Ethics and Human Resources Committee (4 members)	Number of Meetings held	Number of Meetings attended
Ms Xoliswa Nduneni-Ngema (Chairperson)	3	1
Ms Phumzile Maseko	3	3
Ms Karen Meiring	3	3
Mr Jerry Poe	3	3

Appointed December 2024:

Audit & Risk Committee (4 members)	Number of Meetings held	Number of Meetings attended
Mr Krishna Govender	1	1
Jacqui Lapoorta	1	1
Jean Wilke	1	1
Khwezi Kunene	1	1

Appointed December 2024

Social Ethics and Human Resources Committee (4 members)	Number of Meetings held	Number of Meetings attended
Karen Meiring	1	1
Clint Abrahams	1	1
Phil Molefe	1	1
Saba Zahara HoneyBush	1	1

Remuneration of Council members

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

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

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

	Meeting rate	Other Allowance	Other Re-imbursements	Total
Chairperson	R 2 172			R 2 172
Vice-Chairperson	R 1 974			R 1 974
Member	R 1 795			R 1 795

The rate per meeting includes remuneration for preparation time and shall not exceed the daily rate.

Members of committees, other than the audit committee are remunerated on the same basis as council members. Committee and Council members are paid a preparation rate which is equivalent to the meeting rate.

Remuneration of Audit Committee Members payable per official meeting attended:

	Daily Rate	Other Allowance	Other Re-imbursements	Total
Chairperson	R 4 446			R 4 446
Member	R 2 698			R 2 698

The rate per meeting includes remuneration for preparation time and shall not exceed the daily rate.

REMUNERATION OF COUNCIL AND COMMITTEE MEMBERS

Emoluments of Non-Executive Management and Members of Accounting Authority/Committee

	2025	2024
Council Members:		
Mr R Jock - (Chairperson)	34,752	40,015
Mr Z Gordon - (New Chairperson) (Appointed wef 9 December 2024)	4,344	-
Ms N Manana	17,484	13,908
Ms X Nduneni-Ngema (employed by JHB Theatre, City of JHB - no fee payable)	-	-
Ms K Meiring	13,440	16,298
Mr M Menye	17,484	13,908
Mr J Pooe	13,440	8,286
Mr P van Ryneveld	25,548	24,829
Ms C Abdoll (ARC member attending special Council meetings)	2,688	-
Mr R Rhoda (ARC member attending special Council meeting)	5,376	-
Mr K Govender	20,279	2,688
Ms P Maseko	16,209	2,688
Ms J Lapoorta (Appointed wef 9 December 2024)	2,688	-
Ms J Wilke (Appointed wef 9 December 2024)	2,688	-
Ms K Kunene (Appointed wef 9 December 2024)	3,590	-
Mr P Molefe (Appointed wef 9 December 2024)	3,590	-
Ms S HoneyBush (Appointed wef 9 December 2024)	2,688	-
Mr C Abrahams (Appointed wef 9 December 2024)	2,688	-
	2,688	-
	191,664	**122,620**
Audit and Risk Committee Members:		
Mr P van Ryneveld (Chairperson)	20,016	34,191
Ms N Manana	12,132	16,678
Mr M Menye	12,132	20,916
Mr K Govender (New Chairperson)	12,132	-
Ms C Abdoll	8,088	22,614
Mr R Rhoda	8,088	20,863
	72,588	**115,262**
Social Ethics and Human Resources Committee Members:		
Ms X Nduneni-Ngema (Chairperson) (employed by JHB Theatre, City of JHB - no fee payable)	-	-
Ms K Meiring (New Chairperson)	8,064	8,483
Mr J Pooe	8,064	8,380
Ms P Maseko	8,064	2,688
	24,192	**19,551**
Total emoluments of Council and Committees	**288,444**	**257,433**

2. RISK MANAGEMENT

Artscape annually conducts a risk management workshop. This workshop is attended by management and key members of staff.

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

Management ensures that existing controls and processes are in place to sufficiently address risks and will implement specific action plans to manage the residual risk exposure to an acceptable level. The Audit and Risk Committee as well as the Council may wish to include/incorporate additional risks if deemed necessary.

The risk register is updated on a quarterly basis.

INTERNAL CONTROL UNIT

Artscape has limited resources, and the size of the organisation does not justify having an internal control unit. Internal control is a responsibility for each individual manager. We have policies and procedures which are used to prescribe internal controls and the policies are reviewed on a regular basis to ensure they are up to date in terms of laws and regulations. Management also uses the findings of the auditors to improve and strengthen internal controls.

The management of Artscape monitors compliance to internal policies and procedures.

AUDIT AND RISK COMMITTEE RESPONSIBILITY

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

The report of this committee appears on page 49 of the Annual Report.

AUDIT & RISK COMMITTEE

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Philip van Ryneveld	Member and Chair of ARC	20 Jan 2021	N/A	BA (Hons) in Politics, Philosophy and Economics at Oxford University, United Kingdom (Rhodes Scholar) MA in Development Studies, The Netherlands (World Council of Churches scholar)	Public finance and administration Public sector decentralisation City Management Public transport	None	Advisory Board of the Centre for Transport Studies, University of Cape Town	4

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Crystal Abdoll	External ARC Member	9 April 2021	N/A	Chartered Accountant - CA(SA) Post Graduate Diploma: Certified Internal Auditing B Compt Hons CA(SA) Certified Internal Auditor (CIA) Certificate in the Theory of Accounting B Com (Hons)	Corporate governance Risk and compliance management Financial management and reporting Accounting Internal and external auditing Strategy formulation Performance management and monitoring ICT governance Project management Supply chain management	Trustee: National Lottery Participants Trust Director: Western Cape Liquor Authority Director: Casidra SOC Ltd Agent (MISA) Director: Scouts South Africa	Audit Committee Member: City of Cape Town (effective 1 November 2024) Trustee: National Lottery Participants Trust Director: Western Cape Liquor Authority Director: Casidra SOC Ltd Audit Committee Member: Department of Cooperative Governance (DCoG) Audit Committee Member: Municipal Infrastructure Support Agent (MISA) Director: Scouts South Africa (appointed on 12 June 2019)	5
Richard Rhoda	External ARC Member	9 April 2021	N/A	CTA: CA(SA)	Trustee of Amy Foundation	Audit, Business Finance, Accounting and Tax	Chairperson Risk Committee of COGSTA Northern Cape	5
Krishna Govender	Member	9 Dec 2023	N/A	BCom (Hons) CA (SA)	Governance Business strategy and planning Risk management External and Internal audit Procurement processes Accounting and Taxation	uMsunduzi Museum South African Library for the Blind	Audit and Risk Committee Member: Council for Higher Education Finance Committee Chair: uMsunduzi Museum Core Functions Committee Member: South African Library for the Blind	0
Mongezi Menye	Member	20 Jan 2021	N/A	Master of Philosophy (MPhil) degree in Conflict, Transformation and Management Bachelor of Law (B. Juris) degree Master of Laws in Governance and Corporate Law	Legal, Forensic Investigations, Governance, Compliance and Ethics	None	Member of the Ethics Committee: South African Institute of Chartered Accountants (SAICA). Member of the Ethics Committee: Health Professions Council of South Africa (HPCSA). Consumer Advisory Panel: Independent Communications Authority of South Africa (ICASA)	5

Member	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit Committee / Ministerial task team)	Number of meetings attended
Mr Krishna Govender	Chairperson	29 Jan 2025	N/A	BCom (Hons) CA (SA)	Governance Business strategy and planning Risk management External and Internal audit Procurement processes Accounting and Taxation	uMsunduzi Museum South African Library for the Blind Mally Govender and Associates CC	Audit and Risk Committee Member: Council for Higher Education Finance Committee Chair: uMsunduzi Museum Core Functions Committee Member: South African Library for the Blind Audit Committee:: Gautrain Management Agency	1
Jacqui Lapoorta	Member	29 Jan 2025	N/A	Bachelor of Accounting (Hons) CA (SA)	Audit, Accounting, Governance & Risk management	Koinonia Welfare & Development Program NPO Susan Lapoorta Child & Youth Care Centre	Witzenberg Municipality; Performance, Risk & Audit Committee	1
Jean Wilke	Member	29 Jan 2025	N/A	BA Law Master of Law, Bachelor or Arts LTCL Perfomance (Speech & Drama)	Law Research Corporate Governance Higher Education			1
Khwezi Kunene	Member	29 Jan 2025	N/A	BSc Property Development	Contract Management Corporate Governance Stakeholder Management	Playhouse Company		1

COMPLIANCE WITH LAWS AND REGULATIONS

Artscape, the Council and all members of staff are required to comply with the principles of good corporate governance and all laws and regulations. Management report on a quarterly basis on compliance with laws and regulations. The PFMA checklist is compiled and any non-compliance is reported to Council and its subcommittees.

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

3. FRAUD AND CORRUPTION

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

Staff guilty of misconduct are disciplined in term of Artscape's disciplinary code. All disciplinary matters are reported to Council's Human Resources Committee and also included in the Annual Report (see page 56).

The Audit and Risk Committee also considers fraud at each quarterly meeting.

4. MINIMISING CONFLICT OF INTEREST

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

Council and external Audit and Risk Committee members are also required to submit annual declarations of interest and to declare their possible interests at every meeting.

5. CODE OF CONDUCT

A code of conduct is in place for all staff members. Non-compliance will result in staff being subjected to the disciplinary code and procedure.

Artscape also has a code of conduct for Council members, which is included in the Council Charter.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

In order to ensure safety on stage, all producers together with venue staff are required to conduct Production Risks Assessments to mitigate risks associated with productions. In addition, Artscape provides all the hirers with a copy of the theatre rules and regulations as part of the venue rental agreement.

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

7. COMPANY SECRETARY

The Company Secretary is responsible for ensuring the proper compilation and timely circulation of Council documents and accurate recording of meetings and resolutions. She assists the Council and its committees with drafting of annual work plans and provides Council members collectively and individually with guidance as to their duties, responsibilities and powers. The Company Secretary has a key role to play in ensuring that Council procedures are both followed and regularly reviewed and that Council members are aware of any law relevant to or affecting the entity.

8. SOCIAL RESPONSIBILITY

Artscape has an internship programme to provide on-the-job training and the success of these is a result of Artscape's partnership with like-minded entities in the youth development and job creation agenda. In addition to this Artscape also has international exchange programmes which has given artists in the province as well as Artscape employees life changing international exposure.

9. AUDIT AND RISK COMMITTEE REPORT

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

Risk management

The Audit & Risk Committee ensured that risks identified through the risk management workshop which was facilitated by Internal Audit for managers, are continuously monitored and that the risk register is updated on a regular basis.

Internal audit

The internal audit function is outsourced to Nexia SAB&T. Through its reports, Internal Audit makes recommendations to assist in the establishment and maintenance of an effective system of internal control to manage the risks associated with Artscape and its activities. The Audit and Risk Committee has reviewed and approved the internal audit charter and the audit coverage plans for the year ended 31 March 2025. Internal audit reports were presented to the committee during the year under review.

The following internal audits were approved by the Audit and Risk Committee and completed (unless otherwise indicated) by Internal Audit during the financial year:

1. Technical review of Draft AFS for year ending 31 March 2025
2. Financial Management review
3. IT Vendor Management Review – performed only after 1 April 2024
4. Human Resources – appointment and termination of ad-hoc employees
5. Follow-up reviews of previous Internal Audits

The areas for improvement, as noted by Internal Audit during the performance of their work, were agreed to by management. The Audit and Risk Committee monitors the implementation of the agreed actions on a quarterly basis.

The effectiveness of internal control

The financial controls have been found to be effective. We review internal audit and external audit recommendations and implement these.

Business Continuity Management was found ineffective, and a Business Continuity Policy and Business Continuity Plan has been approved during the year.

The quality of quarterly reports

Quarterly reports on performance information and Artscape's finances are presented and reported at Committee meetings. The Committee is satisfied with the content and quality of quarterly reports prepared and issued by the institution during the year under review.

Compliance

The Audit and Risk Committee reviewed the entity's compliance with legal and regulatory provisions on a quarterly basis. Management will review its current compliance management processes and introduce improvements as required.

Fraud and corruption

No fraud-related matters were brought to the committee's attention during the current financial year.

Focus areas for 2025-2026 financial year

The Audit and Risk Committee has identified the following focus areas for the year ahead:

1. High level review of the financial controls
2. IT Vendor Management Review (carried over from previous year)
3. SCM Contract Management Review
4. IT Network Security Management review
5. Follow-up on previous audits

Auditor's reports

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

Evaluation of financial statements and predetermined objectives

The Committee has reviewed the:

- Audited annual financial statements to be included in the annual report;
- Report on predetermined objectives to be included in the annual report;
- AGSA management letter and management's response; and
- Report of the Auditor-General for the year ended 31 March 2025

Through the guidance of the Committee, the finance function has enhanced its processes and controls, and this has impacted on the audit outcomes.

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

Krishna Govender
Chairperson of the Audit & Risk Committee
Artscape
31 July 2025

10. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Artscape's Supply Chain Management process ensures that the entity enforced the preference points system and thus provided the platform to implement its socio-economic objectives at correcting the imbalances of the past. Artscape's policy is intended to address the Preferential Procurement Policy Framework Act (PPPFA) objectives. Artscape has recently been verified and is non-compliant but is addressing this issue and working towards compliance in the future.

Artscape has continued to provide a platform to empower artists and performers from all walks of life.

B-BBEE compliance performance information in terms of Section 13(G)(1) of the Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	This is not applicable to Artscape
Developing and implementing a preferential procurement policy?	Yes	The Preferential Procurement requirements are included in the Procurement for Goods and Services Policy Artscape has in place.
Determining qualification criteria for the sale of state-owned enterprises?	No	This is not applicable to Artscape.
Developing criteria for entering into partnerships with the private sector?	No	This is not applicable to Artscape.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	This is not applicable to Artscape.

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Artscape understands that its human capital is the hidden center of competitive advantage where sustainable and unmatched value is created. Artscape, as a service-centered establishment, relies on the competency of its staff to achieve its core mandate. It is with this in mind that the key focus areas were the cultivation of a high-performance culture, skills development, employee wellness, youth development and job creation as well as fairness and justice.

To strive towards sustainable results for the organisation, the Artscape Social Ethics, Human Resource Committee (SEHRC) meets on a quarterly basis to provide oversight over human resource management at the public entity.

The key highlights of the past financial year include:

- Performance Management – The performance management system was rolled out throughout the company with all employees having signed performance management agreements and performance reviews conducted.
- Skills development – Whilst working under tight budgets, Artscape continued in its efforts to ensure continued staff development through a training plan that is linked to performance assessments outcomes. A training plan that is linked to business needs, business unit needs, and personal development plans ensures that training at Artscape is for impact and not a mere activity. Due to limited financial resources, critical training was prioritised and more effort was placed in-house facilitated training. For this reason and future business needs, Artscape trained some of its staff as accredited facilitators.
- Staff Wellness – With the current socio-economic challenges faced by the employees and the South African population in general, employee wellness remained a critical focus of Artscape. The appointed employee wellness service provider continued offering services to employees and their immediate family members.
- Youth Capacitation – In partnership with like-minded entities, Artscape continued to be actively involved in the youth development and job creation initiatives in the form of internships and international exchange programmes.
- Enhancement of an ethical organisational culture – Following on the previous year's organisation-wide ethics and organisational culture survey, Artscape continued with the implementation of the recommended action plans from the survey outcomes. This process is important in building the foundation of an ethical entity, which in turn will contribute to the national government's aspiration of building a capable, ethical, and developmental state.

The key challenges of the past year included amongst others;

- Work overload – Whilst the new government administration removed the ministerial moratorium on vacant positions, this had already impacted the momentum of filling vacant positions. This meant some of Artscape's business units worked under severe staff shortages, leading to staff work overload. This was exacerbated by the fact that Artscape was still in the process of recovering from the effects of COVID-19, which had a huge impact on vacant posts leading to staff redeployments.
- Inability to conduct team building exercises – Due to financial constraints and regulatory constraints, the entity could not conduct any meaningful team building exercise. These are crucial, especially where employees are experiencing emotional draining periods such as the current socio-economic conditions and still recovering from post COVID-19 challenges. For reintegration and reigniting the energies, focus and momentum, team building exercise would have been of value.
- Lack of funding for meaningful staff development – Whilst employees pushed beyond boundaries, the financial challenges facing the entity limited the extent to which employees could be afforded adequate training and development opportunities.

Artscape's future goals include the following:

- Review of business capacity and filling of critical posts
- Enhancing a high-performance culture
- Embedment of an ethical and inclusive organisational culture
- Skills development
- Youth capacitation and job creation
- Employee wellness

2. HUMAN RESOURCE OVERSIGHT STATISTICS

HUMAN RESOURCES MANAGEMENT

As at 31 March 2025 Artscape employed 61 (2024: 66) persons on a permanent basis and 14 (2024: 7) persons on a long-term basis. Depending on operational requirements, additional staff is appointed on a part-time or casual basis.

Personnel Cost by programme/activity/objective:

Personnel cost by salary band

Level	Personnel expenditure (R'000)*	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	10 609	23%	6	1 768
Senior Management	2 187	4.9%	2	1 093
Professional qualified	10 393	23%	15	693
Skilled	17 319	38.6%	39	444
Semi-skilled	3 382	7.5%	9	375
Unskilled	973	2%	4	243
TOTAL	**44 864**	**100%**	**75**	**598**

* excludes overtime

Performance rewards

All staff received a performance incentive reward for this financial year. This was a once-off reward. This was on the completion of a signed performance agreement and performance review.

Training costs

Programme//activity/objective	Training Expenditure (R'000)	No. of employees trained	Avg training cost per employee (R'000)
Facilitator Training	26	13	1,9
Conduct outcome-based Assessment - Assessor Training	19	7	2,7
Audio Visual Training	36	12	2,98

This financial year we have concentrated on critical skills training that focused on the future establishment of the Artscape Training Academy requirements.

Employment and vacancies

Programme//activity/objective	2024/2025 No. of Employees	2024/2025 Approved Posts	2024/2025 Vacancies	% of vacancies
Top Management	6	6	0	0%
Senior Management	2	4	2	2%
Professional qualified	15	22	7	6%
Skilled	38	53	15	14%
Semi-skilled	9	19	10	9%
Unskilled	4	5	1	1%
TOTAL	**74**	**109**	**35**	**32%**

Although the ministerial moratorium on vacant positions was lifted by the new Minister in the new Government administration, which was in the middle of the financial year, the moratorium had already added further weight to the already heavy work-loaded workforce. Efforts are being put to ease the load by steadily filling critical vacant posts.

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	6	1	1	6
Senior Management	3	0	1	2
Professional qualified	11	4	0	15
Skilled	38	1	1	38
Semi-skilled	10	0	1	9
Unskilled	4	0	0	4
Total	**72**	**6**	**4**	**74**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death		
Resignation	2	66.6%
Dismissal		
Retirement	1	33.3%
Ill health		
Expiry of contract		
Other		
TOTAL	**3**	**100%**

Artscape has very few resignations, hence its staff turnover in general is very low. The resignations were due to employees getting better offers in the private sector.

Labour relations: misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	0
Written warning	0
Final written warning	0
Dismissal	0

Equity target and employment equity status

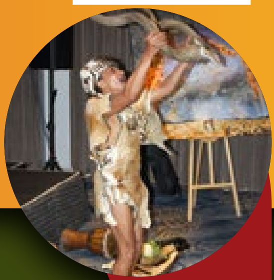
Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	3	2	0	0	0	0
Senior Management	0	1	0	2	0	0	0	0
Professional qualified	0	2	7	8	0	1	1	1
Skilled	5	6	17	23	0	0	2	4
Semi-skilled	1	1	2	6	0	0	0	0
Unskilled	0	1	3	3	0	0	0	0
TOTAL	**7**	**12**	**32**	**44**	**0**	**1**	**3**	**5**

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	1	2	0	0	1	1
Senior Management	1	1	2	1	0	1	0	0
Professional qualified	0	2	3	3	0	0	1	1
Skilled	4	3	8	9	0	0	3	3
Semi-skilled	2	3	3	5	0	0	1	1
Unskilled	0	1	1	1	0	0	0	0
TOTAL	**7**	**11**	**19**	**21**	**0**	**1**	**6**	**6**

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management			1	
Senior Management				
Professional qualified				
Skilled				
Semi-skilled	1			
Unskilled				
TOTAL				

The majority of Artscape employees are from the designated group, that is, from previously disadvantaged backgrounds (98%). The company is experiencing a low staff turnover rate, which in turn means that the pace of achieving the targets is not at the anticipated speed. The entity also took a position that it will follow a natural attritional stance when it comes to achieving its employment equity targets, rather than the process of retrenchments. The previous government administration ministerial moratorium on filling vacant positions and funding challenges meant the filling of some vacant posts had to be put on hold. Furthermore, the entity and the industry are not considered the best paying employers and therefore lose staff to the private sector, which in turn dents the opportunity to accelerate a balanced representative workforce profile. Artscape, however, is focused and is putting all necessary efforts into ensuring the achievement of its targets.





PART E

PFMA COMPLIANCE REPORT

1. INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1 IRREGULAR EXPENDITURE

(a) Reconciliation of irregular expenditure

	2024/2025 R	2023/2024 R
Opening Balance	669 830	-
Add: Irregular expenditure Confirmed	-	-
Less: Irregular expenditure Condoned	-	-
Less : Irregular expenditure not condoned and removed	-	-
Less : Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing Balance	**669 830**	**-**

Reconciling notes	2024/2025 R	2023/2024 R
Irregular expenditure that was under assessment in 2023/2024	669 830	-
Irregular expenditure that relates to 2023/2024 and was under assessment in 2024/2025	-	-
Irregular expenditure for the current year	1 935 384	669 830
Total	**2 605 214**	**669 830**

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

Description	2024/2025 R	2023/2024 R
Irregular expenditure under assessment	-	669 830
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	1 935 384	-
Total	**1 935 384**	**669 830**

(c) Details of current and previous year irregular expenditure condoned

Description	2024/2025 R	2023/2024 R
Irregular expenditure condoned	-	-
Total	**-**	**-**

(d) Details of current and previous year irregular expenditure removed (not condoned)

Description	2024/2025 R	2023/2024 R
Irregular expenditure NOT condoned and removed	-	-
Irregular expenditure for 2017/2018 removed	-	-
Irregular expenditure for 2018/2019 removed	-	-
Irregular expenditure for 2020/2021 removed	-	-
Irregular expenditure for 2019/2020 removed	-	-
Total	**-**	**-**

(e) Details of current and previous year irregular expenditure recovered

Description	2024/2025 R	2023/2024 R
Irregular expenditure recovered	-	-
	-	-
Total	**-**	**-**

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

Description	2024/2025 R	2023/2024 R
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional disclosure relating to inter-institutional arrangements

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

Description	2024/2025 R	2023/2024 R
Nil	-	-
Total	**-**	**-**

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

	2024/2025 R	2023/2024 R
Nil	-	-
Total	**-**	**-**

(i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

	2024/2025 R	2023/2024 R
Disciplinary steps taken	-	-
	-	-

1.2 FRUITLESS AND WASTEFUL EXPENDITURE

(a) Reconciliation of fruitless and wasteful expenditure

	2024/2025 R	2023/2024 R
Opening Balance	-	-
Add: Fruitless and Wasteful expenditure Confirmed	-	-
Less: Fruitless and Wasteful Expenditure written off	-	-
Less : Fruitless and Wasteful expenditure recoverable	-	-
Closing Balance	**-**	**-**

Reconciling notes

	2024/2025 R	2023/2024 R
Fruitless and Wasteful expenditure that was under assessment in 2022/2023	-	-
Fruitless and Wasteful expenditure that relates to 2022/2023 and was under assessment in 2023/2024	-	-
Fruitless and Wasteful expenditure for the current year	-	-
Total	**-**	**-**

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

	2024/2025 R	2023/2024 R
Fruitless and Wasteful expenditure under assessment	-	-
Fruitless and Wasteful expenditure under determination	-	-
Fruitless and Wasteful expenditure under investigation	-	-
Total	**-**	**-**

(c) Details of current and previous year Fruitless and Wasteful expenditure recovered

	2024/2025 R	2023/2024 R
Fruitless and Wasteful expenditure recovered	-	-
Total	-	-

(d) Details of current and previous year Fruitless and Wasteful expenditure not recovered and written off

	2024/2025 R	2023/2024 R
Fruitless and Wasteful expenditure written off	-	-
Total	**-**	**-**

(e) Details of current and previous year disciplinary or criminal steps taken as a result of Fruitless and Wasteful expenditure

	2024/2025 R	2023/2024 R
Not applicable	-	-
Total	**-**	**-**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value R'000
Valid invoices received	784	43,451
Invoices paid within 30 days or agreed period	784	-
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 3 days or agreed period (unpaid and in dispute)	-	-

3. SUPPLY CHAIN MANAGEMENT

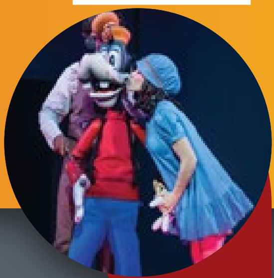
3.1 PROCUREMENT BY OTHER MEANS

Project Description	Name of Supplier	Type of procurement by other means	Contract Number	Value of Contract
Payroll Services Licence Fees April 2024–March 2025. NGA Africa is the Owner Arscape's payroll system.	NGA AFRICA T/A BUSINESS CONNEXION	Single source	18125	R105 600.00
The main control gear of the Main curtain in the Theatre broke down. Our Electricians upon investigating the cause of the breakdown discovered that critical electrical components of the main control gear were compromised and needed to be replaced urgently to prevent any disruptions to stage activities and to meet the agreed needs of confirmed productions scheduled in that venue.	RG JACK AND SON CC	Urgency	18141	R31 592.51
Artscape appoints Cape Heart Community and Theatre Company to produce the Production Krismis van Map Jacobs to be stage at Artscape. They have the performance license.	CAPE HEART COMMUNITY & EDUCATIONAL THEATRE COMPANY	Sole supplier	16516	R150 000.00
Artscape staged the setwork production of Buzani Ku Bawo as part of the Education Programme 2024. DALRO grants Copyrights user permission to reproduce the setwork	DALRO	Sole supplier	16523	R33 844.96
Membership Fee with Cape Town Tourism	CAPE TOWN TOURISM	Single source	16530	R4 945.12
Extra Piano Tuning required by producer	PIANO WORLD PTY LTD	Single source	16534	R3 737.50
Varilux is the manufacturer and installer of the Acoustic Stackable sliding doors separating the opera bar from the chandelier foyer.	VARILUX	Single source	16536	R8 797.50
Artscape appoints Carin Bester to install and exhibit "She Had a Name 365" as part of the Womans and Humanity Festival 2024.	CARIN BESTER	Sole supplier	16550	R22 500.00
Tax Calculations. NGA Africa is the Owner Arscape's payroll system.	NGA AFRICA T/A BUSINESS CONNEXION	Single source	16214	R3 493.13
Agent to create and stage the production of Artscape's Urban Outreach in Atlantis	JCQ PRODUCTIONS	Single source	16581	R69 800.00
Ministers Consultative Engagement Meeting with ACPD Stakeholders. Artscape was tasked to provide catering services on very short notice 12 July 2024 for a meeting on 15 July 2024.	CAPE TOWN INTERNATIONAL CONVENTION CENTRE	Single source	16583	R98 000.00
Broadcasting of Youth Jazz Series. FMR is situated at Artscape and caters for this genre	FINE MUSIC RADIO 101.3	Single source	16585	R21 859.20
Artscape procured the Biometric System from ERS Biometrics in 2013 and is still in working condition. Artscape needs to pay a Annual Licence Fee.	ERS BIOMETRICS PTY LTD	Single source	16600	R15 776.17
Collaborate with Artscape on Artscape's Women Humanity Festival 2024	WOMEN ZONE	Single source	16603	R49 900.00
Producer of ABFAB DRAG production	VIA-VOLEENHOVEN AND APPOLLIS INDEPENDENT	Sole source	16605	R233 000.00
Artscape issued a RFQ for a Medic and Ambulance service provider and received only two quotes and needed to make an appointment as this service is critical to have at major events. Service for the Women's Humanity Festival 2024	STEPHANIE BEUKES T/A	Single source	16607	R5 630.00
Urgent Repairs to the Electrical Distribution Board in the Theatre	TITAN ONLINE SUPPLIES	Urgent	16617	R26 018.23
Legends in Harmony produced by Via- Vollenhoven. Written confirmation provided	VIA-VOLEENHOVEN AND APPOLLIS INDEPENDENT	Sole source	16618	R255 000.00
Breakdown. Fitting and commissioning new Encoders on Opera Stage.	MOCON SYSTEMS CC	Urgent	16632	R20 380.30
Membership Fee for Simone Heradien	CAPE CHAMBER OF COMMERCE	Sole source	16637	R4 000.00
Producer of Rainbow Rhythms as part of Heritage Festival. Written confirmation provided	SUITE BASIL PRODUCTIONS CC	Sole source	16640	R315 000.00
Quotations were sourced from service providers registered on CSD, Service providers were unable to assist (Emails on Records). Piano World responded with a quotation for Tuning on Saturday 05 October 2024	PIANO WORLD PTY LTD	Single source	16667	R4 381.50
Fine Music Radio is based at the Artscape Theatre Centre and supports all Artscape Programmes through the provision of advertising and broadcast services at reduced rates. Youth Classical Concert .	FINE MUSIC RADIO 101.3	Single source	16669	R21 859.20

Project Description	Name of Supplier	Type of procurement by other means	Contract Number	Value of Contract
Artscape received the Annual Reader's Choice Award from readers of Die Burger as one of the favorites in the theatre category and achieved a golden badge status.	MEDIA 24 BEPERK	Single source	16693	R20 926.00
Artscape's Annual Rural Outreach. Destination Mamre. The Community is generally Afrikaans-speaking. An advert to be placed in the local community newspaper Weskus Nuus.	MEDIA 24 BEPERK	Singel source	16692	R18 734.03
An RFQ was issued to eight and only one supplier could assist with the Hiring of Staging for the Rural Outreach event in Mamre.	EASTERN ACOUSTICS	Single source	16697	R28 750.00
Producer for the Rural Outreach Programme - Mamre.	JITSVINGER	Single source	16694	R20 000.00
Urgent Repairs to Fly bars in Opera House. Mocon is the only service provider know to Artscape that can repair Artscape's stage machinery	MOCON SYSTEMS cc	Urgency	16705	R20 380.30
Dance Performance at Rural Outreach Programme - Mamre	JAZZART DANCE THEATRE	Single source	16714	R10 000.00
Yazeed Kamaldien is a Journalist and professional filmmaker. Creating a documentary of the Rural Outreach programme.	YAZEED KAMALDIEN	Single source	16717	R40 000.00
Artscape makes use of the Deloitte's Job Evaluation System T.A.S.K	DELOITTE CONSULTING	Sole supplier	16722	R32 326.50
Programme Launch Soft Dring for attendees	CAPE TOWN INTERNATIONAL CONVENTION CENTRE COMPANY	Single source	16734	R5 000.00
Producers of Artsability Festival 2024	UNMUTE DANCE THEATRE	Single source	16736	R90 000.00
Urgent Procurement of Lamps for Festive Season Productions	DWR DISTRIBUTION CC	Urgency	16749	R16 435.11
Medical Screening of Non Medical aid members at Artscape's Annual Wellness Day	DISCOVERY HEALTH	Sole supplier	16756	R3 209.40
Artscape has procured a Biometric System in 2013 and its still in a good working condition. The Current system is operating on a 2G and needs to be upgraded to 4G	ERS BIOMETRICS PTY LTD	Single source	16767	R11 413.75
Quotations were sourced from service providers in the market but due to Adobe VIP number already used by another service provider to provide a quote , adobe show that we migrated with another reseller hence other service providers cannot quote.	COMPUTRON WORLD	Single source	16769	R25 185.00
Annual Advert in the Cape Town Tourism Visitors guide	CAPE TOWN TOURISM	Single source	16793	R39 368.00
Artscape make use of Opulentia Financial Service as an insurance broker, Artscape procured a new vehicle and added the insurance payment to it current insurance contract	OPULENTIA FINANCIAL SERVICE	Single source	16840	R7 219.37
Membership Fee for Simone Heradien	CAPE TOWN TOURISM	Single source	16800	R5 261.70

3.2 CONTRACT VARIATIONS AND EXPANSIONS

Project description	Name of Supplier	Contract modification type (Expansion or Variation)	Contract Number	Original contract value R,'0000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Internal Audit	Nexia SAB&T	Expansion	ART01/2021	736 788	N/A	230 000
Total				**736 788**		**230 000**






PART F

FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON ARTSCAPE

REPORT ON THE FINANCIAL STATEMENTS

1. I have reviewed the financial statements of Artscape set out on pages 74 to 99, 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 and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

Conclusion

2. Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Artscape as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Responsibilities of the accounting authority for the financial statements

3. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

4. In preparing the financial statements, the accounting authority is responsible for assessing the 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 entity or to cease operations, or has no realistic alternative but to do so.

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

5. My responsibility is to express a conclusion on the accompanying financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements. The standard requires me to conclude on whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires me to comply with relevant ethical requirements.

6. A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I am required to perform procedures, primarily consisting of making inquiries of management and others within the auditee, as appropriate, applying analytical procedures and evaluating the evidence obtained.

7. The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

REPORT ON THE ANNUAL PERFORMANCE REPORT

8. 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.

9. I selected the following material performance indicators related to programme 2: business development, presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the entity's performance on its primary mandated functions and that are of significant national, community or public interest.

   - Present annual arts programme
   - Present educational programme

10. 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 entity's planning and delivery on its mandate and objectives.

11. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and 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 what was 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.

12. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

13. I did not identify any material findings on the reported performance information for the selected indicators.

REPORT ON COMPLIANCE WITH LEGISLATION

14. 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 entity's compliance with legislation.

15. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

16. 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 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.

17. I did not identify any material non-compliance with the selected legislative requirements.

INTERNAL CONTROL DEFICIENCIES

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

PROFESSIONAL ETHICS AND QUALITY CONTROL

20. I am independent of the 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 engagements in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

21. In accordance with the International Standard on Quality Management 1, the AGSA maintains a comprehensive system of quality management that includes documented policies and procedures on compliance with ethical requirements and professional standards.

Auditor-General

Cape Town
30 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

PART F
FINANCIAL INFORMATION

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)(e)(iii) Section 53(4) Section 55(1)(a); 55(1)(b); Section 55(1)(c)(i) Section 56(1) Section 57(b)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2 Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii) Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Regulation 31.1.2(c) Regulation 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)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No. 1 of 2021/22	Paragraph 4.1
National 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(a); 4.17 Paragraph 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) Paragraph 3.3.1
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1 Section 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4 Regulation 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2 Regulation 5.1; 5.3; 5.6; 5.7 Regulation 6.1; 6.2; 6.3; 6.6; 6.8 Regulation 7.1; 7.2; 7.3; 7.6; 7.8 Regulation 8.2; 8.5 Regulation 9.1; 9.2 Regulation 10.1; 10.2 Regulation 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

2. ACCOUNTING AUTHORITY STATEMENT OF RESPONSIBILITY AND APPROVAL

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

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

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

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

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

SUBMISSION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 31 March 2025 set out on pages 74 to 99, which have been submitted for auditing on 31 May 2025 in terms of section 51(1)(f) of the Public Finance Management Act, 1999 (Act 1 of 1999), were approved by the accounting authority and were signed on its behalf by:

Marlene Le Roux
Chief Executive Officer

Yonela Schaupp
Chief Financial Officer

Zakaria Gordon
Chairperson

3. ACCOUNTING AUTHORITY REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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

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

COUNCIL

The following Council members were appointed by the Minister of Sport, Arts & Culture on 9 December 2024 and were in office until 31 March 2025 Culture (other than those indicated differently):

Mr Z Gordon (Chairperson)
Ms K Meiring (Deputy Chair)
Mr C Abrahams
Mr K Govender
Ms S HoneyBush
Ms K Kunene
Ms J Lapoorta
Mr P Molefe
Adv. J Wilke
Mr R Jock (Chairperson) (term ended 08 December 2024)
Mr P van Ryneveld (term ended 08 December 2024)
Ms N Manana (term ended 08 December 2024)
Mr M Menye (term ended 08 December 2024)
Ms P Maseko (term ended 08 December 2024)
Ms X Nduneni-Ngema (term ended 08 December 2024)
Mr J Pooe (term ended 08 December 2024)

EXECUTIVE MANAGEMENT

The executive management are responsible for the day-to-day management of the Institution and are in the full-time employ of the Institution. As at 31 March 2025, the Executive Management consisted of the following:

Chief Executive Officer (CEO)	Dr Marlene le Roux
Chief Financial Officer (CFO) (appointed 01 December 2024)	Ms Yonela Schaupp
Director: Human Resources	Mr Lungisani Nkomo
Director: Operations	Mr Marius Golding
Director: Business Management	Mr Andre Steenveld
Company Secretary	Ms Ilze-Marie De Wet

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

CONTROLLING PARTY

Artscape is an agent of the Department of Sport, Arts and Culture. The Minister of Sport, Arts and Culture is the controlling party and has ownership control of Artscape.

ADDRESSES

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

Business Address:	ARTSCAPE Theatre Centre DF Malan Street Cape Town 8001
Postal Address:	P O Box 4107 Cape Town 8000
Country of incorporation:	Republic of South Africa
Banker:	Nedbank Limited
Internal Auditors:	Nexia SAB&T Chartered Accountants Inc.
External Auditors:	Auditor-General of South Africa

Statement of Financial Position
as at 31 March 2025

	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	3	57 109 308	61 754 178
Trade and other receivables from exchange transactions	4	1 731 014	1 061 934
Net expenditure from future production	5	-	3 7 562
Inventory	6	210 170	210 170
		59 050 492	**63 063 844**
Non-current assets			
Property, plant and equipment	7	138 830 950	142 293 972
Intangible assets	8	9 510	2 473
		138 840 460	142 296 445
TOTAL ASSETS		**197 890 951**	**205 360 290**
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	9,1	5 662 135	4 582 750
Employee benefits	9,2	895 533	852 077
Unspent government grants and donations	10	7 092 126	13 334 160
		13 649 795	**18 768 987**
Non-current liabilities			
Post retirement medical aid liability	11	279 843	267 351
		279 843	**267 351**
TOTAL LIABILITIES		**13 929 638**	**19 036 338**
Net assets		**183 961 314**	**186 323 953**
Accumulated Surplus		183 961 314	186 323 953
TOTAL NET ASSETS AND LIABILITIES		**197 890 951**	**205 360 290**

Statement of Financial Performance

for the year ended 31 March 2025

	Notes	2025	2024
REVENUE			
Revenue from non-exchange transactions			
Transfers and grants			
- Operational (DSAC)		67 887 000	67 738 000
- Capital Works (DSAC)	10	7 057 425	5 111 144
- Incubator Programme (DSAC)	10	1 606 102	2 042 578
- PGWC	10	218 200	295 568
- City of Cape Town	10	1 700 000	1 671 317
Sponsorship - General		10 000	10 001
Lease (Service-in-kind)	24	13 906 188	12 757 971
Total Revenue from non-exchange transactions		**92 384 915**	**89 626 579**
Revenue from exchange transactions			
Venue rental		6 582 814	5 464 149
Other operating revenue	12	986 526	569 784
Interest earned	13	5 832 611	4 752 669
Total Revenue from exchange transactions		**13 401 951**	**10 786 602**
TOTAL REVENUE		**105 786 866**	**100 413 181**
EXPENSES			
Employee related costs	14	44 864 076	42 480 821
Repairs and maintenance	15	3 011 595	1 409 532
Depreciation and amortisation expense	16	14 400 217	14 409 013
Other operating expenses	17	3 419 452	3 851 106
Administrative expenses	18	42 441 674	38 488 528
TOTAL EXPENSES		**108 137 013**	**100 639 000**
OTHER GAINS		**(12 492)**	**462 769**
(Loss)/Gain on provision for post-retirement medical benefit	11	(12 492)	462 769
CONTINUING OPERATIONS (DEFICIT)/SURPLUS		**- 2 362 639**	**236 951**
TOTAL (DEFICIT) /SURPLUS FOR THE YEAR		**- 2 362 639**	**236 951**

Statement of Changes in Net Assets
for the year ended 31 March 2025

	Accumulated Surplus / Total Net Assets R
FOR THE YEAR ENDED 31 MARCH 2023	186 087 002
BALANCE AT 1 APRIL 2023	186 087 002
Surplus for the year	236 951
FOR THE YEAR ENDED 31 MARCH 2024	**186 323 953**
BALANCE AT 1 APRIL 2024	**186 323 953**
Deficit for the year	- 2 362 639
FOR THE YEAR ENDED 31 MARCH 2025	**183 961 314**

Cash Flow Statement

for the year ended 31 March 2025

	Notes	2025 R	2024 R
Cash flows from operating activities			
Receipts		**84 959 566**	**90 017 548**
Cash received from sale of goods and services		6 900 262	9 043 564
Cash received from government grants		72 226 693	76 221 315
Interest received	13	5 832 611	4 752 669
Payments		**78 674 945**	**71 982 569**
Cash paid to suppliers for good and services		34 711 119	29 254 268
Cash paid to employees		43 963 826	42 728 301
Net cash flows from operating activities	19	**6 284 622**	**18 034 977**
Cash flows from investing activities			
Purchase of Property, Plant and Equipment	7	(10 962 610)	(6 500 586)
Additions to intangible assets	7	(8 740)	(2 925)
Proceeds from disposal of Asset		41 862	50 000
Net cash flows from investing activities		**(10 929 488)**	**(6 453 511)**
Net increase in cash and cash equivalents		**(4 644 866)**	**11 581 466**
Cash and cash equivalents at the beginning of the year		61 754 178	50 172 712
Cash and cash equivalents at the end of the year	3	**57 109 312**	**61 754 178**

PART F
FINANCIAL INFORMATION

Statements of Comparison of Budget and Actual Amounts
as at 31 March 2025

Actual		Notes	Actual amounts on comparable basis	Original Approved Budget	Adjustment	Final Approved Budget	Difference between final budget and actual	Ref no.
2024 R			2025 R	R	R	R	R	
100 413 181	**INCOME**		**105 786 866**	**100 489 000**	**1 023 000**	**101 512 000**	**4 274 866**	
89 616 579	Government grants		92 374 916	91 318 000	1 023 000	92 341 000	33 916	1*
6 043 933	Venue Rental and other operating revenue		7 579 339	7 100 000		7 100 000	479 339	2*
4 752 669	Interest earned	13	5 832 611	2 071 000	-	2 071 000	3 761 611	3*
100 639 001	**OPERATING EXPENDITURE**		**108 137 013**	**120 489 000**	**1 023 000**	**121 512 000**	**(13 374 986)**	
38 488 528	Administrative expenses	18	42 441 674	51 149 000	(177 000)	50 972 000	(8 530 327)	4*
14 409 013	Amortisation and depreciation	16	14 400 217	20 000 000		20 000 000	- 5 599 783	5*
42 480 821	Compensation of employees	14	44 864 076	46 000 000		46 000 000	(1 135 924)	6*
1 409 532	Repairs and maintenance	15	3 011 595	940 000		940 000	2 071 595	7*
3 851 106	Other operating expenses	17	3 419 452	2 400 000	1 200 000	3 600 000	(180 549)	8*
(225 820)	**OPERATING SURPLUS / (DEFICIT)**		**(2 350 147)**	**(20 000 000)**	**-**	**(20 000 000)**	**17 649 853**	
462 769	Gain on provision for post-retirement medical benefit		(12 492)				(12 492)	9*
236 949	**SURPLUS / (DEFICIT)**		**(2 362 639)**	**(20 000 000)**		**(20 000 000)**	**17 637 361**	
	Capital Works		-	-	-	-	-	
236 949	**NET SURPLUS / (DEFICIT)**		**(2 362 639)**	**(20 000 000)**	**-**	**(20 000 000)**	**17 637 361**	
5 111 144	**CAPITAL EXPENDITURE**	10	**7 057 425**	**-**		**-**	**7 057 425**	

Statements of Comparison of Budget and Actual Amounts
as at 31 March 2025

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

		2025 R	2024 R
Net Surplus per the statement of financial performance		**(2 362 639)**	**236 949**
Adjusted for:			
(Increase) in government grants	1*	(33 916)	(4 854 579)
(Increase) in other operating revenue	2*	(479 339)	(143 933)
(Increase) in interest received	3*	(3 761 611)	(3 752 669)
(Decrease) in administrative expenses	4*	(8 530 327)	(6 889 472)
(Decrease) in amortisation and depreciation	5*	(5 599 783)	(3 590 987)
(Decrease) in compensation of employees	6*	(1 135 924)	(2 303 180)
Increase/(Decrease) in repairs and maintenance	7*	2 071 595	(90 468)
Increase in other production expenses	8*	(180 549)	3 851 106
Increase/(Decrease) in provisions for post retirement medical benefit	9*	12 492	(462 769)
Net Deficit per approved budget		**(20 000 000)**	**(18 000 000)**

Differences between budget and actual amounts

Explanation of differences between budget and actual amounts for the current year.

1* This is due to recognition of Capital works income as majority of projects that could not be finalised in prior year(s) have now been finalised. Adjustments to final budget were done based on instruction from DSAC to decrease Operational grant by R 177 000 as well as need to increase Ring fenced grants by R 1 200 000 based on a confirmation received from DSAC for incubator funds.

2* We are seeing an increase in revenue figures year on year as Operations have normalised.

3* The interest income is higher than the budget due to funds received and not utilised for Capital works. Interest income received in relation to funds held for capital works can be utilised for capital works related projects only after approval from DSAC has been obtained.

4* Cost containment measure are still implemented hence the Administrative expenses are still lower than the budget. The budget was adjusted by R 177 000 as per budget cut instructions from DSAC.

5* Depreciation and Amortisation costs are lower than the budgeted amount due to delays in procurement of Capital Assets and well as revaluation of R 1 assets.

6* Employee cost is below the budgeted amount primarily due to the moratorium that was issued by DSAC that recruitment be placed on hold for a period. This moratorium has subsequently been lifted, however it caused a delay in the filling of critical positions. Artscape's cost containment measures are still in place.

7* Repairs and maintenance expenses are above the budgeted figure, this is due to Infrastructure projects related expenses. Funds get allocated by DSAC for Facilities Management (infrastructure expenses) as part of the Capital works projects, however Facilities management is not capital in nature hence the costs thereof gets allocated to repairs and maintenance.

8* For other operating expenses which are mainly project related expenses for programme 2, the actual expenses are within budget. Ring fenced grants expenses were increased by R 1 200 000 based on a confirmation received from DSAC for incubator projects funding.

9* The movement year on year is based on assessment done by the appointed actuaries.

Accounting Policies

1. Presentation of Annual Financial Statements

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

1.1 Going concern assumption

The financial statements have been prepared on a going concern basis, on a basis consistent with the prior year.

1.2 Significant judgements and sources of estimation uncertainty

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

Impairment of trade receivables

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

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

Provisions and contingencies

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

Property, plant and equipment and intangible assets

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

1.3 Property, Plant and Equipment

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

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

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

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

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

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

Improvement to leasehold property	10 - 25 years
Motor vehicles	14 – 51 years
Equipment	2 - 65 years
Musical instruments	10 - 65 years
Furniture and Fittings	10 - 60 years
Computer equipment	3 - 25 years

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

Annual reassessment of useful life

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

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

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

Residual values

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

Impairment

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

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

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

Reversals of impairment

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

1.4 Intangible Assets

Intangible assets, are accounted for in terms of the cost model, at cost less accumulated amortisation and any accumulated impairment losses.

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

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

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

1.5 Inventory

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

1.6 Leases

1.6.1 Financial Leases

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

1.6.2 Operating Leases

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

1.7 Financial Instruments

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

1.7.1 Trade and other receivables

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

1.7.2 Cash and cash equivalents

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

1.7.3 Trade and other payables

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

1.8 Provisions and contingencies

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

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

1.9 Commitments

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

1.10 Related party

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

Individuals as well as their close family members and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

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

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

Only transactions and balances with related parties not at arms length or not in the ordinary course of business are disclosed.

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

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

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 considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity. Only transactions with related parties not at arms length or not in the ordinary course of business are disclosed.

1.11 Employee benefits

1.11.1 Short-term employee benefit

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

1.11.2 Defined contribution plans

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

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

1.11.3 Post-retirement medical benefits

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

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

1.12 Revenue from exchange transactions

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

Measurement

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

Interest

Revenue arising from the use by others of the insitution's assets yielding interest, or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the insitution; and
- the amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Other operating revenue

Other operating revenue comprises marketing and publicity services, costume manufacturing, hiring of costumes, contributions by ticketing agent towards employee costs of Artscape's Box office staff.

Production revenue

Production revenue comprises gross ticket sales in respect of Artscape's own productions.

1.13 Revenue from non-exchange transactions

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

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

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

Grants received from Government are recognised as per note 1.14.

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

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

1.14 Grants and Donations

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

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

Donations are recognised when the expenditure relating to the donation, is incurred.

1.15 Irregular and fruitless and wasteful expenditure

Irregular expenditure, as defined in section 1 of the PFMA, is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including-

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

Irregular expenditure emanating from non-compliance with the budget must be considered for condonation in terms of the definition of relevant authority.

Irregular expenditure is recorded in the notes to the annual financial statements when incurred and confirmed. The amount recorded is equal to the value of the Irregular expenditure incurred and confirmed, unless it is impractical to determine, in which case reasons therefore must be provided in the note.

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de-recognised when removed or condoned.

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

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

If the loss incurred is irrecoverable, the accounting authority will consider writing it off after all the reasonable steps have been taken to recover the debt.

If the determination into irregular or fruitless and wasteful expenditure confirms that an employee is responsible for irregular or fruitless and wasteful expenditure, the accounting authority refers the matter to the human resource function to institute consequence management (disciplinary measures) in accordance with the relevant prescripts.

Irregular and Fruitless and Wasteful Expenditure is disclosed in note 25 in the annual financial statements.

1.16 Budget information

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

The financial statements and the budget are on the same basis of accounting. The actual financial statement information is presented on a comparable basis to the budget information. The comparison and reconciliation between the statement of financial performance and the budget for the reporting period have been included in Statement of Comparison of Budget and Actual Amounts.

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

1.17 Comparative figures

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

Notes to the Annual Financial Statements

	2025 R	2024 R

2. New Standards and interpretations

2.1 Standards and interpretations issued but not effective

The following standards, guidelines and interpretations will be effective in future as indicated:

Description	Effective date
GRAP 1 Presentation of financial statements	Not yet determined
GRAP 105 Transfer of functions between Entities under common control	Not yet determined
GRAP 106 Transfer of functions between Entities not under common control	Not yet determined
GRAP 107 Mergers	Not yet determined
IGRAP 22 Foreign currency transactions and advance consideration	01-Apr-25
Improvements to Standards of GRAP (2023)	Not yet determined
GRAP 104 Financial Instruments	01-Apr-25

All applicable standards will be adopted at the effective date.

3. Cash and Cash Equivalents

	2025 R	2024 R
Cash and cash equivalents consist of the following:		
Cash at bank - Nedbank	1 097 623	424 344
Call deposit and investments - Nedbank	56 004 881	61 320 382
Total of cash at bank (refer to note 22.3)	57 102 504	61 744 726
Cash on hand	6 805	9 452
Total Cash and cash equivalents (refer to note 22.1)	**57 109 308**	**61 754 178**
Bank balances held in respect of unutilised grants	7 092 126	13 334 160
Bank balances excluding unutilised grants	50 017 182	48 420 018
	57 109 308	**61 754 178**

Cash and cash equivalents held by the entity in respect of unutilised grants are not available for use for any other purpose other than that specified by the funder.

4. Trade and Other Receivables from Exchange Transactions

Balance as at 31 March 2025

	Gross Balances R	Impairment R	Net Balance R
Trade receivables	67 622	-	67 622
Prepayments	149 008	-	149 008
Other sundry debtors	1 514 383	-	1 514 383
Total (refer to note 22.1)	**1 731 013**	**-**	**1 731 013**

Balance as at 31 March 2024

	Gross Balances R	Impairment R	Net Balance R
Trade receivables	34 546	(10 881)	23 664
Prepayments	115 596	-	115 596
Other sundry debtors	922 674	-	922 674
Total (refer to note 22.1)	**1 072 816**	**(10 881)**	**1 061 934**

Notes to the Annual Financial Statements (continued)

	2025 R	2024 R
Ageing of trade receivables		
Current (0 – 30 days)	55 894	10 014
31 - 60 Days	1 750	13 449
61 - 90 Days	-	-
91 + Days	9 977	11 082
Impairment of debts	-	(10 881)
Total	**67 621**	**23 664**
Reconciliation of the doubtful debt provision		
Balance at beginning of the year	10 881	159 798
Contributions to provision	-	-
Doubtful debts written off against provision		(49 655)
Reversal of provision	(10 881)	(99 262)
Balance at end of year	**-**	**10 881**

The prepayment relates to the insurance premium paid in advance to cover the period, from 1 April 2025.

Other sundry debtors relate to interest income earned by 31 March 2025 but not yet erceived from the bank, as well as assets paid for but not yet received.

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

At 31 March 2025, trade and other receivables can be analysed as follows:

Neither past nor due	55 894	10 014
Past due but not impaired	11 728	13 652
Past due and impaired	-	10 881
	67 622	**34 547**

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

30 days past due	11 728	13 652

5. Net expenditure from future production

All revenue and expenditure relating to productions and projects in respect of which the majority of the performances have not been presented by 31 March 2025 is deferred to the following financial year, to the extent that such expenses are considered recoverable from future revenue.

6. Inventory

Costumes	210 170	210 170
	210 170	**210 170**

This relates to costumes which are used for Artscape setwork productions, and no additions, impairments or disposals have taken place.

A revaluation of these assets has not been done due to the cost thereof deemed immaterial.

7. Property, Plant and Equipment

	2025			2024		
	Cost R	Accumulated Depreciation & Impairment R	Carrying Value R	Cost R	Accumulated Depreciation & Impairment * R	Carrying Value R
Motor Vehicles	1 605 747	(510 153)	1 095 594	1 133 784	(515 901)	617 883
Equipment	61 321 093	(43 048 947)	18 272 147	51 966 467	(38 811 809)	13 154 658
Musical instruments	389 845	(379 498)	10 346	389 845	(377 846)	11 999
Furniture & Fittings	10 330 662	(7 675 194)	2 655 469	10 075 550	(7 127 237)	2 948 313
Computer Equipment	4 465 457	(3 433 873)	1 031 583	4 135 196	(2 697 980)	1 437 216
Improvement to leased property *	215 150 544	(99 607 178)	115 543 366	215 065 444	(91 163 986)	123 901 458
Artworks	222 444	-	222 444	222 444	-	222 444
Total	**293 485 793**	**(154 654 844)**	**138 830 950**	**282 988 730**	**(140 694 759)**	**142 293 972**

Reconciliation of Property, Plant and Equipment - 2025

	Carrying Value Opening Balance R	Additions R	Disposals R	Depreciation R	Transfer in/out R	Carrying Value Closing Balance R
Motor Vehicles	617 883	527 432	(25)	-49 696	-	1 095 594
Equipment	13 154 658	9 705 740	(21 311)	(4 566 939)	-	18 272 147
Musical instruments	11 999	-	-	(1 653)	-	10 348
Furniture & Fittings	2 948 313	297 609	(4 028)	(586 426)	-	2 655 469
Computer Equipment	1 437 218	346 728	(1 751)	(750 610)	-	1 031 583
Improvement to leased property *	123 901 458	85 100	-	(8 443 192)	-	115 543 364
Artworks	222 444		-	-	-	222 444
Total	**142 293 972**	**10 962 610**	**(27 115)**	**(14 398 515)**	**-**	**138 830 950**

Reconciliation of Property, Plant and Equipment - 2024

	Carrying Value Opening Balance * R	Additions R	Disposals R	Depreciation R	Transfer in/out R	Carrying Value Closing Balance R
Motor Vehicles	1 246	653 223	-	-36 586	-	617 883
Equipment	14 150 647	3 309 893	-	(4 305 880)	-	13 154 658
Musical instruments	20 638	-	-	(8 640)	-	11 999
Furniture & Fittings	3 547 452	-	-	(599 140)	-	2 948 313
Computer Equipment	1 123 841	1 049 996	-	(736 620)	-	1 437 216
Improvement to leased property *	131 135 649	1 487 474	-	(8 721 662)	-	123 901 458
Artworks	222 444		-	-	-	222 444
Total	**150 201 916**	**6 500 586**	**-**	**(14 408 526)**	**-**	**142 293 972**

** This relates to improvements to the Artscape Theatre Centre.*

8. Intangible Assets

Reconciliation of Carrying Value

	2025			2024		
	Cost R	Accumulated Amortisation & Impairment R	Carrying Value R	Cost R	Accumulated Amortisation & Impairment R	Carrying Value R
Computer Software	852 237	(842 729)	9 509	843 497	(841 025)	2 473
Total	**852 237**	**(842 729)**	**9 509**	**843 497**	**(841 025)**	**2 473**

Reconciliation of Intangible Assets - 2025

	Carrying Value Opening Balance R	Additions R	Disposals R	Amortisation R	Impairment R	Carrying Value Closing Balance R
Computer Software	2 473	8 740	-	(1 703)		9 510
Total	**2 473**	**8 740**	**-**	**(1 703)**	**-**	**9 510**

Reconciliation of Intangible Assets - 2024

	Carrying Value Opening Balance R	Additions R	Disposals R	Amortisation R	Impairment R	Carrying Value Closing Balance R
Computer Software	35	2 925	-	(487)		2 473
Total	**35**	**2 925**	**-**	**(487)**	**-**	**2 473**

** computer software procured during the year relates to software acquired for MacBooks. This not international sourced software.*

9.1 Trade and Other Payables from Exchange Transactions

	2025 R	2024 R
Trade payables	5 068 616	4 540 319
Payables to third parties	593 519	42 431
Total (Refer to note 22.1)	**5 662 135**	**4 582 750**

9.2 Employee benefits

	2025 R	2024 R
Staff leave accrual	**895 533**	**852 077**

	2025 R	2024 R
10. Unspent government grants and donations		
DEPARTMENT OF SPORT, ARTS & CULTURE		
Capital works		
Carrying amount at beginning of year	11 360 005	11 250 834
Amount received for capital works	2 184 193	5 220 315
Amount utilised for capital works	(7 057 425)	(5 111 144)
Carrying amount at end of year	**6 486 773**	**11 360 005**
Incubator Programme		
Carrying amount at beginning of year	106 102	798 680
Amount received for incubator programme	1 650 000	1 350 000
Amount utilised for incubator programme	(1 606 102)	(2 042 578)
Carrying amount at end of year	**150 000**	**106 102**
Total carrying amount at end of year (refer to note 23.1)	**6 636 773**	**11 466 107**
PROVINCIAL GOVERNMENT OF THE WESTERN CAPE		
Maintenance		
Carrying amount at beginning of year	-	-
Amount received for maintenance (refer to note 23.2)	213 000	213 000
Amount utilised	(213 000)	(213 000)
Carrying amount at end of year	**-**	**-**
EPWP		
Carrying amount at beginning of year	66 246	148 814
Amount received for sponsored projects (EPWP)	-	-
Amount utilised for sponsored projects (EPWP) *	(5 200)	(82 568)
Carrying amount at end of year	**61 046**	**66 246**
Arts		
Carrying amount at beginning of year	-	-
Amount received for Arts Organisations/Programmes	292 500	-
Amount utilised	-	-
Carrying amount at end of year	**292 500**	**-**
Total carrying amount at end of year (refer to note 23.2)	**353 546**	**66 246**
CITY OF CAPE TOWN		
Arts Programmes		
Carrying amount at beginning of year	1 700 000	1 671 317
Amount received for Arts Programmes	-	1 700 000
Amount utilised	(1 700 000)	(1 671 317)
Carrying amount at end of year	**0**	**1 700 000**
Total carrying amount of unspent government grants at end of year	**6 990 318**	**13 232 352**
Unspent sponsorship	**101 808**	**101 808**
Total Unspent Grants and Donations	**7 092 126**	**13 334 160**

	2025 R	2024 R

In terms of GRAP 23 the unspent government grants and sponsorships will be recognised to revenue as and when the conditions of the grants and sponsorships have been complied with. Refer to note 23.

** The appointment of Interns has been funded by EPWP."*

11. Post Retirement Medical Benefit

Provision is made for certain post retirement medical benefits by funding a portion of the medical contributions of eligible retired employees.

	2025 R	2024 R
Gross carrying amount at beginning of year	267 351	730 121
Interest cost	28 986	68 327
Expected benefit payment	(42 198)	(109 871)
Actuarial (gain)/loss	25 704	(421 226)
Gross carrying amount at end of year	**279 843**	**267 351**

Movement of Post-retirement medical benefit liabilities

	2025 R	2024 R
Expected benefit payment	(42 198)	(109 871)
Interest cost	28 986	68 327
Actuarial (gain)/loss	25 704	(421 226)
Total Actuarial gain	**12 492**	**(462 770)**

Artscape operates a post-retirement benefit scheme for eligible retired employees. The liability raised is in respect of the 1 (2024: 1) qualifying employee. The cost of this is recognised, as determined by independent actuaries, over the estimated service lives of the employees concerned. The most recent valuation of this liability was 31 March 2025.

Trend Information

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

			R' 000		
	Mar-25	**Mar-24**	**Mar-23**	**Mar-22**	**Mar-21**
Present value of obligations	280	267	730	734	836
Fair value of plan assets	-	-	-	-	-
	280	267	730	734	836
Present value of obligations in excess of plan assets					
Experience adjustments					
(Actuarial gain/(loss) before changes in assumptions)					
In respect of present value of obligations	0,1	0,2	0,049	0,077	(0,32)
In respect of fair value of plan assets	-	-	-	-	-

Valuation method and main assumptions

The actuarial valuation method used by the actuaries to value the liabilities is the Projected Unit Credit Method prescribed by GRAP 25. Future benefits valued are projected using specific actuarial assumptions and the liability for in-service member is accrued over expected working lifetime. Any plan assets are valued at current market value as required by GRAP 25. In order to undertake the valuation, it is necessary to make a number of assumptions.

The most significant assumptions used for the current and previous valuations were a discount rate of 10.39% (2024: 11.74%) and health care cost inflation of 7.09% (2024: 8.41%).

Sensitivity Results

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

Notes to the Annual Financial Statements (continued)

	2025 R	2024 R

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

The liability was recalculated to show the effect of:

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

	Health Care Cost Inflation		
	7,09%	1% decrease	1% increase
Accrued contributions liability as at 31 March 2025 (R' 000)	R000	R000	R000
	279,8	292,4	268,2
% Change		5%	-4%
Current Interest cost 2024/25	26,7	25,3	27,9
% Change		-5%	5%

	Discount rate		
Sensitivity results from previous valuation	Central Assumption 10.39%	1% decrease	1% increase
Accrued contributions liability as at 31 March 2025 (R' 000)	R000	R000	R000
	279,8	292,4	268,1
% Change		-4%	5%
Current service Interest cost 2024/25	26,7	-12,1	12,9
% Change		3%	-3%

12. Other operating revenue

Revenue from exchange transactions		
Manufacturing services	17 797	10 718
Gain on Disposal of assets	14 748	50 000
Sales	93 246	135 120
Box Office Income	860 735	373 946
Total	**986 526**	**569 784**

13. Interest Earned

Bank - Call account and Short term investments	5 832 611	4 752 669
Total	**5 832 611**	**4 752 669**

Of the R 5 832 611 interest earned over 52% is interest earned from capital works funds. This interest can only be utilised for Capital works related project afteran approval has been attained from DSAC

14. Employee Related costs

UIF contributions	150 803	155 102
Provident fund contributions (refer to note 21)	4 525 425	4 470 834
Medical aid contributions	2 967 698	2 812 150
Post retirement medical aid contributions	42 198	106 630
Overtime and shift allowances	1 382 715	1 003 197
Gross salaries, wages and other allowances	34 894 988	33 124 413
Accumulated leave	900 249	808 495
Total	**44 864 076**	**42 480 821**

Notes to the Annual Financial Statements (continued)

	2025 R	2024 R

15. Repairs and Maintenance

Repairs and Maintenance - day to day	606 319	1 027 453
Infrastructure Projecst Expenditure	2 405 276	382 079
Total	**3 011 595**	**1 409 532**

16. Depreciation and Amortisation Expense

Property, plant and equipment (refer to note 7)	14 398 514	14 408 527
Intangible assets (refer to note 8)	1 703	487
Total	**14 400 217**	**14 409 014**

17. Other operating expense

Production expenses *	3 419 452	3 851 106
Total	**3 419 452**	**3 851 106**

**Commission paid to the ticketing agent for Artscape's own productions, have been included in production expenses (refer to note 28).*

18. Administrative expenses

External auditor's remuneration	1 240 226	1 012 752
Internal auditor's remuneration	118 319	192 477
Bad debts	(9 421)	-99 262
Bank charges	72 697	88 876
Cleaning service	4 011 592	3 563 297
Consultancy fees	6 900	138 000
IT maintenance and support	840 560	851 465
Council and sub-committee members' remuneration (Refer to note 20.1)	288 444	257 433
Electricity and water	10 437 869	9 060 712
Insurance	281 316	216 083
Legal fee	6 750	24 750
Security services	5 579 041	5 417 845
Marketing and publicity	1 347 670	930 706
Office cost and telephone	1 341 386	1 323 766
Operating consumables	396 873	382 054
Other sundry expenses	602 301	612 345
Lease (Service-in-kind)(Refer to note 24)	13 906 187	12 757 970
Staff related expense	384 961	482 063
Training and Development	202 741	134 319
Transport and travelling cost	1 385 260	1 140 877
Total	**42 441 674**	**38 488 528**

Notes to the Annual Financial Statements (continued)

	2025 R	2024 R
19. Cash flows from operating activities		
Surplus for the year	(2 362 639)	236 951
Adjustment for:		
(Profit) on disposal of Property Plant Equipment	(14 748)	(50 000)
Non-cash transactions		
Depreciation and Amortisation	14 400 217	14 409 013
Decrease in provision for post-retirement medical benefit	12 492	(462 769)
	12 035 322	**14 133 195**
Operating surplus before working capital changes:		
(Increase)/decrease in future production expenditure	37 562	(37 564)
(Increase)/decrease in trade and other receivables	(669 078)	3 011 300
(Decrease)/Iincrease in conditional grants and receipts	(6 242 033)	(637 293)
Increase/(decrease) in trade and other payables	1 079 395	1 812 727
(Decrease) in employee benefits - staff leave accrual	43 456	(247 389)
	(5 750 699)	3 901 782
Net cash flows from operating activities	**6 284 622**	**18 034 976**

20. Remuneration

20.1 Emoluments of Non-Executive Management and Members of Accounting Authority/Committee

	2025 R	2024 R
Council Members:		
Mr R Jock - (Chairperson)	34 752	40 015
Mr Z Gordon - (New Chairperson) (Appointed wef 9 December 2024)	4 344	-
Ms N Manana	17 484	13 908
Ms X Nduneni-Ngema (employed by JHB Theatre, City of JHB - no fee payable)	-	-
Ms K Meiring	13 440	16 298
Mr M Menye	17 484	13 908
Mr J Pooe	13 440	8 286
Mr P van Ryneveld	25 548	24 829
Ms C Abdoll (ARC member attending special Council meetings)	2 688	-
Mr R Rhoda (ARC member attending special Council meeting)	5 376	-
Mr K Govender	20 279	2 688
Ms P Maseko	16 209	2 688
Ms J Lapoorta (Appointed wef 9 December 2024)	2 688	-
Adv. J Wilke (Appointed wef 9 December 2024)	2 688	-
Ms K Kunene (Appointed wef 9 December 2024)	3 590	-
Mr P Molefe (Appointed wef 9 December 2024)	3 590	-
Ms S HoneyBush (Appointed wef 9 December 2024)	2 688	-
Mr C Abrahams (Appointed wef 9 December 2024)	2 688	-
	2 688	-
	191 664	**122 620**

Notes to the Annual Financial Statements (continued)

	2025 R	2024 R
Audit and Risk Committee Members:		
Mr P van Ryneveld (Chairperson)	20 016	34 191
Ms N Manana	12 132	16 678
Mr M Menye	12 132	20 916
Mr K Govender (New Chairperson)	12 132	-
Ms C Abdoll	8 088	22 614
Mr R Rhoda	8 088	20 863
	72 588	**115 262**
Social Ethics and Human Resources Committee Members:		
Ms X Nduneni-Ngema (Chairperson) (employed by JHB Theatre, City of JHB - no fee payable)	-	-
Ms K Meiring (New Chairperson)	8 064	8 483
Mr J Pooe	8 064	8 380
Ms P Maseko	8 064	2 688
	24 192	**19 551**
Total emoluments of Council and Committees (refer to note 18)	**288 444**	**257 433**

20.2 Emoluments of executive directors

	Basic salary	Allowances	Social Contributions	2025 Total
Dr M Le Roux (CEO)	1 966 402	48 000	404 848	2 419 250
Ms Yonela Schaupp (CFO) (Appointed 1 December 2024)	993 983		205 726	1 199 709
Mr V van der Linde (CFO) (retired 31 July 2024)	482 194	-	80 270	562 464
Mr M Golding (Director: Operations)	1 328 828	123 513	246 652	1 698 992
Mr A Steenveld (Director: Business Management)	1 273 718	48 000	294 263	1 615 980
Mr L Nkomo (Director: HR)	1 244 714	64 224	254 499	1 563 437
Ms I de Wet (Company secretary)	1 330 388		219 450	1 549 838
	8 620 227	**283 737**	**1 705 708**	**10 609 670**

	Basic salary	Allowances	Social Contributions	2024 Total
Dr M Le Roux (CEO)	1 873 879	48 000	380 058	2 301 937
Mr V van der Linde (CFO)	1 394 232	-	232 174	1 626 406
Mr M Golding (Director: Operations)	1 268 549	118 101	234 584	1 621 235
Mr A Steenveld (Director: Business Management)	998 373	48 000	235 878	1 282 252
Mr L Nkomo (Director: HR)	1 185 538	63 515	238 615	1 487 668
Ms I de Wet (Company Secretary) *	1 272 004		209 912	1 481 916
	7 992 576	**277 616**	**1 531 221**	**9 801 413**

** A management decision was made to include the Company secretary's Remuneration to Emoluments of Executive directors. The 2023/2024 figure was amended for comparison purposes*

	2025 R	2024 R

21. Employee Benefit

Provident fund contributions

72 (2024: 72) employees are members of the Perfoming Arts Institutions Provident fund which is a defined contribution plan. Employer and Employee contributions in the current year amounted to R4 525 425 (2024: R4 470 834) (refer to note 14)

22. Financial Instruments and Risk Management

22.1 Financial instruments

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

In accordance with GRAP 104.45 the financial liabilities and assets of Artscape are classified as follows:

	2025 R	2024 R
Financial Assets carried at amortised cost		
Cash and cash equivalents (refer to note 3)	57 109 308	61 754 178
Trade and other receivables (refer to note 4)	1 731 013	1 061 934
	58 840 321	**62 816 112**
Financial Liabilities carried at amortised cost		
Trade and other payables (refer to note 9.1)	5 662 135	4 582 750
	5 662 135	**4 582 749**

22.2 Fair Value

At 31 March 2025 and 31 March 2024 the carrying values of financial instruments reported in the financial statements approximate their fair value.

22.3 Credit Risk

Cash and cash equivalents

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

	Rating	2025	2024
Nedbank Limited (refer to note 3)	AA1	57 102 503	61 744 725

Trade and Other Receivables

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

The maximum exposure to credit risk at the reporting date is the fair value of trade and other receivables as disclosed in note 4.

	2025 R	2024 R

22.4 Liquidity Risk

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

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

Maturity analysis

2025	**Less than 12 months**	**Over 12 months**
Trade payables (refer to note 9.1)	5 068 616	
Leave accruals (refer to note 9.2)	895 533	
Other payables (refer to note 9.1)	593 519	

Maturity analysis

2024	**Less than 12 months**	**Over 12 months**
Trade payables (refer to note 9.1)	4 540 319	
Leave accruals (refer to note 9.2)	852 077	
Other payables (refer to note 9.1)	42 432	

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

23. Related Parties

23.1 Department of Sport, Arts & Culture

The National Department of Sport, Arts & Culture (DSAC) has ownership control over Artscape through the Minister of Sport, Arts and Culture.

DSAC provides Artscape with an operational grant, additional funding for essential maintenance and funding for special projects and events.

All public entities under the control of DSAC are related parties. Except for the transactions listed below.

Artscape had no transactions with any of the other entities.

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

	2025 R	2024 R
Revenue received		
Operational grant	67 887 000	67 738 000
Capital works grant	2 184 193	5 220 315
Incubator programme	1 650 000	1 350 000
Total revenue received for the year	**71 721 193**	**74 308 315**
Amount deferred as balance as at year end (refer to note 10)	**6 636 773**	**11 466 107**

The deferred government grant will be fully utilised during the next few financial years as part of the capital works and maintenance projects.

	2025 R	2024 R

23.2 Provincial Government of the Western Cape

The Provincial Government of the Western Cape (PGWC) owns the Artscape Theatre Centre. No rental for the use of the premises is being charged to Artscape, other than the Service in kind rental (refer to note 24). PGWC is responsible for the structural maintenance of the building and the maintenance of stages.

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

	2025 R	2024 R
Revenue received		
Annual maintenance	213 000	213 000
Contribution to Arts Organisations/Programmes	292 500	-
Total revenue received for the year (refer to note 10)	**505 500**	**213 000**
Amount deferred as balance as at year end (refer to note 10)	**353 546**	**66 246**

The Artscape management are responsible for planning, directing and controlling the activities of Artscape. As a result, the board members and directors are related parties to Artscape. Their remuneration is disclosed in note 20.

24. Service In Kind

Artscape occupies premises owned by the Provincial Government of the Western Cape (PGWC), free of charge. The value of the use of the premises has been calculated at R 13 906 188 (2024: R 12 757 971) assuming an annual increase of 9% (Refer to note 18). These amounts have been recognised as income and expenditure in the Statement of Financial Performance.

25. Irregular & Fruitless and wasteful Expenditure

	2025 R	2024 R
Irregular expenditure for the year *	1 935 384	669 830
Fruitless and Wasteful expenditure	466 044	
Fruitless and wasteful expenditure	-	-
Total	**1 935 384**	**669 830**

Corrective action and disciplinary steps are underway as a result of irregular expenditure.

Incident description

** No Irregular expenditure relates to a criminal conduct.*

26. 26. Commitments

At the financial position date, Artscape had outstanding Capital commitments in respect of orders placed for goods and services but not yet received or rendered.

	2025 R	2024 R
Capital expenditure	11 415 241	5 055 055
	11 415 241	**5 055 055**

	2025 R	2024 R

27. Segment Reporting

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

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

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

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

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

28. Principal/Agent Agreement: GRAP 109

Artscape concluded an agreement with Computicket, a national ticketing agent on 10 May 2018 in terms of which Computicket is appointed as a ticketing agent for all allocated events submitted via an Event Information Sheet. In terms of this arrangement, Artscape is the principal and Computicket is the agent.

Where Artscape is not the producer of the event or show (e.g. such as Cape Town City Ballet or Cape Town Opera), the producer may appoint its own ticketing agent. In such a case, should Computicket operate the ticketing for these performances, Computicket does not act as Artscape's agent, but as the agent of the producer of such a show or performance. The purpose of the principal-agent relationship is for Computicket who has the ticketing system, to sell Artscape's event tickets at all its outlets nationwide. Artscape entered into this arrangement due to the benefits that Computicket can provide, allowing a nation-wide outlet for ticket sales. The cost-savings obtained from Artscape not having to acquire and maintain its own ticket software system, outweighs the costs paid through commissions from using the agent to sell the tickets.

The Agreement with Computicket terminated on the 30 September 2023 and a new agreement with Webtickets was concluded with effect from 1 October 2023. Webtickets sells tickets on behalf of Artscape and is paid a commission for this service. In terms of this agreement Artscape is the principal and Webtickets is the agent.

	2025 R	2024 R
Commission paid to Computicket for Artscape's own productions *	-	23 334
Commission paid to Webtickets for Artscape's own productions *	83 551	985
	83 551	**24 319**

**This commission paid to the ticketing agent for Artscape's own productions, were charged to Production Expenses and reflected under Other Operating expenses as per Note 17.*

There are no resource implications for Artscape as all the equipment and ticketing software are owned by the agent. Artscape provides the ofice space and staff.

29. Events after the reporting date

No adjusting events have occurred after the reporting date.

Notes to the Annual Financial Statements (continued)

30. Going Concern Assessment

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

The Minister of the Department of Sports, Arts and Culture has instructed stake holders to terminate the amalgamation process with immediate effect. No further actions need to be taken on the matter. A budget for 2025/2026 financial year was approved by Council and this approved budget is mainly based on confirmed Operational funding from DSAC for the 2025/2026 FY.

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

Section 55 (2)

No material losses through criminal conduct were experienced. Any fruitless or wasteful expenditure and irregular expenditure which were incurred during the year, have been disclosed in note 25.

Section 54 (2)

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

32. Contingent Liability

National Treasury Instruction No. 12 of 2020-2021 on Retention of Surpluses states that public entities listed in Schedules 3A and 3C to the PFMA must, through their designated departments, surrender for re-depositing into the relevant Revenue Fund, all surpluses that were realised in a particular financial year –

(a) which were not approved for retention by the relevant Treasury in terms of section 53(3) of the PFMA; or
(b) where no application was made to the relevant Treasury to accumulate the surplus in terms of section 53(3) of the PFMA.

Artscape submitted the applications timeously in the prior years and National Treasury granted approval to the entity to retain the surplus funds.

Artscape has calculated that the possible contigent liability will amount to R 45 190 526.

The capital works grants awarded by DSAC to Artscape, are valid and can be utilised for a period of 3 years from date of receipt of the funds.

33. Change in Accounting estimate

During the 2025 financial year, Artscape changed its accounting estimate for the useful lives for Equipment and Musical instruments.

The effected chages are as follows:

	Old useful life	New useful life
Equipment	2-60	2-65
Musical Instrument	2-60	2-65

The change in accounting estimate has resulted in the following impact:

	Equipment	Musical Instrument
Increase in Property, Plant and Equipment	228	8 850
Increase in accumulated surplus	228	8 850
Decrease in depreciation and amortisation expense	228	8 850
Decrease in total deficit for the year	228	8 850

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