



ANNUAL REPORT

2021-22



national film and video foundation
SOUTH AFRICA
an agency of the Department of Sport, Arts and Culture



#BeyondProduction

NATIONAL FILM AND
VIDEO FOUNDATION
2021-22
ANNUAL REPORT



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CONTENTS

PART A

GENERAL INFORMATION4

1. GENERAL INFORMATION5
2. ABBREVIATIONS / ACCRONYMS.....5
3. FOREWORD BY THE CHAIRPERSON7
4. CHIEF EXECUTIVE OFFICER'S OVERVIEW9
5. STATEMENT OF RESPONSIBILITY AND
CONFIRMATION OF ACCURACY FOR
THE ANNUAL REPORT14
6. STRATEGIC OVERVIEW.....15
7. LEGISLATIVE AND OTHER MANDATES.....16
8. ORGANISATIONAL STRUCTURE17

PART B

PERFORMANCE INFORMATION.....18

1. STATEMENT OF RESPONSIBILITY FOR
PERFORMANCE INFORMATION19
2. AUDITOR'S REPORT: PREDETERMINED
OBJECTIVES.....19

3. SITUATIONAL ANALYSIS20

4. PERFORMANCE INFORMATION BY
PROGRAMME.....22

PART C

GOVERNANCE56

1. INTRODUCTION57
2. EXECUTIVE AUTHORITY57
3. THE ACCOUNTING AUTHORITY57
4. RISK MANAGEMENT.....59
5. INTERNAL CONTROL59
6. INTERNAL AUDIT AND AUDIT
COMMITTEES.....59
7. FRAUD AND CORRUPTION61
8. MINIMISING CONFLICT OF INTEREST.....61
9. CODE OF CONDUCT.....61
10. HEALTH, SAFETY AND
ENVIRONMENTAL ISSUES61

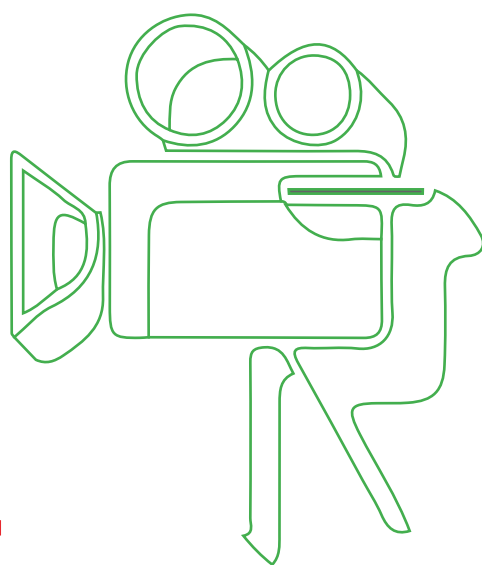
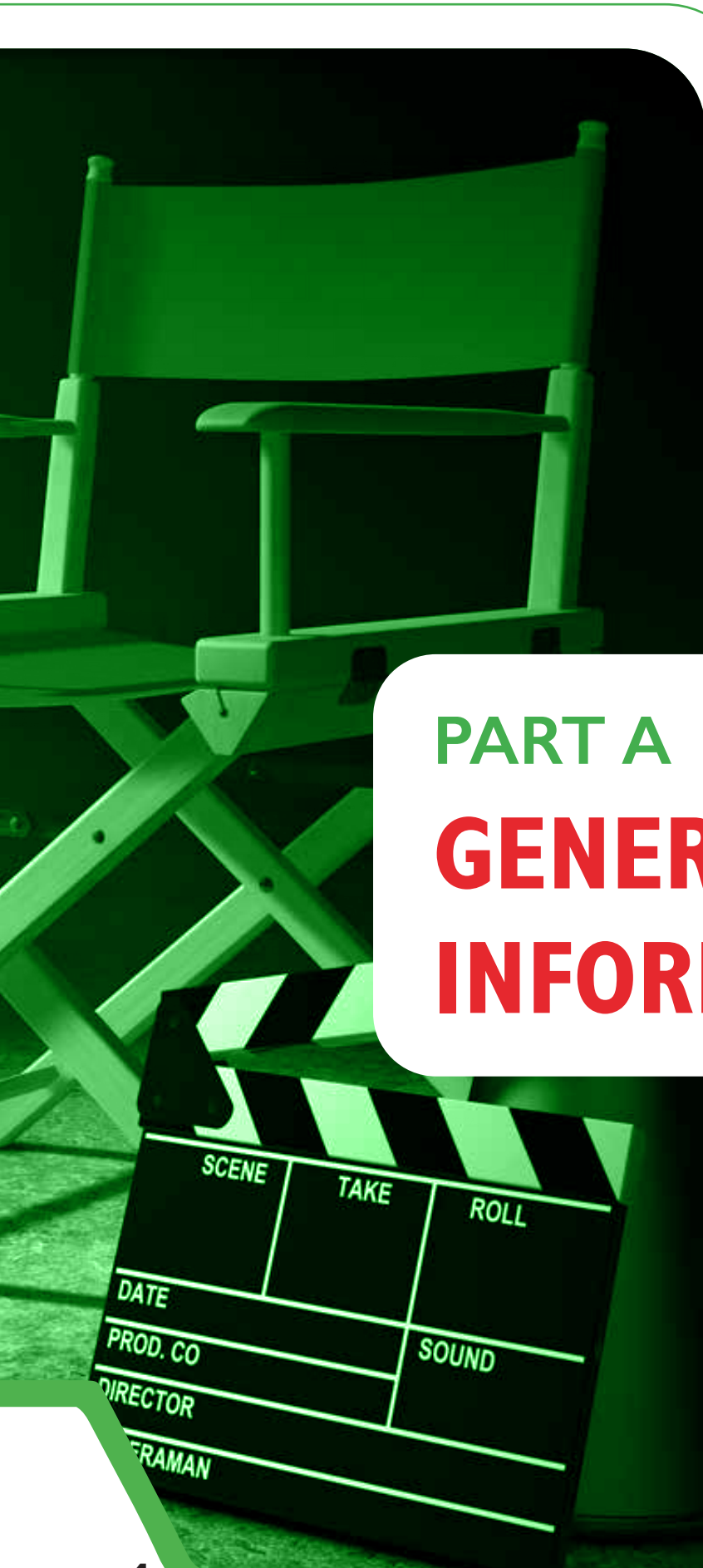
11.	COMPANY SECRETARY	61
12.	AUDIT COMMITTEE REPORT.....	62
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION	63

PART D
HUMAN RESOURCE MANAGEMENT64

1.	INTRODUCTION.....	65
2.	HUMAN RESOURCE OVERSIGHT STATISTICS.....	67

PART E
FINANCIAL INFORMATION70





PART A

GENERAL INFORMATION

I. GENERAL INFORMATION

REGISTERED NAME:	National Film and Video Foundation
REGISTRATION NUMBER (if applicable):	Act 73 of 1997
PHYSICAL ADDRESS:	87 Central Street Houghton 2198
POSTAL ADDRESS:	Private Bag X04 Northlands 2116
TELEPHONE NUMBER/S:	+27 11 483 0880
FAX NUMBER:	+27 11 483 0881
EMAIL ADDRESS:	info@nfvf.co.za
WEBSITE ADDRESS:	www.nfvf.co.za
EXTERNAL AUDITORS:	Auditor-General
BANKERS:	First National Bank
COMPANY/ BOARD SECRETARY:	Ms. Prudence Swart ACG (SA)

2. ABBREVIATIONS // ACRONYMS

AGSA	Auditor-General of South Africa	IDC	Industrial Development Corporation
B-BBEE	Broad-Based Black Economic Empowerment	GFC	Gauteng Film Commission
BO	Box Office	GRAP	Generally Recognised Accounting Practice
CEO	Chief Executive Officer	KZNFC	KwaZulu-Natal Film Commission
CFO	Chief Financial Officer	PDI	Previously Disadvantaged Individual
DSAC	Department of Sports, Arts and Culture	PFMA	Public Finance Management Act
DFO	Durban Film Office	SA	South Africa
DIFF	Durban International Film Festival	SAFTA's	South African Film and Television Awards
DTI	Department of Trade and Industry	SCM	Supply Chain Management
ECPACC	Eastern Cape Provincial Arts and Culture Council	TR	Treasury Regulations
		TVET	Technical Vocational Education Training



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The NFVF will continue to contribute constructively to policy and legislative matters, and we look forward to engaging the industry through meaningful and productive dialogue. Support for women, youth, and people living with disabilities will be enhanced to ensure they are included in key programmes.

INTRODUCTION

As the world starts returning to a semblance of normality, it gives me pleasure to present the Annual Report of the National Film and Video Foundation (NFVF) for the 2021/22 financial year. In the 2020/21 financial year as the new NFVF Council, we began our term with a challenging journey.

During these trying times, the NFVF continues to support the film industry and ensure it stays afloat. The NFVF drew from existing partnerships to find effective and efficient ways to respond to challenges brought by the COVID-19 pandemic. Continuous knowledge sharing and problem-solving engagements were initiated with key partners and stakeholders.

NFVF MANDATE

During the year under review, the NFVF continued to successfully fulfil its mandate as set out in section 3 of the NFVF Act. This includes the promotion and development of the audio-visual industry, providing and encouraging the provision of opportunities for persons, especially from disadvantaged communities, to get involved in the film industry, encouraging the development and distribution of local film and video products, as well as supporting the nurturing and development of access to the film and video industry.

It must be highlighted, however, that the NFVF funding alone is inadequate, and the industry as a whole relies on collective funding through other institutions including the Department of Trade, Industry and Competition (DTIC), Industrial Development Corporation (IDC), National Empowerment Fund (NEF), Provincial Film Commissions and film offices throughout the country. The NFVF will continue to facilitate dialogue with all these relevant stakeholders and partners to ensure that the industry is supported.

PRESIDENTIAL ECONOMIC STIMULUS PROGRAMME (PESP)

The Presidency introduced an employment stimulus programme for the sector, and the NFVF was one of the vehicles used to disburse the funds. As the new Council, we joined the management team in the middle of the PESP rollout. I am very proud that as Council, we provided strategic leadership to ensure the outcomes envisioned by our shareholder, the Department of Sport, Arts and Culture (DSAC), were achieved.

VISION 2030

In my previous foreword for the 2020/21 financial year, I indicated that the NFVF executive and the Council would conduct a mid-year strategic review of the NFVF programmes and determine how the NFVF responds to the challenges facing the film industry. Indeed, the strategic session took place in October 2021, and the NFVF adopted vision 2030, which will see a significant shift in how the NFVF conducts its day-to-day strategic operations and carries out its mandate.

This will be a long-term plan to revive and assist the industry in growing exponentially. At the heart of Vision 2030 is the organisation's ability to update its funding policy to enable emerging content creators to grow in the industry and one that will provide agile funding for both commercial and artistic endeavours. Forming the right local and international partnerships is key to the success of the re-imagined NFVF, with a key focus on quality content development.

GOVERNANCE

The Council remains steadfast in its duty to support the film industry through effective governance, compliance, monitoring, and evaluation of projects.

3. FOREWORD BY THE CHAIRPERSON

The Council upholds its responsibility for applying the principles of effective good governance and ensuring that it is practised consistently throughout the organisation. The Council discharges this role through its charters and committees based on a corporate governance framework, including the NFVF Act, PFMA, Treasury Regulations and sound governance principles. These are further aligned with and responsive to the organisation's strategic risks, which are reviewed on an ongoing basis.

THE YEAR AHEAD

As done in the previous years, the NFVF will continue to contribute constructively to policy and legislative matters, and we look forward to engaging the industry through meaningful and productive dialogue. Support for women, youth, and people living with disabilities will be enhanced to ensure they are included in key programmes.

ACKNOWLEDGEMENT

We are grateful to our shareholder and political principal, Minister Nathi Mthethwa, for his trust and support. Also, as the Council, we thank the Director-General and his team for their efforts and unwavering support and guidance. We furthermore thank the NFVF CEO, Makhosazana Khanyile and her team, for keeping the organisation running and fulfilling its obligations.



Ms. Tholoana Ncheke
NFVF: Chairperson





national film and video foundation
SOUTH AFRICA
an agency of the Department of Sport, Arts and Culture

In ensuring the industry's equitable growth, the NFVF ensures that this is reflected in interventions that promote gender equity in the sector. The importance of promoting gender equity is most pronounced in interventions that address Gender-Based Violence (GBV) of any shape or form towards anyone, especially vulnerable groups such as women, children, the LGBTQIA++ community, and the elderly, among others.

INTRODUCTION

The past two years have forced entire industries to re-evaluate how they have always operated and innovate to keep up with a world that has been impacted by COVID-19. The National Film and Video Foundation (NFVF) has not been exempted from this impact, however, resilience has been the order of the day to ensure that we continue being of service to the industry.

COVID-19 DISRUPTION

Whilst the government has continued its dedication to the management of COVID-19, and where possible reduce the impact on people's lives and livelihoods, there is a recognition that in our specific sector, the lasting impact of the pandemic has disrupted distribution methods, exhibitions, film financing as well as insurance. The NFVF has always availed itself, where possible, to assist the industry in coming up with solutions and we solidify the commitment to finding solutions jointly.

Even with numerous challenges, the NFVF was able to power through in this financial year and deliver, with aplomb, both the Presidential Employment Stimulus Programme (PESP) as well as a stellar performance on our Annual Performance Plan, with only one target missed. This is an ideal time to reflect on the work done by the NFVF team, who despite challenges, personal losses, and hectic work schedules, showed up and stayed true to their commitment to the industry's growth.

NFVF'S AUDITOR GENERAL AUDIT OUTCOME

The 2020/21 financial year audit process by the Auditor-General South Africa (AGSA) led to an audit qualification on the annual financial statements. Management put

measures in place during the 2021/22 financial year to address all the internal control weaknesses which led to the audit qualification. The measures put in place included reviewing the grant schedule to address the weaknesses of duplicate and expired contracts which affected the provisions balances which were reported to be inaccurate and incomplete. We further requested our Internal Auditors to review the annual financial statements and the supporting schedules prior to submission to National Treasury. We are now happy to report that the efforts put in place by management through the oversight of the Audit and Risk Committee and Council turned the tide which led to the NFVF achieving an "Unqualified Audit Opinion".

Management is going to put more efforts in strengthening the internal controls and the risk management processes to ensure that the unqualified opinion received for the 2021/22 audit report is sustained.

SUPPLY CHAIN MANAGEMENT AND GOOD GOVERNANCE

The NFVF recognises the significance of good governance in the public sector, which is crucial for effective public services and improved social outcomes. The NFVF is committed to ensuring good governance throughout the organisation by observing the principles of the King IV Report and working within the parameters of the public sector legislation. During the year under review, the NFVF ensured the following:

- Financial compliance with the NFVF Act, the Public Finance Management Act (PFMA) as well as financial and legal compliance with other statutory bodies e.g. SARS.
- Efficient NFVF office that successfully meets and responds to the needs of its various stakeholders.
- An administration system that ensured productivity and quality service delivery to filmmakers, shareholders, and other relevant partners.

MS MAKHOSAZANA KHANYILE

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

ECONOMIC IMPACT ASSESSMENT RESEARCH

Central to our mandate of ensuring equitable growth is the ability of the organisation to provide market-relevant insights that ensure informed decision-making. The Economic Impact Assessment study provided a crucial update from the 2017 study, as a means to quantify the devastating effects of the Covid-19 pandemic on the industry.

The results of the research were shared with the industry and beyond and will enable the NFVF to provide relevant public and private stakeholders with valuable insights into the socio-economic value of the South African film industry and influence public sector policy for the benefit of the industry.

The key results from the economic impact assessment highlight that:

- The COVID-19 pandemic had a destructive impact on the film industry, with the contribution of the industry to the South African economy contracting substantially by 59% in 2020/21 compared to 2019/20.
- In total, the direct, indirect, and induced economic impact of the film industry on the South African economy has been estimated at R7.2 billion in 2019/20, declining to R2.9 billion in 2020/21 due to the impact of COVID-19.
- The total number of full-time equivalent jobs created or sustained by the activities of the film industry was approximately 31 444 in 2019/20, before falling to 12 775 in 2020/21.
- Annualised income derived by employees as a direct, indirect, or induced impact of the film industry amounted to R218 million in 2019/20, declining to R88 million in 2020/21.



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LIBRARY GARDENS NU METRO
JULY 02 JULY 02

DAMBUWO TV PRESENTS
PRODUCTION A FILM BY SHADIE MPHAPHULI NTSAKO NGOBENI AWANDA NTLONZE "SO
OMAS MASEKO PRODUCTION DESIGNER INNOCIA MAAKE PRODUCTION MANAGER
RAESETJA TSHIMANGE AND LUFUNO MAVHILA DIRECTED BY

SCREENING TIMES
13:00 15:00 18:00

DISTRIBUTE Dambuwo

- Households benefited to the tune of R803 million in income in 2019/20 because of the activities of the film industry; however, this declined to R326 million in 2020/21.

The approximate contribution to national government taxes amounted to an estimated R91 million in 2019/20, dropping to R37 million in 2020/21.

NFVF AGAINST GENDER-BASED VIOLENCE

In ensuring the industry's equitable growth, the NFVF ensures that this is reflected in interventions that promote gender equity in the sector. The importance of promoting gender equity is most pronounced in interventions that address Gender-Based Violence (GBV) of any shape or form towards anyone, especially vulnerable groups such as women, children, the LGBTQIA++ community, and the elderly, among others.

Every year, South Africa brings awareness to GBV and GBFV-related issues through the 16 Days of Activism Campaign. This is a campaign aimed at fighting violence against women and children, which the NFVF always supports. The campaign also seeks to raise awareness of the impact of violence and abuse while trying to find solutions to rid society of this scourge permanently.

The NFVF, in partnership with Lavuth' iBhayi Film Festival, hosted events to bring awareness with regard to all things GBV-related.

The NFVF further participated in an online panel discussion on 09 December 2021, which detailed the importance of funding and distributing content that speaks to GBV messaging and outlining the impact it has on audiences. Alongside the NFVF, this session was facilitated by a representative from Women's Voices Now, featured representatives from GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH), the SABC and Indigenous Films.

The NFVF also participated at Africa Rising International Film Festival (ARIFF) through the facilitation of a masterclass panel session, the supply of marketing collateral and attendance by NFVF Council members on the opening night where the GBV-centric film, "We Are Dying Here", produced by Siphokazi Jonas and Executive Produced by Siya and Rachel Kolisi, was screened.

The NFVF also participated in the Government Communication and Information System (GCIS), GIZ and UN Women's virtual panel discussion webinar on gender-based violence in the film industry on 24 November 2021. This session also featured a representative from Sisters Working in the Film & Television (SWIFT) and was aimed at raising awareness about GBV with a specific focus on the film industry, communicating the government's efforts to deal with GBV and encouraging victims and witnesses of the different forms of GBV. Whilst these are baby steps, we hope to build from this base as we continually find new ways to not only participate meaningfully but also ensure that we also provide a safe working environment for all NFVF staff.

ACHIEVEMENTS /HIGHLIGHTS

Despite the hardships endured because of the ongoing global pandemic, there were milestones achieved. While the year's successes are detailed under "programme reporting", I would like to highlight a few achievements:

The 2021/2022 financial year brought about opportunities for collaboration and strategic partnerships with organisations with similar objectives to the NFVF:

- The NFVF partnered with the South African Broadcasting Corporation (SABC) and Social Transformation & Empowerment Projects (STEPS) to produce six short documentaries that specifically deal with the theme of living life amidst the COVID-19 pandemic. The films are complete and are set to screen in the latter part of 2022 on SABC 2.
- The NFVF has also collaborated with streaming service Netflix and Indigenous Film Distribution to support the production of six micro-budget feature films from predominantly emerging producers and directors. The films are in different stages of pre-production and are set to be complete in the latter part of 2022.
- The NFVF facilitated and managed the first Presidential Employment Stimulus Programme (PESP), successfully disbursing R140 million to the industry.
- The NFVF is currently facilitating and managing a project by the Department of Sports Arts and Culture (DSAC), which aims to shine a spotlight on unsung community heroes through the production of short documentaries from each of the nine provinces.

Youth Filmmaker Project (Year 3):

The NFVF in partnership with the South African Broadcasting Corporation (SABC) funded and flighted four short films on SABC 1. The films were developed and produced by young up-and-coming writers and directors from different parts of South Africa. This is a key programme for the NFVF as it seeks to fulfil the objective to nurture, support and promote young filmmakers, particularly ones from underserved communities. **Triangle Post and Animation Studios** are the facilitators of the NFVF project. The project is still ongoing but to date, four short films have been produced under the theme: **'Beyond'**, a relevant theme due to the pandemic. The already produced films are:

- **Lentswe La Badimo**, written by Mmetse Makhwidiri and directed by Inga Mtebele
- **The Blind Writer**, written by Katlego Letsholo and directed by Mathapelo Taunyane
- **Isiko**, written by Zanele Ngomane and directed by Luhnar Pickering
- **Cuffed Up**, written and directed by Thando Dlamini

Co-production Opportunities

The NFVF also launched the South Africa-Netherlands Co-development Fund, named Thuthuka. The Fund is an initiative between the Netherlands Film Fund and the NFVF, underpinned by the SA-Netherlands co-production treaty.

The NFVF, in pursuance of co-production opportunities for South African filmmakers, facilitated co-production sessions with New Zealand, the United Kingdom and Canada - countries with which South Africa has co-production treaties. There were also sessions with Kenya and Tunisia in keeping with the promotion of the African agenda.

PARTNERSHIPS

During the year under review, the NFVF secured several key partnerships, all in aid of the industry.

Below are some of the partnerships that the NFVF secured:

SAFTAs 15

Given the outcome of previous iterations of the SAFTAs, there was a greater responsibility on the NFVF team to deliver a high-quality production and brand experience of the SAFTAs 15. Partnerships were crucial for ensuring this and the team secured several firsts for the SAFTAs:

a) MultiChoice and SABC 3 (S3)

Given that the SAFTAs are the foremost South African awards for recognising the film and TV industry, it became imperative for the NFVF team to increase the reach of the awards by ensuring that they were broadcast not only on the national broadcaster but also on a MultiChoice platform with the largest captive audience. SAFTAs 15 were executed through partnerships with both SABC 3 "S3" and Mzansi Magic, which enabled the show to be simulcast across both channels.

b) Netflix

As a result of the COVID-19-induced lockdown, the NFVF partnered with Netflix to ensure that the recognition and celebration of all nominees was a memorable experience. Netflix provided celebratory packages that included South African brands owned by the Cultural and Creative Industry practitioners.

c) Primedia

Given the virtual format of the SAFTAs 15 event, the NFVF needed to drive engagement through traditional and digital platforms in a way that would reach new audiences. The partnership with Primedia drove awareness of the SAFTAs through on-air interviews and recorded assets and highlighted winners through social media platforms across 94.7, KFM, 702 Talk Radio and Cape Talk.

The Pan South African Language Board (PanSALB)

The Pan South African Language Board (PanSALB) was created to promote and create conditions for the development and use of all official languages and to ensure respect for all languages commonly used by communities in South Africa. Through this partnership, the NFVF placed graduate interns at PanSALB through the NFVF's agreement with MICT SETA.

SABC and MICT SETA

In the interest of ensuring that NFVF plays its part in providing various opportunities for learning and development of unemployed youth, the NFVF partnered with the SABC and the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) to source interns to place at the SABC, ensuring that interns emerged from under-served provinces such as the Northern Cape, the Free State, Mpumalanga, Limpopo, and the Eastern Cape.

South African Film Accolades at International Festivals

During the year under review, we have seen several of our country's films receiving awards and nominations at various prestigious events, such as:

- **Hyperlink**, produced by Brown Flamingo Films, had its world premiere at the 2022 International Film Festival in Rotterdam.
- **Umendo**, directed by **Mmathabo Bopape**, won a Debut Filmmaker Award at the Black Swan International Film Festival.
- **Two Hues** (short film), directed by **Weaam Williams**, won Best Lead Actress in a short film at West Europe International Film Festival.
- **Indemnity**, directed by **Travis Taute**, had its cinematic release in February 2022. The film had its World Premiere at Fantasia International Film Festival and received global distribution deals.
- **Angeliena**, written and directed by **Uga Carlini**, had its worldwide release on Netflix in October 2021, this starred late actress Kuli Roberts.

NFVF-funded films that formed part of the Pan African Film Festival (PAFF) 2022 official selection are:

- **Trapped**, directed by Athi Petela (Female Filmmaker Project).
- **Bompi**, directed by Thina Olona Zibi (Female Filmmaker Project).

Imran Humdaly of Pieces of Salma (project in financing stage) was invited to the prestigious European Audio-visual Entrepreneurs (EAVE) lab in July 2021. This is a year-long lab that presents great opportunities for potential co-productions.

Matthys Boshoff & Jozual Malherbe of Vlees van my Vlees (project in financing stage) were selected for La Fabrique Les Cinemas du Monde in collaboration with the Cannes Film Festival and Marché du Film this year:

The following NFVF-funded films formed part of the Gotham Week (formerly IFP) 2021 official selection:

- **Real Estate Sisters** by Reabetswe Moeti
- **The Valley of a Thousand Hills** by Bonie Sithebe

Barakat, a feature film directed by **Amy Jephtha**, is currently showing on Showmax. The film has been invited to the following local and international film festivals:

- Garden Route International Film Festival
- Washington DC International Film Festival
- Blue Mountain International Film Festival

African America, directed by Muzi Mthembu:

- Streamed on Netflix worldwide in July 2021
- Won Best Foreign Language Film at the Black Reel Awards
- Won Achievement in Costume Design at the Africa Academy Awards
- Got nominated for Best Actress in a leading role (Phumi Mthembu) at the Africa Academy Awards
- Got nominated for Best First Feature by a Director (Muzi Mthembu) at the Africa Academy Awards
- Got nominated for Achievement in Sound at the Africa Academy Awards
- Got nominated for Outstanding International Motion Picture at the NAACP Image Awards

THE YEAR AHEAD

Both the film industry and audiences face many changes. The changes brought by COVID-19, which include digital disruption and generally dire economic conditions, will have far-reaching consequences not just for the year ahead but for many years to come globally. The NFVF will continue to be agile, innovative, and creative in the execution of key programmes, which is critical in ensuring improved performance. The NFVF will maintain its commitment to the transformation agenda to ensure that the playing field is levelled.

The pages that follow in this Annual Report narrate how the NFVF rallied behind and tried to assist the film industry. It also features some of the NFVF highlights achieved during the year under review in accordance with our Shareholder's Compact.

ACKNOWLEDGEMENTS / APPRECIATION

I extend my gratitude to the NFVF Council for their oversight, and NFVF employees who powered through an incredibly taxing year, with endless projects demands placed on them and by extension their families. Through embracing the organisation's values, which include integrity and collaboration, we were able to successfully deliver on several projects that greatly benefited the industry we serve, and for that, I am both pleased and humbled at all the hard work put in. I would also like to thank our shareholder the Department of Sport, Arts and Culture, led by the honourable Minister Nathi Mthethwa, for the continued faith shown in the organisation. And finally, I would like to thank the audio-visual industry that I humbly serve.



Ms. Makhosazana Khanyile
Chief Executive Officer

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 free from any omissions.

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

The Annual Financial Statements (Part E) have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) applicable to the NFVF.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and the judgements made in this information.

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

The External Auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2022.

Yours faithfully



Ms. Makhosazana Khanyile
Chief Executive Officer
National Film and Video Foundation
31 March 2022



Ms. Tholoana Ncheke
Chairperson of NFVF Council
National Film and Video Foundation
31 March 2022

6. STRATEGIC OVERVIEW

6.1 VISION

A South African agency enabling a transformed, diversified and sustainable creative media industry.

6.2 MISSION

Driving industry growth by providing funding solutions, policy interventions, industry research and skills development initiatives. Serving as a gateway for collaborations amongst South Africans and the rest of the world.

6.3 VALUES

- Integrity
- Respect
- Equitable
- Innovation
- Collaborative
- Service-centric
- Professionalism

6.4 STRATEGIC OUTCOME-ORIENTATED GOALS

1. Increase the number of people trained in the industry, particularly in areas of scarce skills.
2. Develop appropriate policy interventions for the South African film industry.
3. Increase the number of South African films produced and PDIs producing them.
4. Promote the South African Film industry locally and internationally
5. Fulfil statutory and governance obligations of the NFVF as set out in relevant legislation.

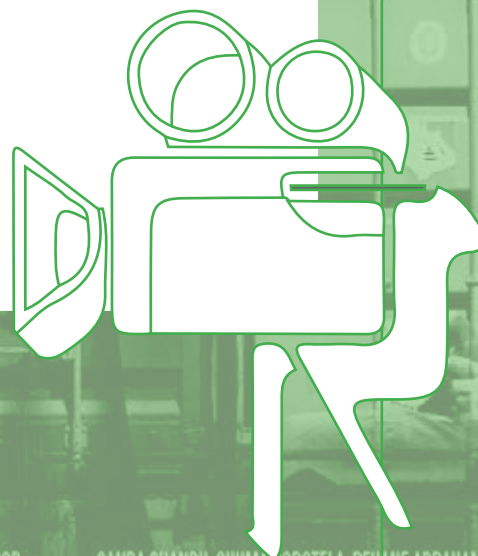


Communications Director & Producer Shilo Hoppe
Filmmaker & Director Of Photography Kibwe M.

7. LEGISLATIVE AND OTHER MANDATES

The NFVF is a Schedule 3A Public Entity in terms of the PFMA. The NFVF is governed by the National Film and Video Foundation Act 73 of 1997 as amended by the Cultural Laws Amendment Act 36 of 2001.

- The mandate of the NFVF, as set out in Section 3 of the NFVF Act, is:
- To promote and develop the film and video industry.
- To provide and encourage the provision of opportunities for persons, especially from disadvantaged communities, to get involved in the film and video industry.
- To encourage the development and distribution of local film and video products.
- To support the nurturing and development of and access to the film and video industry.
- To address historical imbalances in the infrastructure and distribution of skills and resources in the film and video industry.



8. ORGANISATIONAL STRUCTURE



CHIEF EXECUTIVE OFFICER
Ms Makhosazana Khanyile



ACTING HEAD: INDUSTRY
DEVELOPMENT
Ms Yolanda Ncokotwana



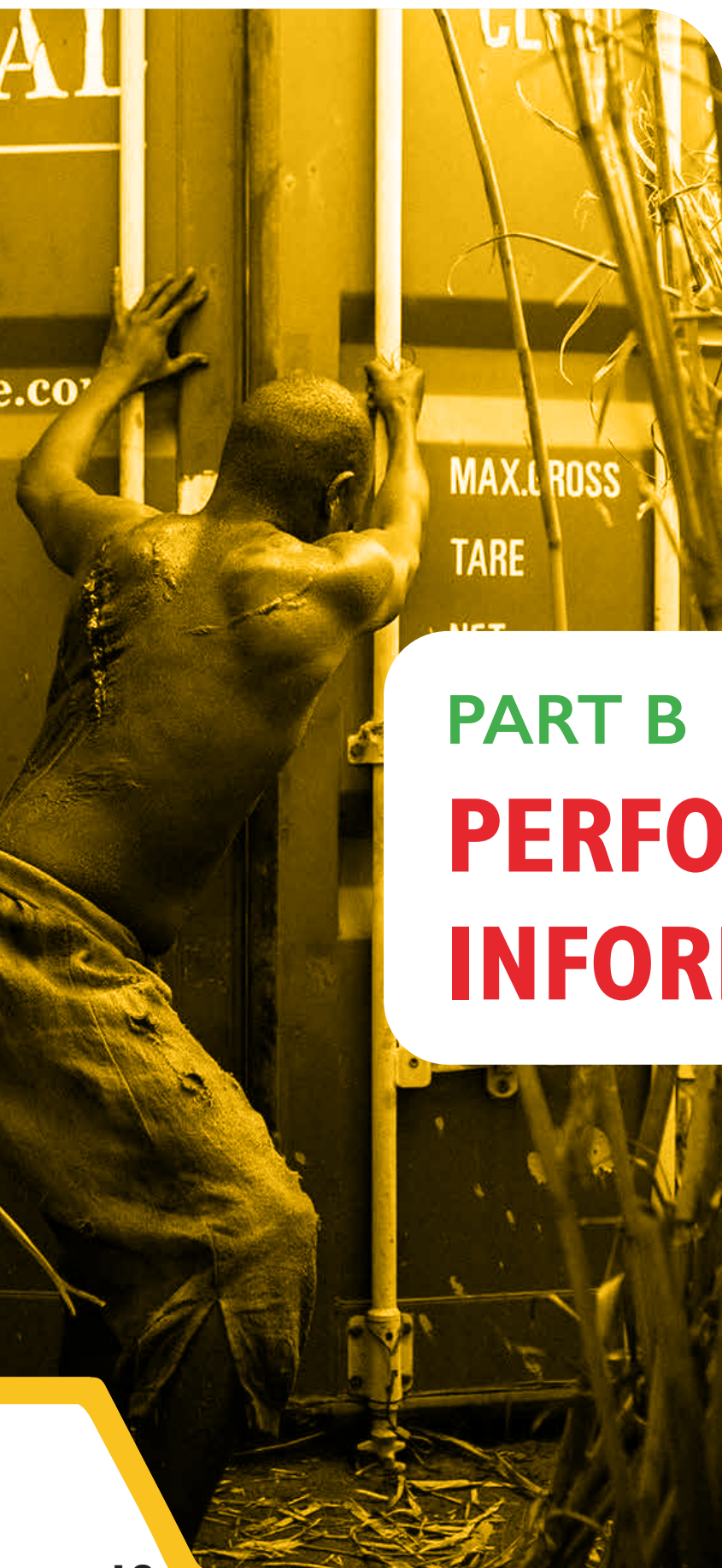
ACTING HEAD:
OPERATIONS
Ms Onke Dumeko



CHIEF FINANCIAL OFFICER
Mr Peter Makeneta



HEAD OF HUMAN
RESOURCES
Ms Thobela Mayinje



PART B

PERFORMANCE INFORMATION

I. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

As the Chief Executive Officer of the NFVF, I am responsible for the preparation of the Public Entity's performance information and the judgements made in this information. I am responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the actual achievements against planned objectives, indicators, and targets as per the strategic and annual performance plan of the public entity for the financial year ended 31 March 2022.

The NFVF performance information for the year ended 31 March 2022 has been examined by the external auditors and their report is presented on page 75.

The performance information of the entity set out on page 22 to page 55 was approved by the Council.



Ms. Makhosazana Khanyile
Chief Executive Officer
National Film and Video Foundation
31 March 2022

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, under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 75 of the Annual Report (Auditor's Report), published in Part E: Financial Information.

3. SITUATIONAL ANALYSIS

3.1 SERVICE DELIVERY ENVIRONMENT

Production and development of content is at the core of the work the NFVF engages in – it is where the mandate of the organisation is most clearly fulfilled by providing the film industry with critical financial support and technical expertise to take a film project from an idea to a product that can be screened.

Despite all the disruptions that came with the COVID-19 pandemic, during the period under review, the NFVF remained focused on delivering on its mandate of growing and developing the South African film and video industry, while affording opportunities to the previously marginalised and disadvantaged individuals to participate in the film and video industry.

South Africa's local film and television industry was severely impacted by COVID-19 and service delivery was seriously compromised as several productions were halted and cinemas shut down, severely impacting distribution channels for the industry as well. To support the industry, NFVF made some changes to some aspects of the Funding Policy to provide practical support to the industry.

Improved intergovernmental relations and subsequent strategic alignment in the implementation of programmes created a collaborative service delivery environment, which led to greater efficiencies for our various stakeholders. NFVF further partnered with a number of national and international entities, creating opportunities for South African filmmakers and opening up platforms for emerging black filmmakers. These include the partnership with Media, Information, Communication and Technology SETA to roll out internships for recently graduated learners wanting to acquire workplace experience.

3.2 ORGANISATIONAL ENVIRONMENT

The NFVF continues to operate under a myriad of challenges and constraints, especially but not exclusively overextended staff, a fragmented industry and a shortage of funding, and we continue to stretch ourselves to find ways to creatively utilise the limited resources at our disposal. The year under review saw the implementation of the job alignment process in all departments to ensure we optimise the existing resources. Hopefully, this alleviates

some of the resource challenges identified. The 360-degree performance management system is still at its optimum and both employees and management have seen value in the performance system, which takes into consideration the employee score and the overall organisation performance. As a result of the performance review, training needs were identified and executed.

3.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There have been several proposed laws, such as the Copyright Amendment Bill and the Performers Protection Bill of 2018, which will affect the audio-visual industry and the NFVF. The National Assembly has passed the legislation for these laws and sent them to the President to be signed into law. However, the President sent it back, citing that the legislation might not "pass constitutional muster [i.e. withstand a legal challenge on Constitutional grounds] and may therefore be vulnerable to constitutional challenge."

The Minister of Labour issued a notice calling for interested parties to make submissions on the proposal to deem persons in the film and television industry as employees for selected portions of South Africa's labour law. The Basic Conditions of Employment Act (BCEA) empowers the Minister to deem persons to be employees. This has the effect that persons – who may otherwise not be classified as employees for employment legislation – would enjoy the rights (and obligations) of employees. The Minister called on interested parties to make submissions on the proposal.

Strategic Goals

Increase the number of people trained in the industry, particularly in areas of scarce skills

The film industry is one of the key sectors that can provide job creation and economic growth, given the labour-intensive nature of film production. However, to ensure a sustainable industry that contributes to the national economy, an increase in skills development is pertinent for growth and development as an upskilled labour force directly impacts on the number of local film productions. The major skills gaps as identified by the NFVF continue to hinder the industry from sourcing adequate and alternative financing resources and or models to produce films that could perform locally and internationally. These gaps are dominant in screenwriting, directing and executive producing and the NFVF has devised interventions accordingly.

The NFVF continues to commit itself to complying with the national policy of skills development and ensure that the industry benefits from resources available to upskill itself and build sustainable production companies that can contribute to the eradication of unemployment in the sector. The NFVF is also committed to forming partnerships with a variety of organisations to ensure that industry development is achieved. Particular emphasis is placed on grooming young people and women to enter into the industry and for those who are already forming a career in film, to secure their longevity in the industry by gaining crucial experience.

Develop appropriate policy interventions for the industry

The NFVF undertakes an annual review of its policies to ensure that inefficiencies are addressed, to align with its NFVF strategic objectives and to ensure compliance with legislation. Often feedback is received from the industry, NFVF staff, internal audit, Council committees and the NFVF's panel members.

Increase the number of South African films produced and PDIs producing them

The production and development values have improved even though there are still limited funding sources available to finance local film budgets. The NFVF is dedicated to building a sustainable industry and creating more content by continuing to fund slates projects such as documentaries, and fiction which included animation, female and youth filmmaker projects. The NFVF continues to create opportunities and open the co-production platform for emerging black filmmakers by sourcing additional production funding (incentives) outside existing co-production treaties.

Promote the South African film industry locally and internationally

The role of Marketing and Communications within the NFVF has grown in importance and focuses on the broad Marketing and Communications strategy of the NFVF. Furthermore, our objective is to create an appetite for South Africans to watch local films and create awareness and appreciation of South African-produced films. We have seen the success at the Box Office of the many films produced by black filmmakers and funded through the NFVF's Marketing and Distribution.

This period has seen the implementation of the NFVF's global positioning strategy and effective promotion of South African films, the South African Film Industry, and the NFVF brand both locally and globally under the positioning statement of “#LoveSA Film”.

Every year the NFVF facilitates and guides the participation of filmmakers in festivals and markets abroad with the following aims:

1. Opening markets for South African content.
 - To find new markets for the distribution of South African feature films, documentaries, and television concepts.
2. Securing partnerships for co-production.
 - To find new partners to co-produce, co-finance, distribute and/or sell South African feature films, documentaries, and television concepts.
 - To explore co-production challenges and opportunities with those countries with whom co-production treaties exist.
3. Skills exchange and skills development opportunities.
 - To foster and build relations with institutions for best practice.
 - To position South African filmmakers in global platforms aimed at professional and business skills development.
4. Positioning of the South African Film Industry (as a filmmaking destination and a production partner).
 - To market South Africa as a preferred filmmaking destination as well as a co-production partner.

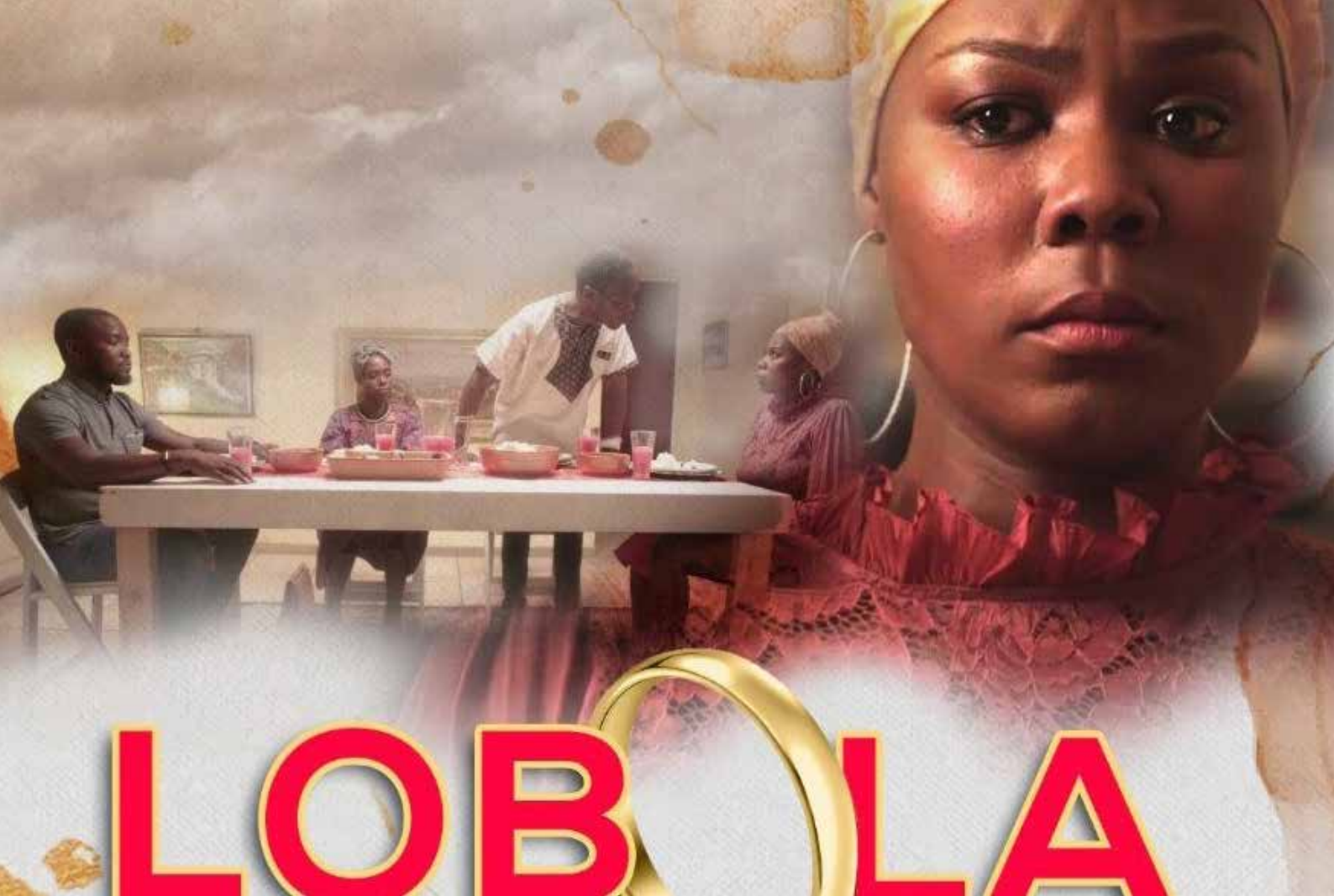
The NFVF continues to deliver on its mandate and objectives through various activations at markets and film festivals, media and public relations initiatives, funding roadshows and stakeholder engagements.

In response to the NFVF mandate and objectives of increasing audience access to South African films, the NFVF continued to run a series of roadshows and activations at various festivals around the country.

Fulfil statutory and governance obligations of the NFVF as set out in relevant legislation

The NFVF has a fully functioning and efficient finance department that includes a supply chain management function and adheres to the PFMA. The role of the department is to ensure that the NFVF fulfils its statutory obligations in terms of the NFVF Act and the PFMA and fully meets the needs of its stakeholders.

The NFVF is governed by a Council that is appointed in terms of Section 6 of the NFVF Act. The NFVF also has an Audit Committee that assists the Council in providing the necessary governance oversight of the organisation.



4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 PROGRAMME I: PRODUCTION AND DEVELOPMENT OF CONTENT

Programme Description

Purpose of programme

Production and development of content is at the core of the work the NFVF engages in – it is where the mandate of the organisation is most clearly fulfilled by providing the film industry with critical financial support and technical expertise to take a film project from an idea to a product that can be screened. While the quantity of films produced locally is a decisive factor in the growth and sustainability

of the film industry, the quality of films is also important to ensure widespread distribution and a loyal market. Feature films, documentaries, short films, and television concepts are all considered for development and production funding. Financial support also allows for diversity in the film industry so that filmmakers who would typically be unable to raise financing for their projects are not sidelined. The NFVF, therefore, can focus on creating a more equitable industry.

Strategic objectives related to production and development of content:

- Increase in volume of South African films produced
- Empower individuals from Previously Disadvantaged (PD) communities
- Support innovative distribution

Programme Performance Report

PROGRAMME 1: CONTENT DEVELOPMENT

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To provide funding for content development	Commercially viable South African content development opportunities are identified and funded by the NFFV	Fund projects in development of South African content	120 Funded in development 17 Approved for funding in development	Fund 40 projects in development p.a.	62 Projects funded in development	22 additional projects in development funded	A growing industry
		Fund projects in production of South African content	37 Funded in production 19 Approved for funding in production	Fund 25 projects in production p.a.	38 Projects funded in production	13 additional projects in production funded	Industry in recovery after COVID-19 restrictions
	Content development opportunities that enable social cohesion, nation building and transformation are identified and supported with funding.	Award 1 new animation slate	1 Animation Slate Awarded	Award 1 Animation Slate	1 Animation Slate funded	N/A	N/A
		Fund 2nd year documentary slate Annual Documentary Special projects	2nd year documentary slate funded Awarded 2 annual documentaries special COVID-19 projects	Fund 1 Documentary Slate Award 2 annual documentary special projects	Second year of Documentary Slate 4 special documentary projects awarded	N/A 2 additional special documentary projects were awarded	N/A More funds through partnership with DEUKOM were available to fund more special documentaries

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To provide funding for content development	The NRVF establishes its own fund & seeks funding from partners & other industry stakeholders	Funds are secured for the NRVF Fund local, continental and global partners are found to endow the NRVF Film Fund	Film Fund to be registered in 2021/22 due to challenges experienced due to lockdown	Secure potential partners for the film fund	0 potential partners for the film fund were secured	N/A	The target is linked to the registration of the Film Fund and to date the fund is not registered due to various reasons
To provide funding for content development	Co-productions	To certify National Films and co-productions	Certified 100% of all applications received	Process 100% of the co-production certification applications received	10 applications out of 11 were processed.	Processed 91% of applications received	The one project could not be processed due to the producers not submitting all the required documents and also lodging their application with the BFI as per the treaty requirement.
			NRVF activated at 4 co-production forums	3 Co-production forums activations p.a.	6 co-productions were held.	3 additional activation forums were held.	The additional forums were due to requests from partners and the additional one with New Zealand focused on animation only as a means of looking at other genres.



Significant Achievements

The 2021/2022 financial year brought about opportunities for collaboration and strategic partnerships with organisations that have similar objectives to the foundation:

- The NFVF partnered with the South African Broadcasting Corporation (SABC) and Social Transformation & Empowerment Projects (STEPS) to produce six short documentaries that specifically dealt with the theme of living life amidst the COVID-19 pandemic. The films are complete and are set to screen in the latter part of 2022 on SABC 2.

The NFVF has also collaborated with streaming service Netflix and Indigenous Film Distribution to support the production of six micro-budget feature films from predominantly emerging producers and directors. The films are in different stages of pre-production and production is set to be complete in 2023.

The NFVF has also joined forces with the Netherlands Film Fund (NFF) to create an initiative called Thuthuka to promote cooperation between South Africa and the Netherlands. Under this joint scheme feature film projects will be co-developed between creatives from both territories to produce an original script.

The NFVF facilitated and managed the first Presidential Employment Stimulus Programme (PESP) successfully.

The NFVF is currently facilitating and managing a project by the Department of Sports Arts and Culture (DSAC), which aims to shine a spotlight on unsung community heroes through the production of short documentaries emanating from each of the nine provinces.

Completed Fiction Films

- Indemnity
- You're my Favourite Place (former working title: Valedictory)
- The Fury
- The Domestic
- The Umbrella Men
- It Has to Do With Emilia
- Angeliena
- Valley of Thousand Hills
- Millennial Love: Taz & Zama
- Mier
- Umendo
- Burning Blue
- Love in the Hell
- Ibhasi lika Mdaphuna
- Kasi Lami: A beautiful place (Web Series)
- Troll Girl (Animation)

Completed Non-Fiction Films

- African Moot
- Mutant
- Dance Me to the End of Time
- The Spirit
- Last Blue Ride
- My Patient My Enemy
- Botshelo: Born in a Pandemic
- Solos Shoal
- A Joburg Shopper and a Hungry Country
- Bogale!
- Dustlands - Kalahari in the Age of Covid

There has been a steady increase in the number of projects completed in production since the advent of the COVID-19 outbreak due to the easing of restrictions allowing travelling and higher numbers of people to collaborate.

Youth Filmmaker Project (Year 3):

The NFVF in partnership with the South African Broadcasting Corporation (SABC) funded and flighted four short films on SABC 1. The films were developed and produced by young up-and-coming writers and directors stemming from different parts of South Africa. This is a key programme at the foundation as it seeks to fulfil the objective to nurture, support and promote young filmmakers, particularly ones from underserved communities. *Triangle Post and Animation Studios* are the facilitators of the NFVF project. The project is still ongoing but to date, four short films have been produced under the theme: **'Beyond'** a relevant theme due to the pandemic.

- *Lentswe La Badimo*, written by Mmetse Makhwidiri and directed by Inga Mtebele.
- *The Blind Writer*, written by Katlego Letsholo & directed by Mathapelo Taunyane.
- *Isiko*, written by Zanele Ngomane & directed by Luhnar Pickering.
- *Cuffed Up*, written and directed by Thando Dlamini.

LETTERS OF HOPE



HIGHLIGHTS OF FY 2021–2022

Non-fiction Achievements:

African Moot, produced and directed by Shameela Seedat has its 2022 World Premiere at Hot Docs Canadian International Documentary Festival, the largest documentary festival in North America.

Mutant, produced by Sifiso Khanyile, does well at local festivals. It won Best South African Feature Documentary at Jozi Film Fest 2021. It was awarded Best Feature Documentary at the Africa Human Rights Film Festival 2021. It was among the top 5 most watched documentaries at the Encounters Documentary Festival 2021.

Mutant (produced by Sifiso Khanyile) and The Colonel's Stray Dogs (produced by Sifiso Khanyile) received Special Mention at the 2021 Encounters Documentary Festival.

Enver Samuel's documentary series about freedom fighter Dulcie September called Murder in Paris premiered on SABC to great public response. The feature-length documentary version of the film continues to travel worldwide. It was most recently part of the official selection of the Calgary Black Film Festival.

Fiction Achievements:

Hyperlink, produced by Brown Flamingo Films, had its world premiere at the 2022 International Film Festival in Rotterdam.

Umendo, directed by Mmathabo Bopape, won a Debut Filmmaker Award at the Black Swan International Film Festival.

Two Hues (short film), directed by Weaam Williams, won Best Lead Actress in a Short Film at West Europe International Film Festival.

Indemnity, directed by Travis Taute, had its cinematic release in February 2022. The film had its World Premiere at Fantasia International Film Festival and received global distribution deals.

Angelienna, written and directed by Uga Carlini, had its worldwide release on Netflix in October 2021, this starred late actress Khuli Roberts.

NFVF films that formed part of the Pan African Film Festival (PAFF) 2022 official selection:

- *Trapped*, directed by Athi Petela (Female Filmmaker Project)
- *Bompi*, directed by Thina Olona Zibi (Female Filmmaker Project)

Imran Humdaly of *Pieces of Salma* (project in financing stage) was invited to the prestigious European Audio-visual Entrepreneurs (EAVE) lab in July 2021. This is a year-long lab that presents great opportunities for potential co-productions.

Matthys Boshoff & Jozual Malherbe of *Vlees van my Vlees* (project in financing stage) were selected for La Fabrique Les Cinemas du Monde in collaboration with the Cannes Film Festival and Marché du Film this year.

The following NFVF-funded films formed part of the Gotham Week (formerly IFP) 2021 official selection:

- *Real Estate Sisters* by Reabetswe Moeti
- *The Valley of a Thousand Hills* by Bonie Sithebe

Barakat, a feature film directed by Amy Jephtha, is currently showing on Showmax. The film has been invited to the following local and international film festivals:

- Garden Route International Film Festival
- Washington DC International Film Festival
- Blue Mountain International Film Festival

African America, directed by Muzi Mthembu:

- Streamed on Netflix worldwide in July 2021
- Won Best Foreign Language Film at the Black Reel Awards
- Won Achievement in Costume Design at the Africa Academy Awards
- Got nominated for Best Actress in a leading role (Phumi Mthembu) at the Africa Academy Awards
- Got nominated for Best First Feature by a Director (Muzi Mthembu) at the Africa Academy Awards
- Got nominated for Achievement in Sound at the Africa Academy Awards
- Got nominated for Outstanding International Motion Picture at the NAACP Image Awards.

KEY PROGRAMME OUTPUTS

APPROVED PROJECTS – CYCLE I – FY 2021/2022

NON-FICTION PROJECTS

Development – Documentaries

Project Name	Applicant's Name	Production Company	Amount Allocated
Cancer and other Star Signs	Rory Booth	N/A	R 180 000.00
Integrity on Trial	Kevin Harris	Rainbow Independent Film and TV Productions	R 180 000.00
Of Freedom, Of Sacrifice	Riaan Hendricks	Picture Enlightened Pictures	R 180 000.00
Truth Be Told – The Unfinished Business of TRC	Enver Samuels	EMS Productions	R 180 000.00
"Apartheid and the making of an African Psychologist"	Mohau Memeza	Fanakalo Tours	R 180 000.00
Askari	Liza De Villiers	Luna Films International	R 180 000.00
Beyond Worlds	Zolani Mahola	N/A	R 180 000.00
Dear Mom	Gassan Sallies	N/A	R 120 800.00
Rextrueform: The Chanel of Salt River	Ayesha Mukadam	N/A	R 180 000.00
The Land of Sugar	Kyle Smith	Filmshark	R 180 000.00
The Smell of Dust	Zinzi Kunene	Odd Choice	R 150 000.00

Production – Documentaries

Project Name	Applicant's Name	Production Company	Amount Allocated
Dance of the White Zulu (The Johnny Clegg Story)	Nimrod Geva	Quizzical Pictures	R 700 000.00
Face	Tamsin Andersson	Diprente Media	R 700 000.00
Return	Mark Kaplan	Grey Matter Media	R 400 000.00
Mandela's People	Sinethemba Gayiza	MyBliss Entertainment	R 500 000.00
6 Kings and 6 Queens	Molatelo Maneitje	AIM Bolothaba	R 500 000.00
African People Don't Get Depressed	Sara Chitambo	Necessary Concepts	R 363 225.00
Boss	Shaun Swinger	Prospekt Films PTY LTD	R 500 000.00
Kingdom of Masindi	Dowelanie Nenzhelele	Backpack Films	R 500 000.00
Morolong Magic	Noxolo Yekela	Phuhliisa Investment	R 500 000.00
Pinkie - A Forgotten Oval Hero	Johann Abrahams	Moja Media PTY LTD	R 500 000.00

Post-Production – Documentaries

Project Name	Applicant's Name	Production Company	Amount Allocated
The Home	Jessie Zinn	Red Coat Films	R 350 000.00

Archive – Documentaries

Project Name	Applicant's Name	Production Company	Amount Allocated
Untold – Life of Late Dr Joseph Shabalala	Judy Nwokedi	Life Of Js (Pty) Ltd	R 300 000.00

Development – Documentaries - Short Film

Project Name	Applicant's Name	Production Company	Amount Allocated
African Ballerinas, The Documentary	Refilwe Montsho	Artist Mecca	R 100 000.00
Botshabelo Street Culture Art Festival Documentary	Nontsokolo Mhlotsana	Raw Foundation NPC	R 100 000.00
Class of 76: Mangaung Story	Mpho Tau	1976 Films	R100 000.00
Death At Christmas	Alethea Volanie	N/A	R 100 000.00
Ebhambayi	Phumzile Kunene	Sakheyethu Arts Productions	R 100 000.00
GaKhunwana Maloba	Kastarine Kgola	N/A	R 100 000.00
It is what it is	Hendrik Baird	Baird Media	R 100 000.00
Queen Manthatisi	Gregory Molale	The Myrmidons (Pty) Ltd	R 100 000.00
Remember their Names	Lebohang Phuphuma	Yetser Productions	R100 000.00
Special Mom	Lourah Mokhema	StreTalk Productions	R100 000.00
Street Value	Londeka Nxumalo	Kasi Nation	R100 000.00
The Shoreline	Evandre de Silver	N/A	R100 000.00
The Tune, The Devil, The God	Lukhanyo Kumkani	N/A	R100 000.00

Production – Short Film

Project Name	Applicant's Name	Production Company	Amount Allocated
The Star Project	Tessa Barlin	Merx International	R 200 000.00
Born Different-Living with Tetra Amelia	Mpho Rakgophala	Bakwena Clan Productions	R 150 000.00
The Other Cool Kids	Stanley Bhebehe	African Bohemian Concepts	R 150 000.00
Twelve Rounds with Loyiso Mtya	Duma Maqhubela	The Cooks Foundation	R 150 000.00

FICTION PROJECTS

Development – Animation

Project Name	Applicant's Name	Production Company	Amount Allocated
Chance Encounters	Naomi Van Niekerk	N/A	R 250 000.00
A Broomstick for Dill	Ann Tennessee de Wee	N/a	R 300 000.00
Mysteries at the Majestic	Garth Sanders	Toony Animation	R 250 000.00
An Animated Cultural Heritage Development	Nkgodisheng Livingstone	Lekgoledi Arts and Cultural Centre	R 250 000.00
Calabashes Script Development	King Ntono	KN Studios	R 250 000.00
How Animals Survive Predatory World	Refilwe Mofokeng	N/A	R 250 000.00
Tokoloshe and other Behemoth Creatures	Kirstin Lee Grey	Different Immersive	R 250 000.00

Development – Feature Length

Project Name	Applicant's Name	Production Company	Amount Allocated
Black Privilege	Keorapetse Mputle	Puresoul Media	R 230 000.00
Funeral Tick, Wedding Tick	Maynard Kraak	West Five Films	R 230 000.00
Run for Your Life 3	Kumaran Naidu	Garuda Motion Pictures	R 230 000.00
Theory of Flight	Sara Blecher	Real Eyes Media	R 230 000.00
Benigna	Meggan Raubenheimer	Molecule Media	R 230 000.00
Coconut	Bongiwe Selane	Bongiwe Selane (Pty) Ltd trading as Blingola Media	R 230 000.00
Engayged	Oratile Mogoje	N/A	R 167 000.00
Happily Ever After	Loren Loubser	N/A	R 200 000.00
Mupfukwa	Kurt Orderson	Azania Rizing Productions	R 230 000.00
Sinners	Zahra Dada	Livalil By ZahraD (Pty) Ltd	R 200 000.00
Vicarious	Anil Polton	N/A	R 230 000.00

Development – Short Film

Project Name	Applicant's Name	Production Company	Amount allocated
A Sonnet for Sello	Tumelo Moutlana	Botumelo Works	R 100 000.00
Not So Green	Tebogo Mabaso	TKN Holdings	R 97 387.50
Ruling in the Shadows	Naomi Gumede	N/A	R 100 000.00
Dandelion	Lebo Raleting	Oxygen	R 100 000.00
Diploma	Mashupe Phala	N/A	R 93 600.00
Entabeni	Nobulali Kama	N/A	R 100 000.00
Growing Up	S'nethemba Dlamini	N/A	R 66 400.00
Mosuli	Chumisa Cosa	N/A	R 100 000.00
Seven Colour Sunday	Gift Mhlonipheni	Gaba Media	R 100 000.00
Something About Her	Vusi Mkanzi	N/A	R 95 000.00
Taking Away	Lebohang Qhalane	LA Luna Films (Pty) Ltd	R 100 000.00
The Rose	Kazi Msomi	Mazomi Pictures (Pty) Ltd	R 100 000.00
The Silent Hadedda	Sibongiseni Ntuli	N/A	R 100 000.00
Township Talks: The Suitcase	Thamsanqa Mbongo	Hashtag Entertainment Productions	R 100 000.00
Watching Over You	Stephen Nagel	N/A	R 74 000.00

Development – TV Format/TV Concepts

Project Name	Applicant's Name	Production Company	Amount Allocated
Londie and the Space Rangers	Teboho Moreki	N/A	R 250 000.00
The B Team	Yolanda Mogatusi	1000 Hugs Films	R 250 000.00
uKhamba Stars	Nkululeko Cekiso	N/A	R 250 000.00
A Black girl Becoming	Siphokazi Mtila	N/A	R 222 000.00
Changing Landscapes	John Hlomgwane	Untitled Entertainment	R 250 000.00
Red Ink	Angela Makholwa	Britespark Films	R250 000.00

Production Animation

Project Name	Applicant's Name	Production Company	Approved Amount
Wintermag	Charles Badenhurst	Bittervrug (Pty) Ltd	R 550 000.00
The Funeral	Ingrid Bruynse	Bright Media	R 300 000.00
The Lion Dance	Lesego Vorster	The Hidden Hand Studios	R 550 000.00
Azania Rises	Farayi Chinyanga	Formation Animation	R 350 000.00
The Flower of the Partisan	Catherine Sofianos	Sofiaworx	R 350 000.00

Production Feature

Project Name	Applicant's Name	Production Company	Approved Amount
Frankie and Felipe	Dries Scholtz	Sturvy Pictures (Pty) Ltd	R 1 800 000.00
Mud	Judy Naidoo	Ladybug Films	R 1 800 000.00
Carissa	Deidre Jantjies	Na Aap Productions	R 1 800 000.00
Drummies	Hanneke Schutte	Film Chrome (Pty) Ltd	R 1 800 000.00
Fluid	Makgano Mamabolo	Prism Productions	R 1 800 000.00
Scammers	Nomvuselelo Dlamini	Seamless Cut	R 1 800 000.00
The Man in the Mirror	Gillian Borros	Dreamlands Film and Media (Pty) Ltd	R 1 800 000.00
Who Keeps the Silence	Jacintha Timothy	Arclight Productions (Pty) Ltd	R 1 800 000.00

Production - Short Films

Project Name	Applicant's Name	Production Company	Approved Amount
A Night of Fate	Mkhomazi Mashinini	NCA Productions (Pty) Ltd	R 250 000.00
Identity	Siphakamiso Mafuleka	Miraworld (Pty) Ltd	R 250 000.00
Jozi	Akona Matyila	The House of Taurus	R 250 000.00
Millennial Dad	Lufuno Nemungadi	CrossB Films	R 250 000.00
Car Crash	Theoline Maphutha	The Solo Intellect (Pty) Ltd	R 200 000.00
Comrade	Moneelwam Modiba	Cairo and Black Man	R 200 000.00
Damsel not in Distress	Caroline Kganyago	Muhimu Productions	R 200 000.00
Dressed to Kill	Lindokuhle Kuka	Family Films	R 200 000.00
Finding Faith	Thando Dlamini	Lineage Productions	R 200 000.00
I Used to Love Him	Brandon Clarke	Kinoburo	R 199 700.03
Madala	Gloria Matolo	Tympanic Vision	R 200 000.00
Riel	Zenobia Klopers	The MoZe Group (Pty) Ltd	R 200 000.00
The Deal	Paul Modjadji	Leaders who dare to dream foundation	R 175 500.00

Post-Production– Feature Film

Project Name	Applicant's Name	Production Company	Amount Allocated
The Domestic	Shaun Naidoo	33 Films (Pty) Ltd	R 450 000.00
The Fury	Samora Sekhukhune	Tripfliex	R 450 000.00

Production – Made for TV Movies

Project Name	Applicant's Name	Production Company	Amount Allocated
Run	Lucilla Blankenberg	Community Media TV	R 300 000.00

Production – TV Pilot

Project Name	Applicant's Name	Production Company	Approved Amount
Unplugged and unwind	Portia Hlubi	Milk and Honey TV	R 250 000.00

Production – TV Pilot and Web Series

Project Name	Applicant's Name	Production Company	Approved Amount
Miringo	Prenomen Chauke	Tsatsa Promotions	R 200 000.00
Mzani Food Adventures (MFA)	Kenneth Mbalula	Dose Studios (Pty) Ltd	R 200 000.00

HARRY GWALA: SPECIAL DOCUMENTARY PROJECT

Project Name	Applicant's Name	Production Company	Amount Allocated
Umntu Omdala, Lion of the Midlands	Nontobeko Sibisi	Okay Sho! Media	R 1 000 000.00

ANNUAL DOCUMENTARY SPECIAL PROJECT: WE'VE ALWAYS BEEN HERE

Project Name	Applicant's Name	Production Company	Amount Allocated
The Trans (R)evolution	Zoey Black	Zoey Black	R860 000.00

ANNUAL DOCUMENTARY SPECIAL PROJECT: WE CHOOSE EACH OTHER

Project Name	Applicant's Name	Production Company	Amount Allocated
The Gay Agenda - queer love	Dineo Matebese	Kei Media	R1 000 000.00

ANIMATION SLATE PROJECT PRODUCTION COMPANY

Project Name	Applicant's Name	Production Company	Amount Allocated
Buthano Pictures Animation Slate	Nompi Vilakazi	Buthano Pictures	R 7500 000.00

THE NETHERLANDS-SOUTH AFRICA CO-DEVELOPMENT FUND

Project Name	Applicant's Name	Production Company	Amount Allocated
Show Up (Tier 1 Documentary)	Quinton Fredericks	Spier Films	R707 500.00
Solar (Tier 2 Fiction)	Jason Jacobs	Jason Jacobs (Pty) Ltd	R698 000.00

DEPARTMENT OF SPORT, ARTS AND CULTURE (DSAC) UNSUNG COMMUNITY HEROES FUNDING

(THE NFVF FACILITATED AND IS MANAGING THIS PROJECT ON BEHALF OF DSAC)

Project Name	Applicant's Name	Production Company	Amount Allocated
My Last Dream	Danile Mohlamm e	Masbonisane nisonke trading and projects 27cc	R470 000.00
The Windmill that Stands Tall	Zinzi Nkenene	Odd Choice	R470 000.00
Faces of Fortune	Jessie Zinn	Red Coat Films	R470 000.00
Re-defining Ubuntu	Kekulu Portia Nyoni	Porch Productions	R470 000.00
Book-ing She Comes	Sizakele Mdi	Bokang Lefoko Theatre	R470 000.00
Johaar Mosavel: A celebrity dancer	Charlene Houston	Amilcar Matthews (Pty) Ltd t/a Afrosoul Productions	R469 975.00
Breaking barriers - the Ricardo Fitzpatrick story - not all heroes wear capes	Clynton Clarke	The Hive Entertainment	R470 000.00
Rantimpi Mokoka Sediba Sa Thuto le Pholo (The Well of Education & Health)	Letsatsi Ditlhale	Touch N Spin Entertainment	R470 000.00
Ben Nomoyi - Potrait of A Legend	Derrick Makuala	Ivitaku (Pty) Ltd	R470 000.00

CANADA-SOUTH AFRICA CO-DEVELOPMENT INCENTIVE FOR TELEVISION PROJECTS (CMF)

Project Name	Applicant's Name	Production Company	Amount Allocated
Badwater Flats	Jacintha Timothy	Arclight Productions (Pty) Ltd	R370 450.00
Paradise Lost	Mayenzeke Baza	AAA Entertainment (Pty) Ltd	R400 000.00
The Stoic	Ari Kruger	Sketchbook Studios (Pty) Ltd	R400 000.00

FEMALE FILMMAKER PROJECT FACILITATING COMPANY

Project Name	Applicant's Name	Production Company	Amount Allocated
Layla Swart	The Female Filmmaker Project	Yellowbone Entertainment	R15 000 000.00

YOUTH FILMMAKER PROJECT FACILITATING COMPANY

Project Name	Applicant's Name	Production Company	Amount Allocated
Sisanda Henna	Next Generation Calling Card Youth Filmmaker	Sisanda Henna Films	R9 375 000.00

NFVF/NETFLIX FUNDING APPROVALS

Project Name	Applicant's Name	Production Company	Amount Allocated
Real Estate Sister	Reabetswe Moeti	Rare View Media	R 4 000 000.00
Prime	Thabiso Christopher	Larklight Productions (Pty) Ltd	R 4 000 000.00
Taking Thandi	Sibusiso Ngobeni	Mindset Concept Production House	R 3 999 092.16
Smart Casuals	Ndamu Farisani	Farisani Creations	R 4 000 000.00
Runs in the Family	Amina Thornton	Giant Films	R 5 999 800.00
Inkabi (The Hitmen)	Norman Maake	African Entertainers Consultancy	R 6 000 000.00

Recoupment Schedule	Total recoupable grants are as follows:
Grants allocated in 2003	R12 690 774
Grants allocated in 2004	R8 630 000
Grants allocated in 2005	R4 990 000
Grants allocated in 2006	R4 300 000
Grants allocated in 2007	R3 550 000
Grants allocated in 2008	R1 934 000
Grants allocated in 2009	R3 309 000
Grants allocated in 2010	R3 700 000
Grants allocated in 2011	R6 984 845
Grants allocated in 2012	R17 758 735
Grants allocated in 2013	R14 854 735
Grants allocated in 2014	R12 923 500
Grants allocated in 2015	R18 089 369
Grants allocated in 2016	R25 525 452
Grants allocated in 2017	R28 717 374
Grants allocated in 2018	R1 261 766
Grants allocated in 2019	R40 147.49
Grants allocated in 2020	R24 942.01
Grants allocated in 2021	R1 017 815.60
Grants allocated in 2022	



Total Recoupable Grants	R170 302 455.10
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SOUTH AFRICAN FILMS CERTIFIED

Certifications

1. Treaties

There were two treaty developments in 2021/2022.

Canada – amendments to the existing agreement to be in line with current developments. The current treaty was signed in 1997.

France – amendment to make provision for television and other platforms. The current agreement provides for feature lengths films for cinema only.

2. Co-productions

During the 2021/2022 financial year, four projects were certified for co-production, three for advance ruling and one for a final ruling.

Project Name	Treaty	Ruling
Jenie	SA/UK	Advance
Street Food	SA/UK	Advance
Catch Me A Killer	SA/UK	Advance
Influence	SA/Canada	Final

Six (6) applications were issued with a certificate of nationality:

Project Name	Production Company	Producer(s)	Director(s)
Gaia	Film Initiative Africa (Pty) Ltd	Jorrie Van Der Walt, Tertius Kapp, Jaco Bouwer	Jaco Bouwer
Seriously Single	Burnt Onion Productions	Katleho Ramaphakela, Rethabile Ramaphakela, Tshepo Ramaphakela	Rethabile Ramaphakela, Katleho Ramaphakela
Mlungu Wami	Fox Fire Films (Pty) Ltd	Jenna Bass, Babalwa Baartman	Jenna Bass
A Family Affair	Fishcake Features (Pty) Ltd	Dirk Van Der Merwe, Warren Fischer	Warren Fisher
Indemnity	Indemnity (RF) (Pty) Ltd	Bradley Joshua, Benjamin Overmeyer	Travis Taute
Trippin' With The Kandasamys	Urban Vision Consulting (Pty) Ltd	Jayan Moodley, Indhrannie Pillay	Jayan Moodley

4.2 PROGRAMME 2: TRAINING AND SKILLS DEVELOPMENT

Programme Description

Purpose of programme

The announcement of lockdown in South Africa encouraged the NFVF to adopt new methods of delivering training programmes. Building a sustainable film industry requires rigorous interventions and programmes that will eliminate structural impediments such as poor education and lack of the required skills. In addressing skills shortages, the NFVF offers bursaries to deserving students and provides various training interventions to the industry. The other method adopted during lockdown was to conduct virtual e-learning classes covering different topics. These programmes were successful as they resulted in many participants attending the sessions.

Pre-lockdown, NFVF had already identified major skills gaps that continue to hinder the industry from sourcing adequate

and alternative financing resources and or models to produce films that could perform locally and internationally while providing audiences with engaging yet entertaining content. These gaps were dominant in screenwriting, directing and producing. To that end, the NFVF continues to intervene through in-house training programmes, funding for further studies and international mentorships.

Despite the challenges of the FY 2021–2022, the training and development department managed to achieve its annual targets by using alternative ways of implementing the programmes without contravening the COVID-19 regulations.

Strategic objectives related to training and skills development:

- Growth in the number of trained professionals
- Increased number of programmes supported
- Address industry skills gaps
- Encourage skills transfer to PDIs
- Learners are recognised for their completion of NFVF training programmes



Programme Performance Report

PROGRAMME 2: SKILLS DEVELOPMENT

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from Planned target to Actual Achievement 2021/2022	Comment on deviations
A transformed filmmaking ecosystem through Capacity Building, especially for previously disadvantaged individuals.	PDI identified for higher learning opportunities	Provide 45 bursaries to tertiary students	70 bursaries were awarded.	Award 45 bursaries per annum	56 bursaries were awarded	11 additional students from public institutions were approved	Students from public institutions were approved because their fees were less than private institutions
	Capacitate previously disadvantaged Training Providers	Provide funding to 3 training providers to provide scarce skills training to filmmakers	3 Training initiatives were funded	3 Training initiatives funded per annum.	3 training initiatives were awarded	N/A	N/A
	Training interventions identified for previously disadvantaged filmmakers	Provide 60 filmmakers with industry skills to enhance their craft	114 Filmmakers participated in Sediba programmes per annum	60 Filmmakers to participate in Sediba Programme	64 Filmmakers participated in the Sediba Programme	4 More projects needed training under Sediba	More projects needed training under Sediba
	Expose students to the business of filmmaking – including mentoring and coaching to facilitate their transition into the industry	Expose 20 students to the business of filmmaking including skills exchange programmes and exposure to film festivals	6 Students/Filmmakers participated in mentorship programmes.	15 Students to participate in mentorship programmes. 5 students to participate at African Film Festivals	16 students participated in the mentorship programme 5 students participated in African Film Festivals	1 additional student participated in the mentorship programme N/A	More graduates were available for the mentorship programme for on-the-job experience. N/A
	Train and capacitate industry professionals with a focus on impactful training	Provide graduates with an opportunity to gain workplace experience	11 interns were placed	Placed 35 interns per annum	65 interns were placed.	30 interns	The MICT SETA committed additional funding which allowed the NRVF to provide additional internship opportunities.
	Job creation for unemployed youth – COVID-19 intervention	Assist government to create employment opportunities for youth	12 Youth appointed	Appoint 11 youth per annum	11 youth were appointed as coordinators.	N/A	N/A

SONS OF THE SEA



Significant Achievements

Despite the challenges of the FY 2021–2022, the training and development department managed to achieve its annual targets by using alternative ways of implementing the programmes without contravening the COVID-19 regulations.

Changes to Planned Targets

There were no changes in the planned targets.

4.3 PROGRAMME 3: POLICY, COMPLIANCE AND RESEARCH

Programme Description

Purpose of programme

In ensuring that it assists in creating and maintaining not only an enabling regulatory environment but a thriving and empowering one, the Policy, Compliance and Research Programme is tasked with providing the NFVF with comprehensive and accurate information by conducting research on the film and video industry in order to make policy recommendations to the NFVF Council. Research conducted also provides critical information and key performance indicators of the South African film industry.

The purpose of the NFVF's policy department is three-fold:

1. To monitor policies concerning the audio-visual industry for the benefit of the film and television industry.
2. To make submissions in respect of those policies.
3. To monitor, and engage with staff in respect of the NFVF's internal policies and policy framework.

The programme ensures that internal and external policies are drafted to make sure the NFVF can deliver on its various objectives.

The film industry is impacted by several policies, laws and regulations that are developed from time to time. Policy monitoring and intervention is an important function that identifies policies and laws that impact either positively on the NFVF and/or the industry. Policy submissions generated by the department seek to respond to the proposed laws and present alternative positions for consideration by the drafters of the proposed policies or laws.

Research projects undertaken and subsequent policy interventions are critical to ensure that the film industry contributes to government imperatives such as job creation, social cohesion and enterprise development.

Strategic objectives related to policy, compliance and research:

- Policy formulation
- Sectoral information management (a reliable source of film industry information)
- Proposed regulations

Programme Performance Report

PROGRAMME 3: POLICY, RESEARCH AND COMPLIANCE

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To provide support to the industry in the areas of marketing and policy to better understand, enable and promote the SA Film Industry	Completed policies shared with the industry and available on content platform	Conduct and disseminate monitoring and research reports on SA film industry	2 Industry Reports and 2 Research Reports were conducted and disseminated	Produce 2 Industry Reports, and 2 Research Reports	3 Industry Reports and 2 Research Reports were conducted	1 additional industry report	The NFVF leveraged the opportunity to partner with Tshimologong to produce the Gaming and Animation Development Research as they were already embarking on it and this partnership would result in a significant cost-saving.
	Job creation for unemployed youth – COVID-19 intervention	Assist government to create employment opportunities for youth	4 quarterly policy monitoring reports were prepared 12 youth appointed	Produce 4 quarterly policy monitoring reports Appoint 11 youth per annum	4 quarterly policy monitoring reports were prepared 11 youth were appointed as coordinators.	N/A	N/A
	Policies developed to enhance a compliance culture	Develop, review and implement NFVF policies to ensure compliance with relevant legislation	6 Policy Manuals were developed and reviewed	Develop and review 4 Policy Manuals	6 Policy Manuals developed and reviewed	3 Policy Manuals developed 3 Policy Manuals Reviewed	Developed: 1. Remote working policy (approved), 2. PAIA Manual (approved) and 3. Risk Management Policy (approved) Reviewed: 1. HR and Ethics TORs (approved) 2. Council Charter (approved) 3. Materiality and Significance Framework (approved)
	Proper capturing and management of contracts and functioning of the system	Manage an Organisational Contract Management System – and ensure 100% compliance with system	Manual contract management system was developed, and it is managed to ensure 100% compliance	Ensure 100% compliance with the contract management system	Updated Manual contract management system is managed to ensure 100% compliance	N/A	N/A



Significant Achievements

The Remote Working Policy was reviewed to accommodate the dynamic working environment resulting from the COVID-19 pandemic.

The Remote Working Policy

In a world of constant change, the NFVF needs to ensure that its practices adapt and stay relevant from an Employee Value Proposition (EVP) perspective. The world of work is shifting and working remotely has rapidly become part of the new norm. This Policy responds to the COVID-19 pandemic's social distancing requirements and recognises the need to maintain those advancements beyond the pandemic.

The Enterprise Risk Management Policy

The Enterprise Risk Management Policy was developed to provide direction and guiding principles regarding risk management within the organisation to enable the achievement of the strategic goals and objectives. The policy further seeks to ensure that there is general certainty, formality, and consistency in the application of the risk management processes and procedures in the organisation.

Economic Impact Assessment Research Report

The economic impact assessment study was commissioned to quantify the contribution of the South African film industry in terms of full-time equivalent jobs created/sustained, annualised employee remuneration, household income and contribution to government taxes. The assessment measures the economic impact that accrues to South Africa from activities of companies and individuals in the film industry between April 2016 (2016/17) and March 2021 (2020/21).

The results of this economic assessment will enable the NFVF to provide relevant public and private stakeholders with valuable insights into the socio-economic value of the South African film industry and influence public sector policy for the benefit of the industry. Based on the total direct film industry expenditure, economic multipliers were utilised to derive the indirect and induced impact that indicates the total contribution of the film industry to the economy of South Africa. The economic impact assessment also provides the estimated impact on employment created/sustained by the industry, as well as the industry's contribution to government taxes.

The key results from the economic impact assessment highlight that:

- The COVID-19 pandemic had a destructive impact on the film industry, with the contribution of the industry to the South African economy contracting substantially by 59% in 2020/21 compared to 2019/20.
- In total, the direct, indirect and induced economic impact of the film industry on the South African economy has been estimated at R7.2 billion in 2019/20, declining to R2.9 billion in 2020/21 due to the negative impact of COVID-19.
- The total number of full-time equivalent jobs created/sustained by the activities of the film industry was approximately 31 444 in 2019/20, before falling to 12 775 in 2020/21.
- Annualised income derived by employees as a direct, indirect, or induced impact of the film industry amounted to R218 million for South Africa in 2019/20, declining to R88 million in 2020/21.
- Households benefited to the tune of R803 million in income in 2019/20 because of the activities of the film industry, however, this declined to R326 million in 2020/21.



- The approximate contribution to national government taxes amounted to an estimated R91 million in 2019/20, dropping to R37 million in 2020/21.

In addition to these impacts on the economy, the industry also contributed intangible benefits that accrued to the wider economy and society, including destination profiling/marketing and tourism, skills development, contribution to social cohesion and development of local content among others.

Overall, the economic impact assessment shows that South Africa has a vibrant film industry that is contributing meaningfully to the economy and is brimming with the potential to make an even greater contribution.

Transformation Research Study

The organisation commissioned research to understand the extent of transformation within the film and TV industry in South Africa, with a focus on conditions 'behind the camera'. This means it does not directly include actors, actresses and other frontline elements. It is rather focused on the many facets of taking a film or television show from initial development, through production and all the various elements of making a film or television show, through marketing and distribution processes, and including financing, co-production, and servicing.

The research study is therefore important in offering an expanded and detailed understanding of the current state of racial, gender, age-based, disability-based, and provincially based social equity in the film and TV industry, thereby serving as a foundation on which to accurately track further changes over time.

Key findings of the study:

- Transformation remains a somewhat murky intention with little to no consensus within the film and TV industry in South Africa.
- True transformation should enable companies and people of previously disadvantaged backgrounds to move beyond survival and dependence to a space of thriving independence.
- Employment access of Black individuals has grown by approximately 300% from data available on the film and TV industry from 2004.
- Black individuals have gained ground in achieving decision-making roles within the creative arena. However, this does not apply in the case of business and economic decision-making such as crewing and finance. Access is further limited by gender, with women trailing behind men in all decision-making areas.
- Non-Black-owned companies appear to have far greater resilience than Black-owned companies.
- Black-owned companies are more likely to hire larger numbers of Black practitioners and, additionally, are more likely to hire women and youth. This trend continues for women and youth-owned companies. This indicates that transformation is self-reinforcing and has a multiplier effect.
- Black-owned companies end up depending on government funding and on accessing the various levels of government funding offered for film and TV projects.
- The market has shifted to a recognition of the worth of content from the African continent and thus the potential for greater market access. This serves as a unique moment of opportunity for market capture and requires targeted and strategic responsiveness.

Changes to Planned Targets

There were no changes to planned targets.

4.4 PROGRAMME 4: MARKETING AND DISTRIBUTION

Programme Description

Purpose of programme

The Marketing and Communications role within the NFVF is designed to promote the National Film and Video Foundation as well as the South African film industry both locally and internationally. The COVID-19 pandemic drove the need for the role to upweight its digital communications support given the global shift towards virtual and/or hybrid execution of and participation at film festivals and markets, festivals and markets. The ongoing campaign, “#LoveSAFilm” launched in 2019, aims to create an appreciation for local films and a drive towards taking the South African Film industry to new heights. This call to action is designed to inspire industry support through the merits of appreciation and love.

The role of distribution at the NFVF is to support filmmakers who require funding assistance through the Marketing and Distribution grant allocation and to assist filmmakers in engaging with distribution agencies and platforms.

Strategic objectives related to marketing and distribution:

- Increase awareness of the South African film industry.
- Position South Africa as a film-making destination of choice.
- Develop and maintain relations with distribution stakeholders.
- Increase awareness of funding opportunities in the NFVF.
- Elicit more funding applications from underserved areas.
- Increase distribution access points for filmmakers.

- Promote South African filmmakers (technical expertise and film products).

The NFVF provides support that enables the promotion of the South African film industry by providing grants in the following categories:

1. Marketing and Distribution Grant
 - Provides financial support to South African independent filmmakers or local distributors to market and distribute their films through various platforms.
2. National Film Festival Grant
 - Provides financial support to individuals or organisations to host local film festivals which contribute towards audience development. NFVF continues to provide this critical financial support to local long-standing festivals.
3. Markets and Film Festivals attendance
 - Provides financial travelling support to South African filmmakers to attend global festivals and markets. This assists filmmakers in promoting their films, seeking distributors, financiers, and broadcasters and also developing their filmmaking skills by attending film workshops.
4. NFVF Activations at Local and International Markets and Festivals (which aim to increase audience access to SA films)
 - Creates awareness of NFVF programmes and South African film opportunities.
 - Promotes the South African film industry locally and internationally.



PROGRAMME 3: MARKETING, DISTRIBUTION AND PARTNERSHIPS

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To provide support to the industry in the areas of marketing and policy to better understand, enable and promote the SA Film Industry	Strategic support for festivals that meet set criteria	Develop audiences for SA films by awarding festival hosting grants	16 Festival Grants awarded to National Festivals	9 Festival Grants to be awarded to National Festivals	17 Festival Grants awarded to National Festivals	8 additional grants were awarded	High industry demand due to recovery from impact of the COVID-19 induced lockdown
	SA filmmakers supported to showcase their work at markets and festivals	Position SA filmmakers at film markets and festivals	50 Filmmakers were funded to attend Markets and Film Festivals	Fund 20 Filmmakers to attend Markets and Film Festivals	30 Filmmakers were funded to attend Markets and Film Festivals	10 additional grants were awarded	High industry demand due to the easing of the COVID-19 lockdown restrictions
		Promote the SA film industry by awarding Marketing and Distribution grants	15 Marketing and Distribution grants awarded	Award 14 Marketing and Distribution Grant	15 Marketing and Distribution grants awarded	1 additional grant was awarded	Remaining funds were spread among as many recipients as possible
	Showcase SA content to strategic markets.	Local Brand Positioning and activations to promote the NFVF and SA Film Industry	23 brand activations were implemented	16 Brand Activation per annum	34 brand activations were implemented	18 additional brand activations were implemented	Additional opportunities for activation arose from new partnerships with digital content platforms, increased focus on GBVF engagement opportunities, filmmakers' participation at international awards, over and above usual areas of engagement

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To provide support to the industry in the areas of marketing and policy to better understand, enable and promote the SA Film Industry (continued)	Strategically identified National Festivals aligned to NPFV mandate	Local activations and promotional events to showcase SA film and content	Activated at 8 National Film Festivals	Activate at 12 National Festivals 1 DSAC activation	Activated at 14 National Festivals 2 DSAC activations	2 additional activations at national festivals 1 additional activation	Opportunity in participating and activating at festivals within different geographical reach and content genre e.g. Afrikaans (Silwerskermees) and Natural History content (NEWF Summit) Opportunity to participate at the Dubai EXPO
	Position the NPFV and the SA Film Industry through international activations	Position the NPFV and SA film industry through international activations	Activated at 4 virtual International Festivals	Activate at 4 International Festivals. Activate at 1 African Focus Festivals and Market	Activated at 4 International Festivals. Activated at 1 African Focus Festivals and Market	N/A N/A	N/A N/A
		Showcase SA content to strategic markets	N/A	Activate at 2 strategic New Markets	Activated at 2 strategic new markets	N/A	N/A

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To ensure recognition of stakeholders in the SA Film and Video Industry.	The SAFTAs are efficiently and effectively planned and executed annually	Successful SAFTAs awards planned, coordinated & hosted	Successfully planned, coordinated and hosted the Virtual Awards (SAFTAs 14) online	Plan, coordinate and host the SA Film and TV Awards (SAFTAs)	Successfully planned, coordinated and Hosted the Virtual Awards (SAFTAs 15) online	N/A	N/A
		Engage in industry awareness initiatives	Implemented 6 industry support initiatives	Implement 4 industry support initiatives	Implemented 4 industry support initiatives	N/A	N/A
		Panel discussion conducted – gender equality and diversity	2 panel discussions were conducted	To conduct 2 panel discussions for filmmakers on gender equality & diversity	2 panel discussions were conducted	N/A	N/A
		Host educational workshops for filmmakers in all tiers on issues of gender-based violence	2 educational workshops were hosted	To host 2 educational workshops for filmmakers in all tiers on issues of gender-based violence	2 educational workshops were hosted	N/A	N/A
Partnerships established to provide technical, funding and other support to NFVF programmes	Partners identified and vetted for mutually beneficial considerations	Partners are identified and agreements signed	Identified 8 partners and signed contracts	Identify 5 partners and sign agreements	Identified 17 partners and signed contracts	12 additional partnerships were signed	Additional opportunities for partnership arose due to the execution of the SAFTAs, international co-production funds and opportunities to engage with and target new audiences (ex: Silwerskermfees)
To ensure recognition of stakeholders in the SA Film and Video Industry.		Host public screening to promote SA content	Hosted 29 Public Screenings to promote SA content	Host 5 Public Screenings to promote SA content	Hosted 7 Public Screenings to promote SA content	2 additional public screenings hosted	Opportunity arose to host an additional 2 screenings in the 4 th quarter
		Stakeholder Relations Management (Internal & External)	24 Stakeholder engagements were held	Engage 20 stakeholders per annum (including Provincial Depts)	26 Stakeholder engagements were held	6 additional stakeholder engagements were held	Overachieved due to the need to engage more frequently with industry stakeholders

Significant Achievements and Key Programme Outputs

Festival Grants Awarded to National Film Festivals:

The focus of the festival grant programme was to ensure film activity and audience development in the country. During this financial year, festival grants were awarded to festivals in all nine (9) provinces from experienced and emerging film festivals.

The NFVF will continue to ensure that funding for festivals is spread across the country while targeting different audiences such as learners, students, and women to ensure transformation in the film industry.

Markets and Festivals Attendance Grant:

The markets and festival attendance grant is to position South African filmmakers at film markets and festivals to pitch projects to potential buyers, distributors, and funders and to develop international audiences for South African films. In this financial year, we funded 30 filmmakers to participate at festivals and markets such as Cannes International Film Festival, Cameroon Film Festival, Annecy Animation Film Festival, Lake International Pan African Film Festival, Oslo Films from the South Festival, Amajuba Film Festival, Sheffield Documentary MeetMarket and Rotterdam International Film Festival. The films below were selected to screen at various international film festivals:

Film Title	Festival
Pulane - Shredded Umbrella	Amajuba Film Festival
Mlungu Wam	Toronto International Film Festival
Lindela Under	Cameroon Film Festival
Hotele Lerallaneng	International Film Festival Rotterdam
Empeleni "Infact"	Amajuba Film Festival
Mission 9:9	Rustenburg Film Festival
Womb Dance	Fespaco
Heart Attack	Luxor African Film Festival

Marketing and Distribution Grant:

The NFVF offers funding for marketing and distribution to assist SA filmmakers to sell and distribute their films to local and international audiences. In this financial year, 15 projects were awarded this grant of which 9 were from Gauteng, 3 were from the Western Cape, 2 were from Limpopo and 1 from the Eastern Cape. The NFVF will continue to ensure that funding is spread across the country and more projects are developed and submitted for this funding from provinces such as Northern Cape, Mpumalanga, Free State, the North West and other underserved provinces.

The Marketing and Communications department continues to raise brand awareness of the NFVF and the South African film industry on social media, radio, television, and print media platforms for various programmes such as the NFVF funding opportunities, including special projects (Unsung Community Heroes Fund, Netflix Micro Budget Fund, Thutuka Fund, Tik Tok Partnership), job opportunities and research studies such as the Economic Impact Assessment Study which garnered media attention from the SABC, Cape Talk, and Power FM. We implemented the youth filmmaker campaign where we showcased films that were produced by South African youth and the women's month campaign under #NFVFCelebratesHer where we showcased films produced by female filmmakers and profiled female filmmakers on the NFVF's social media platforms to promote the amazing work that women do in the local film and video industry. This received attention from various media platforms and one of the female filmmakers who is the lead producer of the NFVF female slate Ms. Tshego Khanyile, was interviewed by the SABC through this campaign.

Activations at Local Festivals:

I. Kwasukasukela Film Festival

Kwasukasukela Film Festival is a developmental festival aimed at encouraging communities to transform their stories told from generation to generation into films, documentaries, and television programmes. This festival is about sharing stories, developing disadvantaged communities, and enabling them to tell their stories through camera lenses. Kwasukasukela Film Festival is also an audience development festival aimed at encouraging the community to watch and appreciate our South African stories in a film format, and through art.

The NFVF, in partnership with the festival, was committed to developing this necessary audio-visual sector initiative aimed at enriching, educating and entertaining Jozini audiences on film and content generation.

The NFVF imparted knowledge on the funding opportunities provided by the organisation and how attendees can acquire funding. Furthermore, the NFVF provided participants with masterclasses and on-hand training on directing, scriptwriting and make-up. Three film practitioners assisted with the masterclasses and on-hand training of attendees for three days. The objective of the below-mentioned programme was to

equip merging filmmakers with the relevant knowledge and skills to perform at their utmost best. These were critical workshops that would assist in addressing the issue of sustainability. The programmes created a platform to further promote and support local talents by offering them an opportunity to showcase their crafts and share their expertise.

2. The Durban FilmMart (DFM)

Due to COVID-19 and national lockdown restrictions, the 2021 Durban FilmMart (DFM) event was hosted online.

The theme, *“DISRUPT! The Shape of Stories to Come”*, aimed to encourage the film industry to disrupt itself and find new ways of building the film sector.

The DFM 2021 programme looked at filmmaking development, distribution, and marketing trends, with a Pan-African focus, and how the future of cinema would navigate new landscapes including the digital world. The NFVF hosted the African Perspectives: Doc Rough Cut Lab. The NFVF also extended its support to filmmakers across the continent by funding and partnering with SAGE the Rough Cut Lab and making the lab accessible to documentary filmmakers across the African continent.

Global Positioning

The international film festivals and markets at which the NFVF led a South African delegation were:

1. IFP/GOTHAM

Gotham Week is the oldest and largest forum in the USA for the discovery of new projects in development and new voices on the independent film scene and will take place, as usual, following the Toronto Film Festival. Gotham Week is made up of the Screen Forward Conference, a week-long series of panel discussions open to attendees as well as the public, and the Project Forum.

The NFVF once again participated at GOTHAM, which was hosted virtually due to the global lockdown restrictions. The following below were the supported projects that participated:

- *Carissa* by Deidre Jantjies
- *One Day in June* by Ayanda Halimana:
- *Real Estate Sisters* by Rea Moeti
- *Valley of a Thousand Hills* by Bonie Sithebe

2. Berlinale/JETS

The Berlinale Co-Production Market brings together around 600 international high-profile film producers and financiers, focusing on international co-productions. It is the Berlinale event with the highest concentration of a target group active in the business of international co-production gathered at the same location at the same time. The Berlinale Co-Production Market, therefore, offers a good setting for promotional activities for this thoroughly selected international industry target group.

Through a partnership with the 10th SilveskermFees, the NFVF participated in a programme hosted by Jana Wolff from Berlinale to adequately prepare four selected filmmakers for the 2023 Berlinale Co-Production Programme which took place on 28 March 2022.

Junior Entertainment Talent Slate (Hereinafter referred to as “JETS”) Initiative was founded by William Peschek from WEP Productions based in Frankfurt, Germany. JETS is an initiative to create co-production opportunities for selected emerging projects by encouraging various financing and distribution strategies for the international market. JETS embraces filmmakers and producers from various countries including South Africa, Canada, Ireland, Germany, Norway, Netherlands, Austria and the United Kingdom to prepare them for the international market through a pitching session in front of an international jury and mentoring sessions given by senior producers, distributors, sales agents and financing companies.

Through the JETS partnership, four (4) projects were selected (all fictional and fell under the category of a 1st, 2nd, or 3rd feature film production). The selected filmmakers participated in the programme which included meeting fellow filmmakers and producers from other countries leading to project discussions and finding partnerships. The participants met with the jury and received advice and assistance in financing and distributing their projects.

Below were the supported projects that participated:

- *Dololo* by Kgosi Cheone and Mari Molefe van Heerden
- *Extravagant Ways to Say Goodbye* by Liese Kuhn and Carolyn Carew
- *Inyanga* by Josh Ackermann and Shaun Naidoo
- *King Dog* by Brad Katzen and Tumisho Masha

Gender-Based Violence and Gender Equality Within the Film Industry

1. GBV Engagements

In ensuring the industry's equitable growth, the NFVF ensures that this is reflected in interventions that promote gender equity in the interests of driving social cohesion in the sector. The importance of promoting gender equity is most pronounced in interventions that address Gender-Based Violence (GBV) of any shape or form towards anyone, especially vulnerable groups such as women, children, the LGBTQIA++ community, and the elderly, among others.

Every year, South Africa brings awareness to GBV and GBV-related issues through the 16 Days of Activism Campaign. This is a global campaign aimed at fighting violence against women and children. The campaign raises awareness of the impact of violence and abuse while trying to rid society of abuse permanently.

As the fight against GBV headlines all platforms around the world, the NFVF was posed with a challenge on how they could make a difference in tackling this human injustice and recognise that gender-based violence in South Africa is an ongoing and visible crisis, especially in the industry it serves.

The NFVF, in partnership with Lavuth' iBhayi Film Festival, hosted events to bring awareness about GBV while trying to find solutions for this epidemic driven through the film industry.

2. Impact of Storytelling

- Through a hybrid event on 8 December 2021, the NFVF hosted a session focusing on the impact of storytelling through film. The session educated participants on GBV-related issues using South African films whose core story is around GBV. The two films, *Alison* and *Cut out Gis* are

extraordinary human stories that bring light to social injustice and abuse faced by people from different communities.

- The session also highlighted what help is available out there, shared stories of overcoming adversity in a male-dominated industry and highlighted the challenges that vulnerable individuals and groups continue to face.

3. GBV-Related Panel Sessions

On 9 December 2021, the NFVF participated in an online panel discussion that detailed the importance of funding and distributing content that speaks to GBV messaging and outlining the impact it has on audiences. Alongside the NFVF, this session which was facilitated by a representative from Women's Voices Now, featured representatives from GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH), the SABC and Indigenous Films.

The NFVF also participated at Africa Rising International Film Festival (ARIFF) through the facilitation of a masterclass panel session, the supply of marketing collateral and attendance by NFVF Council members on the opening night where the GBV-centric film, "We Are Dying Here", produced by Siphokazi Jonas and Executive Produced by Siya and Rachel Kolisi, was screened.

The NFVF also participated in the Government Communication and Information System (GCIS), GIZ and UN Women's virtual panel discussion webinar on gender-based violence in the film industry on 24 November 2021. This session also featured a representative from Sisters Working in the Film & Television (SWIFT) and was aimed at raising awareness about GBV with a specific focus on the film industry, communicating the government's efforts to deal with GBV and encouraging victims and witnesses of the different forms of GBV.

A webinar under the theme "Strengthening Regulation of Media for Gender Equality" was held on 7 December, which focused on strengthening the role of regulatory bodies and financing schemes as a joint initiative of GIZ & UN Women's "Step it Up for Gender Equality in South African Media". The NFVF participated alongside advisory group members from the Government

Communication and Information System (GCIS), the Commission for Gender Equality (CGE) and the Film and Publication Board (FPB).

The NFVF participated in interviews which highlighted its efforts to elevate GBV messaging through its programmes and funded projects on Radio Turf, Jozi FM, Emalahleni, 702 Talk Radio, Power FM, Rise FM, and SA News.

In addition to GBV-awareness information, which was communicated to NFVF staff, e-mail signatures were updated to communicate GBV-related information that pertained to useful information for current/potential GBV victims.

4. SAFTAs Code of Conduct Policy

In order to respond to the prevalence of GBV in the industry, the NFVF developed a code of conduct policy that will hold all stakeholders who participate in the SAFTAs accountable to standards of behaviour that discourage misconduct and enable the SAFTAs to disqualify entrants based on the merits of the policy.

Online Webinars

As a result of the COVID-19 restrictions, our efforts to improve the experience of filmmakers in the local industry were channelled through online webinars which were targeted at addressing funding and industry challenges. Some of these were:

- The Marketing and Distribution Webinar: This inaugural webinar was executed to improve the quality of applications received.
- The NFVF Youth and Female Slate Showcase Webinar: These successful webinars were a highlight of the NFVF-funded youth and female slates initiative, showcasing content created through the slate and meeting the emerging and young talent behind the work.

Partnerships

SAFTAs 15

Given the outcome of previous iterations of the SAFTAs, there was a greater responsibility on the NFVF team to deliver a high-quality production and brand experience of

the SAFTAs 15. Partnerships were crucial for ensuring this and the team secured several firsts for the SAFTAs:

a) MultiChoice and SABC 3 (S3)

Given that the SAFTAs are the foremost South African awards for recognising the film and TV industry, it became imperative for the NFVF team to increase the reach of the awards by ensuring that it was broadcast not only on the national broadcaster but also on a MultiChoice platform with the largest captive audience. SAFTAs 15 were executed through partnerships with both SABC 3 when the channel had recently re-positioned itself to "S3" and Mzansi Magic which enabled the show to be simulcast across both channels.

b) Netflix

As a result of the COVID-19 induced lockdown, the NFVF partnered with Netflix to ensure that the recognition and celebration of all nominees was a memorable experience. Netflix provided celebratory packages which included South African brands owned by the Cultural and Creative Industry practitioners.

c) Primedia

Given the virtual format of the SAFTAs 15 event, the NFVF needed to drive engagement through traditional and digital platforms in a way that would reach new audiences. The media partnership with Primedia drove awareness of the SAFTAs through on-air interviews and recorded assets and highlighted winners through social media platforms across 94.7, KFM, 702 Talk Radio and Cape Talk.

d) PanSLAB

The Pan South African Language Board (PanSLAB) was created to promote and create conditions for the development and use of all official languages and to ensure respect for all languages commonly used by communities in South Africa, including German, Greek, Gujarati, Hindi, Portuguese, Tamil, Telegu, and Urdu and Arabic, Hebrew, Sanskrit, and other languages used for religious purposes in South Africa. Through this partnership, the NFVF placed graduate interns in PanSALB through the NFVF's agreement with MICT SETA and the NFVF commissioned and equitably funded a documentary on endangered indigenous languages of South Africa.



e) SABC and MICT SETA

In the interest of ensuring that NFVF plays its part in providing various opportunities for learning and development of unemployed youth, the NFVF partnered with the SABC and the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) to source interns to place at the SABC, ensuring that interns emerged from under-served provinces such as the Northern Cape, the Free State, Mpumalanga, Limpopo and the Eastern Cape.

Strategy to Overcome Areas of Underperformance

There were no areas of underperformance.

4.5 PROGRAMME 5: ADMINISTRATION AND HUMAN RESOURCES

Programme Description

Purpose of programme

The Administration and Human Resources departments provide strategic oversight of the performance and overall service delivery of the NFVF. The overall objective is to improve efficiency and effectiveness in the management of the NFVF. The administration department is responsible for ensuring good corporate governance and effective internal controls. The human resources department ensures that the NFVF is adequately staffed to deliver on its mandate and service delivery objectives.

Strategic objectives related to administration and human resources:

- Maintenance of efficient and effective systems of financial, legislative, and administrative controls.
- Sound leadership, governance, and management.

Programme Performance Report

PROGRAMME 4: THE NFVF - ENTITY ADMINISTRATION

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To ensure coherence and accountability towards achieving organisational mandate	Complete an accurate management reports	Submit Quarterly Reports to Council, DSAC and National Treasury	4 Quarterly Reports submitted to DAC, National Treasury and Council	Submit 4 Quarterly Reports to Council, DSAC, and Treasury	4 Quarterly Reports submitted to Council, DSAC, and Treasury	N/A	N/A
		Obtain an unqualified Audit report.	12 Monthly and 4 Management accounts completed and submitted	Prepare 12 monthly and 4 Quarterly Management Accounts –	12 Monthly and 4 Management accounts completed and submitted	N/A	N/A
	Complete high-standard, accurate and presentable financial statements		Annual Financial Statement was prepared	Prepare Annual Financial Statement	Annual Financial Statement was prepared	N/A	N/A
	Complete accurate supply chain management report on compliance	Compliance to supply chain management processes.	4 Quarterly Reports on Supply Chain Management confirming compliance to regulations and SCM policy with 100% acceptable failure rate on compliance must be between 85%-90%.	Submission of quarterly report on Supply Chain Management confirming compliance to regulations and SCM policy with 100% acceptable failure rate on compliance must be between 85%-90%.	4 quarterly reports on Supply Chain Management confirming compliance with regulations and SCM policy were submitted. With 100% compliance. The acceptable failure rate on compliance must be between 85% - 90%.	N/A	N/A
	Effective management of SLAs and infringement reports. IT report on stability of the ICT infrastructure, supported by ICT policies	Effective ICT security measures and policies supported by up-to-date infrastructure End-user feedback mechanism	4 Quarterly ICT Reports were submitted including SLA infringement and incident reports with a target of 100% SLA compliance and up to 85% acceptable failure rate.	Quarterly ICT Reports: including SLA infringement and incident reports with a target of 100% SLA compliance and up to 85% acceptable failure rate.	4 Quarterly ICT Reports were submitted including SLA infringement and incident reports with a target of 100% SLA compliance and up to 85% acceptable failure rate.	N/A	N/A

Outcome	Output	Output Indicator	Actual Achievement 2020/2021	Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Comment on deviations
To ensure coherence and accountability towards achieving organisational mandate (continued)	Updated Risk Register based on continual identification and assessment of risks	Effectively Managed Risk register	Annual Risk assessment workshop was conducted November 2020 and quarterly risk management was presented to Audit & Risk Committee	Conduct an annual risk assessment workshop and quarterly risk management reports	Annual Risk assessment workshop was conducted September 2021 and quarterly risk management was presented to Audit & Risk Committee	N/A	N/A
	Internal Audit Progress Report	Implementation of three-year rolling internal audit plan based on the outcome of the risk assessment	7 Internal Audits completed	4 internal audits conducted per annum	12 Internal Audits were conducted	8 additional audits were conducted	After the Annual Audits, some internal controls and governance deficiencies were detected and that needed more audits conducted to strengthen governance and internal control
		Develop Audit Actions plan to address the root cause of the audit findings	Audit Action plan to address the root cause of the audit findings was developed	Develop Audit Action plan to address the root cause of the audit findings	Audit Action plan to address the root cause of the audit findings was developed	N/A	N/A
	Effectively Managed Performance management system focused on KPAs	Measure and align all employees performance to service delivery	All performance contracts signed and bi-annual conducted	Bi-annual performance reviews will be conducted and contract to be signed	All performance contracts have been signed and bi-annual performance reviews have been conducted.	N/A	N/A
		Capacitated and empowered 10 employees with skills & knowledge to assist with service delivery	18 staff members trained.	10 staff to be trained per annum	38 staff trained	28 more staff members were trained.	A need arose for staff members to attend various training workshops to close gaps identified during performance management reviews.
	Employee Engagement Effectively managed Employee Wellness Programmes	Employee Engagement	2 employees wellness were conducted	To conduct 2 employee wellness engagements	2 employee engagements were held	N/A	N/A
			2 employee engagements were conducted	2 employee engagements	2 employees engagements conducted	N/A	N/A

Strategy to Overcome Areas of Underperformance

There were no areas of underperformance.

Changes to Planned Targets

There were no changes to planned targets.

Reporting on the Institutional Response on the COVID-19 Pandemic

The impact of COVID-19 and subsequent National State of disaster declared by the President of the Republic, including the nationwide lockdown necessitated the realignment of government planning to respond to the COVID-19 pandemic and provide continued service delivery for the 2020/21 financial year.

In the 2021/22 financial year, the NFVF continued to extend support to film practitioners in various ways including:

- Immediate relief support, which commenced with the early release of calls for applications for development and production support including Micro/Made for TV Strategy.
- Extensions of development and production active contracts were granted to allow beneficiaries affected by COVID-19 to complete projects.
- Robust activation of the employee wellness support service through ICAS. Implementation of the Drive-in-Strategy for audience development which saw the NFVF conduct screenings nationally and boosted a number of SMME's and created temporary employment opportunities, given a stimulus injection from the Shareholder of R3 million.



Programme	Intervention	Geographic location	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
COVID-19	Drive-in-Strategy for audience development	National	20 Film screening exhibitors with employment creation	Beneficiaries were across all the 9 provinces of the republic, representing all genders and most demographics (whites, Africans and coloureds) including rural areas.	R3 million	R3 million	Audience development was achieved as each screening resulted into at least 50 people watching NFVF funded films.	The NFVF funded films were screened throughout the country, observing all lockdown protocols. The exhibitors created short term employment to at least 5 people per event.
	Employment of Safety Officers and additional temporary staff	Gauteng	16 Youth employed	Beneficiaries were across all the 9 provinces of the republic.	R2 016 000	R2 016 000	Job creation was achieved which was a target in the revised APP	Employment created for the youth
	Micro/Made-for-TV Movies. NFVF and Netflix partnership.	National	6 Filmmakers	This call supported 2 established filmmakers and 4 emerging filmmakers.	R14 million	R14 million		The partnership allows for more job and distribution opportunities.

Response on the COVID-19 Pandemic

There were funds that were reallocated from the retained surplus to assist towards projects for the industry affected by COVID-19 which were to finance expenses over and above the original budget. But there were also projects that were classified as commitment as some contracts were not signed. There was a lot of effort made to implement the drive-in strategy at difference provinces during the period of the lockdown.

Internal Response on the COVID-19 Pandemic

The HR department alongside the research team conducted a return-to-work survey for staff. The purpose was to gain insight from employees on hybrid work. The survey results assisted greatly; particularly where spatial planning is concerned.

Management continued its efforts to support departments during the COVID-19 period as follows:

- Extended contracts of employment for two **Health and Safety Officers** to continue the management of COVID-19 protocols and ensure that staff coming into the office for the first time are inducted on what is expected of them to ensure their safety and the safety of those around them.
- Extended contracts for two **General Office Assistants** to ensure that the office is clean and always sanitised.
- Appointment of eleven (11) **Coordinators** to assist teams with workload challenges as a result of special projects, whilst targeting the high rate of youth unemployment.
- Activated the company **Wellness Programme** to assist employees to deal with their emotional experiences as a result of COVID-19 work related changes; from heightened anxiety; experiencing loss; to feeling insecure.

Linking Performance with Budgets

Programme	2020/2021			2021/2022		
	Budget	Actual Expenditure	(Over) Under Expenditure	Budget	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	42,092,000.00	43,650,279.00	- 1,558,279.00	47,447,000.00	49,554,847.13	- 2,107,847.13
Development & Production of Content	49,770,000.00	42,722,319.00	7,047,681.00	61,351,000.00	41,540,232.78	19,810,767.22
Skills Development and Training	13,000,000.00	17,931,885.00	- 4,931,885.00	12,199,000.00	11,017,073.70	1,181,926.30
Research & Policy Development	2,896,000.00		2,834,378.00	2,900,000.00	1,302,075.92	1,597,924.08
Marketing and Distribution	32,550,000.00	25,159,976.00	7,390,024.00	26,923,000.00	24,387,062.52	2,535,937.48
NFVF Initiatives - Covid Relief Fund				-	10,200.00	- 10,200.00
PESP				93,140,309.00	91,267,012.29	1,873,296.71

INVADING TERRITORIES SCREENING

PART C

GOVERNANCE



OVERCOME BELOVED
A FILM BY NTHABISENG MOSIEANE

da hall | 11:00 AM | 26th June 2022

TRY & REFRESHMENTS WILL BE AVAILABLE

1. INTRODUCTION

The Corporate Governance Principles and Practice of the NFVF are based on relevant legislation (incorporating the National Film and Video Foundation Act, as amended by the Cultural Laws Amendment Act, 36 of 2001, the PFMA, 1 of 1999), and consider the Protocol on Corporate Governance in the Public Sector; Notice 637 of 2002, as well as the King Report on Corporate Governance in South Africa, 2002 ("King Report").

The NFVF recognises the significance of good governance in the public sector; which is crucial for effective public service delivery and improved social outcomes. The NFVF is committed to ensuring good governance throughout the organisation by observing the principles of the King Report, where possible, within the parameters of public sector legislation. All employees and Council Members of the NFVF are expected to conduct the affairs of the NFVF in accordance with the law, and the spirit of the corporate governance principles and practices, which requires a separation of organisational and private interests and the adoption of ethical standards of business.

The Council and Management of the NFVF ensures that its processes and practices are reviewed on an ongoing basis to ensure adherence to good corporate governance practices, which are continually benchmarked against international best practice.

The Council and Management believe that the organisation has substantially applied and complied with the principles incorporated in the Code of Corporate Practices and Conduct as set out in the King Report on Corporate Governance for South Africa 2002, as well as the Protocol on Corporate Governance in the Public Sector 2002.

2. EXECUTIVE AUTHORITY

The Executive Authority of the NFVF is the Minister of Sport, Arts and Culture. For the year under review, the NFVF submitted the following reports on the dates specified:

- Annual Performance Plan and Strategic Plan for 2021/22
- 1st Quarterly Report – 31st July 2021
- 2nd Quarterly Report – 31st October 2021
- 3rd Quarterly Report – 31st January 2022

- 4th Quarterly Report – 30th April 2022

3. THE ACCOUNTING AUTHORITY

INTRODUCTION

In terms of section 6 of the NFVF Act, the NFVF functions under the guidance of a Council, appointed by the Minister of Arts and Culture. The Council bears primary responsibility for discharging the statutory mandate of the NFVF as set out in the NFVF Act. The Chief Executive Officer, management and staff exist to support the Council in executing its responsibilities.

The purpose of the Council is to direct the affairs of the NFVF in fulfilling its statutory obligations set out in the NFVF Act and to give strategic direction to the NFVF.

THE ROLE OF THE COUNCIL IS TO:

- carry out its statutory mandate under the NFVF Act.
- define and ensure compliance with the values and objectives of the NFVF.
- establish policies and plans to achieve those objectives.
- approve each year's strategic and annual performance plan, budget, and annual financial statements prior to publication.

In accordance with section 8(1) of the NFVF Act, Council meetings were held on:

- 22 April 2021
- 28 May 2021
- 31 May 2021
- 22 July 2021
- 31 July 2021
- 05 August 2021
- 22 September 2021
- 09 December 2021
- 27 January 2022
- 02 March 2022
- 24 March 2022

Name	Designation	Date appointed	Date resigned	Other Committees (e.g. Audit committee)	No. of Meetings attended
Ms Tholoana Ncheke	Chairperson	01 December 2020		EXCO	12
Dr Jeremiah Mofokeng	Deputy Chairperson	01 December 2020		EXCO	10
Mr Majang Mpherwane	Council Member	01 December 2020		Audit and Risk Committee	12
Adv Senzo Ncube	Council Member	01 December 2020		Audit and Risk Committee	19
Mr Sanele Zondi	Council Member	01 December 2020	31 May 2021	Audit and Risk Committee	5
Mr Louis Itumeleng Seeco	Council Member	01 December 2020		HR & Ethics Committee	17
Ms Julie Hall	Council Member	01 December 2020		EXCO	10
Mr Sibongiseni Mkhungo	Council Member	01 December 2020		HR & Ethics Committee	17
Ms Marjorie Letoaba	Council Member	01 December 2020		EXCO and HR & Ethics Committee	15
Ms Nomfundo Matlala	Council Member	01 December 2020		HR & Ethics Committee	16
Ms. Lala Tuku	Council Member	15 June 2021		EXCO	8

REMUNERATION OF COUNCIL MEMBERS

Name	Remuneration	Other allowance	Other	Total
Ms Tholoana Ncheke	R257 046,00	-	-	R257 046,00
Dr Jeremiah Mofokeng	R198 736,00	-	-	R198 736,00
Mr Majang Mpherwane	-	-	-	-
Adv Senzo Ncube	R181 008,00	-	-	R181 008,00
Mr Sanele Zondi	R59 436,00	-	-	R59 436,00
Mr Louis Itumeleng Seeco	R146 502,00	-	-	R146 502,00
Ms Julie Hall	R95 064,00	-	-	R95 064,00
Mr Sibongiseni Mkhungo	R146 016,00	-	-	R146 016,00
Ms Marjorie Letoaba	-	-	-	-
Ms Nomfundo Matlala	R129 148,00	-	-	R129 148,00
Ms Lala Tuku	R85 560,00			R85 560,00

4. RISK MANAGEMENT

NATURE OF RISK MANAGEMENT

Risk Management encompasses the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects within the NFVF. The realisation of the organisation's business strategy depends on its ability to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Sound management of risk through the NFVF's risk management system enables the organisation to anticipate and respond to changes in its business environment, and to take informed decisions in conditions of uncertainty.

RISK MANAGEMENT STRATEGIES TO IDENTIFY RISKS AND MANAGE THE RISKS

A Risk Assessment Workshop was conducted with Audit Committee members and the Executive Management team in October 2021 to review and update the NFVF Risk Register. Based on the outcomes of the risk assessment, a revised strategic risk register was developed which would be tracked quarterly through the Audit and Risk Committee.

As part of implementing the risk treatment plans, the NFVF has undertaken the following:

- Signed a shareholders compact with DSAC
- Continued to lead industry-wide initiatives to improve funding for the industry
- Reviewed its Finance, HR, IT and business-related policies and procedures
- Updated the funding policy, amongst others
- Reviewed and approved the Council and Audit Committee Charters
- Council evaluation of all committees
- Reviewed NFVF's reputation and image and undertake steps to re-instate a good reputation

5. INTERNAL CONTROL

The NFVF is a section 3A Public Entity that is guided by both the principles set out in the NFVF Act as well as the PFMA. As such, its objectives are to ensure a fully functioning and efficient NFVF office that fulfils its statutory obligations in terms of the NFVF Act and the PFMA and fully meets the service delivery needs of its stakeholders. This means that firstly, the NFVF needs to have adequate resources to

fulfil its mandate and secondly to implement and maintain efficient and effective corporate governance and internal control systems.

During the year under review the NFVF has:

- Ensured financial compliance with the NFVF Act and the PFMA as well as financial and legal compliance with other statutory bodies (e.g. SARS).
- Ensured an efficient NFVF office that successfully meets the needs of its various stakeholders.
- Maintained an administration system that ensures the productivity and quality of the NFVF office.
- Overall, maintained an effective and efficient supply chain management system.
- Identified and managed risks by holding an annual risk workshop which culminated in an annual internal audit plan and a risk register.
- Ensured good corporate governance by having regular committee meetings including the Audit Committee, Human Resources Committee and Exco, etc. as well as having a fully functioning and efficient internal audit function.
- Ensured that the HR Policies and Procedures are in line with the legislature and best practices.

6. INTERNAL AUDIT AND AUDIT COMMITTEES

KEY ACTIVITIES AND OBJECTIVES OF THE INTERNAL AUDIT FUNCTION

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the NFVF's operations. It assists the NFVF in accomplishing its objectives by bringing a systematic disciplined approach to evaluating and improving the effectiveness of risk management, control and the governance process.

Consistent with the above, the primary objectives of the Internal Audit Function are:

- To evaluate the effectiveness of the risk management process of the NFVF, and suggest improvements related thereto.
- To evaluate the design adequacy and effectiveness of NFVF's internal control system as a contribution to the economic, effective, and efficient use of resources, and suggest improvements related thereto.

- To evaluate NFVF's process of governance, and suggest improvements related thereto.

Thus, the activities performed by the Internal Audit Function in executing its responsibilities include:

- Reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether operations or programmes are being carried out as planned.
- Assisting management in identifying business risks and assessing the adequacy of their risk management processes.
- Appraisal of the economy, effectiveness and efficiency with which resources are employed.
- Evaluating the effectiveness of controls over the reliability and integrity of information for management purposes; and
- Ascertaining the level of the NFVF's compliance with relevant policies, plans, procedures, laws and regulations.

The NFVF's internal audit was performed by Bonakude.

SUMMARY OF AUDIT WORK DONE

During the 2021/22 financial year, a risk assessment was conducted. Based on the outcomes of the assessment and

in terms of the three-year rolling internal audit plan, the following audits were conducted:

- Project funding and bursary review
- Audit of predetermined objectives
- Supply chain management review
- Risk management maturity assessment
- Follow up review

KEY ACTIVITIES AND OBJECTIVES OF THE AUDIT COMMITTEE

The primary purpose of the NFVF Audit Committee is to assist the Council in fulfilling its oversight responsibility relating to the financial activities of the Foundation, in terms of the NFVF Act and the PFMA, (which includes responsibilities regarding the safeguarding of assets, operating effective systems of internal control, financial management and preparing annual financial statements) by reviewing:

- The systems of internal control (financial, operational and compliance) that management has established
- NFVF's auditing, accounting and financial reporting processes generally
- The integrity of financial reporting and other information provided by the NFVF to the Minister of Arts and Culture, any government body or the public.

ATTENDANCE OF AUDIT COMMITTEE MEETINGS BY AUDIT COMMITTEE MEMBERS:

Name	Internal or external	If internal, position in the public entity	Date appointed	Date resigned	No. of Meetings attended
Zanele Nkosi	External member	Audit Committee chairperson	April 2021	-	13
Molobeng Serame	External member	Audit Committee Member	July 2021	-	5
Sanele Zondi	External member	Audit Committee Member	April 2021	31 May 2021	5
Julia Sefako	External member	Audit Committee Member	April 2021	July 2021	3
Ulandi Exner	External member	Audit Committee Member	April 2021	-	9
Adv Senco Ncube	Internal	Council Member	June 2021	-	8
Maijang Mpherwane	Internal	Council Member	June 2021	-	8
Rembuluwani Mavhungu (Bonakude)	External member	Internal Audit	20 September 2020	-	7
Makhosazana Khanyile	Internal	CEO		-	12
Peter Makaneta	Internal	CFO	Jan 2022		3

7. FRAUD AND CORRUPTION

The NFVF has a fraud prevention plan in place. All new staff are inducted into the plan and regular workshops are held with all staff to familiarise them with the plan. The NFVF is also a participant in the DSAC's fraud and corruption campaign. Management did a fraud risk assessment and developed treatment plans to address the weaknesses of fraud risks identified. Management also had a fraud awareness session to staff.

8. MINIMISING CONFLICT OF INTEREST

The NFVF has developed a policy for conflicts of interest that has been approved by the Council. All Council, committee and panel members are required to sign a declaration of conflict of interest at every meeting. Staff members must sign a declaration of conflict of interest on an annual basis.

9. CODE OF CONDUCT

The purpose of the code of conduct is to provide clear guidelines on how employees should conduct themselves during their employment at the NFVF. The code sets out acceptable business conduct and practices.

The code of conduct is reviewed together with the organisational policies and procedures on an annual basis. Staff members are made aware of the code of conduct and any revisions during the annual workshop and during induction for new employees. In the event of a breach of the code of conduct, the normal HR processes as outlined in the HR policies will be followed.

10. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The NFVF complies with the Occupational Health and Safety (OHS) Act and contributes to the workman's compensation. All staff are made aware of the health and safety requirements including but not limited to the following:

- Adequate signage
- An easily accessible fire extinguisher
- A well-rehearsed evacuation strategy

11. COMPANY SECRETARY

The Company Secretary plays two pivotal roles in Managing the affairs of the NFVF Council, and Council Sub-Committees (including Panels) by providing guidance and support to the NFVF Council and Sub-Committees. The Company Secretary also provides secretariat services and administrative support to the Council and Sub-Committees (including panels). Further, the Company Secretary is a liaison official between management and the Council and between the Council and the Shareholder; thus giving effect to the governance protocol.

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

AUDIT COMMITTEE RESPONSIBILITY

The Committee has complied with its responsibilities as arising from section 51(1)(a) of the PFMA and Treasury Regulations 27.1. The Committee also adopted an appropriate formal charter, to regulate its affairs, and has discharged all its responsibilities according to this charter.

COMMITTEE TENURE

During the period under review, the Committee consisted of the following members:

- Ms Zanele Nkosi (Chairperson)
- Ms Ulandi Exner
- Ms Julia Sefako (resigned 13 July 2021)
- Ms Molobeng Serame (appointed on 14 July 2021)
- Adv Senzo Ncube
- Mr Sanele Zondi (resigned 31 May 2021)
- Mr Maijang Mpherwane

THE EFFECTIVENESS OF INTERNAL CONTROL

During the period under review, the Committee:

- Reviewed significant issues raised by both the internal and external audit processes.
- Reviewed the effectiveness of the entity's financial controls and received assurance from management, internal and external audit.
- Reviewed the action plans in place to address the shortcomings identified in internal controls.

Although action plans were designed to address some of the issues as identified in the prior year, some weaknesses were noted in the internal controls.

Weaknesses were identified in the following areas:

- Information Technology
- Grant funding contract management
- Irregular and fruitless & wasteful expenditure

Management should ensure that action plans in place address the root cause. Proper governance and an adequate structure should be in place to strengthen information technology.

INTERNAL AUDIT

For the year under review, the Committee has:

- Reviewed and approved the internal audit charter;
- Reviewed quarterly internal audit reports relating to the effectiveness of the entity's internal control environment, systems, and processes;
- Considered the quality and appropriateness of management's action plans in response to identified shortcomings; and
- Considered the effectiveness of the internal audit unit by monitoring progress and quality of work on a quarterly basis.

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

- Audit of pre-determined objectives;
- Payroll and HR Management;
- Information Technology;
- Granting Funding Contract Management;
- Project Fund Controls
- Asset Management; and
- AG follow-up.

RISK MANAGEMENT

During the period under review, the Committee has:

- Reviewed and considered the annual strategic risk register;
- Reviewed and recommended to Council, the risk policy and strategy;
- Reviewed and considered the annual strategic risk register.
- Reviewed on a quarterly basis, reports on risk.

The Committee continues to recommend to management that proper systems and processes should be in place to enable adequate and proper risk management.

IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORT

The Committee received and consistently reviewed both financial and non-financial information and ensured that monthly and quarterly reporting processes were in accordance with the PFMA and all relevant legislation.

During the period under review the Committee:

- Considered the system and processes the entity use to ensure compliance to regulations.
- Monitored compliance with laws and regulations.
- Reviewed both internal and external audits report to identify any arising compliance issues.

EVALUATION OF FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION

The Committee has:

- Reviewed and discussed the annual financial statements and performance information as prepared by entity.
- Reviewed the AGSA's management reports and management responses thereto.
- Reviewed significant adjustment resulting from the audit.

- Reviewed any changes in accounting policies and practices; and
- Reviewed the entity's compliance with applicable regulatory provisions.

AUDITOR'S REPORT

The Committee has reviewed action plans for audit issues raised in the previous year and can confirm that they were implemented but did not in all cases, address all the specific root causes.

The Committee has met with the Auditor-General to discuss all audit findings. Taking this into consideration, the Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor:

Zanele Nkosi
Chairperson of the Audit Committee
National Film and Video Foundation
31 July 2022

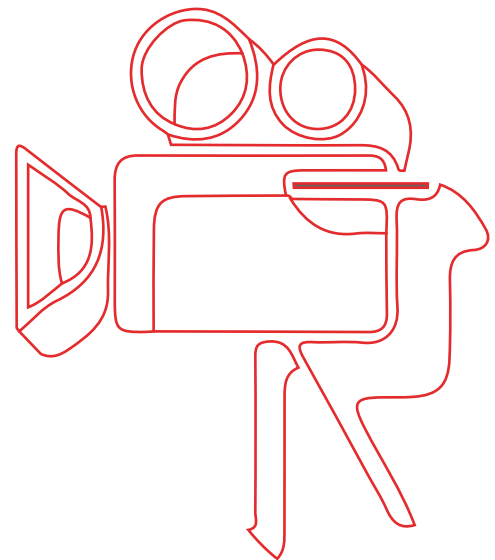
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	This is not applicable to NFVF
Developing and implementing a preferential procurement policy?	No	NFVF is in the process of developing the preferential procurement policy
Determining qualification criteria for the sale of state-owned enterprises?	No	This is not applicable to NFVF
Developing criteria for entering partnerships with the private sector?	No	The criteria will be developed in this current financial year



PART D

HUMAN RESOURCE MANAGEMENT



I. INTRODUCTION

OVERVIEW

Human Resources priorities for 2021/2022 and their impact

The Human Resources (HR) department is key in ensuring that the National Film and Video Foundation (NFVF) can effectively deliver on its mandate and strategic objectives. The primary objective of the HR department is to ensure that the NFVF is adequately staffed by attracting the right people, with the right skills, in the right roles. The focus of the HR department has been on key strategic interventions, aimed at enhancing organisational effectiveness. Key priorities entailed the following:

- Recruitment and Placement
- Job Profiling and Alignment
- Performance Management
- Training and Development
- Culture Intervention
- Employee Engagement

Recruitment and Placement:

One of the most important objectives of the HR department is to align the organisational structure to the organisation's strategic objectives. This ensures that the NFVF has the right people, with the right skills, in the right roles. Vacant positions on the structure were filled within acceptable turnaround times to ensure less disruptions in operations. Positions frozen due to budget cuts or pending structure amendments were capacitated by means of temporary appointments, in an effort to close any gaps that could hinder service delivery. A total of ten (10) temporary vacancies have been filled through a fair and transparent recruitment process, aligned to our recruitment strategy. The NFVF further prioritised the appointment of nine (9) youth with the purpose of providing additional support to various departments, as well as playing its part in curbing unemployment for the youth. The appointment of additional resources has been key in meeting our annual targets and achieving our overall mandate.

Job Profiling and Alignment:

The NFVF is fine tuning its strategic overview for the next five (5) years, and to ensure that staff respond optimally to industry needs, and in an effort to optimise the core and support departments, a detailed review of the

current structure, capabilities, competencies and outputs of the departments was conducted. The departure points for optimising the outputs were to look at aligning the department's objectives to all NFVF strategic goals. The outcome of the process proved that indeed there are areas which are under-capacitated, and some which are underutilised. Management is working closely with all stakeholders involved in implementing the job alignment findings for the benefit of achieving amongst other things, better role clarification, increased collaboration and integration.

Performance Management:

The NFVF's performance management is based on a 360° methodology. Our performance management system allows for a comprehensive performance assessment of staff. Performance assessments are conducted bi-annually (mid and end year). These assessments have been key in identifying employee skill gaps for urgent address. The performance management system offers staff an opportunity to measure their individual contribution within the overall organisational performance.

Training and Development:

Training priorities are identified when performance reviews are conducted. Each line manager and employee have a duty to address any skill gaps identified. Those gaps automatically form part of each employee's Personal Development Plans (PDPs) and are addressed within agreeable timeframes. It is of utmost importance that skill gaps are addressed, as they contribute in improving efficiency and high performance. The HR department has been instrumental in ensuring that gaps identified are addressed through various training initiatives, and the following interventions have been prioritised:

- Finance for non-financial managers
- GRAP update
- Managing incapacity and poor work performance
- Bid Specification and Evaluation
- Various skills programmes
- Academic support through staff bursaries

The training initiatives undertaken form part of a Works Skills Plan (WSP) and Annual Training Report (ATR) document submitted to the SETA.

The continuous re-assessment of skills ensures that employees are placed in the best position to respond to industry requirements and are reflective of a changing industry. The above initiatives are aligned to the organisation's talent management strategy.

Organisational Culture Intervention

The NFVF has embarked on a three (3) year culture intervention journey, focusing on an effective phased approach, shifting the current culture challenges to a more conducive culture, where staff are able to work together, live the organisational values, and build a more sustainable and positive workplace.

The NFVF has adopted a systematic culture transformation process with the following phases:

- Phase 1: Diligence – creating awareness and alignment
- Phase 2: Diagnosis – analyse and stabilise
- Phase 3: Design – strategise and organise
- Phase 4: Delivery – realise and optimise

The process will be rolled out over a period of three (3) years and the NFVF leadership have been key in driving the process.

Employee Engagement:

Employee engagement sessions are key in defining the nature of relationship between various departments, how they inter-depend on each other, and how that relationship

translates in achieving overall business objectives. Several staff engagement sessions have taken place, with the aim of addressing various factors affecting staff. The following were prioritised:

- Financial Wellness workshop
- Conflict Management and Grievance Procedure workshop
- Sexual Harassment workshop
- Long Covid
- Mental Health awareness
- Languishing session
- Employee participation in the redesigning and aligning of job specs
- Various monthly employee wellness initiatives through ICAS

Plans for the year ahead:

The HR department will continue to drive key strategic interventions aimed at enhancing organisational effectiveness. Some key priorities for the year ahead include the following:

- Continuous building and sustaining an organisational culture that facilitates and accelerates change
- Implementation of job alignment findings for organisational efficiency
- Flexible HR information system that supports hybrid working arrangements
- Implementing the Talent Management Framework



2. HUMAN RESOURCE OVERSIGHT STATISTICS

PERSONNEL COST BY PROGRAMME

Programme	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Training & Skill Development	1 226 070,10	3,79%	3	408 690,03
Policy, Compliance & Research	2 276 187,82	7,03%	6	379 364,64
Production & Development	7 761 601,21	23,98%	13	597 046,25
Marketing & Distribution	4 135 420,57	12,78%	10	413 542,06
CEO Office, Finance & HR & Admin	16 969 176,70	52,43%	28	606 042,03
Total	32 368 456,40	100%	60	2 404 685,01

**Includes Temporary Staff*

PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Top Management	2 018 960,28	6,52%	1	2 018 960,20
Senior Management	4 319 337,14	13,96%	5	863 867,43
Middle Management	12 351 511,20	39,91%	18	686 195,07
Professional qualified	11 682 738,00	37,75%	32	365 085,56
Semi-skilled	230 882,48	0,75%	1	230 882,48
Unskilled	345 048,20	1,12%	3	115 016,07
TOTAL	30 948 477,30	100%	60	4 280 006,81

**Includes Temporary Staff*

PERFORMANCE REWARDS

Programme	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	593 300,00	593 300,00	41,78%
Senior Management	95 548,62	47 774,31	6,73%
Middle Management	423 646,05	38 513,28	29,83%
Professional qualified	301 232,00	21 516,57	21,21%
Semi-skilled	0	0	0%
Unskilled	6 252,47	6 252,47	0,44%
TOTAL	1 419 979,14	707 356,63	100%

TRAINING COSTS

Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Average training cost per employee
32 368 456,40	245 002.54	13.21%	40	6 125.06

EMPLOYMENT AND VACANCIES BY PROGRAMME

Programme	No. of Employees as of 31 March 2021	2021/2022 Approved Posts	No. of Employees as of 31 March 2022	Vacancies as of 31 March 2022	% of vacancies
Training & Skills Development	2	2	1	1	2.5%
Legal, Policy & Research	3	3	2	1	2.5%
Production & Development	9	10	9	1	2.5%
Marketing & Distribution	8	8	4	4	10%
HR, Finance & CEO	16	17	13	4	10%
TOTAL	38	40	29	11	27.5%

EMPLOYMENT AND VACANCIES BY SALARY BAND

Programme	No. of Employees as of 31 March 2021	2021/2022 Approved Posts	No. of Employees as of 31 March 2022	Vacancies as of 31 March 2022	% of vacancies
Top Management	1	1	1	0	0%
Senior Management	3	4	2	2	6%
Middle Management	15	15	12	3	8%
Professional qualified	17	18	12	6	13.5%
Semi-skilled	1	1	1	0	0%
Unskilled	1	1	1	0	0%
TOTAL	38	40	29	11	27.5%

EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of period
Top Management	1	0	0	1
Senior Management	3	1	2	2
Middle Management	15	0	3	12
Professional qualified	17	0	5	12
Semi-skilled	1	0	0	1
Unskilled	1	0	0	1
Total	38	1	10	29

REASONS FOR STAFF LEAVING

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	10	26%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

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

EMPLOYMENT EQUITY STATUS

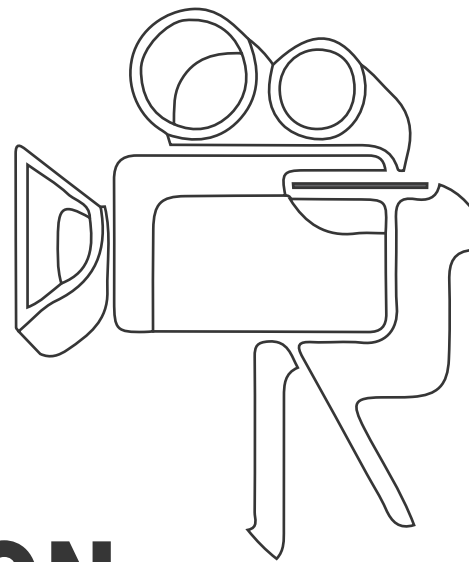
Levels	MALE			
	African Current	Coloured Current	Indian Current	White Current
Top Management	0	0	0	0
Senior Management	1	0	0	0
Middle Management	3	0	0	0
Professional qualified	3	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	7	0	0	0

Levels	FEMALE			
	African Current	Coloured Current	Indian Current	White Current
Top Management	1	0	0	0
Senior Management	1	0	0	0
Middle Management	7	0	0	1
Professional qualified	10	0	0	0
Semi-skilled	1	0	0	0
Unskilled	1	0	0	0
TOTAL	21	0	0	1



PART E

FINANCIAL INFORMATION



INDEX

1.	STATEMENT OF RESPONSIBILITY (STILL TO BE COMPLETED)	72
2.	GENERAL INFORMATION	73
3.	ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL.....	74
11.	REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON NATIONAL FILM AND VIDEO FOUNDATION	75
4.	STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022	81
5.	STATEMENT OF FINANCIAL PERFORMANCE.....	82
6.	STATEMENT OF CHANGES IN NET ASSETS	83
7.	CASH FLOW STATEMENT	84
8.	STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS	85
9.	ACCOUNTING POLICIES.....	86
10.	NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS.....	92

I. STATEMENT OF RESPONSIBILITY

(STILL TO BE COMPLETED)

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The Accounting Authority is responsible for the preparation of the public entity's annual financial statements and the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements.

In my opinion, the financial statements fairly reflect the operations of the public entity for the financial year ended 31 March 2021.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements of the Public Entity.

The NFVF annual financial statements for the year ended 31 March 2022 have been audited by the external auditors and their report is presented on page 75.

The Annual Financial Statements of the Public Entity set out on page 81 to page 113 have been approved by the Accounting Authority.



Ms. Makhosazana Khanyile
Chief Executive Officer
National Film and Video Foundation
31 July 2022



Ms. Tholoana Ncheke
Chairperson
National Film and Video Foundation
31 July 2022

2. GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Film and Video
Registered office	87 Central Road Houghton 2198
Bankers	First National Bank
Auditors	Auditor General of South Africa
Secretary	Prudence Swarts
Company registration number	Act 73 of 1997
Level of assurance	These audited annual financial statements have been prepared in compliance with the applicable requirements of the Public Finance Management Act 1 of 1999 and Generally Recognised Accounting Practice

GRAP	Generally Recognised Accounting Practice
DSAC	Department of Sport, Arts and Culture
ECDC	Eastern Cape Development Corporation
ECPACC	Eastern Cape Provincial Arts & Culture Council
MEC	Member of the Executive Council
KZN	KwaZulu-Natal
MANCO	Management Committee
MICT-SETA	Media, Information and Communication Technologies Sector Education and Training Authority

3. ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

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

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

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

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the board of members sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical

behaviour are applied and managed within predetermined procedures and constraints.

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

The members have reviewed the entity's cash flow forecast for the year to 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the Department of Sport, Arts and Culture for continued funding of operations. The audited annual financial statements are prepared on the basis that the entity is a going concern and that the Department of Sport, Arts and Culture has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

Although the board of members are primarily responsible for the financial affairs of the entity, they are supported by the entity's external auditors.

The external auditors are responsible for independently reviewing and reporting on the entity's audited annual financial statements. The audited annual financial statements have been examined by the entity's external auditors and their report is presented on page 75.

The audited annual financial statements set out on pages 81 to 113, which have been prepared on the going concern basis, were approved by the board of members on 31 July 2022 and were signed on its behalf by:



Ms Tholoana Ncheke
Chairperson

II. REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON NATIONAL FILM AND VIDEO FOUNDATION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the National Film and Video Foundation set out on page 81 to 113, which comprise the statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Film and Video Foundation as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Context for the opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the Foundation 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 and fruitless and wasteful expenditure

7. As disclosed in note 35 to the financial statements, irregular expenditure of R15 435 425 from prior years had not yet been resolved.
8. As disclosed in note 34 to the financial statements, fruitless and wasteful expenditure of R5 026 841 from prior years had not yet been resolved.

Restatement of comparative figures

9. As disclosed in note 31 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the foundation at, and for the year ended, 31 March 2022.

Responsibilities of the accounting authority for the financial statements

10. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Generally Recognised Accounting Practice and the requirements of the Public Finance Management Act 1 of 1999 (PFMA), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting authority is responsible for assessing the foundation'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 foundation or to cease operations, or has no realistic alternative but to do so.

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

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

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the foundation's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the foundation enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the foundation's annual performance report for the year ended 31 March 2022:

Programmes	Pages in the annual performance report
Programme I – content development	22 – 35

17. I performed procedures to determine whether the reported performance information was properly presented and was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. The material findings on the usefulness and reliability of the performance information of the selected programmes are as follows:

PROGRAMME I – CONTENT DEVELOPMENT

Fund projects in development and projects in production that address historical imbalances and transformation

19. The planned indicator and targets as listed below, as per the approved initial annual performance plan and the performance against these planned targets, were not reported in the annual performance report.

Indicator	Targets
Fund projects in development and projects in production that addresses historical imbalances and transformation	Fund third-year female filmmaker project
	Fund third-year first time/ youth filmmaker project
	Fund the second year of the fiction slates

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 22 to 55 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 19 of this report.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the foundation's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements and annual report

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA. Material misstatements of provisions, accumulated surplus, grant expenses, cash flow statement, prior period errors and commitments identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

25. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1 497 425 as disclosed in note 35 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA.

Consequence management

26. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51(1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.

Procurement and contract management

27. I was unable to obtain sufficient appropriate audit evidence that some extensions or modifications to contracts were approved by a properly delegated official as required by section 44 of the PFMA and treasury regulation 8.2.1 and 8.2.2.

OTHER INFORMATION

28. 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 statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
29. 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.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. 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

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

- The accounting authority did not adequately exercise their oversight responsibility regarding financial reporting and compliance with legislation. This is evident from the material misstatement that had to be corrected on the financial statements and the material non-compliance with legislation reported.

- The foundation did not have adequate monitoring and reviewing controls to ensure that financial reports submitted for auditing were accurate and complete.
- Weaknesses in the foundation's internal quality review processes resulted in inconsistent reporting between the annual planning documents and the annual performance report.

Auditor-General

Johannesburg
23 August 2022



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in 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 foundation's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board, which constitutes the accounting authority
 - conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on

the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the National Film and Video Foundation to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a foundation 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

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to 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.

ACCOUNTING AUTHORITY REPORT

The audited annual financial statements set out on pages 81 to 113, which have been prepared on the going concern basis, were approved by the board of members on 31 May 2022 and were signed on its behalf by:



Ms Tholoana Ncheke
Chairperson

4. STATEMENT OF FINANCIAL POSITION

as at 31 March 2022

	Note(s)	2022	2021 Restated
Assets			
Current Assets			
Cash and cash equivalents	10	201,115,356	273,753,377
Receivables from exchange transactions	8	119,594	7,131
Receivables from non-exchange transactions	9	2,781,241	5,255,445
Prepayments	6	314,593	200,204
Rental deposit	7	492,060	492,060
		204,822,844	279,708,217
Non-Current Assets			
Property, Plant and Equipment	3	10,943,898	11,566,117
Intangible assets	4	939,250	697,405
		11,883,148	12,263,522
Total Assets		216,705,992	291,971,739
Liabilities			
Current Liabilities			
Payables from exchange transactions	14	2,052,347	6,708,913
Operating lease liability	5	-	351,725
Payables from non-exchange	15	2,344,381	-
Provisions	11	63,064,183	71,895,031
Income received in advance	12	14,422,775	14,020,460
Presidential Employment Stimulus Programme (PESP)	13	1,873,297	93,140,309
		83,756,983	186,116,438
Non-Current Liabilities			
Provisions	11	34,047,974	39,061,575
Total Liabilities		117,804,957	225,178,013
Net Assets		98,901,035	66,793,726
Accumulated surplus		98,901,035	66,793,726
Total Net Assets		98,901,035	66,793,726

5. STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2022	2021 Restated
Revenue			
Revenue from exchange transactions			
Rendering of services	17	5,115,303	-
Other income	18	3,009,292	1,572,373
Investment income		5,838,439	4,074,084
Total revenue from exchange transactions		13,963,034	5,646,457
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	19	237,222,780	184,066,715
Total revenue	16	251,185,814	189,713,172
Expenditure			
Employee related costs	20	(30,643,876)	(29,013,597)
Council remuneration	30	(1,765,991)	(1,368,326)
Depreciation and amortisation	22	(2,541,453)	(2,272,437)
Repairs and Maintenance	23	(37,746)	(205,767)
Lease rentals on operating lease	5	(4,511,512)	(4,257,456)
Debt impairment	24	-	(1,951,132)
Auditors remuneration		(1,038,708)	(780,006)
Settlement	21	(600,000)	-
Grant expenses		(169,833,202)	(109,045,808)
General expenses	25	(8,106,016)	(8,011,538)
Total expenditure		(219,078,504)	(156,906,067)
Surplus for the year		32,107,310	32,807,105

6. STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus	Total net assets
Opening balance as previously reported	33,986,621	33,986,621
Balance as previously reported at 1 April 2020	33,986,621	33,986,621
<i>Changes in net asset</i>		
Surplus for the year as previously reported	21,224,157	21,224,157
Prior period error	11,582,948	11,582,948
Total changes	32,807,105	32,807,105
Opening balance as previously reported	-	-
Restated balance at 1 April 2021	66,793,725	66,793,725
<i>Changes in net assets</i>		
Surplus for the year	32,107,310	32,107,310
Total changes	32,107,310	32,107,310
Balance at 31 March 2022	98,901,035	98,901,035

7. CASH FLOW STATEMENT

	Note(s)	2022	2021 Restated
Cash flows from operating activities			
Receipts			
Other receipts (Amounts received in advance)		1,000,000	107,160,769
Government grants and subsidies		145,955,768	137,244,048
Interest income		5,838,439	4,074,084
Rendering of services		5,115,303	-
Other Income		3,009,292	1,572,373
		160,918,802	250,051,274
Payments			
Employee costs		(31,243,876)	(29,013,597)
Suppliers and beneficiaries		(200,114,122)	(89,864,740)
Repairs and Maintenance		(37,746)	(205,767)
		(231,395,744)	(119,084,104)
Net cash flows from operating activities	26	(70,476,942)	130,967,170
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(1,684,489)	(1,165,246)
Purchase of other intangible assets	4	(476,590)	(1,498,974)
Net cash flows from investing activities		(2,161,079)	(2,664,220)
Net increase in cash and cash equivalents		(72,638,021)	128,302,949
Cash and cash equivalents at the beginning of the year		273,753,377	145,450,428
Cash and cash equivalents at the end of the year	10	201,115,356	273,753,377

8. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Rendering of services	7,000,000	-	7,000,000	5,115,303	(1,884,697)	37.1
Other income	-	-	-	3,009,292	3,009,292	37.1
Investment income	4,200,000	700,000	4,900,000	5,838,439	938,439	37.2
Total revenue from exchange transactions	11,200,000	700,000	11,900,000	13,963,034	2,063,034	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	239,060,309	-	239,060,309	237,222,780	(1,837,529)	37.1
Total revenue	250,260,309	700,000	250,960,309	251,185,814	225,505	
Expenditure						
Employee related costs	(28,336,620)	(700,000)	(29,036,620)	(30,643,876)	(1,607,256)	37.3
Remuneration of councillors	(1,000,000)	(450,000)	(1,450,000)	(1,765,991)	(315,991)	37.3
Depreciation and amortisation	-	(3,257,000)	(3,257,000)	(2,541,453)	715,547	37.4
Repairs and maintenance	(70,000)	50,000	(20,000)	(37,746)	(17,746)	37.4
Lease rentals on operating lease	(3,343,400)	(1,000,000)	(4,343,400)	(4,511,512)	(168,112)	37.3
Auditors remuneration	(900,000)	(250,000)	(1,150,000)	(1,038,708)	111,292	37.3
Settlement	-	-	-	(600,000)	(600,000)	37.5
Grant expenses	(209,580,309)	6,067,000	(203,513,309)	(169,833,202)	33,680,107	37.5
General expenses	(7,029,980)	(1,160,000)	(8,189,980)	(8,106,016)	83,964	
Total expenditure	(250,260,309)	(700,000)	(250,960,309)	(219,078,504)	31,881,805	
Surplus for the year	-	-	-	32,107,310	32,107,310	

The annual financial statements of the NFVF have been prepared in accordance with effective GRAP standards including any interpretations, guidelines and directives issued by the Accounting Standards Board. The NFVF budget is prepared in compliance with section 16(2) of the NFVF Act 73 of 1997.

9. ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The annual financial statements of the NFVF have been prepared in accordance with the effective South African Standards of GRAP including any interpretations, guidelines and directives issued by the Accounting Standards Board.

1.1 Presentation currency

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

1.2 Summary of significant accounting

The following are the principal accounting policies of the NFVF which are prepared on an accrual basis and in all material respects, consistent with those applied in the previous year. The annual financial statements of the NFVF have been prepared on the historical cost and going concern basis.

1.3 Significant judgements and sources of estimation uncertainty

In the application of the NFVF accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These estimates and assumptions do however affect the reported amounts of assets and liabilities at the Statement of Financial Position date, as well as the reported income and expenditure recorded in the Statement of Financial Performance. Although these estimates are 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 periods if the revision affects both current and future periods.

1.3.1 Critical judgements in applying accounting policies

The following are the key assumptions and judgements concerning the future, that have a significant risk of causing adjustments to the carrying amounts of assets and liabilities within the next financial year:

1.3.2 Estimates

Trade Receivables

The entity 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, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Judgement Leases

Management has applied its judgment to classify all lease agreements that the NFVF is party to as operating leases if the lease does not transfer substantially all risks and rewards of ownership to the foundation, or the other recognition criteria is met in terms of GRAP 13 to classify leases as operating leases.

1.4 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the NFVF which represents an increase in net assets, other than increases relating to contributions from owners.

In a non-exchange transaction, the NFVF either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes

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

Government Grants received by the NFVF relates to financial support that the Foundation receives as a Public Entity in order to carry out its mandate. All Government Grants are recognised in the Statement of Financial Performance for the year to which they relate.

9. ACCOUNTING POLICIES (continued)

1.5 Revenue from exchange transactions

An exchange transaction is one in which the NFVF receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Exchange revenue is recognised when it is probable that future economic benefits will flow to the NFVF and when the amount can be measured reliably. Revenue is measured at the fair value of the consideration received. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Interest revenue

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

1.6 Property, Plant and Equipment

Property, Plant and Equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

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

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

Property, Plant and Equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates; and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Items of values less than R2 000 will be recorded as inventory and expensed in the year of acquisition as it unlikely that future economic benefits will flow to the organisation. However, exceptions will be made in the case of furniture and equipment and office equipment where the item forms part of a unity (e.g. computer monitor)

Property, Plant and Equipment is carried at cost less accumulated depreciation and any impairment losses.

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

Property, Plant and Equipment are depreciated on the straight-line basis at rates which are estimated to write off each asset over its useful life, as follows:

Item	Depreciation method	Average useful life
Furniture and fittings	Straight-line	10 years; 6 years
Office equipment	Straight-line	6 years
Computer hardware	Straight-line	10 years; 7 years; 3 years
Leasehold improvements	Straight-line	10 years & can vary based on type

The useful lives of the assets is reviewed at the end of each financial year and adjusted if appropriate. Any change resulting from the review is treated as a change in accounting estimate. Depreciation commences when the asset is available for use. The gain or loss arising from the derecognition of an item of property and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. Repairs and maintenance are charged to the Statement of Financial Performance when the expenditure is incurred.

1.7 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identified as an intangible asset when it is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and

- the cost or fair value of the asset can be measured reliably.

9. ACCOUNTING POLICIES (continued)

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. Intangible assets are amortised over its estimated useful life, using the straight line method and is calculated to reduce the original costs to the expected residual values over the estimated useful lives.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	10 years
Website and licenses	Straight-line	5 years; 2 years 7 can vary based on licence term

Useful lives are assessed annually.

1.8 Leasehold Improvements

A leasehold improvement is a customisation of leased property. A lessee may want to invest in leasehold improvements in order to adjust the characteristics of office or production space to its specific needs. A leasehold improvement is considered an asset of the lessee if the lessee paid for it. If so, the lessee records the investment as a fixed asset.

Upon termination of a lease, all leasehold improvements become the property of the landlord. The leasehold improvements should be amortised over the shorter of:

term of the lease, or

useful life of leasehold improvements and / or type of assets installed

Non-current assets

There were no major changes in the nature of the non-current assets of the NFVF, nor to its policy regarding its use during the year under review.

1.9 Financial instruments

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

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the NFVF becomes a party to the contractual provisions of the instrument.

Financial instruments recognised on the Statement of Financial Position and in the notes thereto are as follows:

Classification

Class	Category
Trade and other receivables	Financial asset measured at fair value
Cash and cash equivalent	Financial asset measured at fair value
Trade and other payables	Financial asset measured at amortised cost

Trade receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying amount of these receivables approximate fair value due to the short period to maturity of these instruments. Trade and other receivables from exchange transactions are disclosed separately from trade and other receivables from non-exchange transactions. Trade and other receivables in exchange for which the entity gives approximately equal value to another entity are recognised as trade and other receivables from exchange transactions. Trade and receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non-exchange transactions.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks, petty cash and deposits held at banks. Cash and cash equivalents are initially and subsequently measured at fair value.

Trade payables

Trade and other payables are measured at fair value at initial recognition, and are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial instruments.

The NFVF assesses on each Statement of Financial Position date whether a financial asset of the Foundation is impaired. Impairments are made when there is objective evidence that cash flows from specific financial assets would not materialise. Cash flow values estimated not to materialise are impaired. The amount of the impairment is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial

9. ACCOUNTING POLICIES (continued)

recognition. The amount of the impairment is recognised in the Statement of Financial Performance.

Derecognition of financial instruments

Financial assets

Financial assets (or part thereof) are derecognised when the Foundation realises the rights to benefits specified in the contract, the right expires, or the NFVF surrenders or otherwise loses control of the contractual rights that comprise the financial asset.

Financial liabilities

Financial liabilities (or part thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

Off-setting of financial instruments

Financial assets and financial liabilities are offset, if a legally enforceable right exists to set off financial assets against financial liabilities and the financial instrument relate to the same foundation.

1.10 Tax

No provision has been made for income tax as the NFVF is exempted in terms of section 10 of the Income Tax Act (Act No. 58 of 1962).

1.11 Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts is recognised as an expense and the contractual payment recognised as an operating lease asset or liability.

Finance leases - lessor

The entity recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the entity's net investment in the finance lease.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the .

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rental payments are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

1.12 Impairment of assets

An impairment loss is an amount by which the carrying amount of an asset (i.e. the amount recognised on the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment loss) exceeds its recoverable amount. The recoverable

9. ACCOUNTING POLICIES (continued)

amount is the higher of an asset's fair value less its cost to sell, and its value in use. Value in use is the present value of the future cashflows expected to be derived from an asset.

At each reporting date the carrying value of property, equipment and intangible assets are assessed to determine whether there is any indication that those assets may have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Value in use is estimated taking into account future cashflows, forecast market conditions and the expected lives of the assets.

If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to the higher of its recoverable amount and zero. Impairment losses are recognised in the Statement of Financial Performance. Subsequent to the recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted to allocate its remaining useful life.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but limited to the carrying amount that would have been determined had no impairment loss been recognised in prior years.

A reversal of an impairment loss is recognised in the Statement of Financial Performance.

1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plan

The NFVF operates a defined retirement contribution plan for its employees and is not liable for any actuarial losses sustained by the fund. Accordingly, no provision has been made for any such losses and contributions paid are expensed. The organisation recognises a liability for annual bonuses (13th cheque). A liability for 13th cheque is accrued on a proportionate basis as services are rendered.

1.14 Provisions and contingencies

Provisions are recognised when:

the entity has a present obligation as a result of a past event;

it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and

a reliable estimate can be made of the obligation.

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 11 to the Annual Financial Statements. The amount of a provision is the present value of the amount expected to be required to settle the obligation. Contingent assets and contingent liabilities are not recognised as provisions as they do not comply with the recognition criteria.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 28.

1.15 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and

Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

9. ACCOUNTING POLICIES (continued)

1.16 Comparative figures

Where necessary, comparative figures are adjusted when material errors that have been identified in the current year. The changes are done and disclosed in accordance with GRAP.

1.17 Irregular and fruitless and wasteful expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including the PFMA. Fruitless and wasteful expenditure means expenditure made in vain and could have been avoided had reasonable care been exercised. All irregular and fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

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

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

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

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

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register.

1.18 Related parties

The NFVF is a Schedule 3(A) Public Entity that is ultimately owned and controlled by the South African Government. All related party transaction that are entered into by the NFVF with any organization owned by SA Government are disclosed in the Annual Financial Statements.

1.19 Events after reporting date

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

those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

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

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

1.20 Foreign exchange transactions

The NFVF does certain transactions in foreign currencies and prepares its financial statements on the accrual basis, and translates its AFS into a presentation currency. All transactions are effected on the closing rate i.e. the spot rate on the date of receipt of invoice. All foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of transaction.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 104 (amended): Financial Instruments	No effective date	Unlikely there will be a material impact
Guideline: Guideline on Accounting for Landfill Sites	01 April 2099	Unlikely there will be a material impact

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2022 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 104 (amended): Financial Instruments	No effective date	Unlikely there will be a material impact
Guideline: Guideline on the Application of Materiality to Financial Statements	No effective date	Unlikely there will be a material impact
Guideline: Accounting for Arrangements Undertaken i.t.o the National Housing Programme	01 April 2021	Unlikely there will be a material impact

3. Property, Plant and Equipment

	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fittings	5,367,860	(4,632,366)	735,494	5,367,860	(4,207,155)	1,160,705
Office equipment	443,609	(359,402)	84,207	443,609	(309,024)	134,585
Computer Hardware	5,648,121	(3,812,375)	1,835,746	5,648,121	(4,134,081)	1,514,040
Leasehold improvements	10,462,200	(2,771,435)	7,690,765	10,462,200	(1,705,413)	8,756,787
Total	21,921,790	(11,575,578)	10,346,212	21,921,790	(10,355,673)	11,566,117

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Total
Furniture and fittings	1,160,705	26,996	(452,207)	735,494
Office equipment	134,585	-	(50,378)	84,207
Computer Hardware	1,514,040	1,059,807	(738,101)	1,835,746
Leasehold improvements	8,756,787	597,686	(1,066,022)	8,288,451
	11,566,117	1,684,489	(2,306,708)	10,943,898

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Adjustment/ Movement	Depreciation	Total
Furniture and fittings	3,550,094	-	(1,939,057)	(450,332)	1,160,705
Office equipment	197,753	33,807	(50,918)	(46,057)	134,585
Computer Hardware	1,693,553	605,196	(169,854)	(614,855)	1,514,040
Leasehold improvements	7,376,705	526,243	1,868,137	(1,014,298)	8,756,787
	12,818,105	1,165,246	(291,692)	(2,125,542)	11,566,117

4. Intangible assets

	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	5,393,560	(4,980,972)	412,588	5,393,230	(4,999,559)	393,671
Specialised software	2,071,211	(1,544,549)	526,662	2,071,211	(1,767,477)	303,734
Total	7,464,771	(6,525,521)	939,250	7,464,441	(6,767,036)	697,405

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Amortisation
Computer software	393,671	197,843	(178,926)	412,588
Specialised software	303,734	278,747	(55,819)	526,662
	697,405	476,590	(234,745)	939,250

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Adjustments	Amortisation	Total
Computer software	559,658	728,582	(760,881)	(133,688)	393,671
Specialised software	235,943	770,392	(689,395)	(13,206)	303,734
	795,601	1,498,974	(1,450,276)	(146,894)	697,405

5. Operating lease liability

Non-current liabilities	-	351,725
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Equipment and land and buildings

The NFVF leases its equipment (photocopiers etc.) on a straight line basis and therefore there is no operating lease liability. Buildings are leased over a period of 3-5 years on average.

Operating lease commitments

The NFVF 5-year lease with ALW Estates ended on 31 December 2021. The rental is currently on month on month whilst the NFVF is finalising a 3-year lease with the new building owners (Sakhumnotho) as the previous owner (ALW Estates) sold the building. The lease expense incurred for the year ended 31 March 2022 is R4,511,512 (2021: R4,257,456).

6. Prepayments

Heading

Sakhumnotho - April rent	240,122	-
SAFTA's Trophies	-	200,204
VoxTelecommunications - internet lines and telephones	30,852	-
Kunene Makopo - insurance premium	41,186	-
ADT - Alarm system	2,433	-
	314,593	200,204

The prepayments relates to the office rental, insurance and other operational services that must be paid by the 1st of each month.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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7. Rental Deposit

Rental Deposit

Opening balance as at 1 April

Additional deposit

Closing balance as at 31 March

492,060	492,060
-	-
492,060	492,060

8. Receivables from exchange transactions

Accrued expense-Medical Aid

South African Broadcasting Corporation

Golden Nugget

Provision for bad debt

MIE

Purea waters

XL Nexus travel

-	7,131
-	1,623,860
1,495,000	1,495,000
(1,495,000)	(3,118,860)
18,706	-
1,014	-
99,874	-
119,594	7,131

None of the above trade receivables has been pledged as security or collateral for liabilities or contingent liabilities nor have any terms of any receivables been renegotiated. The carrying amount approximates fair value because of the short period to maturity.

9. Receivables from non-exchange transactions

DSAC - Covid Relief Payments

Recoverable amount from staff member

2,777,949	5,255,445
3,292	-
2,781,241	5,255,445

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Petty Cash

First National Bank

Corporation for Public Deposits

1,045	352
93,293,249	169,920,756
107,821,062	103,832,269
201,115,356	273,753,377

Cash and cash equivalents earn interest at floating rates based on the daily bank deposits.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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11. Provisions

Reconciliation of provisions - 2022

	Opening Balance	Adjustments/ Movements	Total
Provision for leave pay	2,117,939	51,737	2,169,676
Provision for Grants issued by NFVF	107,018,013	(13,735,893)	93,282,120
Provision for performance bonus	1,820,654	(160,293)	1,660,361
	110,956,606	(13,844,449)	97,112,157

Reconciliation of provisions - 2021

	Opening Balance	Movement for the year	Adjustments/ Movements	Originated during the year	Total
Provision for Grants issued by NFVF	93,191,908	13,826,105	-	-	107,018,013
Provision for leave pay	1,589,906	-	(1,589,906)	2,117,939	2,117,939
Provision for performance bonus	1,284,710	-	(1,284,710)	1,820,654	1,820,654
	96,066,524	13,826,105	(2,874,616)	3,938,593	110,956,606

Non-current liabilities	34,047,974	39,061,575
Current liabilities	63,064,183	71,895,031
Total Provisions	97,112,157	110,956,606

Provision for leave pay

A provision for leave is recognised for leave due to employees at period end and calculated using the Basic Conditions of Employment Act rates. The provision is expected to be realised within the following financial year when the employees utilise the leave, resign or retire.

Provision for Grants issued by NFVF

The Foundation issues Grants in the following categories: Training and bursaries; research and script development; production and distribution and marketing. The Grants have been approved by Council, but the timing of payments are dependant on projects / contract milestones being achieved by grant beneficiaries. Management determined calculations of current and non-current portions estimates based on historical trend.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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Provision for Performance Bonus

A provision for performance bonus is recognised for any money due to employees when performance bonus is due and payable. The performance bonus will be expected and realised within the following financial year after the audit outcomes.

12. Income received in advance

Department of Sports, Arts and Culture

Opening balance as at 1 April

14,020,460 14,546,703

Utilised during the year

(597,685) (526,243)

Received during the year

1,000,000 -

14,422,775 14,020,460

Income received in advance relates to the funds received from DSAC to identify potential sites, develop a business case for the establishment of Film Hubs and for the refurbishment and development of the Film Hub identified in Eastern Cape. The purpose of the film hub is to provide local filmmakers editors and digital entrepreneurs by giving them access to a shared workspace with high-speed internet and resources to help accelerate their passions and chosen fields. The Eastern Cape Film Hub in Buffalo City Municipality in the Eastern Cape Province was launched on 5 March 2020. The launch was a collaboration between NFVF, the ECDC, ECPACC, and Cortex Hub.

13. Presidential Employment Stimulus Programme(PESP)

The Presidency has made a special employment stimulus programme available to the sector to disburse via the National Arts Council and the National Film and Video Foundation. The Presidential Employment Stimulus Programme (PESP) is geared towards employment creation and retention initiatives for artists, creatives, heritage sector workers and cultural workers.

The Presidential Employment Stimulus Programme aims to assist practitioners and their projects as well as companies that incurred losses (actual and planned/existing, new and those that were at concept stage) during the COVID-19 lockdown period.

National Treasury has entrusted a total of R140 million to the NFVF and which will be administered, according to guidelines set, as follows:

Objective 1: Creation of new employment opportunities: R100 million (stream 1-3); Objective 2: Retention of employment opportunities; R40 million (stream 4).

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

				2022	2021 Restated
Split	Allocation	Paid to date	Balance available	Jobs proposed	Jobs created
Stream 1	84,534,772	(83,480,862)	1,053,910	6,375	3,816
Stream 2	22,513,038	(22,242,526)	270,512	1,200	1,093
Stream 3	12,950,000	(12,950,000)	-	705	572
Stream 4	13,002,190	(13,002,190)	-	675	1,552
Administration	7,000,000	(6,451,125)	548,875	-	-
TOTAL	140,000,000	(138,126,703)	1,873,297	8,955	7,033

2022

	Opening Balance	Paid to Date	Balance Available
Stream 1	84,534,772	(83,480,862)	1,053,910
Stream 2	1,250,000	(979,488)	270,512
Stream 4	3,982,125	(3,982,125)	-
Administration	3,373,412	(2,824,537)	548,875
	93,140,309	(91,267,012)	1,873,297

2021

	Opening Balance	Paid to Date	Balance Available
Stream 1	84,534,772	-	84,534,772
Stream 2	22,513,038	(21,263,038)	1,250,000
Stream 3	12,950,000	(12,950,000)	-
Stream 4	13,002,190	(9,020,064)	3,982,125
Administration	7,000,000	(3,626,587)	3,373,412
	140,000,000	(46,859,689)	93,140,309

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
14. Payables from exchange transactions		
Trade payables	1,488,390	2,129,225
Accruals	235,519	3,419,571
Accrued expense - Liberty life	-	297,600
Accrued expense - 13th cheque	284,642	430,157
Accrued expense - Trade Union	-	1,600
Accrued expense - sundry creditors	43,796	430,760
	2,052,347	6,708,913

15. Payables from non-exchange transactions

Accruals - grant expense	187,350	-
DSAC Short Film Project - Unsung Heroes	1,679,750	-
DSAC Dubai Film Expo 2021	477,281	-
	2,344,381	-

16. Revenue

Rendering of services	5,115,303	-
Other income	3,009,292	1,572,373
Interest received - investment	5,838,439	4,074,084
Government grants & subsidies	237,222,780	184,066,715
	251,185,814	189,713,172

The amount included in revenue arising from exchanges of goods or services are as follows:

Rendering of services	5,115,303	-
Other income	3,009,292	1,572,373
Interest received - investment	5,838,439	4,074,084
	13,963,034	5,646,457

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue		
Government grants & subsidies	237,222,780	184,103,739

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
17. Rendering of services		
South African Broadcasting Corporation	1,464,000	-
Independent Filmmaker project	60,649	-
Covid 19-Documentaries short films	300,000	-
Gauteng Film Commision	350,000	-
DSAC Dubai Expo	1,522,720	-
Short Film project-Unsung Heroes	820,250	-
EC - film hub	597,685	-
	5,115,304	-

Revenue received from exchange transactions relate mainly to sponsorships and partnership agreements with stakeholders for projects and NFVF events. The NFVF entered into partnership agreements with private sector companies.

18. Other income

Other income	-	1,572,373
SABC-Bad debts recovered	1,623,860	-
Insurance Income	13,667	-
VATIT	4,131	-
Duekom	777,937	-
Recoupments	589,697	-
	3,009,292	1,572,373

Prior year other income relates to recoupment from films and a reimbursements from cancelled projects.

19. Government grants and subsidies

Operating grants

Department of Sports, Arts and Culture - annual allocation	145,920,000	137,170,000
PESP - realisation income	91,267,012	46,859,691
MICT-SETA - Scarce skills grant	35,768	37,024
	237,222,780	184,066,715

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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20. Employee related costs

Basic	26,007,555	24,268,933
Medical Aid	1,423,734	1,287,845
Unemployment Insurance Fund	125,793	86,424
Skills Development Levy	354,234	213,675
Provident Fund	1,801,281	2,007,983
Leave pay charge	590,632	911,897
Cellphone Allowance	340,647	236,840
	30,643,876	29,013,597

21. Settlement

Settlement - former executive	600,000	-
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This relates to the settlement and conclusion of the CCMA case between NFVF and former executive for unfair dismissal. This has been reported in the prior year annual report contingencies.

22. Depreciation and amortisation

Property, Plant and Equipment	2,306,708	2,125,542
Intangible assets	234,744	146,894
	2,541,452	2,272,436

23. Repairs and Maintenance

Repairs and Maintenance	37,746	205,767
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The repairs and maintenance costs were for operational purposes and were expensed when they were incurred. Only R188.00 related to an asset - a vacuum cleaner.

24. Debt impairment

Bad debts written off	-	1,951,132
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10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
25. General expenses		
Accounting and internal audit fees	504,310	497,459
Advertising	399,560	225,095
Administration	70,366	79,970
Cleaning	126,163	220,811
Penalties & Interest	170,784	-
Computer expenses	1,237,368	890,228
Consulting and professional fees	3,348,455	3,500,462
Flowers	36,222	15,960
Hire	12,375	16,494
Insurance	123,556	213,825
IT expenses	-	220,800
Postage and courier	16,564	23,068
Printing and stationery	4,394	218,239
Security	297,360	244,185
Staff welfare	341,559	241,173
Subscriptions and membership fees	38,604	105,393
Telephone and fax	134,751	117,759
Training	330,301	500,223
Travel - local	64,490	18,749
Assets expensed	23,799	3,910
Property payments	496,993	486,794
Sundry expense	238,125	83,128
Venue expenses	89,917	87,813
	8,106,016	8,011,538

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
26. Cash (used in) generated from operations		
Surplus	32,107,310	32,807,105
Adjustments for:		
Depreciation and amortisation	2,541,453	2,272,437
(Decrease) / increase in operating lease	(351,725)	(439,449)
(Decrease)/increase in provisions	(13,844,449)	91,843,684
(Decrease)/increase in provisions	(13,844,449)	91,843,684
Changes in working capital:		
Receivables from exchange transactions	(112,463)	2,644,128
Receivables from non-exchange transactions	2,474,204	(599,312)
Prepayments	(114,389)	225,302
Payables from exchange transactions	(4,656,567)	4,690,650
Payable from non-exchange transactions	2,344,381	-
Provision for bad debts	-	(1,951,132)
Income received in advance	402,315	(526,243)
Presidential Employment Stimulus Programme(PESP)	(91,267,012)	-
	(70,476,942)	130,967,170

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
27. Commitments		
Beneficiary Grants		
Commitments as per procurement plan		
Already contracted for but not provided for		
Pastel Solution software	-	51,405
Management of internal and external communications on behalf of NFVF	-	3,333,060
Service provider employee health and wellness service to the NFVF	200,190	296,439
Media Monitoring	416,319	179,483
Travel Management Services	5,264,866	16,035,227
Internal auditors	589,593	1,133,999
IT-Email backup	166,795	25,269
Backup and disaster recovery	-	226,725
Water dispensers	60,996	78,367
Short terms insurance	374,324	165,060
Economic Impact study	-	349,805
Project Management to PESF	-	1,920,699
ICT services	291,147	334,075
Multi-Purpose Printers and Digital duplicators	162,415	343,460
Grant Management System	547,355	87,365
PR services	1,395,735	-
Offsite Storage Management	74,491	-
Internet Line Upgrade & Telephones	917,346	-
Financial Model	265,938	-
Hiring of pots and plants	77,722	-
Culture Intervention	520,895	-
Project Management - EC Film Hub	264,669	-
Architecture Engineering Services - EC Film Hub	163,126	-
Quantity Surveyor Services - EC Film Hub	147,920	-
Civil and Structural Engineering - EC Film Hub	46,513	-
Electrical and Mechanical engineering services - EC Film Hub	154,308	-
Website Hosting and Maintenance	126,568	-
SAFTAs Audit	11,960	-
SAFTAS judging system	278,364	-
Mobile Communications	867,015	-
Audience Research	800,745	-
Job grading and salary benchmarking	183,339	-
Pastel solution software	21,405	-
Property market analysis	112,700	-
	14,504,759	24,560,438
Total commitments		
Beneficiary grants	76,183,250	11,776,513
Commitments as per procurement plan	14,504,759	24,560,438
	90,688,009	36,336,951

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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28. Contingencies

1. High Court Johannesburg South

There is a litigation case at the Johannesburg High Court against NFVF by a service provider whose contract was cancelled due to contractual disputes after the service provider failed to honour terms of the agreement. The plaintiff is claiming damages of R31m against NFVF for loss of revenue and the NFVF is challenging this claim and has made its own counter claim in terms of the contractual obligations. This matter will now undergo a mediation process as provided for in the SLA and court process would be a last resort should the mediation process not yield desirable results.

2. Accounting Surplus

A cash surplus amounting to R121,564,336 for the 2021/2022 financial year, must be declared to the National Treasury in terms of section 53(3) of the PFMA and if the approval to retain is not granted then the funds be surrendered to National Treasury as per Instruction No.12 of 2020/21. The cash surplus was calculated using a formula prescribed by National Treasury through the National Treasury Instruction No.12 of 2020/2021.

3. SAFTAS case

A letter demanding R1,000,000 in compensation for damages was received from a SAFTAS'15 nominee on 02 September 2021. There has not been any recent legal development from this claim.

29. Related parties

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

DSAC-EC and NW Film Hubs income received in advance	(14,422,775)	(14,020,460)
Presidential Employment Stimulus Programme (PESP)	(1,873,297)	(93,166,791)

Provision for doubtful debts related to outstanding balances with related parties

SABC	1,623,860	1,623,860
SABC bad debts recovered	(1,623,860)	-

Department of Sport, Arts and Culture

Grant Allocation	145,920,000	137,170,000
Short Film Project - Unsung heroes	2,500,000	-
Dubai expo	2,000,000	-

Other Government Entities

Gauteng Film Commission	350,000	-
MICT-SETA	35,768	-
SABC	1,764,000	-

30. Remuneration of management

Executive management

2022		Basic salary	13 th Cheque & Performance Bonus	Allowances	Leave pay and other benefits	Company Contributions	Notice payout	Total
	Name							
	Head: Human Resources- Ms T Mayinje	973,736	180,302	12,000	-	172,586	-	1,338,624
	Head: Industry Development -Ms Y Ncokotwana (Acting)	734,916	135,661	210,290	-	121,255	-	1,202,122
	Chief Executive Officer- Ms M Khanyile	1,779,900	593,300	18,000	-	225,418	-	2,616,618
	Chief Financial Officer-Mr Z Koyana (Resignation)	473,787	69,094	4,000	96,528	(17,690)	144,330	770,049
	Head: operations-Ms N Mda (Terminated)	611,008	73,739	6,000	31,598	88,669	-	811,014
	Head: Operations-Ms OA Dumeko (Acting)	672,000	56,000	127,084	-	107,535	-	962,619
	Chief Financial Officer-Ms N Madlala (Temporary)	1,154,637	-	-	-	83,605	-	1,238,242
	Chief Financial Officer-Mr KP Makaneta	314,366	-	3,000	-	61,469	-	378,835
		6,714,350	1,108,096	380,374	128,126	842,847	144,330	9,318,123

2021		Basic salary	13 th Cheque & Performance Bonus	Allowances	Leave pay and other benefits	Company Contributions	Total
	Name						
	Chief Executive Officer- Ms M Khanyile	1,779,900	425,000	18,000	-	219,063	2,441,963
	Chief Financial Officer- Mr Z Koyana	1,421,360	118,447	12,000	-	-	1,551,807
	Head: Production & Development - Mr K Blackford (contract ended)	-	27,250	-	217,246	-	244,496
	Head: Production & Development - Ms Y Ncokotwana (Acting)	294,634	58,927	87,621	-	8,361	449,543
	Head: Operations - Ms N Mda	1,371,611	112,415	12,000	-	171,317	1,667,343
	Head: Human Resources- Ms T Mayinje	568,013	108,221	7,000	-	77,653	760,887
		5,435,518	850,260	136,621	217,246	476,394	7,116,039

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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30. Council Remuneration

Non-Executive Honorarium Council services:

Non-executive

	Council Remuneration	Audit & Risk Committee Remuneration	Exco Remuneration	Other fees	Total
2022					
Ms Tholoana Ncheke (Chairperson)	118,300	-	23,584	147,538	289,422
Dr Jeremiah Mofokeng	87,713	-	19,230	110,326	217,269
Adv Senzo Ncube	88,182	32,076	-	78,132	198,390
Mr Sanele Zondi	34,536	23,328	-	17,982	75,846
Mr Louis Seeco	88,182	-	8,634	69,546	166,362
Ms Julie Hall	80,628	-	17,268	65,820	163,716
Mr Everseen Mkhungo	88,182	-	-	66,468	154,650
Ms Matefo Majodina	-	7,776	-	-	7,776
Ms Ulandi Exner	-	32,076	-	34,344	66,420
Ms Nomfundo Matlala	96,816	-	-	98,574	195,390
Ms Zanele Nkosi (Chairperson of Audit and Risk Committee)	7,182	45,110	-	43,212	95,504
Ms Zanele Nkosi (Chairperson of Audit and Risk Committee)	7,182	45,110	-	43,212	95,504
Ms Molobeng Serame	3,240	8,748	-	30,132	42,120
Mr Nare Thupana	-	7,776	-	-	7,776
Ms Lala Tuku	42,852	-	-	42,498	85,350
	735,813	156,890	68,716	804,572	1,765,991

	Council Remuneration	Audit Committee Remuneration	Total
2021			
Ms Tholoana Ncheke (Chairperson)	82,975	-	82,975
Dr Jeremiah Mofokeng	164,752	-	164,752
Adv Senzo Ncube	55,263	-	55,263
Mr Sanele Zondi	55,263	-	55,263
Mr Louis Seeco	55,263	-	55,263
Dr Siphelo Ngcwangu	51,975	-	51,975
Mr Phillip Molefe	104,897	-	104,897
Ms Zimkhitha Zatu	98,782	-	98,782
Ms Zanele Mthembu	67,936	-	67,936
Adv Dimakatso Qocha	94,488	-	94,488
Mr Everseen Mkhungo	55,263	-	55,263
Prof Sheila Mmusi	48,697	-	48,697

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
Mr Richard Nosworthy	58,036	40,535
Mr Kgotso Mostsoane	52,382	40,535
Mr Shadrack Bokaba	89,058	-
Ms Phuthanang Motsielwa (Chairperson of Audit and Risk Committee)	-	49,570
Mr Mochele Noge	-	40,535
Ms Zanele Nkosi	-	40,535
Mr Tumisho Masha	21,585	-
	1,156,615	211,710
		1,368,325

Mr Phillip Molefe, Ms Zimkhitha Zatu, Ms Zanele Mthembu, Adv Dimakatso Qocha, Dr Siphelo Ngcwangu, Prof Sheila Mmusi, Dr Jeremiah Mofokeng, Mr Richard Nosworthy, Mr Kgotso Mostsoane, Mr Shadrack Bokaba - all these members resigned 30/12/2020 when the exCouncil term came to an end.

Ms Tholoana Ncheke, Dr Jeremiah Mofokeng, Adv Senzo Ncube, Mr Sanele Zondi, Mr Louis Seeco, Mr Everseen Mkhungo, Mr Tumisho Masha - all these members were appointed into the new Council 01/12/2020. Mr Tumisho Masha and Mr Sanele Zondi have since resigned. Ms Lala Tuku was appointed as a new member

Ms Phuthanang Motsielwa, Mr Mochele Noge, Ms Zanele Nkosi, Mr Richard Nosworthy, Mr Kgotso Mostsoane - all these Audit and Risk and Committee(ARC) members resigned on 30/12/2020 when the exARC came to an end.

Ms Zanele Nkosi, Ms Ulandi Exner, Ms Julia Sefako, Mr Sanele Zondi and Adv Senzo Ncube - all these members were appointed into the new ARC April 2021. Ms Molobeng Serame and Mr Nare Thupana were appointed as alternate ARC members similarly in April 2021. Mr Sanele Zondi and Ms Julia Sefako have since resigned. Ms Molobeng Serame was then appointed as a standing ARC member.

31. Prior Period Errors

Grant beneficiary provisions, Rental deposit, Property plant and equipment and Intangible assets

The grant beneficiary provisions were qualified in the prior year. During the current year a qualification cleanup exercise was conducted to identify, investigate and remove all errors in the grant beneficiary provisions schedule. The errors were corrected retrospectively against the opening accumulated surplus, grant expenses and the provisions accordingly. Rental deposit reflected in prior years was erroneously understated. Errors were identified in the property, plant and equipment and intangible assets register which necessitated the fixed asset register cleanup exercise.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position	As previously Reported	Correction/adj ustment	Restated
2020	-	-	-
Provisions	100,368,663	(7,176,755)	93,191,908
Property, Plant and Equipment	12,823,105	(304,293)	13,127,398
2021	-	-	-
Accumulated surplus	55,210,778	(11,582,948)	66,793,726
Provision	119,239,580	(12,221,567)	107,018,013

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
Rental Deposit	339,974	152,086
Property, Plant and Equipment	11,550,995	15,122
Intangible assets	1,503,233	(805,828)
	-	-

	As previously reported	Correction/a djustment	Restated
Statement of Financial Performance			
2021	-	-	-
Grants expenses	119,672,493	(10,626,685)	109,045,808
Depreciation	3,228,700	(956,263)	2,272,437
	-	-	-
	-	-	-

32. Risk management

Financial risk management

The Council is responsible for strategic risk-management within the NFVF and tasks the Audit Committee with ensuring effective risk management. The purpose of the NFVF risk-management strategy is to identify the risks and ensure that the overall risk profile remains at acceptable levels. The risk-management strategy provides reasonable, but not absolute, assurance that risks are being adequately managed. The NFVF risk policy sets out the minimum standards of risk management to be adopted and adhered to by all units within the NFVF. The risk-management strategy, which has been reviewed and updated in March 2022, contains processes for identifying both the impact and likelihood of such risk. Risks that have been identified as having a potentially severe impact on the NFVF are regarded as unacceptable and, where possible, will be avoided.

Management's responsibilities

Management is responsible for the identification, assessment and control of all key risks facing the NFVF, functions and to report on any material changes to the risk profile and any losses incurred as a result thereof. The MANCO is required to monitor the status of risk within the NFVF and to report on any material changes to the risk profile and any losses incurred as a result thereof. Management is expected to put in place appropriate controls for these risks and provide assurance that such controls perform as intended.

Financial risk profile

Risk management relating to each of these risks is discussed under the headings below. The financial risk the NFVF primarily faces are market risk (interest rate risk), investment risk and credit risk. Management reviews and agrees on controls for managing these risks.

Market risk management

The NFVF activities expose it primarily to the financial risks of changes in interest rates. There has been no change to the NFVF exposure to market risk or the manner in which it manages and measures the risk.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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Interest rate risk management

Interest rate risk arises primarily from NFVF investment strategy to ensure capital preservation in line with NFVF investment policy. As a result of this exposure to interest rate risk, NFVF manages the investments according to their investment mandate. The nature of NFVF exposure to interest rate risk and its objectives, policies and procedures for managing interest rate risk have not changed significantly from the prior period.

The NFVF's exposure to the risk of changes in market interest rates relates primarily to the foundation's cash and cash equivalents with floating interest rates. Cash and cash equivalents attract interest at rates that vary with prime. The NFVF manages its interest rate risk so that fluctuations in variable rates do not have a material impact on the surplus / (deficit) of the foundation. The NFVF is not exposed to significant interest rate risk as the foundation does not have any external funding, other than cash and cash equivalents with the bank.

The following sets out the carrying amount, of the NFVF's cash and cash equivalents that are exposed to interest rate risk.

Within 1 year	201,115,400	273,753,377
	201,115,400	273,753,377

Sensitivity analysis

In terms of Treasury Regulation 31.3.3, the NFVF must invest all of its surplus funds with the Corporation for Public Deposits. It is estimated that by increasing the amounts invested will result in more interest being earned in investment income in the Statement Financial Performance. As capital is applied in pursuit of NFVF mandate, the amount available will gradually diminish which will reduce the sensitivity to interest rates as the main fund diminishes over time.

The following table demonstrates the sensitivity estimates to a reasonably possible change in interest rates to cash and cash equivalents, with all other variables held constant, to the Foundation's closing balance.

Exposure to credit risk

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2022	2021
Cash & cash equivalents	201,115,400	273,753,377
Receivable from exchange transactions	1,495,000	1,495,000
Receivables from non-exchange transactions	2,781,241	5,521,616

The nature of NFVF exposure to credit risk and its objectives, policies and processes for changed significantly from the prior period. managing credit risk have not.

Cash and cash equivalents held with reputable financial institutions are used for investing and cash handling purposes. None of the amounts disclosed above have been pledged as security or collateral for liabilities or contingent liabilities nor have any amounts been renegotiated or have been defaulted on.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
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33. Going concern

The Council and Management of the Foundation are of the opinion that the organisation will continue as a going concern in the foreseeable future (next 12 Months) as it still has future grant support from the shareholder. The NFVF has received a grant letter from its shareholder (DSAC) confirming grants allocation for the next 3 years 2022/23 to 2024/25.

34. Fruitless and wasteful expenditure

Opening balance as previously reported	5,026,841	5,026,841
Opening balance as restated	5,026,841	5,026,841
Add: Expenditure identified - current	2,048,170	-
Add: Expenditure identified - prior period	25,492	-
Closing balance	7,100,503	5,026,841

Expenditure identified in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings	
Labour case settlement of ExHOD	600,000	-
Legal fees for the ExHoD labour matter	1,152,888	-
SARS penalties and interest	170,784	-
Labour settlement with ExCFO	144,330	-
Interest on late payment of supplier invoices	5,660	-
	2,073,662	-

Amounts recoverable

Based on our assessment, none of the fruitless and wasteful expenditure disclosed is recoverable and as such we have requested approval for the condonement thereof.

Recoverability steps taken/criminal proceedings

Management is in the process of obtaining approval to condone this fruitless and wasteful expenditure. Consequence management has been initiated for one staff member for the SARS penalty. Since most of this expenditure emanated from labour matters, management would not be instituting any criminal proceedings.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
35. Irregular expenditure		
Opening balance as previously reported	15,435,425	14,830,577
Opening balance as restated	15,435,425	14,830,577
Add: Irregular Expenditure - current	1,497,425	604,848
Closing balance	16,932,850	15,435,425

Incidents/cases identified in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings		
Old expired contracts	New service providers appointed	263,330	-
SCM 3 quotes not followed	Employee/s left organisation	103,456	-
New lease rentals (no signed contracts)	Signed contract being finalised	1,130,639	-
		1,497,425	-

In order to mitigate the irregular expenditure Management has cancelled all expired contracts and new service providers have been appointed. We have sent a memo to National Treasury to request a condonation of the irregular expenditure. Consequence management is currently being initiated against staff member(s) who incurred the irregular expenditure.

Cases under investigation

Prepayment relating to the High Court Johannesburg South (Note 28 - Contingencies)	1,495,000	-
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36. Segment information

Management has considered the GRAP 18 statement on segment reporting requirements and NFVF has not identified any separately reportable segments in its operations. NFVF operates as a single segment from its head offices in Gauteng Province supporting and promoting the SA Film Industry nationwide (all nine South African Provinces).

37. Budget differences

Material differences between budget and actual amounts

- 37.1. Rendering of services - in nature is not budgeted for; it relates mainly to sponsorships and partnership agreements with stakeholders for projects and NFVF events that are concluded during the year when opportunities arise. Other income in nature is not budgeted for as it mainly relates to recoupments and bad debts recovered.
- 37.2. The interest earned - depended on the balance at the bank. This year a call account balance was increased and lending interest rate went up. Government grants & subsidies - relates to the portion of a special project allocated but not yet received as the project implementation started later than planned.
- 37.3. Employee related costs – there were additional costs incurred for Co-Ordinators & Interns as part of the skills development mandate and additional qualification cleanup resources. Remuneration of Councillors – there were additional meetings and panels sessions by Council Members as part of their oversight duties. lease rentals – there was an additional costs incurred for security as per of the lease. Auditors remuneration - external auditors fees invoiced were less than the budget estimate.

10. NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS (continued)

	2022	2021 Restated
37.4. Depreciation and amortisation increased due to new assets and asset classifications. Repairs & Maintenance – Additional repairs had to be done towards the end of the financial year after the budget estimated had been revised		
37.5 Grants expenses - are less than budget due to film grants being paid using a tranche system over 2 year period on average. The later year portion of the grants are recorded as provisions (Note 11). Settlement - resulted from the conclusion of an ex employee settlement labour matter. Naturally settlements are unbudgeted for: General expenses - savings on operational costs due to staff working from home/ on rotation due to covid pandemic.		

38. Compliance with section 16(2) of the NFVF Act 73 of 1997

	2021/2022	2020/2021
Budget (Note 18)	145,920,000	137,170,000
Allocation at 75/25		
Grant beneficiaries	109,440,000	102,877,500
Administration	36,480,000	34,292,500
	145,920,000	137,170,000
Allocation at 70/30		
Grant beneficiaries	102,144,000	97,390,700
Administration	43,776,000	39,779,300
	145,920,000	137,170,000

The budget split of NFVF in terms of the NFVF Act 16(2) is 75/25, but the operational needs of the NFVF necessitated 70/30 split. NFVF received a deviation approval the Minister to use 70/30 split instead of the 75/25. Overall, budget spent was contained within 70/30 split as approved.

[illegible]

NOTES

[illegible]

[illegible]



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