The Playhouse Company

an agency of the
Department of Sport, Arts & Culture

ANNUAL REPORT 2024/25

Jazz Concert

CONTENTS

PART A

1. Public Entity's General Information	
Registered Name	The Playhouse Company
Physical Address	29 Acutt Street, Durban, 4001
Postal Address	P O Box 5353, Durban, 4000
Telephone Number	+27 (0)31 369 9555
Fax Number	+27 (0)31 306 2166
Email Address	cfo@playhousecompany.com
Website Address	www.playhousecompany.com
External Auditors	The Auditor-General of South Africa
Bankers	First National Bank

2. List of Abbreviations/Acronyms	
AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
MEC	Member of Executive Council
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DSAC	Department of Sport, Arts and Culture
PFMA	Public Finance Management Act, Act 1 of 1999
MTEF	Medium – Term Expenditure Framework
SAWAF	South African Women's Arts Festival
SCM	Supply Chain Management

3. Foreword by the Chairperson

It is a privilege to present the 2024/2025 Annual Report of The Playhouse Company, during a year that marked both renewal and reaffirmation of our mission to serve as a hub for artistic excellence, cultural expression, and inclusive storytelling.

A warm welcome to the newly appointed Council members as appointed by the Honourable Minister of Sport, Arts and Culture to serve a new term. We are honoured to serve and lead The Playhouse Company at this pivotal time, and we extend our sincere appreciation to the Minister for the confidence placed in us. We also express our deep gratitude for the continued financial support provided by the Department of Sport, Arts and Culture through its national grant funding. This investment remains critical to sustaining the operations and core programmes of the Company.

We are equally grateful to the KwaZulu-Natal MEC for Sport, Arts and Culture for the invaluable grant funding specifically directed toward supporting productions on our stages. This ongoing support ensures that our theatres remain vibrant spaces for local talent to flourish and for audiences to experience the richness of South African storytelling.

The Playhouse Company is proud to report that we have maintained successive clean audits from the Auditor-General of South Africa. This achievement is a testament to the hard work, diligence, and commitment of our management team and staff to uphold the highest standards of governance, transparency, and accountability. As a Board, we are dedicated to reinforcing these principles as the foundation for sustainable growth and public trust. During this reporting period, The Playhouse Company continued to fulfil its mandate by producing and presenting high-quality performances, engaging communities, and nurturing emerging artists across various disciplines. Our work is rooted in a deep commitment to access, inclusivity, and artistic integrity.

Looking ahead, our strategic focus will be on building stronger partnerships with the private sector. These collaborations are essential to unlocking new markets for our artists—both nationally and internationally—and ensuring that the creative economy continues to grow and contribute meaningfully to socio-economic development. We believe that with greater support from business, our artists can find broader audiences and commercial pathways that elevate their careers and impact.

On behalf of the Board, I extend heartfelt thanks to the executive team, staff, artists, and all our stakeholders for their unwavering dedication and passion. Together, we look forward to shaping a future where The Playhouse Company continues to serve as a beacon of artistic excellence, innovation, and transformation.

Khwezi Kunene
Chairperson of Council

My Fair Lady

4. Chief Executive Officer's Overview

The 2024 - 2025 financial year marks a significant milestone for The Playhouse Company. 15 Consecutive years of clean, unqualified audit reports.

This remarkable achievement reflects our unwavering commitment to good governance, accountability and sound financial management as well as artistic excellence. It is a testament to the core values that have shaped our operations for over a decade. The clean audits are an endorsement that reflect of our strong internal culture of good governance practises.

Over the past year, The Playhouse Company reaffirmed its dedication to inclusive and impactful artistic programming. Under a very challenging financial climate we continued to present a total of 432 performances, offered gainful employment to 9,324 artists much to the enjoyment, thrill and fulfilment of no less than 217,066 audience members. These numbers highlight the vitality and relevance of our work as we continue to offer accessible and impactful productions that reflect the rich and diverse stories of South Africa as well as speak directly to the current and topical issues that society is dealing with.

These achievements would not have been possible without the commitment and excellence of our staff, management team and council, who consistently uphold high standards and ensure the integrity of our governance practices.

Our deepest gratitude goes to the National Department of Sport, Arts and Culture for operational grant funding, KwaZulu-Natal Department of Sport, Arts and Culture for artistic programme funding, the artistic community for its continued commitment to produce under very trying conditions artistic works that speak directly to our audiences, our loyal patrons and the media for their unwavering support. Your partnership remains vital to our success and inspires us as we look to the future with renewed purpose. Together, we continue to prove the power of the arts to unite, heal and inspire.

Well done everyone!

Lynda Bukhosini
Chief Executive Officer & Artistic Director

ARTISTS
9 324

PRODUCTIONS
142

PERFORMANCES
430

AUDIENCE
217 066

IN-HOUSE PRODUCTIONS	
SEASON	**ARTISTS**
Sundowner Concerts & Poetry	246
Test Driving the Arts	299
Community Conversations	7
New Stages	69
South African Women's Arts Festival	108
Indigenous Performing Arts	2591
Okwethu Community Arts Festival	47
Community Arts Festival	108
Community Arts Mentorship Programme	20
Schools Season	55
Christmas Season	294
TOTAL	**3844**

Kathak Rising

Sundowner Concert and Poetry featuring Phuzekhemisi

TEST DRIVING THE ARTS

- Mfanomhlophe with MC Vumile Mngoma
- Afrokambart with MC Smanga Mkhwanazi
- The Champions Dance Crew with MC Bonginkosi Shangase
- Omama Boxolo & Amazebra Youth Organisation with MC Bheki Mbili
- Emmanuel SA Gospel Choir with MC Zodumo Shange
- Gojelicious, SS Twins with MC Ntombi Gasa
- Ikusasa Elihle, Ofeleba with MC Vusi Makhanya
- Mduduzi Mbuyazi, Pride of Abanguni with MC Thami Sikhosana
- Lungi Ngcobo and Band, MADE Dancers with MC Khoni Miya
- Number Number, Izichwe with MC Vumile Mngoma
- Abafana Bembube, Izigi Zomdabu and MC Zodwa Shange
- Sanibonani, Ama-Champions with MC Bongani Mbatha
- Amatshitshi Omgungundlovu, Izinyosi with MC Wiseman Simamane

SUNDOWNER CONCERTS AND POETRY

Featuring:

- Phuzekhemisi, Vumile Mngoma & Juba Special
- Sheila Da Bluenote, Mazwakhe & Thando Band
- Sbu Dlamini & Friends, Simphiwe Cele, Sandile Msomi & Sineziwe Chitha
- Jamy - Lee Simmons, Pretty
- Vumile Mngoma & Amayellow Bone
- Susan Barry & Chrystal Tyron
- Madala Kunene & Guy Buttery
- George Mari & Jazzy Shandu Ensemble
- Futhi Mahlasela & Royal Son
- Mthobisi Mthalane & Zoe the Seed
- Malini & Bongani Nkwanyana
- Thulile Zama & Sandile Dlamini
- Paras Dlamini & The Majidas
- Jerry Kunene & KB Maphumulo
- Grooves Assorted & Ndoni

POETS

- Bingelela Sibiya
- Ayabulela Nyawose
- Nelile Hlongwane
- Thando Fuze
- Zendoni
- Luleka Mhlanzi
- Sindiswa Zulu
- Xolile Vilakazi
- Kwazi Ndlangisa
- Jabulani Mkhize
- Kush Mahleka
- Ntokozo Starring Zulu
- Langelihle Khuzwayo
- Shiwe Mthwazi
- Gubhela
- Luleka Mhlanzi
- Lindokuhle 'Kush' Mahleka
- Sgwili
- Nduduzo Mkhize
- Zama Cofi
- Luyanda EM
- Kwazi Dlangisa

INDIGENOUS PERFORMING ARTS

Sishaya Ingoma Competition

- MCs: Juba Special Dlamini & Bingelela Mpanza
- Thanda Ndlovu: Adjudicator
- Milton Gcwensa: Adjudicator
- Nkosinathi Mshengu: Timekeeper

Umzansi

- Abafana baseMawoze
- Nkonka Obomvu
- Umthambo Wendlovu
- Amagugu Ezwe
- Amashoba Ezinyathi
- Khethelakhe

Isigekle

- Imbokodo Yasembo
- Shosholoza
- Asakhe
- Masibemunye Ma Afrika
- Ubuhle boMkhambathi
- Omama Boxolo

Ingoma Sikhuze

- Duduzabantu
- Ifu Elimnyama
- Ingoma yaka-Shozi
- Indlondlo Emnyama
- Ndindiza
- Imfezi Emnyama

Ingoma Yezintombi

- Abanini Bengoma
- Gqilazompetha
- Izintombi Zosizo
- Ikusasa Elihle
- Izigi Zomdabu
- Mtimande

Ingoma Yezinsizwa

- Izichwe
- Ezasendlunkulu
- Umoya Obandayo
- Abafana bembube
- Amajuba Adlukhetho
- Ofeleba

Indlamu

- Osizweni Theatre Production
- Indlunkulu
- Ingqayizivele
- Amabhubesi Zulu Dancers
- Ifisokuhle

Ushameni

- Uthulilwezinyathi
- Shanela
- Amashiyakukhalwa Entertainers
- Amatholamnyama
- Ushikishi

Sishaya Ingoma Competition

ISICATHAMIYA COMPETITION

MC's: Thanda Ndlovu, Vicky Masuku & Leeh Hlophe
Adjudicators: Nkosingiphile Ncayiyana – Adjudicator & Ntombifuthi Jean Richmond
Timekeeper: Charles Khuzwayo

Onobuhle Junior

- Sindiswa Mkhize
- Xolile Zulu
- Nozipho Mazibuko
- Amanda Mbanjwa
- Chunyiswa Chiya
- Siphumlile Mgqila
- Maureen Tembe
- Nozipho Mbatha
- Sisanda Shabangu
- Londiwe Luthuli

Onobuhle Senior

- Promise Khumalo
- Zandile Kunene
- Mantombi Ndaba
- Gloria Sibiya
- Ngenzeni Ntanzi
- Anna Mlotshwa
- Dudu Dlamini
- Staff Dlamini
- Phumelele Ndlela
- Smangele Msomi

Oswenka Bothando Junior

- Mzwandile Mthembu
- Caiphus Radebe
- Dumsani Ngcobo
- Skhumbuzo Zikalala
- Muzomuhle Mlambo
- Phindokuhle Khambule
- Simphiwe Ndlovu
- Ayanda Nxumalo
- Lizwi Zikalala
- Msawenkosi Dlamini

Oswenka Bothando Senior

- Zakheni Ndwandwe
- Mbuso Mazibuko
- James Makhathini
- Edward Xulu
- Bhekizenzo Buthelezi
- David Buthelezi
- Felokwakhe Sithole
- Mandlenkosi Xaba
- Mongezi Mfene
- Mcebo Zondo

ISICATHAMIYA GROUPS

- Zamani Happy Boys
- Machunwini Black Swallows
- Nongoma Art Boys
- Inhlokomo
- Umnini Happy Boys
- Zashuke Home Boys
- Ndwedwe Art Boys
- Xolo Mission Boys
- Washbank Home Boys
- Bizana City Boys
- Mntuba City Lovers
- New Generation
- Richmond Implicity
- Usinga Home Boys
- Ndwedwe Shining Stars
- Mzumbe Lover Boys
- Ubuhle Bomthandazo
- Combination Brothers
- Combination Home Boys
- oBen 10
- SA Action Boys
- Inhloso Yentuthuko
- Amalanda Amhlophe
- Durban Travellers
- NMZ Combination
- Action Boys
- Siyaphambili Happy Brothers
- Ndwedwe King Boys
- Viepers
- Newcastle LTD

Isicathamiya Competition

COMMUNITY CONVERSATIONS

A New South Africa We Want to Build

Facilitator: Prof. Muxe Nkondo

Panelists:
- Prof. Mavis Mulaudzi
- Prof. Paulus Zulu
- Dr. Thabo Manetsi

The Toolkit To Becoming A Notable Woman In The Arts Sector

Facilitator: Vanessa Marawa

Panelists:
- Bongi Ndaba
- Pumza Ralo

NEW STAGES

Home Affairs

Thandiswa Mazwai: Sankofa Tour
- Thandiswa Mazwai

Joseph Clark – The Music of Queen
- Elzette Maarschalk: Producer
- Joseph Clark
- Axe Lourens

Zemqadini
- Bongani Mbatha
- Bhekani Shabalala

Home Affairs
- Director: Michelle Douglas
- Sello Ramolahloane
- Lawrence Joffe

Community Conversations: A New South Africa We Want to Build
- Prof. Muxe Nkondo
- Prof. Mavis Mulaudzi
- Prof. Paulus Zulu
- Dr Thabo Manetsi

Community conversations: The Toolkit To Becoming A Notable Woman In The Arts Sector
- Bongi Ndaba
- Vanessa Marawa
- Pumza Ralo

Thinah Zungu Live in Concert
- Thina Entertainment and Projects
- Thinah Zungu

Ndlovu Youth Choir

SOUTH AFRICAN WOMEN'S ARTS FESTIVAL

The Journey – Double Bill
- Lliane Loots – Choreographer
- Gaby Saranouffi – Choreographer
- Flatfoot Dance Company

Mmasediba Triple Bill
- Luyanda Sidiya – Choreographer
- Nomasonto Radebe – Choreographer
- Katlego Dlamini – Choreographer
- Luthando Arts Academy

Carnegie Hall Youth Orchestra (IA)
- Sean Jones – Artistic Director
- Shine Jazz Ensemble
- Carnegie Hall's National Youth Jazz Orchestra

Omama Abahlobisi Bomhlaba (IA)
- Jerry Pooe – Director
- Mapule Ngobese (Ndlovukazi) – Producer

Arts & Craft Exhibition
- Hlengiwe Dube: Curator

Ranavalona III, The Chrysalis Queen
- Itrotra Art x Connection

Thandiswa Mazwai: Sankofa Tour

COMMUNITY ARTS MENTORSHIP PROGRAMME

Director: Nwabisa Plaatjie
Dance & Movement Mentor: Sandile Mkhize • **Music & Voice Production Mentor:** Xolisa Dlamini
Funding & Proposals Mentor: Jarryd Watson • **Poetry Creative writing Mentor:** Iain "Ewok" Robinson

Mentees:

- Andile Mlanduli
- Fundiswa Msani
- Lungelo Nzama
- Nandi C. Mzobe
- Nhlakanipho Shozi
- Nhlanzeko Khathi
- Nobuhle P Nyuswa
- Philani Dube
- Rethabile H Maphala
- Samkelisiwe S Zwane
- Sandile Dladla
- Sizwe T Zaca
- Teboho Nyaile
- Tusani A Sindani
- Winnie V Diya
- Ziyanda Ndawo

OKWETHU COMMUNITY ARTS FESTIVAL: MENTORS

uMkhanyakude District Mentors

- Howard Msomi
- Mbuso Pepu 'Sparks Bantwana
- Goodness Duduzile Mbuyi

Zululand District Mentors

- Thokozani Zulu (Tzozo)
- Bhekani Shabalala
- Sithembiso Mhlanga

COMMUNITY ARTS FESTIVAL

- Sikhululeni
- Isdakwa Selali
- Ayifambeni
- Umbuso Ungowesizwe
- Isililo Samadoda
- Missing Pages
- Naledi's Teddy Bear
- My Belongings
- Juvenile High
- The Stories We Missed

Community Arts Mentorship Programme

CHRISTMAS SEASON

The Sleeping Beauty

- Joburg Ballet
- KwaZulu Natal Philharmonic Orchestra

Kathak Rising

- Manesh Maharaj Kathak Ensemble

Christmas Carols Concert

- Juan Burgers – Accompanist
- The Playhouse Chorale

Jazz Concert

- Ernie Smith
- Nduduzo Makhathini
- Dumza Maswana
- Xolisa Dlamini
- Africa Mkhize
- Shado Twala - MC

Umnikelo

- Luthando Arts Academy
- Luyanda Sidiya: Choreographer

Christmas Carols Concert

SCHOOLS PRODUCTIONS

Cry the Beloved Country

Free Birds
- Jerry Pooe: Director

Empowering Voices
- Thabo Mnguni: Director

Es'gele
- Thabo Mkhize: Director

Clean Future
- Edmund Mhlongo: Director

Cry The Beloved Country
- Jerry Pooe: Director

Free Birds
- Wushwini Arts Centre

Es'gele

Es'gele

IN ASSOCIATION PRODUCTIONS			
ARTISTS	PRODUCTIONS	PERFORMANCES	AUDIENCE
2045	17	60	32 320

Ulibo Lokuqala
- Cebo Ngema: Producer
- MCZN Entertainment

Ingoma Competition in Honour of Judge Madondo
- Sakhisizwe
- Justice Mjabuliseni Isaac Madondo

Joseph Clark – The Music of Queen
- Elzette Maarschalk: Producer
- Joseph Clark
- Axe Lourens

Dream On
- Des Govender: Producer
- Young Performers Project

Sishaya Ingoma

Jazz Concert

Arts in Schools and Youth Festival
- Vincent Ngobese

The 11th Durban Dance Movement Festival
- Jarryd Watson

NYO Jazz, Carnegie Hall's National Youth Jazz
- Sean Jones – Artistic Director
- Shine Jazz Ensemble

Omama Abahlobisi Bomhlaba
- Jerry Pooe – Director
- Mapule Ngobese – Producer

Shall We Dance
- Neville Letard – Producer & Director

High School Isicathamiya Competition
- Chris Ntuli

Arts In School's Championships
- Jerry Pooe

Nozincwadi International Storytelling Festival
- Dr Gcina Mhlophe

The Soil Reimagined Tour
- Ntsika Ngxanga

The Drop
- Zeph Nzama

We Can Arts Festival
- Thabani Mazibuko

Gospel Superstars Auditions
- Zero Gravity and TV Media

My Fair Lady
- Pieter Toerien - Producer
- Steven Stead - Director
- Cape Town Opera

Nandi The Musical
- Edmund Mhlongo - Director
- K-Cap

OUTSIDE HIRES:

ARTISTS	PRODUCTIONS	PERFORMANCES	AUDIENCE
3530	58	93	45 554

Songs And Hymns
- The Zulu Kingdom Choir

Doksa Praise Live DVD Recording
- Doksa Family Church

Sibongiseni Zikhali Live Recording
- Sibongiseni Zikhali

Musa Njoko: The Impossible Dream
- Musa Njoko

The Spirit King
- ML Africa

BYU Ballroom Dance Rhythm
- BYU Ballroom Dance Company

Thandiswa Mazwai: Sankofa Tour
- Thandiswa Mazwali

KwaZulu Natal Philharmonic Orchestra Winter Season Concert 1
- Conductor: Brandon Phillips
- Soloist: Jan Bartos (Piano)

Chaphaza
- Jozi Youth Dance Company

Sindi Ntombela Live Recording
- Sindi Ntombela

KwaZulu Natal Philharmonic Orchestra Winter Season Concert 2
- Conductor: Yasuo Shinozaki
- Soloist: Bronwyn Forbay

Ballake Sissoko and Derek Gripper: Music From The Strings of Mali
- Ballake Sissoko
- Derek Gripper

Matilda The Musical
- Northcliff High School

KwaZulu Natal Philharmonic Orchestra Winter Season Concert 3
- Conductor: Daniel Boico
- Soloist: James Austin Smith

Isibuko Tour 2024
- Sjava

KwaZulu Natal Philharmonic Orchestra Winter Season Concert 4
- Conductor: Daniel Raiskin
- Soloist: Ben Schoeman

Kosha – The Five Dimensions of Being
- Anubhava School Of Dance

Tiro Mpane Foundation (TMF) National Choral Eisteddfod
- Tiro Mpane Foundation

Hayley Howie's Raising The Barre
- Hayley Howie Dance Studio

KwaZulu Natal Philharmonic Orchestra (KZNPO) World Symphony Series (WSS) Spring Season Concert 1
- Conductor: Marcelo Lehninger
- Soloist: Jeneba Kanneh-Mason

The Sjava 2016 Tour
- Sjava

Live Your Dreams SA Youth Awards
- EDK Media

Presidential Imbizo Activation Programme
- KZN Department of Sports Arts and Culture

KwaZulu Natal Philharmonic Orchestra (KZNPO) World Symphony Series (WSS) Spring Season Concert 2
- Conductor: Rebecca Tong
- Soloist: Soyoung Yoon, violin

Cecchetti KZN Gala Concert
- KZN Cecchetti Society

KwaZulu Natal Philharmonic Orchestra (KZNPO) World Symphony Series (WSS) Spring Season Concert 3
- Conductor: Rory Macdonald
- Soloist: Olga Kern, piano

Durban's Best Comedy Experience
- Nonto R

An Evening with Mandisi Dyantis
- Mandisi Dyantis

Aladdin
- Melissa Renou Academy of Dance

The South African School of Motion Picture Medium and Live Performance (AFDA) GRADUATION STAGE PRODUCTIONS
- AFDA, The School for the Creative Economy

BYU Ballroom Dance Rhythm
- Brigham Young University

Ushuni Womhlaba Auditions
- Thabo Mphelo Films

Winds of My African People
- Ulozolo Youth Organisation

Chal Naach – Let's Dance
- New Gen Production

AWM Retreat
- KNFC Adventist Women Ministry

Moscow Soloists Ensemble
- KwaZulu Natal Philharmonic Orchestra

Women in Comedy All Stars
- Women in Comedy Foundation

Sweet Voices
- Mavundla Media Productions

Bremen – Durban Partnership Concert
- KwaZulu Natal Philharmonic Orchestra

AKTV – Tienertoneel Durban Streekfees
- ATKV - MSW

Mr Music – The Calling
- Supernal Projects

The Golden Ticket
- Dandelion Studio of Dance

South African Dance Music Awards
- Rokhnation Entertainment

Ndlovu Youth Choir
- Impi Concept Events

JP Cooper Live in Concert
- Breakout Events

Inkosi YamaGcokama Live in Concert
- Ivulandlela Holdings

Alice in Africa
- Break–Thru Dance

Nelisiwe Live Recording
- Ethekwini Municipality

I Choose Praise
- Strong and Mighty Jerusalem

KwaZulu Philharmonic Orchestra (KZNPO) World Symphony Series (WSS) Summer Concert 1
- Conductor: Daniel Boico
- Violin Soloist: Mayumi Kanagaw

KwaZulu Philharmonic Orchestra (KZNPO) World Symphony Series (WSS) Summer Concert 2
- Conductor: Mark Kadin
- Piano Soloist: Leo de Mari

The Love Tour
- The House of Thom

Peter and the Wolf
- KZN Dance Academy Trust

In Concert with Hlengiwe Mhlaba
- Mhlaba Music and Entertainment

Jazz Concert

5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

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

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

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

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

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

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

The accounting authority is responsible for establishing, and implementing a system of internal control 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 affairs of the entity for the financial year ended 31 March 2025.

Yours Faithfully,

Precious Lynda Bukhosini
Chief Executive Officer

Date: 31 July 2025

Khwezi Kunene
Chairperson of Council

Date: 31 July 2025

6. Strategic Overview

Vision

Performing arts eyethu – Performing arts is ours

Mission

In achieving its vision, The Playhouse Company defines its mission as follows:

- To provide an enabling platform for the performing arts in support of improved socio-economic conditions in South Africa

Values

Integrity
- Ethical
- Honest
- Transparent
- Respectful
- Accountable
- Trustworthy

Dedication
- Committed
- Passionate
- Diligent
- Motivated

Engaging
- Teamwork
- Collaborative
- Participative
- Cooperative
- Engaging
- Partnering
- Supportive
- Accommodating

Creative
- Innovative
- Proactive
- Initiative
- Flexible
- Adaptable

Service excellence
- Punctual
- Productive
- Disciplined
- Responsible
- Responsive
- Prompt
- Attentive
- Accurate
- Factual
- Analytical

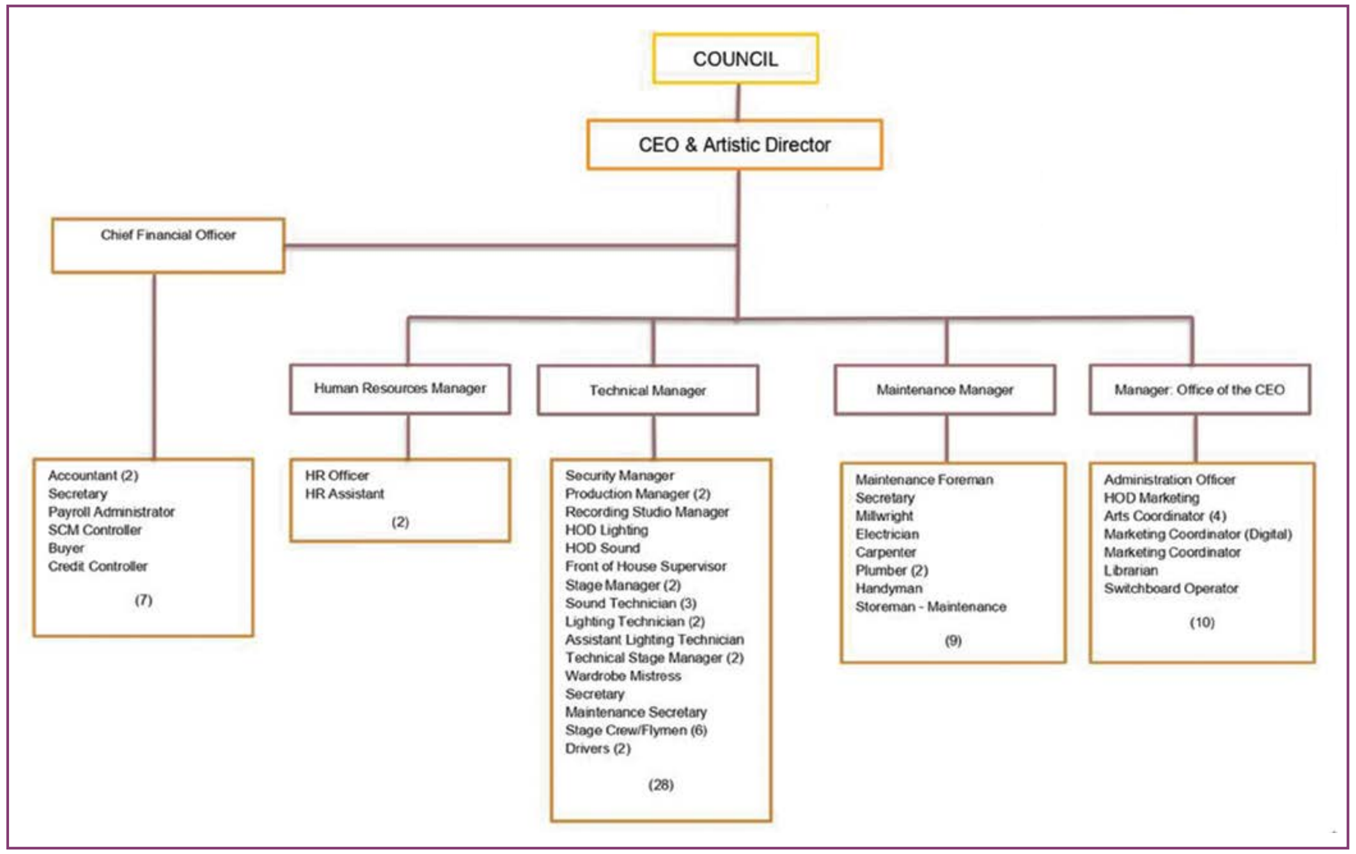
Ubuntu
- Kind
- Empathetic
- Caring
- Compassion
- Joyful
- Considerate
- Humble
- Courteous

7. Legislative and other Mandates

In terms of section 8(5) of the Cultural Institutions Act 119 of 1998, the role of The Playhouse Company is to advance, promote and preserve the performing arts in South Africa. The Playhouse Company operates under various legal mandates, including, among others:

- Public Finance Management Act (PFMA);
- Division of Revenue Act (DORA);
- The Cultural Institutions Act;
- Consumer Protection Act (No. 68 of 2008);
- Intergovernmental Relations Framework Act (No. 13 of 2005);
- Labour Relations Act (LRA);
- Basic Conditions of Service Act (BCSA);
- Occupational Health and Safety Act (OHSA);
- General Administration Regulations Act (GARA);
- Promotion of Access to Information Act (PAIA);
- Promotion of Administrative Justice Act (PAJA);
- Employment Equity Act;
- Protection of Personal Information Act;
- All Treasury regulations, prescripts and frameworks as published; and
- All Municipal by-laws and local legislation pertaining to The Playhouse Company and its operations.

8. Organisational Structure



JP Copper 2024 South African Tour #thegreateststory

PART B

1. Statement of Responsibility for Performance Information for the year ended 31 March 2025

The Chief Executive Officer is responsible for the preparation of The Playhouse Company's performance information and for the judgements made in this information. The Chief Executive Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

Description	Number (%)	Reason for Not Achieved/ Partially Achieved	Interventions
No. of annual performance targets	22 (100%)	N/A	N/A
Annual performance targets achieved	22 (100%)	N/A	N/A

In my opinion, the performance information fairly reflects the actual achievements against planned objectives, indictors and targets as per annual performance plan of The Playhouse Company for the financial year ended 31 March 2025.

The Playhouse Company performance information for the year ended 31 March 2025 has been examined by the external auditors and their report is presented on pages 54 to 58. The performance information of The Playhouse Company set out on pages 34 to 36 were approved by the Board.

2. Auditor's Report: Predetermined Objectives

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

Refer to pages 54-61 of the Report of the Auditors Report, published as Part F: Financial Information.

2.1. Service Delivery Environment

The Playhouse Company has implemented its annual arts plans and contributed positively towards service delivery by achieving 100% implementation of the annual performance targets.

One of The Playhouse Company's mandate is to contribute to socio-economic transformation by providing opportunities to historically disadvantaged groups and entrepreneurs to participate, grow and develop within the sector. Management reports on this to Council on a quarterly basis.

The Playhouse Company creates employment directly by procuring goods and services from small and micro enterprises owned and operated by previously disadvantaged people. The Playhouse Company has interactive community conversations with artists, arts companies and the public at large where conversational topics are discussed and matters relating to financial literacy and broad based black economic empowerment matters are addressed. Artists and arts companies are given the necessary guidance to apply for the BBBEE certificates so that they can register on the National Treasury Central Supplier Database and be eligible to do work with government entities.

2.2. Organisational environment

The Playhouse Company was again imposed with budget cuts in operation and capital grant allocations from the National Department of Sport, Arts and Culture. The Playhouse Company managed to create work for artists and 9 324 artists received gainful employment whilst 7 102 of these artists were youth who benefited from productions presented by The Playhouse Company. In addition to this, artist and arts practitioners were engaged with resulting in 17 partnerships that were entered into with independent producers whilst 58 other independent producers were able to present their productions on stage.

Despite the increasingly challenging operating and fiscal environment created by reduced grant allocations, The Playhouse Company has remained financially viable and currently finds itself in a sound financial position.

2.3. Key policy developments and legislative changes

There are no updates to the policy mandates that affected The Playhouse Company's operations during the year.

2.4. Progress towards achievement of institutional Impacts and Outcomes

In the context of the abovementioned strategic focus statements, the IMPACT statement of The Playhouse Company for the period 2025 - 2030 is as follows:

Impact Statement	Improved socio-economic conditions for a better-quality life.	
Progress made	The Playhouse Company created gainful employment for 9324 artists.	
Outcome	**Outcome Indicator**	**Achievements in 2025**
Outcome 1: Produce and present a balanced artistic programme	Cumulative number of productions staged. Cumulative number of performances held. Cumulative number of artists involved in staged productions (all categories). Cumulative audience attendance figures (paying and non-paying audience).	142 productions staged. 432 performances held. 9 324 artists involved in productions. 217 066 Audience attendance.
Outcome 2: Offer support for development of future theatre productions and arts practitioners	Cumulative number of in-house theatre for development and growing the body of South African theatre productions. Cumulative number of arts practitioners benefiting from upskilling programmes. High impact productions that support social cohesion. Cumulative number of artists provided work opportunities through in-house Playhouse productions.	67 artistic programmes. 162 arts practitioners benefiting from upskilling programmes. 16 high impact productions that support social cohesion. 3 604 artists opportunities provided work.
Outcome 3: Enhanced customer experience through accessible, high-quality and well managed production and event venues and technical services	Condition assessment rating on Playhouse Company facilities.	Conditional rating of the building was performed.
Outcome 4: A well governed, productive and high-performing organization	External audit outcome Percentage overall organisational performance rating (AGSA standard >80%)	 100%

3. Institutional Programme Performance Information

3.1. Programme 1: Administration

A. Programme purpose: The purpose of this programme is to provide The Playhouse Company with core support services, including administrative, financial, human resources and monitoring and evaluation services.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

OUTCOME	OUTPUTS	OUTPUT INDICATORS	Audited Actual Performance	Audited Actual Performance	Annual Target	Actual Achievement for the year	Deviation from planned target to actual achievement	Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
Enhanced customer experience through accessible, high-quality and well managed production and event venues and technical services	Maintain and upgrade infrastructure and align operational assets with requirements and technological advancements	Percentage implementation of yearly repairs, maintenance and upgrade plan for the facilities management department	94%	100%	100%	100%	0%		N/A
		Percentage implementation of health and safety plan	100%	100%	100%	100%	0%		N/A
		Percentage implementation of yearly maintenance plan for stage and technical services	94%	95%	100%	100%	0%		N/A
A well governed, productive and high performing organisation	Sound governance and internal controls	Unqualified audit opinion	New Indicator	1 Unqualified Audit Report achieved	1 Unqualified Audit Report achieved	1 Unqualified Audit Report achieved	0		N/A
		Percentage critical findings raised per internal audit quarterly report addressed	0%	0%	5%	0%	5%		No critical findings were raised in the internal audit reports due to the effective internal controls in place
		Quarterly management accounts distributed to key stakeholders 30 days after each quarter.	4	4	4	4	0		N/A
	An enabling organisation environment	Percentage ICT downtime	0%	0%	5%	0%	5%		There was no extensive downtime during the year except for a few minor manageable disruptions as a result of the proactive remote monitoring performed by the external IT service provider
	A competent, skilled and productive workforce	Number of annual training plan interventions implemented	91%	21	20	22	2		Additional training needs were identified emanating from staff performance reviews and amended legislative requirements. These were implemented accordingly

Linking Performance with Budgets

Programme 1	2024/25			2023/24		
	Budget R'000	Actual R'000	(Over)/ Under R'000	Budget R'000	Actual R'000	(Over)/ Under R'000
Administration	48,252	54,580	(6,328)	60,442	54,265	6,177
Total	**48,252**	**54,580**	**(6,328)**	**60,442**	**54,265**	**6,177**

3.2. Programme 2: Business Development

A. Programme purpose:

This programme is responsible for mainstreaming the role of arts and culture in social and economic development.

B. Description:

B.1. Structure: Arts Department responsible for artistic and administration processes Marketing Department responsible for communications and sales Technical Department responsible for technical staging.

B.2. Departments responsible: The Arts, Marketing and Technical Departments

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

OUTCOME	OUTPUTS	OUTPUT INDICATORS	Audited Actual Performance	Audited Actual Performance	Annual Target	Actual Achievement for the year	Deviation from planned target to actual achievement	Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
1. A balanced artistic programme that provides opportuniti es for interaction across culture, race and class	Present an annual arts programme that bears testimonyto a diverse and artistically remarkable body of stage works	Number of own productions produced and presented	75	78	21	63	42		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
		Number of productions presented in partnership with independent producers	26	29	10	17	7		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
		Number of independent producers / events presented by independent producers using Playhouse Company facilities	32	47	20	58	38		The external independent producers booked the venues in a manner that exceeded our initial target. This is good news because it gives the arts communities more opportunities for income generation.
		Number of significant flagship productions presented	1	2	2	2	0		N/A
		Number of festivals / seasons presented	6	6	4	4	0		N/A
		Number of community conversatio n platforms facilitated	4	5	2	2	0		N/A
		Number of opportunitie s for indigenous art performance	3	2	2	2	0		N/A

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements *(CONTINUED...)*

OUTCOME	OUTPUTS	OUTPUT INDICATORS	Audited Actual Performance	Audited Actual Performance	Annual Target	Actual Achievement for the year	Deviation from planned target to actual achievement	Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	2024/25	2024/25
1. A balanced artistic programme that provides opportunities for interaction across culture, race and class	Broaden reach through growth in the number of artists involved, and the audiences attending, performances	Number of artists involved in staged productions	6,954	11,460	1,500	9,324	7,824		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
		Audience attendance figure (paying and non-paying audience)	178,697	192,812	45,000	217,066	172,066		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
	Strengthen The Playhouse Company brand and market in-house productions	Number of stakeholder newsletter distributed annually	New Indicator	21	20	23	3		The increased number of productions presented played a role in increasing the number of newsletters distributed as part of marketing productions.
2. Offer support for development of future theatre productions and arts practitioners	Actively support targeted group development, including the development of future arts practitioners and entrepreneurs	Number of youth attending arts development programmes per annum	4,831	7,671	500	7,102	6,602		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
		Number of Community Arts Mentorship Programmes (CAMP) facilitated	2	3	3	3	0		N/A
		Number of Test Driving the Arts programmes facilitated	15	14	6	13	7		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.
	Targeted interventions to develop future audiences and build performing arts appreciation	Number of schools programmes presented	4	6	2	5	3		There were limited funds for staging of productions. We have since received additional funds, hence the increase in the number of productions staged.

Linking Performance with Budgets

Programme 2	2024/25			2023/24		
	Budget R'000	Actual R'000	(Over)/ Under R'000	Budget R'000	Actual R'000	(Over)/ Under R'000
Business Development	34,131	32,859	1,272	33,605	33,443	162
Total	**34,131**	**32,859**	**1,272**	**33,605**	**33,443**	**162**

4. Summary of Financial Information

4.1 Revenue Collection

Programme 2	2024/25			2023/24		
	Budget R'000	Actual R'000	(Over)/ Under R'000	Budget R'000	Actual R'000	(Over)/ Under R'000
Grants – Operational	52,542	53,542	(1,000)	55,405	55,405	0
Grants – Production	5,600	5,600	0	7,000	7,000	0
Grants – Capital	0	16,542	(16,542)		10,270	(10,270)
Finance Income	3,450	3,115	335	4,600	4,150	450
Production Income	3,862	4,241	(378)	1,561	2,156	(595)
Rentals	230	212	18	196	163	33
Sundry Income	1,024	2,597	(1,573)	469	669	(200)
Hire of performance venues, costumes and sets	2,530	2,813	(283)	2,079	2,502	(423)
Sponsorship Income	1,500	1,500	0	1,500	1,519	(19)
Total	**70,737**	**90,162**	**(19,424)**	**72,810**	**83,834**	**(11,024)**

4.2 Programme Expenditure

Programme 2	2024/25			2023/24		
	Budget R'000	Actual R'000	(Over)/ Under R'000	Budget R'000	Actual R'000	(Over)/ Under R'000
Administration	48,252	54,580	(6,328)	60,442	54,265	6,177
Business Development	34,131	32,859	1,272	33,605	33,443	162
Total	**82,383**	**87,439**	**(5,056)**	**94,047**	**87,707**	**6,339**

5. Capital Investment

Programme 2	2024/25			2023/24		
	Budget R'000	Actual R'000	(Over)/ Under R'000	Budget R'000	Actual R'000	(Over)/ Under R'000
Office equipment	150	256	(106)	300	144	156
Computer equipment	2,040	2,130	(90)	225	267	(42)
Buildings	10,581	5,560	5,021	21,655	6,086	15,569
Stage and other equipment	5,200	4,650	550	700	127	573
Total	**17,971**	**12,596**	**5,375**	**22,880**	**6,623**	**16,256**

PART C

1. Introduction

Corporate governance embodies processes and systems by which The Playhouse Company is directed, controlled and held to account. In addition to legislative requirements based on The Playhouse Company's enabling legislation, corporate governance with regard to The Playhouse Company is applied through the prescripts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King's Report on Corporate Governance.

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

2. Portfolio Committees

The Parliamentary Portfolio Committee on Sport, Arts and Culture is responsible for oversight on the work of the Department of Sport, Arts and Culture (DSAC) and all other public entities reporting to the DSAC. The Playhouse Company did not appear before the Portfolio Committee on Sport, Arts and Culture.

3. Executive Authority

During the current year, the following reports were submitted to the Department of Sport, Arts & Culture:
- Strategic Plan 2025/2030
- Annual Performance Plan 2025/2026
- Shareholders Compact 2025/26
- Quarterly Reports for the quarters ending June 2024, September 2024, December 2024 and March 2025.

4. The Accounting Authority (Council)

For the year under review, The Playhouse Company had a Council appointed by the Minister of Sport, Arts and Culture. According to the Cultural Institutions Act, the affairs of the institution are under the control, management and direction of the Council.

The functions of the Council are:
- To formulate policy;
- To hold, preserve and safeguard all movable and immovable property of whatever kind placed in their care or loaned or belonging to The Playhouse Company;
- To receive, hold, preserve and safeguard all specimens and collection of all other movable property placed under its care and management under Section 10 of the CI Act 10(1);
- To raise funds for The Playhouse Company;
- To manage and control the monies received by The Playhouse Company and to utilise those monies for defraying expenses in connection with the performance of its functions;
- To keep a proper record of the property of The Playhouse Company, and to submit to the Director General any returns required by him or her in regard thereto and to cause proper books of account to be kept;
- To determine and substitute the CI Act and with the approval of the Minister, the object of the declared institution; and
- To generally carry out the objects of the declared institution.

Council may determine the hours and conditions to which the public may visit The Playhouse Company.

The Council shall have the power to appoint such persons as it considers necessary to perform the functions of The Playhouse Company. The determination of the remuneration and terms and conditions of service shall be in accordance with the scheme approved by the Minister in consultation with the Minister of Finance.

Council Charter

The Council Charter that sets out the roles, responsibilities, membership, and other key governance information is reviewed at least annually. The Council Charter was accordingly reviewed and approved by Council on 15 February 2023. The Charter sets out the manner in which Council of The Playhouse Company will carry out its obligations in terms of the legislative framework, including:
- the Cultural Institutions Act (CI Act) No. 119 of 1998 as amended and its Regulations;
- the Public Finance Management Act (PFMA), Act 1 of 1999 as amended and
- all ancillary legislation.

The Charter confirms Council members commitment to the Playhouse Council in accepting all obligations and responsibilities required of Council members.

The responsibilities outlined in the Council Charter have been duly discharged during the year, specifically in terms of:
- Approval of Annual & Adjustment Budgets
- Approval of Organogram
- Approval of Annual Financial Statements
- Appointing audit committees
- Approval of Shareholders Compact
- Approval of annual performance plan
- Approval of strategic plan
- Approval of quarterly reports
- Approval and amendments of/ to all policies

Council delegated specific responsibilities to a number of Committees which operate in terms of their own Committee Charters that are reviewed and approved by the Council. The Council committees are as follows:
- Finance Committee - The Finance Committee (FINCO) is delegated responsibility to assist Council in meeting its obligations, in terms of the Cultural Institutions Act, No. 119 of 1998 as Amended and its Regulations, the Public Finance Management Act, Act 1 of 1999 as Amended and all other relevant legislation.
- Human Resources And Remunerations Committee - The Human Resources and Remunerations Committee (HR/Remco) is constituted to advise Council on all matters related to Human Resources/Industrial Relations and the remuneration of Senior Management.
- Arts And Fundraising Committee - The Arts and Fundraising Committee is constituted to oversee the art plan and fundraising strategy for The Playhouse Company on behalf of Council.
- Audit And Governance Committee - The primary objective of the Committee is to assist Council in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control process and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.

Composition of the Council

Name	Date Appointed	Qualifications	Area of Expertise	No. of meetings attended	Remuneration
Ms Khwezi BL Kunene Chairperson	9 December 2020	• BScProperty Development • Post Graduate • Diploma Leadership Development • Corporate Project Management Certificate	Analytical & Strategic Thinker; Strategic Risk Analysis & Management; Excellent Communication Skills & negotiation skills; Design Thinking Facilitator; Knowledge & experience in Corporate Governance; Knowledge of PFMA Act, PPPFA Regulations, Cultural Institutions Act; Financial planning & Feasibility studies; Quantity surveying & Cost Engineering; Infrastructure Project Management & Contracts management	9	126,631
Ms Thandeka Mngadi	9 December 2020	• BA Humanities • MA Humanities	Administration; Human Resource Management; Organisational Development; Performance Management; Project Management; Facilities & Property Management	9	69,683
Dr Rajendran Govender	9 December 2020	• PhD(Human Sciences) (isiZulu/Social Anthropology) • M.A (Cum Laude) • Human Sciences (isiZulu/ Social Anthropology) • B.A (Honours) Developmental Studies B.A	Strategic planning, team building/ leadership; knowledge of PFMA and Budgeting & Financial Management; Human Resource Management; Programmes and project Management; Operational Management, Facilities Management, Stakeholder Management; Communication and Report Writing	9	59,512

Dr Fezile Dantile	8 November 2022	• Bachelorof Commerce • BA Honours (Industrial Psychology) • Diploma in Labour Law • Diploma in Business Management • Strategic Human Resources Management Certificate • Directors Induction Programme (Wits Business School) • PhD (Honoris Causa) – Leadership and Community Development • Currently pursuing Masters in Leadership.	Leadership , Strategic Planning Policy Formulation Governance and Compliance, Business Development (Growth and sustainability), Business Management (Financial Planning & Management), Strategic Human Resources Management, South African Labour Law, Good communication and organizational skills, Published Author of 5 books , 4 in English and 1 in Xhosa	8	59,458

Council members appointed on 9 December 2024

Name	Date Appointed	Qualifications	Area of Expertise	No. of meetings attended	Remuneration
Ms Thembelihle M Jostrey	9 December 2024	• Master's Degree in Business Administration • Bachelor's Degree in Technology – Commercial Administration • National Diploma – Commercial Administration • Certificate – Local Economic Development • Currently pursuing Certificate Executive Management Coaching	• Enterprise and Supplier Development • Business Mentor and Coach • Strategy Development & Planning • Facilitator – International Labour Organisation • SMME Development • Women Empowerment Development • Management Consulting	3	0
Mr Dharamraj Brijlal	9 December 2024	• BA (Hons.) (Ind.Psy) (UNISA) • PGDip (BusMgt) (NATAL); • MBA (UKZN) • MHRP (SABPP) • Member (IoDSA)	• Human Resources Governance	3	0
Ms Thembisa Jimana	9 December 2024	• National Diploma Internal Auditing • BTech Internal Auditing • Postgraduate Diploma in Business Management • Master of Philosophy in Development Finance • Certified Director Development Programme • Higher Certificate in Labour Economics • Social Entrepreneurship Programme	Audit, Risk and Governance	3	11, 868
Mr Phil Molefe	9 December 2024	• Master of Business Leadership (Unisa)	International Affairs, Governance and Strategy	3	0
Mr Lavandran N Gopaul	9 December 2024	• MPA - Economics & Finance - HARVARD UNIVERSITY • Mason Fellow - HARVARD UNIVERSITY • LLM - Banking & Finance Law - BOSTON UNIVERSITY, School of Law • LLB - UNIVERSITY of KWA-ZULU NATAL, Howard College, School of Law • BCom - UNIVERSITY of NATAL, Howard College, Durban • Curr - CFA - CHARTERED FINANCIAL ANALYST (Candidate)	Finance, Financial Markets, Economic Analysis, Taxation, Transaction Advisory, Legal, Real Estate Fund Management, Business Development & Business Analysis, Strategist, Governance	3	0
Ms Charmaine Jugnarayan	9 December 2024	CA(SA), RA, ACMA (UK)	Accounting, Auditing, Finance, Performance and risk management	3	0

Council members term ended on 8 December 2024

Name	Date Appointed	Qualifications	Area of Expertise	No. of meetings attended	Remuneration
Mr Dumisani Ngema Deputy Chairperson	9 December 2020	• Bachelor of Arts	Excellent communication (both written and verbal); Report writing, logical thinking; problem solving and decision making; Effective Stakeholder engagement and management; People management and development (including mentoring and coaching); Ability to build collaborative relationships and interact at a high level	6	0
Mr Sicelo Dlamini	9 December 2020	• Public Management (current) • Information Technology (current)	Strategy Leadership & Management; Finance Management; Human Resource; Project Management; Leadership and Governance; Recruitment and Selection	5	73,470
Ms Karen Meiring	9 December 2023	BA Honours, BA Diploma specializing in Theater Arts, Performance, Administration and Industry, Nasper international Acceleration Leadership academy and other Leadership Certificates	Theatre production, all genres. Team leadership, resources, policies, strategy and structure development for Arts and Heritage NGO's. Corporate Governance in Business, Cultural Institutions and NGO's Community audience development and education; Analytical and strategic thinker; Communication and negotiation skills; Creative Incubation and mentorship; Media relations and marketing; Heritage and Cultural Digitizing ; Strategic sponsorship management; Local TV Channel content curation, development, production and broadcasting; Local Film and TV content development of excellence for broadcasting platforms; Executive Producing, Financial planning and Film funding.	5	0
Mr Siyakhula Simelane	9 December 2023	BComm Accounting, Honors Accounting	BComm Accounting, Honor Accounting	5	0
Ms. Tina Ndamase	9 December 2023			3	0

Members	Committees			
	Finance Committee	Audit & Governance Committee	Human Resources and Remuneration	Arts & Fundraising Committee
No. of meetings held	6	6	5	5
No. of members	3	4	3	3
Ms Khwezi BL Kunene				✓
Ms Thandeka Mngadi			✓	
Dr Rajendran Govender				✓
Dr Fezile Dantile	✓			
Council members appointed on 9 December 2024				
Ms Thembelihle M Jostrey	✓		✓	
Mr Dharamraj Brijlal			✓	
Ms Thembisa Jimana		✓		
Mr Phil Molefe				✓
Mr Lavandran N Gopaul	✓			
Council members term ended on 8 December 2024				
Mr Dumisani Ngema	✓			✓
Mr Sicelo Dlamini	✓		✓	
Ms Karen Meiring			✓	
Mr Siyakhula Simelane		✓		
Ms. Tina Ndamase			✓	

5. Risk Management

The playhouse company has in place a risk management policy that guides the process of risk identification and management. The policy is reviewed annually. The management of risk is the process by which the accounting officer, chief financial officer and other senior management of the playhouse company proactively, purposefully and regularly identify and define current as well as emerging business, financial and operational risks, and identify appropriate business and cost-effective methods of managing these risks.

Effective risk management is imperative to the playhouse company to fulfil its mandate in line with the service delivery expectations of the public and the performance expectations of DSAC. The risk register is reviewed annually after an intense risk identification session with management and all governance structures. the risk register is used to pave the way for the three-year internal audit rolling plan which is reviewed and approved by the audit and governance committee and council.

The progress on control improvements for risks identified is monitored at the monthly management meetings.

6. Internal Control Unit

The internal control is a responsibility of each individual manager. we have policies and procedures which are used to prescribe internal controls, the policies are reviewed annually to ensure they are up to date in terms of laws and regulations. Management uses the findings of the auditors on internal controls to improve the internal controls.

7. Internal Audit Function

The Playhouse Company has in place an internal audit charter that is reviewed annually. The internal audit charter was drawn up in order to define the organisational status, objectives, authority and responsibility of the outsourced internal audit function. The internal audit function is driven by the provisions of section 3.2 of the treasury regulations and section 38(1)(a)(i) and 76(4)(e) of the PFMA and is key to underpinning governance within The Playhouse Company.

The primary objective of the internal audit function at the playhouse company is to provide independent assurance and advice on the internal control systems, risk management and government processes, as well as operations and performance of the playhouse company in terms of prevailing laws, regulations and policies.

Summary of engagements concluded during the financial year in line with the approved internal audit coverage plan:

- Follow-up of previously raised internal audit findings
- Audit of Performance Information (Audit of Predetermined Objectives)
- Information Technology General Controls Review (ITGC)
- Audit of Infrastructure and Maintenance
- Financial Discipline Review (Annual Financial Statements)

8. Audit and Governance Committee

The primary objective of the Audit and Governance Committee is to assist the Council in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control process and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.

The Audit and Governance Committee:

- Maintain, by scheduling regular meetings, open lines of communication among the Council, the internal and external auditors to exchange views and information, as well as confirm their respective authority and responsibilities;
- Serve as an independent and objective party to review the financial information presented by management;
- Review the adequacy of the reporting and accounting controls in place; and
- Provide an open avenue for communication between the internal auditors and external auditors and the Council.

9. Compliance with Laws and Regulations

The Playhouse Company, in terms of Section 4 of the Cultural Institutions Act, constitutes a corporate body and accordingly, The Playhouse Company, the Council and all members are required to comply with the principles of good corporate governance and all laws and regulations.

The Playhouse Company management reports on compliance with laws and regulations on a quarterly basis. The PFMA checklist is compiled and any non-compliance is reported to Council and its sub-committees.

10. Fraud and Corruption

The Playhouse Company has in place a fraud prevention plan. The plan is reviewed annually. The plan recognises basic fraud prevention initiatives within The Playhouse Company.

The primary objectives of the plan are to:

- Provide guidelines in preventing, detecting and reporting fraudulent activities;
- Create a culture where all employees and stakeholders continuously behave ethically in their dealings with or on behalf of The Playhouse Company;
- Encourage all employees and stakeholders to stride towards the prevention and detection of fraud impacting or having the potential to impact on The Playhouse Company;
- Encourage all employees and stakeholders to report suspicions of fraudulent activity without fear of reprisals or recriminations; and
- Provide a focus point for the allocation of accountability and authority.

11. Minimising Conflict of Interest

Management and finance staff complete an annual declaration of interest form. Management and staff are encouraged to update the form as and when there is a change in circumstances. The Playhouse Company has in place an Ethics Policy that guides employees on instances where there is a potential conflict of interest.

12. Code of Conduct

The Playhouse Company has in place an Ethics Policy and a Code of Conduct Policy that guides employees on their code of conduct in the workplace. The Code of Conduct Policy is displayed on notice boards throughout The Playhouse Company.

In deciding on a course of action and determining what constitutes ethical behaviour, employees should consider and be guided by:

- Policies of the company;
- Laws of the country;
- Universally acceptable behaviour and standard practices; and
- Their own morals and values

If any action or potential action transgresses any of the above it is likely that it will be considered unethical behaviour. Where it is found that the staff member has breached the Ethics Policy and/or the Code of Conduct Policy, the normal human resources grievance and disciplinary procedures will be followed.

13. Health, Safety and Environmental Issues

The Playhouse Company annually performs an assessment of compliance to health and safety regulations. The outcome of the investigation informs The Playhouse Company on the relevant improvement actions to implement. Compliance with the health and safety regulations forms one of the key performance indicators in the Facilities Manager's annual performance plan. The Playhouse Company is fully compliant with all health and safety regulations.

14. Social Responsibility

The mission of The Playhouse Company is to advance, promote and preserve the performing arts by staging productions with entertainment and educational values to diverse audiences.

The Playhouse Company sees its mission as its social responsibility. The Playhouse Company's arts programme is geared to deliver on its social responsibility.

Among all the programmes geared to social responsibility, the mobile stage is used to take the outreach programmes to the outlying rural areas where people do not have access to the theatre to see staged performances. Some of these people see a live performance on a stage for the first time and are overwhelmed.

15. Audit and Governance Committee Report

The Audit and Governance Committee (the Committee), presents its report for the financial year end 31 March 2025

Audit and Governance Committee Members and Attendance

The Committee consists of the four members listed below, three of whom are independent, and is accountable to Council. It is required to meet at least four times per year as per its approved terms of reference. During the current year six meetings were held.

Composition of the Audit and Governance Committee

The Committees term commenced on 1 April 2022.

Name	Qualifications	Internal or External	Date Appointed	Date Term ended	No. of Meetings attended
Mr Bhekabantu Ngubane Chairperson of Audit and Governance Committee	CA (SA)	External	1 April 2022	31 March 2025	5
Mr Zanoxolo Koyana	MBA Bachelor of Commerce Degree	External	1 April 2022	31 March 2025	6
Dr Matshediso Joy Ndlovu	Doctor of Business Administration, MBA, Bachelor Degree: Human Resource	External	1 April 2022	31 March 2025	6
Mr Siyakhula Simelane	CA (SA)	Internal – Council member	9 December 2023	8 December 2024	4

Audit and Governance Committee Responsibility

The Committee has complied with its responsibilities arising from Section 38 (1)(a) of the Public Finance Management Act No.1 of 1999 and Treasury Regulations 3.1. The Committee has adopted appropriate formal terms of reference as its Audit and Governance Committee charter, has regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein. The charter is reviewed annually and adopted by the Committee on approval by the Accounting Authority.

Internal Audit

The Committee co-ordinates and monitors the activities of the Internal Audit function. Through this, the Committee is able to report on the effectiveness of the Internal Audit. The Internal Audit function was outsourced and operational for the financial year under review.

The Committee considered the updated risk register based on the risk management framework and policy adopted by the Accounting Authority. The Committee reviewed and approved the risk based three-year rolling Internal Audit plan. The Committee is satisfied with the effectiveness of the Internal Audit function.

Effectiveness of Internal Controls

The Committee assessed the effectiveness of the internal controls and reviewed the risk assessment process, as follows:

- Attended the workshop with all key stakeholders on risk assessment;
- Considered the effectiveness of the company risk assessment processes as on-going by Management;
- Monitored the follow-up process on all findings by the auditors to ensure findings are dealt with and addressed at root causes;
- Sought assurance from Management that action is being taken on related issues identified by auditors; and
- Provided guidance and advice to Management and the Accounting Authority over strengthening risk management processes and performance information when we reviewed the quarterly reports.

The Committee reviewed the Internal Audit reports, and where there were weaknesses identified within the Company, assessed the adequacy of management responses on reasonable steps taken to ensure the risk exposure is reduced and there is continuous improvement within the control environment. The Committee is satisfied that the Company is continually focused on maintaining effective internal controls.

The Committee concurs with auditors that internal controls were reasonably effective and reliable and any matters reported by internal auditors during the year did not reflect any significant or material deficiencies.

The administration of monthly/quarterly reports submitted in terms of the PFMA and Division of Revenue Act was satisfactory according to monitoring and internal audit results.

Evaluation of Financial Statements

The Committee has:

- Reviewed the quarterly reports including financial statements to ensure consistency and accuracy of information;
- Considered the appropriateness, adoption and consistent application of the South African Statement of Generally Recognised
- Accounting Practices adopted by the Accounting Authority;
- Considered the quality and timeliness of the financial information available to the Committee for oversight purposes during the year;
- Reviewed the financial statements of the Company for the year ended 31 March 2025 and is satisfied that they comply with relevant provisions of the Public Finance Management Act and the South African Statement of Generally Recognised Accounting Practices;
- Reviewed the Auditors-General's Management Report and Management's response; and
- Reviewed the Auditor-General's Audit Report and noted that there were no findings in the financial statements and performance information.

Auditor's Report

The Committee is pleased to report that the Company has received an unqualified clean audit report. The Committee concurs and accepts the conclusion of the Auditor-General on the annual financial statements and hence the Committee recommended that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

The Committee takes this opportunity to congratulate the Company in obtaining an unqualified clean audit report from the Auditor-General for fifteen consecutive years, and expresses its appreciation to the Council, the Chief Executive Officer and the senior management team for their commitment and support.

Mr. B Ngubane
Chairperson of the Audit Committee
31 July 2025

16. 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.

Name	Qualifications
Name of Sphere of Government/Public Entity/Organ of State	The Playhouse Company
Registration Number (If Applicable)	n/a
Physical Address	29 Acutt Street, Durban, 4001
Type of Sphere of Government/Public Entity/Organ of State	Schedule 3A Public Entity reporting
Organisation Industry / Sector	Performing Arts

Has the Sphere of Government / Public Entity / Organ of State applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Criteria	Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	No	This is not applicable to The Playhouse Company
Developing and implementing a preferential procurement policy	Yes	The Preferential Procurement requirements are included in the Procurement for Goods and Services Policy The Playhouse Company has in place
Determining qualification criteria for the sale of state-owned enterprises	No	This is not applicable to The Playhouse Company
Developing criteria for entering into partnerships with the private sector	Yes	The Playhouse Company enters into in- association agreements with artists and art companies to create gainful employment in the arts sector
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 The Playhouse Company

PART D

HUMAN RESOURCE MANAGEMENT

The Company's Human Resources strategy is to effectively support and service the Human resources requirements of the organization in having skilled, motivated, capacitated and empowered employees who are equipped to deliver to the attainment of the strategic objective of the Company. The key focus areas are Manpower Planning, Skills development, Productivity improvement and Employee Relations.

Each year the Entity aligns its organizational structure to the available budget in order to implement a functional structure that will effectively contribute to the attainment of the Company's overall strategic objective of being well governed, productive and high performing. In the year under review the organization had an approved budget for sixty-two (62) positions of which fifty-four (54) were filled by full-time employees, representing a vacancy rate of (13%).In addition to the filling of permanent posts, some fixed term appointments were made to address immediate capacity challenges, and a number of employees were redeployed in departments that lacked capacity instead of retrenchment. Staff turnover in critical positions remains low.

The acquisition of staff in a skills constrained environment is a key challenge. The Company has revamped its recruitment guidelines through the use of different platforms for recruitment. Recruitment at certain levels include Union representatives. There is a plan in place to fill existing vacant posts. Career development initiatives for employees occupying key positions are being put in place.

The Playhouse Company Staff

The Company's performance against pre-determined objectives is managed through the setting and monitoring of performance targets as set out in the Annual Performance Plan. Performance Management is guided by the Company's policy on performance management. Signed performance agreements are in place and formal evaluations are undertaken bi-annually.
Financial constraints limit the extent to which employees can be provided with training opportunities. Notwithstanding, the Company still invests in providing focussed training and development opportunities that facilitate staff development. During the year at a cost of R106 741, Thirty-Two (32) employees were trained in fields such as Labour Relations, Technical Skills, Report writing, Computer Skills, Compliance & Safety, and Performance Monitoring.

A total of number three (3) unemployed Graduates were employed during the year in order to obtain valuable workplace experience that would capacitate them in the skills and competencies required to fill scarce skill positions in the Company. Whilst supporting the youth development and job creation initiatives, the initiative also serves to increase the talent pipeline from which future employees from the Company may be drawn.

The Company is committed to creating and maintaining an environment which provides equal opportunities for all employees, with special consideration being afforded to people from the Designated groups. The majority of the Company's employees are from the designated groups. In July 2024, the Department of Labour approved the Company's Employment Equity plan for the period 2024-2029.In January 2025 the Company received a letter confirming the submission of the report. As labour turnover is low, it is not always possible that targets will be met at the desired rate.
The Company retained its Level 4 BBB-EE rating, an encouraging sign of the Company's commitment to both Skills Development and Employment Equity.

Effective employee relations are maintained through regular engagements with the representative Trade Union, SACCAWU, the recognised collective bargaining agent representing the majority of employees at the Company. The Company did not experience any industrial action during the year. With the focus on continuous performance improvement, employees who failed to meet agreed performance standards were dealt with in terms of the Company's Disciplinary Code, and two formal disciplinary hearings were concluded. One matter was referred to the CCMA, and was resolved. One matter is currently being arbitrated. There were no labour court cases.

Employee costs remain well managed and actual costs were below the budgeted amount primarily due to the ongoing implementation of the Company's cost containment measures, inter alia, delaying the filling of certain vacancies and the management of overtime. The Company made use of temporary employees as and when required. Where vacant posts were put on hold, some employees willingly absorbed more responsibilities. Whilst there was downward pressure on pay and compensation during the period, the Company was able to negotiate a market-related increase with the Trade Union.

Going forward, Skills Development remains a critical focus area. As vacancies are filled, the pressure of staff carrying additional responsibilities will be reduced. The Company continues to recognise employees who have provided long service and eight employees who received LSA's.

The Company remains compliant with all labour related legislation and in the coming year will actively implement the amendments to the Employment Equity Legislation and the Code of Good Practice dealing with Dismissals.

1. Human Resource Oversight Statistics

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in the annual financial statements. Where considered appropriate, provide reasons for variances.

1.1. Personnel related expenditure

Personnel Cost by Programme/ Activity / Objective

Programme/ activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees (as @1 April 2025)	Average personnel cost per employee (R'000)
Permanent Staff	109 001	33 568	31%	54	622

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	2,879	9%	1	2,879
Senior Management	2,175	6%	1	2,175
Professional qualified	6,503	19%	7	929
Skilled	14,719	44%	25	589
Semi-skilled	7,292	22%	20	365
Unskilled	2,879	9%	1	2,879
Total	**33 588**	**100%**	**54**	**622**

Training Costs

Programme/ activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Permanent staff	36 853	107	0.2%	32	3336

Employment and vacancies

Programme/ activity/objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of Vacancies
Top Management	1	1	1	0	0%
Senior Management	1	1	1	0	0%
Professional qualified	7	8	7	1	1.6%
Skilled	26	30	25	5	8%
Semi-skilled	22	22	20	2	3.2%
Unskilled	0	0	0	0	0%
Total	**57**	**62**	**54**	**8**	**13%**

Top and Senior Management positions are filled.

A flat organizational structure is a constraint on having suitably trained and qualified employees readily available be appointed into more senior positions. The position of Assistant Production Manager was upgraded to that of Production Manager in September 2024 and on-the-job, training is being undertaken by an existing employee to take up the position once advertised. In the Skilled Supervisory category, the vacancies have been filled by employees on fixed-term contracts, trainees, and interns whilst they receive much needed workplace experience. Operational efficiency is not affected in any way. The Company offers market-related salaries and benefits that assist in both the attraction and retention of staff.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	0	0	1
Senior Management	1	0	0	1
Professional qualified	7	1	1	7
Skilled	26	1	3	25
Semi-skilled	22	0	1	20
Unskilled	0	0	0	0
Total	**57**	**2**	**5**	**54**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	2	3.2%
Dismissal	1	1.6%
Retirement	2	3.2%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	**5**	**8%**

Four (4) employees left for reasons beyond the Company's control (Resignation and Retirement) and one employee was dismissed for Poor Performance.

The use of Graduates, Interns and employees on limited Fixed Term contracts, whilst they receive the necessary workplace experience, is a valuable means of talent acquisition for existing vacant positions. The initiative serves to capacitate the organization, and at no stage impacts the ability of the organization to deliver on its mandate or key deliverables. In one instance staff from a different cost centre were redeployed into vacant positions, as an alternative to retrenchment.

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	1
Written Warning	1
Final Written warning	0
Dismissal	1

Levels	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	1	0	0
Professional qualified	2	2	0	0	1	1	2	1
Skilled	12	14	0	0	2	2	2	2
Semi-skilled	9	10	0	1	1	1	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**23**	**26**	**0**	**1**	**5**	**5**	**4**	**3**

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Professional qualified	0	2	0	0	1	1	1	1
Skilled	9	13	0	0	0	1	0	0
Semi-skilled	6	8	1	1	3	3	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**16**	**24**	**1**	**1**	**4**	**5**	**1**	**1**

Equity Target and Employment Equity Status

Representivity from the Designated groups, across all the Occupational Levels is good. There are no major variances between the target and current numbers. Where there are variances, these can be attributed to labour turnover being low and recruitment only taking place when there are retirements or other unplanned movements of staff. The reduction in approved posts on the organogram due to financial constraints also inhibits the attainment of the desired targets. The Company has an approved Employment Equity Plan in place.

Levels	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	**0**	**0**	**0**	**0**

PART E

1. Irregular, Fruitless And Wasteful Expenditure And Material Losses

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	0	0
Add: Irregular expenditure confirmed	7 909	0
Closing balance	**7 909**	**0**

Error in applying the requirement of the Preferential Procurement Regulations 2022 (PPR2022) R3 167 542.
We note that there was an error in applying the requirement of the Preferential Procurement Regulations 2022 (PPR2022). The request for quotations did not include the specific goals in the invitation to submit the price quotations for which specific goals points were awarded. The entity correctly evaluated all price quotations below R1 million using the 80/20 preference points system as detailed in the entity's Procurement for Goods and Services Policy and Procedure: 80 points was awarded for price and 20 points was awarded for Black Ownership. The entity did not suffer financial loss as a result of the error which resulted in irregular expenditure. The error which resulted in irregular expenditure does not relate to any criminal conduct.

Non-compliance with the budget framework
Overspending on budget - R 4,741,600.
The total approved budget for the year was not exceeded. The entity has however overspent on individual expense line items of electricity and repairs and maintenance that are included in the total budget. The entity received additional grant funds for electricity and repairs and maintenance after the budget adjustment period in September 2024 and the budget could thus not be amended for the additional grant funds received.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure for the current year	7 909	0
Total	**7 909**	**0**

1.2. Fruitless and wasteful expenditure

The Playhouse Company did not incur any fruitless and wasteful expenditure in the current year and in the prior years.

1.3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)

2. Late And/Or Non-Payment Of Suppliers

Description	Number of invoices	Consolidated Value R'000
Valid invoices received	1 846	51 104
Invoices paid within 30 days or agreed period	1 846	51 104
Invoices paid after 30 days or agreed period	0	0
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0
One invoice for the paving of driveway in the Mayville complex was unpaid and in dispute due to corrective work that needed to be done.		

3. Supply Chain Management

3.1. Procurement by other means

The Playhouse Company made acquisitions following the SCM processes in place.

3.2. Contract variations and expansions

The Playhouse Company did not vary or expand any contracts.

Umnikelo

PART F

Report of the Auditor-General to KwaZulu-Natal Legislature on The Playhouse Company

Report on the audit of the financial statements

Opinion

1. I have audited the financial statement of the Playhouse company set out on pages 60 to 88, which comprise the statement of financial position as at 31 March 2025, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statement, including a summary of significant accounting policies.
2. In my opinion, the financial statement present fairly, in all material respects, the financial position of the Playhouse company as at 31 March 2025, and their financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

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

Emphasis of matter

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

Irregular expenditure

7. As disclosed in note 26 to the financial statements, irregular expenditure of R 7 909 143 was incurred, as a result of proper tender processes not being followed and overspending on the approved budget.

Responsibilities of the accounting authority for the financial statement

8. The council, which constitutes the accounting authority is responsible for the preparation and fair presentation of the financial statement in accordance with the SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting authority is responsible for assessing the 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.

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

10. My objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statement.
11. A further description of my responsibilities for the audit of the financial statement is included in the annexure to this auditor's report. This description, which is located at page 57, forms part of our auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The Accounting authority is responsible for the preparation of the annual performance report.
13. I selected the following material performance indicators related to 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.

- Number of own productions produced and presented
- Number of productions presented in partnership with independent producers
- Number of productions / events presented by independent producers using Playhouse Company facilities
- Number of significant flagship productions presented
- Number of festivals / seasons presented
- Number of community conversation platforms facilitated
- Number of opportunities for indigenous art performance
- Number of artists involved in staged productions
- Audience attendance figure (paying and non-paying audience)
- Number of youth attending arts development programmes per annum
- Number of Community Arts mentorship programmes
- Number of Test Driving the Arts programmes
- Number of schools programmes

14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the 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 to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance.

16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-achievements.

Report on compliance with legislation

20. 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.
21. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
22. 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.
23. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

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

Internal control deficiencies

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

Auditor - General

Pietermaritzburg
29 July 2025

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4); Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2); Section 57(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Regulation 8.2.1; 8.2.2 Regulation 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b); 16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A 8.3; 16A 8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2(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
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2);
PRECCA	Section 29; 34(1)
CIDB Act	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2022	Paragraph 3.1; Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4(c); 4.4(d); 4.6 Paragraph 5.4; Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Paragraph 5.5.1(vi); 5.5.1(x)
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; Paragraph 3.4(a); 3.4(b) Paragraph 3.9; Paragraph 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a); 3.2.4(b); 3.3.1; Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); Paragraph 4(2); Paragraph 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2; Paragraph 4.3.2; 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1; Paragraph 3.1 (b)
Public Service Act	Section 30 (1)

Queen Joseph Clark

Statement of Financial Position as at 31 March 2025	Notes	March 2025 R	March 2024 R
ASSETS			
Non-current assets		**167 083 402**	**168 670 668**
Heritage assets	2,1	93 622 451	92 222 917
Property, plant and equipment	2,2	73 080 808	76 153 356
Intangible assets	2,3	380 143	294 395
Current assets		**33 025 776**	**51 114 927**
Inventories	4	398 924	582 503
Trade and other receivables	5	3 929 876	1 236 409
Cash and cash equivalents	6	28 696 976	49 296 015
TOTAL ASSETS		**200 109 178**	**219 785 595**
LIABILITIES			
Non-current liabilities Deferred income	7	857 604	16 026 168
Current liabilities Trade and other payables	8	9 153 202	8 492 709
Deferred income	7	6 226 312	-
TOTAL LIABILITIES		16 237 118	24 518 877
Net assets Accumulated surplus	18	183 872 060	195 266 718
TOTAL NET ASSETS AND LIABILITIES		**200 109 178**	**219 785 595**

Statement of Financial Performance for the year ended 31 March 2025	Notes	March 2025 R	March 2024 R
REVENUE			
Revenue from exchange transactions		**12 977 493**	**9 640 880**
Services facilities and equipment	9	9 862 105	5 490 687
Interest received	10	3 115 388	4 150 193
Revenue from non-exchange transactions		**84 629 306**	**81 141 840**
Grants	11	75 684 252	72 674 560
Donations and sponsorships (productions)		1 500 000	1 519 000
Services in kind	27	7 445 054	6 948 280
TOTAL REVENUE		**97 606 799**	**90 782 720**
Less : Expenditure		109 001 457	113 984 456
Cleaning		3 998 999	3 189 964
Depreciation & amortisation	12	14 117 015	20 073 088
Electricity		7 346 733	5 449 641
Employee related costs	13	36 852 971	38 747 451
General expenses	14	11 448 139	12 134 622
Maintenance expenditure	15	8 890 925	8 468 249
Production expenditure	16	14 229 076	14 324 353
Rates and taxes		7 445 054	6 948 280
Security costs		4 672 545	4 648 808
DEFICIT FOR THE YEAR	**17**	**(11 394 658)**	**(23 201 736)**

Statement of Changes in Net Assets for the year ended 31 March 2025	Notes	March 2025 R	March 2024 R
Opening accumulated surplus as previously reported		**195 266 718**	**218 468 454**
Deficit for the year		(11 394 658)	(23 201 736)
CLOSING ACCUMULATED SURPLUS	**18**	**183 872 060**	**195 266 718**

Statement of Cash Flows for the year ended 31 March 2025	Notes	March 2025 R	March 2024 R
Cash flows from operating activities			
Cash receipts from grantors and clients		75 410 638	69 178 304
Cash paid to suppliers and employees		(86 935 705)	(86 194 088)
Cash (utilised) in operations	**19**	**(11 525 067)**	**(17 015 784)**
Interest received		3 115 388	4 150 193
Net cash utilised in operating activities		**(8 409 679)**	**(12 865 591)**
Cash flows used in investing activities			
Additions to heritage assets		(1 344 773)	(149 538)
Additions to property, plant and equipment		(10 935 032)	(7 922 523)
Additions to intangibles		(316 647)	(114 625)
Proceeds on sale of property, plant and equipment		407 092	-
Net cash used in investing activities		**(12 189 360)**	**(8 186 686)**
Net (decrease) in cash and cash equivalents		(20 599 039)	(21 052 277)
Cash and cash equivalents at beginning of year		49 296 015	70 348 292
Cash and cash equivalents at end of year	**6**	**28 696 976**	**49 296 015**

Accounting policies for the year ended 31 March 2025

1. Accounting policies

1.1 The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 55(1)(b) of the Public Finance Management Act, (Act No.1 of 1999 as amended by Act No. 29 of 1999). All figures have been rounded to the nearest Rand. Assets, liabilities, revenues and expenses have not been offset except where offsetting is required or permitted by a Standard of GRAP. The accounting policies are applied consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for financial instruments that have been measured at fair value.

The Standard of GRAP approved by the Accounting Standards Board and that are applicable to The Playhouse Company.

GRAP 1	Presentation of financial statements
GRAP 2	Cash flow statements
GRAP 3	Accounting policies, changes in accounting estimates and errors
GRAP 4	The effects of changes in foreign exchange rates
GRAP 9	Revenue from exchange transactions
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the reporting date
GRAP 17	Property, plant and equipment
GRAP 19	Provisions, contingent liabilities and contingent asset
GRAP 20	Related Party Disclosure
GRAP 23	Revenue from Non-Exchange Transactions Taxes and Transfers
GRAP 24	Presentation of Budget Information
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 31	Intangible Assets
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 108	Statutory Receivables
IFRIC 22	Foreign Currency Valuations and advance consideration
IGRAP 21	The effects of past decisions on materiality.

The following statements of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board are in issue but not applicable to The Playhouse Company:

GRAP 5	Borrowings
GRAP 6	Consolidated financial statements and accounting for controlled entities
GRAP 7	Accounting for investments in associates
GRAP 8	Financial reporting of interests in joint ventures
GRAP 10	Financial reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 16	Investment Property
GRAP 18	Segment Reporting
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 27	Agriculture
GRAP 32	Service Concession Arrangements: Grantor
GRAP 34	Separate Financial Statements

GRAP 35	Consolidated Financial Statements
GRAP 36	Investments in Associates and Joint Ventures
GRAP 37	Joint Arrangements
GRAP 38	Disclosure of Interest in Other Entities
GRAP 100	Discontinued Operations
GRAP 105	Transfers of Functions between Entities Under Common Control
GRAP 106	Transfers of Functions between Entities not Under Common Control
GRAP 107	Mergers
GRAP 109	Accounting by Principals and Agents
GRAP 110	Living and Non-living Resources
IFRS 4	Insurance Contracts
IFRS 6	Exploration for and Evaluation of Mineral Resources
IAS 12	Income Taxes
IFRIC 12	Service Concession Arrangements
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
IFRIC 23	Uncertainty over income tax treatments
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
SIC 29	Service Concession Arrangements – Disclosures
IGRAP 7	The Limit on a defined benefit offer, minimum funding requirements and their interaction.
IGRAP 17	Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset.
IGRAP 18	Recognition and Derecognition of Land
IGRAP 19	Liabilities to Pay Levies
IGRAP 20	Accounting for Adjustments to Revenue

Guideline Accounting for Arrangements Undertaken in terms of the National Housing Programme
Guideline Accounting for Landfill Sites

1.2. Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following note:

Note 1.3. Property, plant and equipment *- The Playhouse Company assesses the useful life and residual values of these assets based on the condition of the assets.*

Note 1.4. Impairment *- The Playhouse Company 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.*

Note 1.5 Intangible assets *- The Playhouse Company assesses the useful life of these assets based on the condition of the assets.*

1.3. Property, plant and equipment

An Item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. The useful life of the assets have been arrived at after careful consideration of all factors affecting The Playhouse Company. The useful life and depreciation method of assets is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining depreciation and amortisation charges. The residual value of property plant and equipment is one rand as the assets are used for their entire economic life.

Where an asset is acquired by the public entity for no or nominal consideration (i.e. non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired. The assets are classified as capitalised leased assets.

Assets are fair valued on the depreciated cost replacement method. Where an active market does not exist, the fair value of the item has been established by reference to other items with similar characteristics.

Major spare parts qualify as property, plant and equipment when the public entity expects to use them during more than one period. Similarly, if the major spare parts can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

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:

Buildings:	50 years
Motor vehicles:	5 to 14 years
Office furniture and other equipment:	5 to 56 years
Computer Equipment:	3 to 20 years
Stage:	4 to 56 years
Workshop equipment:	5 to 36 years

Artworks are not depreciated and stage props, costumes and music and drama scripts are written off on acquisition.

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

1.4. Impairment

Non-financial assets

The carrying amount of The Playhouse Company assets, other than inventories, are 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.

1.5. Intangible assets

An Item of intangible that qualifies for recognition as an asset is initially measured at its cost. Intangible assets are shown at cost less accumulated amortisation and impairment losses. The useful life of intangibles is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining amortisation charges. The amortisation is calculated on the straight line method to write-off the cost of intangible assets over their estimated useful life as follows:

Software:	2 to 21 years

1.6 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Heritage assets are recognised as an asset if (a) it is probable that future economic benefits or service potential association with the asset will flow to the entity, and (b) the cost or fair value of the asset can be measured reliably.

A heritage asset that qualifies for recognition as an asset is measured at its cost. Where the heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at date of acquisition.

After recognition as an asset, a class of heritage asset shall be carried at its cost less any accumulated impairment losses. The entity assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

1.7. Inventories

Inventories are carried at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realizable values.

1.8. Financial instruments

Measurement

Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below:

Trade and other receivables

Trade and other receivables originated by The Playhouse Company are stated at cost less provision for doubtful debts. Receivables are written off when considered irrecoverable. Trade and other receivables and provision for doubtful debts are discounted using the effective interest rate where considered applicable.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value.

Trade and other payables

Trade and other payables originated by The Playhouse Company are stated at cost. Trade and other payables are discounted using the effective interest rate where considered applicable.

Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of financial instruments that are not part of a hedging relationship are included in net profit or loss in the period in which the change arises.

1.9. Presentation currency

The AFS are presented in South African Rands which is the functional currency of the Playhouse Company.

1.10. 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.

The Playhouse Company has entered into a lease agreement for the free use of certain land and buildings.

1.11. Revenue

Grants

Grants related to operational expenditure are 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 are 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.

Interest income

Interest income is recognised on a time proportion basis, taking into account of the principal outstanding and the effective rate over the period to maturity, when it is probable that such income will accrue to The Playhouse Company.

Box office and related income

Box office and related income is recognised when the production has been staged. Complimentary tickets issued to promote and market the productions have no value and are not included in box office and related income.

Other income

Other income is recognized when it is probable that the future economic benefits will flow to The Playhouse Company and it can be measured reliably.

1.12. Services in-kind

Services in kind are recognised at its fair value when it is significant to the operations and/or service delivery objectives and when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably. If the services in-kind are not significant to the operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, only the nature and type of services in-kind received during the reporting period is disclosed.

1.13. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments, net of bank overdrafts, all of which are available for use by The Playhouse Company unless otherwise stated.

1.14 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 transactions.

1.15 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 the value of the capital good/services that have been approved and /or contracted and the balance outstanding at year end are included in the disclosure notes.

1.16 Going concern
The going concern basis has been adopted in preparing the financial statements. Management have no reason to believe that the company will not be a going concern in the foreseeable future, based on funding commitment from the Department of Sport, Arts and Culture, forecasts and available cash and finance resources.

The Playhouse Company has received a funding allocation in terms of the MTEF from the Department of Sport, Arts and Culture for the next 3 years.

1.17 Employee benefit
1.17.1 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 the entity 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.

1.17.2 Retirement benefit plans
It is the policy of The Playhouse Company to provide retirement benefits for the employees. The Playhouse Company's contributions in respect of defined contribution plans and benefit plans are expensed as incurred.

1.18 Deferred Income
Liabilities are raised for money received from conditional grants. The revenue from these grants are deferred until such time that the conditions of the grant have been met. The grant liability decreases as the grant deferred revenue is realised.

1.19 Budgetary Information
The approved budget is prepared on a cash basis and presented by functional classification linked to performance outcome objectives, where possible. The approved budget covers the fiscal period from 1 April to 31 March. The financial statements and the budget are not on the same basis of accounting. The actual financial statement information is presented on a comparable basis to the budget information. The comparison and reconciliation between the statement of financial performance and the budget for the reporting period have been included in Statement of Comparison of Budget and Actual Amounts.

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

2. Assets

2.1 Heritage assets	Land and Buildings	Artworks	Total
Carrying amount 1 April 2023	**91 622 405**	**450 974**	**92 073 379**
Gross carrying amount	91 622 405	450 974	92 073 379
Additions	-	-	-
WIP	149 538	-	149 538
Carrying amount 31 March 2024	**91 771 943**	**450 974**	**92 222 917**
Gross carrying amount	91 622 405	450 974	92 073 379
WIP	149 538	-	149 538
Additions		-	-
WIP	1 344 773	-	1 344 773
Transfers from PPE	54 761	-	54 761
Carrying amount 31 March 2025	**93 171 477**	**450 974**	**93 622 451**
Gross carrying amount	91 622 405	450 974	92 073 379
WIP	1 549 072	-	1 549 072

Heritage assets comprise of land and buildings : Rem of portion 1 of ERF 10636 of Durban. The property was valued by eThekwini Municipality in May 2008.

Heritage assets were recognised for the first time in March 2011 in terms of Grap 23 - Revenue from non exchanges transactions, taxes and transfers.

The land and buildings is registered in the name of the Department of Public Works. The Playhouse Company leases the land and buildings from The Department of Public Works for no consideration.

In terms of section 66 of the PFMA Act, The Playhouse Company may not use the immovable property, including the heritage assets as collateral. and the land and buildings are unencumbered.

No heritage assets are pledged as security.

Work in progress amounting to R1 549 072 represents payments made towards the purchase and installation of the Front of House Canopy in the theatre building. The works are planned to be completed in the first quarter of the next financial year.

Repairs and maintenace amounted to R4,786,585, (2024: R5,331,020)

2.2 Reconciliation of carrying value of property, plant and equipment

2.2 Reconciliation of carrying value of property, plant and equipment	Motor vehicles	Maintenance Spares	Office furniture and other equipment	Computer equipment	Stage equipment	Workshop equipment	Capitalised leased assets (land and buildings)	Capitalised leased assets (office equip, and other fixtures)	Total
	R	R	R	R		R	R	R	R
Carrying amount 1 April 2023	**827 702**	**26 755**	**3 087 409**	**1 683 306**	**30 323 018**	**96 299**	**28 647 532**	**23 550 465**	**88 242 486**
Gross carrying amount	4 395 830	26 755	14 640 267	6 827 390	76 668 941	587 954	66 807 979	71 212 214	241 167 330
Accumulated depreciation	(3 568 128)	-	(11 552 858)	(5 144 084)	(46 345 923)	(491 655)	(38 160 447)	(55 425 517)	(160 688 612)
WIP	-	-	-	-	-	-	-	7 763 768	7 763 768
Additions	-	-	143 566	152 126	126 802	-	598 124	-	1 020 618
Transfers	-	-	-	-	-	-	-	11 963 402	11 963 402
WIP	-	-	-	618 126	-	-	197 777	(5 877 400)	(5 061 497)
Depreciation	(359 050)	-	(1 225 194)	(1 353 115)	(6 739 142)	(56 271)	(3 252 784)	(6 650 005)	(19 635 561)
Disposals	**-**	**-**	**(61 387)**	**(9 740)**	**(102 404)**	**(1 476)**	**(201 085)**	**-**	**(376 092)**
Cost	-	-	(822 200)	(344 353)	(4 011 694)	(131 767)	(598 124)	-	(5 908 138)
Accumulated depreciation	-	-	760 813	334 613	3 909 290	130 291	397 039	-	5 532 046
Carrying amount 31 March 2024	**468 652**	**26 755**	**1 944 394**	**1 090 703**	**23 608 274**	**38 552**	**25 989 564**	**22 986 462**	**76 153 356**
Gross carrying amount	4 395 830	26 755	13 961 633	6 635 163	72 784 049	456 187	66 807 979	83 175 616	248 243 212
Accumulated depreciation	(3 927 178)	-	(12 017 239)	(6 162 586)	(49 175 775)	(417 635)	(41 016 192)	(62 075 522)	(174 792 127)
WIP	-	-	-	618 126	-	-	197 777	1 886 368	2 702 271
Additions	-	-	256 246	1 540 850	4 650 218	-	-	413 798	6 861 112
Transfers	-	-	-	-	-	-	372 302	854 555	1 226 857
WIP - additions	-	-	-	272 405	-	-	174 525	3 626 990	4 073 920
WIP - transfers	-	-	-	-	-	-	(372 302)	(909 315)	(1 281 617)
Depreciation	(212 408)	-	(737 849)	(573 997)	(3 718 069)	(14 577)	(2 335 823)	(6 293 416)	(13 886 139)
Disposals	**(18 210)**	**-**	**(34 871)**	**(428)**	**(629)**	**(12 543)**	**-**	**-**	**(66 681)**
Cost	(579 682)	-	(1 149 242)	(95 795)	(969 311)	(293 054)	-	-	(3 087 084)
Accumulated depreciation	561 472	-	1 114 371	95 367	968 682	280 511	-	-	3 020 403
Carrying amount 31 March 2025	**238 034**	**26 755**	**1 427 920**	**2 329 533**	**24 539 794**	**11 432**	**23 828 266**	**20 679 074**	**73 080 808**
Gross carrying amount	3 816 148	26 755	13 068 637	8 080 218	76 464 956	163 133	67 180 281	84 443 969	253 244 097
Accumulated depreciation	(3 578 114)	-	(11 640 717)	(6 641 216)	(51 925 162)	(151 701)	(43 352 015)	(68 368 938)	(185 657 863)
WIP	-	-	-	890 531	-		-	4 604 043	5 494 574

Land and buildings comprise of:

1. Rem of Portion 3 of ERF 615 of Brickfield
2. Portion 3 of ERF 10635 of Durban

The land and buildings is registered in the name of the Department of Public Works. The Playhouse Company leases the land and buildings from The Department of Public Works for no consideration. The useful life, depreciation method and residual values of assets is reassessed on an annual basis, and adjustments are processed when necessary.

Work in progress amounting to R5 494 574 represents provisional payments made for the supply and installation of the smoke detectors (R3 539 360), water tanks (R1 064 682) and digitisation (R890,531). The works are planned to be completed in the first quarter of the new financial year.

Maintenance expenditure amounted to R4,104,340 (2024 : R3,137,228) for external service providers.
Salaries for In-house maintenance staff amounted to R4,129,273 (2024 : R4,930,190).
No property, plant and equipment are pledged as security.

2.3 Intangible assets	Software	Total
	R	R
Carrying amount 1 April 2023	**617 296**	**617 296**
Gross carrying amount	2 775 661	2 775 661
Accumulated amortisation	(2 158 365)	(2 158 365)
Additions	114 625	114 625
Amortisation	(437 527)	(437 527)
Carrying amount 31 March 2024	**294 395**	**294 395**
Gross carrying amount	2 890 286	2 890 286
Accumulated amortisation	(2 595 892)	(2 595 892)
Additions	316 647	316 647
Amortisation	(230 877)	(230 877)
Disposals	**(21)**	**(21)**
Cost	(785 676)	(785 676)
Accumulated amortisation	785 655	785 655
Carrying amount 31 March 2025	**380 143**	**380 143**
Gross carrying amount	2 421 257	2 421 257
Accumulated amortisation	(2 041 114)	(2 041 114)

3. Change in estimate

	March 2025 R	March 2024 R
Change in estimate	-	-

Property, plant, equipment and intangibles

The Statement of Generally Recognised Accounting Practices (GRAP), Property Plant and Equipment, GRAP 17 states under paragraph 56 " An entity shall assess at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity shall revise the expected useful life and/or residual value accordingly. The change(s) shall be accounted for as a change in an accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors (GRAP 3)."

The Playhouse Company assesses the remaining useful life of assets at the end of each reporting date.

The depreciation charge calculated on the original useful life of the affected assets amounted to R 3 406 501. The depreciation charge based on the revised useful life of the affected assets amounted to R 865 150. The change in estimate amounts to R 2 595 451.

	Notes	March 2025 R	March 2024 R
4. Inventories			
Bar stock		168 837	93 190
Workshop		62 384	223 630
Wardrobe		(0)	93 936
General stores		167 703	171 747
TOTAL		**398 924**	**582 503**
Inventories recognised as an expense during the year:			
Bar stock		3 296	672
Workshop		110 151	-
Wardrobe		93 936	45
General stores		1 982	-
TOTAL		**209 366**	**717**

Inventory pledged as security:
There was no inventory pledged as security for the period ended 31 March 2025.

5. Trade and other receivables

	Notes	March 2025 R	March 2024 R
Trade receivables		514 817	523 092
Staff debtors		51 980	46 980
Other receivables (grant income, ticket sales, deposits and interest accrual)		3 797 708	1 041 230
		4 364 505	**1 611 302**
Less: Debtors impairment		(434 629)	(374 893)
TOTAL		**3 929 876**	**1 236 409**
Analysis of trade and other receivables for reporting purposes:			
90 days and over		435 629	381 045
60 days		53 399	46 900
30 days		24 533	88 730
Current		3 416 315	719 734
TOTAL		**3 929 876**	**1 236 409**

	Notes	March 2025 R	March 2024 R
5.1 Movement in the provision for impairment of debtors			
Balance at 1 April		**374 893**	**431 282**
Provision for debtors impairment		59 736	52 843
Unused amounts reversed		-	(109 232)
Balance at 31 March		**434 629**	**374 893**

6. Cash and cash equivalents at end of year

	Notes	March 2025 R	March 2024 R
Cash available immediately		28 696 976	49 296 015
TOTAL		**28 696 976**	**49 296 015**

R274 966 and R30 360 are pledged as security for guarantees issued by FNB on behalf of The Playhouse Company for eThekwini Municipality and The Postmaster respectively. The guarantees will expire on 31 December 2025 and will not be renewed.

7. Deferred Income

Liabilities are raised for money received from conditional grants. The revenue from these grants are deferred until such time that the conditions of the grant have been met. The grant liability decreases as the grant deferred revenue is realised.

	Notes	March 2025 R	March 2024 R
Grants - National Department of Sport, Arts and Culture			
Opening balance		16 026 168	26 295 728
Add : Amounts received		7 600 000	-
Less : Amounts utilised		(16 542 252)	(10 269 560)
		7 083 916	**16 026 168**
Disclosed as:			
Non current liabilities		857 604	16 026 168
Current liabilities		6 226 312	-
		7 083 916	**16 026 168**

8. Trade and other payables

	Notes	March 2025 R	March 2024 R
Trade payables		2 126 118	1 098 024
Other payables and accruals (creditor accruals and deposits received from clients)		3 537 814	3 384 282
Leave pay accrual		2 622 047	3 121 718
Bonus accrual		867 223	888 685
TOTAL		**9 153 202**	**8 492 709**

	Notes	March 2025 R	March 2024 R

9. Revenue from exchange transactions: Services facilities and equipment

Hire of performance venues, sets, and mobile stage		2 812 931	2 502 110
Box office income		4 240 643	2 156 345
Rent received		211 910	163 466
Bar & other sales		1 092 389	354 365
Functions		239 998	153 874
Box office commission – external productions		442 781	134 683
Gains on sale of assets		374 683	-
Sundry revenue - admin, webticket commission		446 770	25 844
TOTAL		**9 862 105**	**5 490 687**

10. Revenue from exchange transactions: Interest received

Interest - investments		2 059 449	2 652 962
Interest - current accounts		1 055 939	1 497 231
TOTAL		**3 115 388**	**4 150 193**

11. Revenue from non-exchange transactions: Grants

National Department of Sport, Arts and Culture (DSAC)		53 542 000	55 405 000
Special Capital Expenditure Grant - (DSAC)		16 542 252	10 269 560
KZN Department of Sport, Arts and Culture		5 600 000	7 000 000
TOTAL		**75 684 252**	**72 674 560**

12. Depreciation & amortisation

Depreciation of property, plant and equipment:		13 886 138	19 635 561
Motor vehicles		212 408	359 050
Office furniture and other equipment		737 849	1 225 194
Computer equipment		573 997	1 353 115
Stage equipment		3 718 069	6 739 142
Workshop equipment		14 577	56 271
Leased assets - land and buildings		2 335 823	3 252 784
Leased assets - equipment & other fixtures		6 293 415	6 650 005
Amortisation		230 877	437 527
Intangible assets		230 877	437 527
TOTAL		**14 117 015**	**20 073 088**

	Notes	March 2025 R	March 2024 R

13. Employee related costs

Salaries		26 051 448	27 158 378
Adhocs		3 284 578	3 352 235
Provident funds		3 602 055	3 702 472
Medical aid		700 400	713 298
UIF		144 293	154 012
Bonus (13th cheque)		2 104 454	2 203 218
Overtime		510 763	213 527
Leave		(373 094)	362 902
Housing subsidies		804 187	848 339
Long service awards		23 887	39 070
TOTAL		**36 852 971**	**38 747 451**

14. General Expenses

Audit fees		2 146 146	1 831 399
Bank charges		133 273	120 506
Conferences and delegations		-	42 460
Consulting fees		429 995	225 855
Consumables		703 071	635 790
Council - attendance		726 834	848 540
Council - travel		44 392	67 105
Fuel and oil		17 584	1 184 904
Health and Safety		203 133	624 987
Insurance		577 576	395 672
Legal expenses		162 266	296 649
Licence fees		646 465	493 178
Loss on sale of assets		34 294	376 092
Marketing and advertising		172 920	365 514
Other		1 426 020	516 390
Printing and stationery		304 295	322 082
IT Maintenance and support		1 372 966	1 231 973
Subscription & publication		83 220	84 853
Telephone cost		279 324	320 099
Training		106 742	265 701
Travel and subsistence - Foreign		306 182	225 777
Travel and subsistence - Local		375 406	635 641
Uniforms & overalls		278 518	312 297
Water		917 517	711 158
TOTAL		**11 448 139**	**12 134 622**

	Notes	March 2025 R	March 2024 R

15. Maintenance expenditure

	Notes	March 2025 R	March 2024 R
Buildings		8 533 318	7 600 201
Fire fighting equipment		17 430	247 466
Motor vehicles		185 774	235 720
Plant, machinery & equipment		148 103	374 384
General		6 300	10 478
TOTAL		**8 890 925**	**8 468 248**

16. Production expenditure

	Notes	March 2025 R	March 2024 R
Productions and festivals		14 239 272	14 325 963
Administrative		271 592	58 991
Airfares and accommodation		2 056 935	737 758
Artist fees		8 689 369	10 708 258
Marketing and publicity		556 464	594 319
Materials		264 667	601 364
Equipment and venue hire		1 134 198	374 187
Royalty commission and licences		555 237	68 469
Subsistence and travel		710 810	1 182 617
Outside hirers		(10 713)	(1 610)
Mobile stage		517	-
TOTAL		**14 229 076**	**14 324 353**

17. Deficit for the year

The Deficit for the 2025 & 2024 year takes into account depreciation and the recognition of the capital income in terms of GRAP 23 - Revenue from Non-Exchange Transactions Taxes and Transfers.

In terms of Para 53(3) of the Public Finance Management Act, 1999, the public entity may not budget for a deficit and may not accumulate surpluses unless written approval of The National Treasury has been obtained.

The Playhouse Company has received the approval from National Treasury to retain the accumulated surplus for the reporting period 31 March 2024.

The Playhouse Company will submit a request for approval to retain the accumulated surplus for the reporting period 31 March 2025 to National Treasury in September 2025.

18. Reconciliation of statement of changes in net assets

	Notes	March 2025 R	March 2024 R
Balance at 31 March		183 872 060	195 266 718
Made up as follows:			
GRAP 23 Government grant recognised on free use of land and building		141 900 000	141 900 000
Changes in net assets relating to operations		41 972 060	53 366 718

19. Reconciliation of cash (utilised)

	Notes	March 2025 R	March 2024 R
Deficit for the year		(11 394 658)	(23 201 736)
Adjusted for:			
Depreciation, amortisation and impairment		14 117 015	20 073 088
(Profit on disposal) Loss on disposal of property, plant and equipment		(340 389)	376 092
Interest received		(3 115 388)	(4 150 193)
Operating cash flows before working capital changes		**(733 420)**	**(6 902 749)**
Working capital changes		(10 791 647)	(10 113 036)
Decrease (Increase) in inventories		183 579	(13 123)
(Increase) in accounts receivable		(2 693 467)	(236 384)
Increase in accounts payable		660 493	406 031
(Decrease) in deferred income		(8 942 252)	(10 269 559)
CASH (UTILISED) IN OPERATIONS		**(11 525 067)**	**(17 015 784)**

20. Financial instruments

Overview
The Playhouse Company has exposure to the following risks from its use of financial instruments.
- Credit risk
- Liquidity risk
- Market risk
- Currency risk
- Interest rate risk

This note presents information about The Playhouse Company's exposure to each of the above risks, The Playhouse Company's objectives, policies and processes for measuring and managing risk, and The Playhouse Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

In terms of Treasury Regulations 27.2.1, issued in terms of the PFMA, the accounting authority (Council) must ensure that a risk assessment is conducted regularly to identify emerging risks in the entity. The Council has established the Audit and Governance Committee which is responsible for developing and monitoring The Playhouse Company's risk management policies.

The Playhouse Company's risk management policies are established to identify and analyse the risks faced by The Playhouse Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and The Playhouse Company's activities. The Playhouse Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with The Playhouse Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by The Playhouse Company. The Audit Committee is assisted in its oversight role at operations level by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

	Notes	March 2025 R	March 2024 R

20. Financial instruments (continued...)

Credit risk
Credit risk is the risk of financial loss to The Playhouse Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from The Playhouse Company's receivables from customers.

The Playhouse Company monitors its exposure to credit risk on a monthly basis by reviewing the outstanding balances and following up on payments with defaulting parties. At year end, the maximum exposure to credit risk is represented by the carrying amount of receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 March was:

Trade and other receivables (note 4)		**3 929 876**	**1 236 409**

Trade and other receivables
The Playhouse Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The composition of The Playhouse Company's customer base, including the default risk of the industry and country in which the customers operate, has less of an influence on credit risk.

The majority of other receivables and accruals relates to deposits for utilities and accrual for sponsorships.

The trade debtors comprise monies outstanding for the services as follows:
Rental - Deposits are held from tenants.
Function venue hire - Deposits are received in advance.
Ticket sales - monies are received from sales at the door or through Webticket.

The Playhouse Company policy is to monitor its exposure to credit risk on a monthly basis. At year end, the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

The calculation for the fair valuing of trade and other receivables is performed, however, the adjustment has not been processed as the adjustment amount is was not material.

Analysis of trade and other receivables for reporting purposes:

90 days and over		435 629	381 045
60 days		53 399	46 900
30 days		24 533	88 730
Current		3 416 315	719 734
		3 929 876	**1 236 409**

Investments
The Playhouse Company limits its exposure to credit risk by investing only in liquid securities and only with approved banks and financial institutions.

Guarantees
The Playhouse Company's policy is to provide financial guarantees only for specified services.
The guarantees in issue were as follows:
eThekwini municipality for services - R274 966
The Postmaster for services - R30,360

The guarantees will expire on 31 December 2025 and will not be renewed.

	Notes	March 2025 R	March 2024 R

Liquidity risk
Liquidity risk is the risk that The Playhouse Company will not be able to meet its financial obligations as they fall due. The Playhouse Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to The Playhouse Company's reputation.

The Playhouse Company makes payments weekly. An assessment is made of the payments due in advance. Monies are transferred to the current bank account to meet the weekly obligations. Any surpluses are invested on a month to month basis at the most optimum interest rate. It is the policy of The Playhouse Company, in line with the National Department of Sport, Arts and Culture not to borrow monies. There are thus no credit facilities available.

The cash available at 31 March 2025 was R28 696 976 (2024 - R49 296 015).

The only risks the entity faces is the payment of short-term liabilities that come through suppliers of goods and services and staff leave pay and bonus accruals which is mitigated by the preparation of a budget annually and the monitoring of expenditure on a quarterly basis to determine if there is a possibility of no cash available to pay suppliers and staff. The table below is commitments to be fulfilled by the entity:

Payables from exchange transactions

Payable within 1 year		**9,153,202**	**8,492,709**

Market risk
Market risk is the risk that changes in market prices, such as the interest rates will affect The Playhouse Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

The Playhouse Company policy, in line with the National Department of Sport, Arts and Culture is to invest surplus cash. Optimal rates and investment periods are received from various banking institutions. A proposal is made and approved by senior management.

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Playhouse Company is exposed to foreign exchange risk through its import of capital equipment. The currency in which these transactions are primarily denominated is EUR. The Playhouse Company's risk management policy is not to take out forward exchange contracts.

Interest rate risk
It is the policy of The Playhouse Company, in line with the National Department of Sport, Arts and Culture not to borrow monies. There are thus no credit facilities available. There is thus no risk relating to changes in the interest rate.

At 31 March 2025, the carrying amounts of cash and cash equivalents, trade receivables and trade and other payables approximate their fair values due to their short term maturities. Trade receivables and payables will mature within 30 to 60 days.

Sensitivity analysis
Market risk (Interest rate risk) is presented by way of a sensitivity analysis. This illustrates the effect of changes in the market on the interest income. The sensitivity analysis is based on the assumption that changes in the market will affect the interest income. One percentage movement in the effective interest rate would have the following effect on the net income for the year:

The cash available at 31 March 2025 was R28 696 976 (2024 - R49 296 015).

At 31 March 2025, if interest rates at that date had been 100 basis points higher or lower, with all other variables held constant, profits would have increased or decreased by R286 970.

Fair values
The fair values of financial assets and liabilities are the same as the carrying values reflected in the balance sheet.

21. Tax exemption

The Playhouse Company is exempt from taxation in terms Section 10 (1)(cA)(I) of the Income Tax Act.

	Notes	March 2025 R	March 2024 R

22. Key management and council

Key management			
L Bukhosini - (Chief executive and artistic director)		**2 878 959**	**2 716 418**
Salary		2 282 567	2 153 365
Bonus		190 214	179 447
Pension, med-aid contributions		376 623	355 305
Other (s&t, cell phone allowance, etc.)		29 555	28 300
A Mohanparasadh - (Chief financial officer)		**2 175 327**	**1 975 471**
Salary		1 768 069	1 667 989
Bonus		147 339	138 999
Pension, Med-aid Contributions		20 111	19 021
Other (s&t, cell phone allowance)		239 808	149 462
S Bilimonga - (Facilities manager) - April - Oct 2023		**-**	**1 356 445**
Salary		-	619 772
Bonus		-	141 916
Pension, med-aid contributions		-	122 827
Other (s&t, cell phone allowance, leave pay, etc.)		-	471 930
S Moodley - April - Sept 2024 (Acting Facilities manager)		**488 077**	**612 493**
Salary		467 979	551 989
Other (s&t, cell phone allowance, leave pay, etc)		20 098	60 504
TOTAL SENIOR MANAGERS		**5 542 363**	**6 660 826**
Members of council and subcommittees		**685 298**	**804 339**
K Kunene - Chairperson of council		126 631	160 205
DL Ngema - Deputy Chair of council****		-	75 387
TC Mngadi		69 683	69 253
L Gopaul		18 475	-
R Govender		59 512	54 099
SE Dlamini****		73 470	86 030
SPT Dlamini**		-	44 575
F Dantile		59 458	54 019
IS Mkhize***		-	32 310
MJ Ndlovu*		43 168	37 772
Z Koyana*		69 844	49 712
K Meiring****		-	10 770
S Simelane****		-	10 770
T Mandisa		10 917	-
T Jimana		11 868	-
BW Ngubane*		142 272	119 438
TOTAL EMOLUMENTS		**6 227 661**	**7 465 165**

* External independent non executive member of the audit and governance committee / **Term ended on 8th December 2023/
*** Member passed on in December 2023 / ˣ Employee of the state / ****Term ended on 8th December 2024

	Notes	March 2025 R	March 2024 R

23. Retirement benefits

Permanent employees participate in pension and provident funds established for the Performing Arts Companies of South Africa or a Provident Fund established by South African Commercial Catering and Allied Workers Union. The Pension and Provident Funds are governed by the Pensions Fund Act. The Provident Funds are defined contribution plans and do not require periodic actuarial valuations.

The contribution to the provident funds R3,602,055 (2024: 3,702,472) and is included in staff cost.

24. Related parties

24.1 National Department of Sport, Arts and Culture.
The Playhouse Company is an agency of The National Department of Sport, Arts & Culture. DSAC provides The Playhouse Company with an operational grant and funding for capital projects. DSAC provides production funding on an ad hoc basis as and when funding applications are made which is then recognised as sponsorship income.

Operational grants received for the financial year amounted to R53,542,000 (2024: R55,405,000) and for the year ending 2025/26 will amount to R54,893,000.

Facilities management grant of R7,600,000 (2024: R0) was received for the financial year, is recorded as deferred income. R4,459,563 will be received for 2025/26.

An amount of R1,500,000 (2024: R1,500,000) was recorded as sponsorship for the incubator projects. An amount of R1,500,000 was recorded as sponsorship for the production concluded in terms of an interdepartmental agreement in 2023.

24.2 KZN Department of Sport, Arts and Culture
KZNDSAC provides production funding to The Playhouse Company on an annual basis. A memorandum of agreement is entered into annually.

Grant received recognised as per the MOA for the financial year amounted to R 5,600,000 (2024: R 7,000,000) and for the year ended 2025/26 no grant allocation letter was received. An amount of R2 800 000 was outstanding at year end and included in accounts receivables.

24.3 Department of Public Works
The Department of Public Works is the legal owner of land and buildings occupied by The Playhouse Company through the National Department of Sport, Arts & Culture. The Department of Public Works pays the rates for the buildings occupied by The Playhouse Company. The Playhouse Company leases the property at no charge. The Department paid for rates for the year as follows: R7,445,054 (2024: R6,948,280).

24.4 Member of the same economic entity: Department of Sport, Arts and Culture
The Playhouse Company is a Schedule 3A public entity that reports to the Department of Sport, Arts and Culture (DSAC). DSAC has 26 public entities reporting to it and their details appear on the DSAC website (www.dac.gov.za).

24.5 Kwazulu Natal Philharmonic Orchestra - KZNPO
On 1 April 1998, The Playhouse Company reduced its operational size in line with the principles contained in the Department of Arts, Culture, Science & Technology White Paper. The restructuring exercise was driven by two main objectives: to eliminate the budgeted deficit and to implement strategies to avoid future deficit scenarios. The KZNPO was one of the artistic companies of the Playhouse Company during this period. One of the ways of reducing the expenditure was by registering the KZNPO as a non-profit independent Section 21 Association Not for Gain Entity. As a result of this transformation, the two organisations agreed to enter into a mutual benefit relationship.

A Memorandum of Agreement exists between The Playhouse Company and KZNPO. This agreement included the following:

a) Occupying a portion of The Playhouse Company's administration building.
b) As part of the restructuring process in 1999 assets (orchestral equipment, scripts and scores with an original cost of R328 739 were transferred to the KZNPO at a nil value.

The Playhouse Company engaged the services of KZNPO for various productions in a professional and mutually beneficial relations for the delivery of services according to the mandate of each institution.

	Notes	March 2025 R	March 2024 R

24. Related parties *(CONTINUED...)*

Payments by The Playhouse Company to KZNPO for artistic services		936 723	1 981 742
Payments by KZNPO to The Playhouse Company		610 963	696 260

The KZNPO is the only professional orchestra in Kwa-Zulu Natal to render such services. It is cost effective to utilise a locally established entity thus eliminating unnecessary exorbitant transport and accommodation costs. The Chief Executive Officer of the KZNPO was married to the Chief Executive Officer of The Playhouse Company.

24.6 Council
The Council was appointed by the Minister of Arts and Culture to oversee and ensure good corporate governance. Council has various subcommittees such as Arts and Fundraising, Finance, Audit and Governance, Human Resources and Remuneration Committees that guide and assist management which is appointed by Council. Refer note 22 - compensation.

24.7 Key personnel
Chief executive and artistic director - Linda Bukhosini
Chief financial officer - Amar Mohanparasadh
Facilities Manager - Sudashen Moodley - terminated in October 2024
Refer note 22 - Compensation

25. Subsequent events

There were no significant events that occurred between balance sheet date and date of this report.

26. Irregular, fruitless or wasteful expenditure

Irregular expenditure		7 909 142	-

Error in applying the requirement of the Preferential Procurement Regulations 2022 (PPR2022) R3 167 542.
We note that there was an error in applying the requirement of the Preferential Procurement Regulations 2022 (PPR2022). The request for quotations did not include the specific goals in the invitation to submit the price quotations for which specific goals points were awarded. The entity correctly evaluated all price quotations below R1 million using the 80/20 preference points system as detailed in the entity's Procurement for Goods and Services Policy and Procedure: 80 points was awarded for price and 20 points was awarded for Black Ownership.

The entity did not suffer financial loss as a result of the error which resulted in irregular expenditure.
The error which resulted in irregular expenditure does not relate to any criminal conduct.

Non-compliance with the budget framework.
Overspending on budget -R4 741 600.
The total approved budget for the year was not exceeded. The entity has however overspent on individual expense line items of electricity and repairs and maintenance that are included in the total budget. The entity received additional grant funds for electricity and repairs and maintenance after the budget adjustment period in September 2024 and the budget could thus not be amended for the additional grant funds received.

27. Services in-kind

The Company received services in-kind that were significant to the company's operations and/or service delivery objectives. Services in-kind related to rates and taxes paid by the Department of Public Works KZN have been recognised in the annual financial statements.

Rates and taxes paid by the Department of Public Works KZN		**7 445 054**	**6 948 280**

	Notes	March 2025 R	March 2024 R

28. Commitments

At the balance sheet date The Playhouse Company had the following outstanding capital\service commitments:

Fire detection - tender awarded		4 483 105	
Fire detection - capital commitments outstanding at year-end		1 047 246	
Head office cladding - tender awarded		1 803 393	
Head office cladding - capital commitments outstanding at year-end		399 909	
Water tanks - tender awarded		1 358 157	
Water tanks - capital commitments outstanding at year-end		434 991	
FOH canopy - tender awarded		1 679 170	
FOH canopy - capital commitments outstanding at year-end		449 145	

29. 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.

The Playhouse Company submitted the applications timeously in the prior years and National Treasury always granted approval to the entity to retain the surplus funds.

30. Reconciliation between budget and statement of financial performance

Net deficit per the statement of financial performance		(11 394 658)	(23 201 736)
Adjusted for:			
Increase in capital works grant from DSAC		(16 542 252)	(10 269 560)
Increase in grant received		(1 000 000)	(0)
Increase in sponsorship for the staging of productions		-	(19 000)
Increase in production income		(661 390)	(1 017 776)
Increase in liquor bar and sundry income		(1 555 225)	(167 522)
Decrease in finance income		334 613	449 807
(Decrease)Increase in production expenditure		(870 924)	78 716
(Decrease)Increase in compensation to employees as certain positions not filled		(1 333 371)	101 253
Increase in consumables, electricity and cleaning		1 270 723	48 921
Increase in council expenses		249 254	114 219
Increase in telephone expenses		94 765	110 334
Increase (Decrease) in repairs and maintenance		3 519 794	(5 485 372)
Increase(Decrease) in other operating expenses		2 125 845	(2 052 277)
Depreciation		14 117 015	20 073 088
Capital expenditure budgeted but not processed to statement of financial performance		(17 971 327)	(22 879 568)
Net deficit per approved budget (including capex)		**(29 617 138)**	**(44 116 473)**

30.1 Reconciliation between budget and statement of financial performance - operating expenditure

Statement of Financial Performance - Actual vs. Budget	2025 Actual R	2025 Original Budget R	2025 Amended Budget R	2025 Variance R	2025 Variance R	Explanation of significant variance
REVENUE	**94 491 413**	**57 915 367**	**67 287 491**	**27 203 921**		
Grants	75 684 252	52 542 000	58 142 000	17 542 253	30%	The capital grant and facilities management grant utilised in the current year have been recognised in terms of GRAP 23 from deferred income. The capital grant and facilities management grant was transferred from deferred income to the statement of financial performance. DSAC awarded an additional one million rand towards the operational expenses during the year. The second tranche grant income of R2.6 million from the KwaZulu Natal Department of Sport, Arts and Culture has been recognised as income as per the memorandum of agreement however the funds were not received at year end. The grant receivable has been included in trade debtors.
Production income	4 240 643	1 914 076	3 862 395	378 248	10%	The notable increase in production income is attributed to the unexpected staging of My Fair Lady. Although this production was not originally included in the approved 2024–2025 Arts Programme, a valuable opportunity emerged during the financial year for the Entity to collaborate with Pieter Toerien Productions and Cape Town Opera. The partnership resulted in a highly successful run, with all performances sold out and an additional show added due to public demand. Furthermore, the Entity generated supplementary income through the sale of obsolete costumes to the Associates. The production's commercial success significantly contributed to the overall increase in production revenue.
Donations and sponsorships	1 500 000	1 500 000	1 500 000	-	0%	N/A
Rent received	211 910	205 921	229 633	(17 722)	-8%	One tenant vacated the premises during the year and this resulted in a decrease in revenue.
Hire of performance venues, costumes and sets	2 812 931	1 548 301	2 529 790	283 141	11%	There was a significant increase in demand from external hirers throughout the year. As this demand is highly variable and dependent on market conditions, it is not feasible to forecast with precision during the budgeting process. Nevertheless, this unanticipated uptake in venue usage has positively impacted the Entity's income, contributing to a favourable variance in revenue.
Box office commission - external productions	442 781	50 000	325 000	117 781	36%	Box Office Commission revenue exceeded budgeted projections due to higher-than-anticipated ticket sales generated by external hirers. The increased volume of ticketed events led to a corresponding rise in commission income, resulting in a positive variance.
Bar and other sales	1 092 389	112 500	467 166	625 223	100%	Bar sales for the year exceeded . This favourable outcome was driven primarily by a particularly busy Christmas Season, as well as the successful reopening of the bar in 2024. These factors contributed to increased patronage and higher overall sales.
Services in kind	7 445 054			7 445 054	100%	Services in kind as disclosed in note 25.
Sundry income	1 061 451	42 568	231 507	829 943	358%	The additional revue was generated for the sale of motor vehicles, equipment, machinery, costumes and props that are no longer used by the entity
EXPENDITURE	**109 001 458**	**68 000 136**	**82 383 301**	**26 618 158**		
Production expenditure	14 229 076	5 500 000	15 100 000	(870 924)	-6%	**"Okwethu Community Arts Festival -** A lower-than-anticipated number of artists were ultimately able to participate in the Festival. This reduction in participation resulted in decreased expenditure on logistical costs. **Revised Marketing Strategy -** The initial marketing approach was revised in favour of a more cost-effective strategy that prioritized social media platforms. This shift not only reduced marketing expenses but also extended the Festival's reach and engagement within the target audience. **Cancellation of Lead Artist – Maskande Concert** - The lead artist scheduled to headline the Maskande Concert withdrew shortly before the event due to fatigue and overlapping professional commitments. This unforeseen change led to additional savings in performance and production related fees"
Employee related costs	36 852 971	40 205 837	38 186 342	(1 333 371)	-3%	N/A
Annual report	31 625	27 820	27 820	3 805	14%	The reported over expenditure relate to the printing of the Annual Report. A comprehensive request for quotations was issued; however, all proposals received exceeded the allocated budget. This variance arose from unforeseen market pricing, which could not have been anticipated by Management at the time of budgeting.
Auditors fees external	1 642 813	1 000 000	1 230 670	412 144	33%	The auditor general starts the audit planning cycle in May annually. However for the current year, the auditor general started the preliminary audit work in March 2025. This contributed to the budget for the current year being exceeded.
Auditors fees internal	503 333	622 100	700 000	(196 666)	-28%	Some internal audit work was completed in the new financial year and will be paid accordingly. Quarter 4 Audit of Performance Information and review of Annual Financial Statements will be conducted after financial year end. Asset Management review was moved to the next review cycle. The budget for ad-hoc review was not utilised in the year.
Council related expenses	771 090	912 614	521 836	249 254	48%	Costs were incurred for unplanned additional Council meeting to deal with critical company matters
Cleaning and sanitation	3 657 914	2 709 668	2 695 216	962 698	36%	At the time of budgeting, the costs were provided for as per the new tender award values. This did not include overtime costs. Costs were incurred for overtime for clean up after productions completed iro outside hirers and additional costs were paid for the Mayville clean up.
Consumables	688 281	845 936	639 364	48 917	8%	Consumable costs increased due to additional replacements arising from increased usage of the theatre venues.
Electricity	7 346 733	5 097 323	6 124 927	1 221 806	20%	Electricity costs were based on the prior year actual trading results. There was however increased demand from outside hirers that necessitated more use of the theatres. As a result there was increased usage of aircon and electrical items that consumed more electricity thus contributing to the higher costs
Security	4 672 545	4 240 000	4 240 000	432 544	10%	At the time of budgeting, the costs were provided for as per the new tender award values. This did not include the costs for additional guards used during productions. Additional security guards were employed to cater for safety of patrons who attended the productions.
Insurance	577 576	518 237	518 237	59 339	11%	Additional assets were added to the insurance policy during the year and this contributed to the additional cost.
Legal expenses	162 266	50 000	254 012	(91 746)	-36%	At the time of making the adjustment budget it was envisaged that higher legal costs will be incurred pertaining to staff litigation matters. However, there has been a delay on the side of the CCMA in allocating conciliation dates and thus there are savings arising from decreased use of attorneys during the year.
MARKETING	165 283	200 000	200 000	(34 716)	-17%	Marketing expenses were lower than budgeted due to a strategic shift in the Entity's marketing approach for the 2024-25 financial year. The focus was redirected toward cost-effective marketing channels. These channels include social media advertising and publicity through editorial coverage in newspapers and on radio. This approach allowed the Entity to maintain strong audience engagement while significantly reducing costs. The outcome demonstrates that effective marketing can be achieved through innovative, budget-conscious strategies without compromising reach or impact.
Rates & taxes	7 445 054	-	-	7 445 054	100%	Services in kind as disclosed in note 25.
Repairs & maintenance	8 890 925	125 180	5 371 131	3 519 794	66%	DSAC did not grant a budget for R&M for 2024/25 financial year. No budget was thus provided for R&M. In March 2024 DSAC approved the reprioritization of R4.6m towards R&M from savings in other projects. Spending was fast tracked to ensure that Capital funding is not rescinded due to slow pace of spending. DSAC awarded an additional R7.6m in October 2024 for R&M and spending was fast tracked resulting in additional spending. The budget could not be adjusted for the R7.6m as it was received in November 2024.
Telephone	279 324	280 240	184 559	94 765	51%	The budget was reduced by R99000 in September 2024 however actual spending in the latter 6 months exceeded the projections
Training	106 742	270 000	159 813	(53 071)	-33%	The SCM processes resulted din cost savings on some of the courses attended and thus the savings realised
Travel - local and overseas	480 376	581 291	608 184	(127 808)	-21%	Cost savings were realised from making bookings in advance and following the National Treasury National Travel Guidelines
Water	917 517	663 159	640 573	276 944	43%	The budget was set low based on prior years spending. However with increased productions and outside hirers, water costs increased due to increased usage of ablution facilities
Depreciation	14 117 015	-	-	14 117 015	100%	Non cash flow item not budgeted for annually.
General expenses	5 462 998	4 150 730	4 980 617	482 381	10%	The entity cannot accurately project for outside hirers. The demand from outside hirers exceeded expectation and this resulted in additional revenue. The increase patronage contributed to increased bar sales takings. This had a ripple effect on liquor stock purchases and this contributed to the additional purchase of liquor stock and refreshments.
Deficit from operations	**(14 510 045)**	**(10 084 770)**	**(15 095 811)**	**585 764**		
Interest received	3 115 388	2 000 000	3 450 000	(334 613)	-10%	Interest was projected on a higher bank balance but that has reduced during the year as a result of accelerated spending plans in place. Thus, the interest earned on funds invested decreased as a result of a decrease in the funds invested with the respective banks.
Deficit for the year	**(11 394 658)**	**(8 084 769)**	**(11 645 811)**	**251 151**		

Changes from the approved budget to the final budget. The changes between the approved and final budget are a consequence of roll overs and reallocations within the approved budget parameters.

30.2 Reconciliation between budget and statement of financial performance - capital expenditure

Fixed Asset Additions - Actual vs. Budget	2025 Actual R	2025 Original Budget R	2025 Amended Budget R	2025 Variance R	2025 Variance R	Explanation of significant variance
Office equipment	256 246	150 000	150 000	106 246	71%	The budget was exceeded as a result of unplanned replacement of air conditioners that stopped working and could not be repaired. Costs were also incurred to buy new office equipment as a result of reallocating the staff from one floor in the building to another to ensure that all the staff were housed in one place and under the supervision of the manager.
Computer equipment	2 129 902	225 000	2 039 874	90 028	4%	N/a
Stage equipment	4 650 218	200 000	5 200 000	(549 782)	-11%	The obsolete sound equipment was finalised in January 2025. Savings were realised following the advertised open tender processes.
Buildings	5 560 086	4 500 000	10 581 453	(5 021 366)	-47%	**Fire detection system:** Work awarded to the contractor in February 2024 and is in progress. Work is envisaged to be completed by the first quarter of 2025. **Water tanks:** The water tanks were installed. The new water pressure boosters and additional water pump will be installed in the first quarter of 2025 after which the installation will be commissioned. **Front of House Canopy:** The tender was awarded in October 2024. Offsite fabrication work was done in November and December 2024. The onsite installation commenced in February. There were delays due to the rains. Work will be completed by the first quarter of 2025.
Total	**12 596 452**	**5 075 000**	**17 971 327**	**(5 374 875)**	**-30%**	

Changes from the approved budget to the final budget were due to capital budget roll overs 'and new capital funding received from DSAC.

The Sleeping Beauty

The Playhouse Company

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