



ANNUAL REPORT 2023/2024

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PART A:
GENERAL
INFORMATION



1. PUBLIC ENTITY'S GENERAL INFORMATION

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

2. LIST OF ABBREVIATIONS/ACRONYMS

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



As we look to the future, we remain committed to advancing our vision of a media environment that is diverse, equitable, and inclusive. The challenges ahead are significant, but with continued innovation, collaboration, and dedication, I am confident that we will achieve our objectives and make meaningful progress.

A handwritten signature in black ink that reads "Khumbudzo Ntshavheni".

Khumbudzo Ntshavheni (MP)
Minister in the Presidency

Khumbudzo Ntshavheni (MP)

Minister in the Presidency

It is my immense pleasure to present the Media Development and Diversity (MDDA) Annual Report for the financial year 2023/2024. This report is crucial as it represents the work of twenty years since the agency was formed as a partnership between the South African government and major print and broadcasting companies to assist in, amongst others, developing community and small commercial media in South Africa. It was established in 2003, in terms of the MDDA Act No. 14 of 2002 and started providing grant funding to projects on 29 January 2004.

This annual report reflects the achievements, progress and milestones reached during the 20 years of the MDDA's mandate to strengthen the Community Media and Small Commercial Media Sector.

The theme for the 20-year celebrations was "Democracy and Diversity: Celebrating 20 Years of Access to Information and Media Freedom through community media." This fitted in with the agency's advocacy role as well as the empowerment and reskilling of the community and small commercial media sector with essential information and the right tools to communicate with their audiences, made up of the historically disadvantaged communities.

As the presidency we are impressed by the work of the MDDA, in a rapidly evolving media environment, the agency has remained steadfast in its mission to support and enhance the community media sector. This was eminent especially during the preparations for the general elections. The agency's partnership with the IEC ensured the South Africa citizens were fully informed about the significant changes because of amendments to legislation governing the elections.

Foreword by the Deputy Minister in the Presidency



Mr. Kenny Morolong, MP
Deputy Minister in the Presidency.

Over the past 20 years, the MDDA has made significant strides in ensuring that each province in South Africa has some form of community and small commercial media platforms to enhance access to news, improve the plurality of voices, and provide empowering information to our citizens.

I am proud to say that the agency has delivered on its mandate to diversify and develop the media ownership landscape, especially through the grant and skills development support to the community media sector.

This work has so far resulted in the funding of 586 community media projects, comprised of 321 community radio and Television stations, as well as 185 community print and digital platforms.

This reaffirms the agency's vitally important role in expanding and widening access to information by especially the poorest sections of our society.

Going forward, the MDDA intends to attend to the question of sustainability of the community media sector. To this end, we intend to strengthen our position as a change and innovation agent for the sector, providing the leadership that will ensure the sustainability of community media.

Through focused research, capacity building, and advocacy, the agency will empower community media projects to produce diversified content. This, to foster stronger development ethos in our communities and to ensure that community members meaningfully participate in the task of social transformation.

With our robust capacity building strategies community media projects can engage people from different cultures using indigenous languages or local dialects to ensure inclusivity and the promotion of indigenous languages.

The MDDA is consistently

is well-positioned to respond to this challenging mandate by focusing on strategic reflection both within the organization and in the context of its operating environment. This introspection will allow the agency to identify new pathways to achieve its goals more efficiently than ever before.

To enhance the sustainability of community media, we are implementing robust measures to ensure that 30% of government advertising expenditure is allocated to community media.

The Minister in The Presidency has directed the Government Communication and Information System (GCIS), with immediate effect put implementation measures for the realisation of this. This will significantly contribute to the sustainability of the sector.

To make sure that the sector is not left behind considering digital transformation, I have urged the MDDA to rethink its mandate considering the digital evolution's impact on the media space. The agency is already exploring innovative ways to support community media and small commercial media projects, ensuring they remain community-rooted while also being globally accessible.

In the coming financial year, we will be convening a dialogue session with media sector experts, telecommunications companies, publishers, broadcasters, and government representatives to propose a new strategic outlook to guide the MDDA forward.

I look forward to witnessing the continued growth and success of the MDDA in fulfilling its vital role in our nation's media landscape.

A handwritten signature in black ink, appearing to read 'K Morolong', written over a white rectangular background.

Mr. Kenny Morolong, MP
Deputy Minister in the Presidency.

3. FOREWORD BY THE CHAIRPERSON



Prof Hlengani Mathebula

Chairperson of the Board

During the year under review, the Media Development and Diversity Agency (MDDA) celebrated 20 years since funding its first community and small commercial media projects, supported by a tripartite partnership that included government, mainstream broadcasters and the print sector.

Some of the legislative instruments put in place post 1994 were tools aimed at democratising the media and at creating access and promoting diversity in ownership and control as well as and geographical spread, gender, race, language, content. Because of its ability to reach audiences in languages they understand, community media becomes an important instrument in facilitating the promotion of social cohesion and success of the nation building project.

The success of our democracy, the National Development Plan (NDP), and the realisation of the hopes of all South Africans depend on the reliable provision of access to information in the languages of their choice. And this is a fundamental role that community media platforms continue to play. Moreover, well-informed citizens are vital in ensuring an accountable and a responsive government.

Thus was the significance of the establishment of the MDDA. At the heart of our efforts is the development of community media, including community television, radio and print, which allows people at grassroots level to voice their perspectives, concerns and actively participate in our democracy.

To give a meaningful effect to this mandate, a focus on ensuring the sustainability of these crucial platforms, anchored in the sustainability model, has begun.

Despite having made considerable progress, much more still needs to be done, within a reality of resource constraints. While the scale of what is required to fully address media imbalances will be beyond the scope of the MDDA, we will continue to play a key catalytic role through funding, capacity building, advocacy and research.

An impact study conducted on the MDDA was able to ascertain that the MDDA has been able to carry out different aspects of its mandate having successfully channeled resources to projects, thus contributing towards the expansion of ownership, control and access to media by historically disadvantaged communities.

We are now working towards another decade of the MDDA's existence and beyond. So as we take stock of the past twenty years, looking forward to the next, we must not only reflect, but also ask the questions, with increased exposure to the digital economy, what creative, innovative and practical solutions can we explore to support, strengthen and deepen media diversity and development?

In light of the advances in technology, as part of our 5-year Strategic Plan, we made important considerations, as to how we can best assist and lead the community media sector in rolling out affordable technology platforms and communication infrastructure in order to impact on a diversified alternative media. As the power of the 'alternative' news sources in shaping public opinion grows, so does the urgent need for newsrooms to find ways to remain relevant and generate increasingly relevant content.

Additional to its mandate of promoting and ensuring media development and diversity, the MDDA has committed in the medium to long term, to assist the sector in finding more affordable means of broadcasting and publishing, by for example moving to self-transmission and adopting digital platforms.

We remain committed to mobilising additional resources and support both financial and non-financial from other sources including the commercial print sector, and sectors such as the telecommunications companies. Strengthening partnerships with other sector stakeholders such as ICASA, Sentech and GCIS, remains top of our priority towards mobilising the full resources to the benefit of community and small commercial media.

Through research and training support, we need to look at the governance models of the community media organisations to help mitigate some of the challenges that emerge. As the MDDA, we are of a clear mind that, simply channeling financial resources, without addressing the underlying issues of governance and financial management will be counterproductive. It is for this reason that over and above providing the much-needed financial support, we undertake research to have a scientific and in-depth analysis of the challenges, to help inform our approaches.

The Research and Development of a Sustainability Model for Community and Small Commercial Media is such an exercise, focused on identifying the underlying factors that influence the sustainability of the sector, identifying trends in ownership and studying international sustainability models adopted in other countries that South Africa can learn from. The findings of this study will help inform our approach and interventions as we continue with our efforts to build a vibrant and sustainable community media sector.

I wish to express my sincere gratitude and appreciation to the management and members of staff at the MDDA for holding the fort and working tirelessly towards ensuring that we deliver on our mandate. Your efforts do not go unnoticed and may you keep up the sterling work. To the Minister and Deputy Ministers in the Presidency, we are grateful for your support and guidance and for always being available whenever called upon. We look forward to achieving more milestones, while transforming the media landscape in our country for the benefit of all.

I thank you.

A handwritten signature in black ink, appearing to read 'Hlengani Mathebula', written over a white rectangular background.

Prof Hlengani Mathebula
MDDA Chairperson of the Board

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW



Shoeshoe Qhu

Chief Executive Officer

It is my pleasure to present an account of the work of the MDDA for the period 2023/2024 in line with our mandate and the broader government strategy supported by the NDP. We remain committed to the ultimate goal of promoting the development and diversity of the media landscape in South Africa.

At the core of our efforts is the development and diversity of the media landscape in South Africa through transfer of ownership, control and access to media by historically disadvantaged groups. This includes previously marginalised cultural and language groups as well as inadequately serviced communities. The role of a pluralistic media cannot be overstated, it remains significant in ensuring a well-informed citizenry, able and capable of fully participating in development and the affairs of their communities and country. It is the means through which communities are able to receive and impart information and to make informed decisions and choices about their lives. It is also a means through which business opportunities, creation of employment and the transfer of skills is acquired.

And by all intents and purposes, we remain on course but not without challenges, which at times threaten the very existence of the sector. Included among these is the sector reliance on advertising which requires an urgent need to transform the advertising industry; a general lack of understanding of the value of community and small commercial media; compliance by the sector to basic regulatory requirements; sustainability and continuity of leadership; governance and management; at times lack of professional business operating systems. Other factors such as shortage of skills, lack of sound audience and readership figures, the fact that many community media projects serve communities that have limited consumer power and are not lucrative markets for private sector advertisers contribute to the battle for survival.

Despite these challenges, there are positive steps that continue to take us forward. The centralised media buying service by GCIS continues to be a positive move and should be used to enable access to government advertising spend. Government advertising currently remains the single most important potential revenue source and is relevant as community media targets mainly poor rural and urban communities, the largest constituency of government. This means that government messages will therefore be able to reach its target market and at the same time they will be supporting the idea of sustaining a diverse media platform. We remain committed to advancing these conversations in the interest of the sectors growth and sustainability.

During the period under review, the organisation has maintained good corporate governance. The Auditor General of South Africa (AGSA)'s report noted no material findings in the Agency's compliance with governing legislation and did not identify significant deficiencies in internal controls, with the exception of issues related to Property, Plant, and Equipment (PPE). Specifically, the entity uplifted assets from closed radio stations but failed to implement adequate controls to account for these assets, resulting in a qualified audit opinion. To address this in the future, the Agency will put robust controls in place to ensure proper tracking and management of uplifted assets. Additionally, unresolved qualification matters from the prior year negatively impacted the current year's audit opinion.

Despite these challenges, the Agency remains committed to fulfilling its mandate in compliance with the law, and corrective actions are being implemented to strengthen internal controls and prevent similar issues from recurring.

As we approach the 2024/2025 financial year, a key focus of our work will be on creating sustainable and effective partnerships towards ensuring improved collaboration for better impact. We remain committed to upholding good governance principles, high ethical standards, drive high performance, accountability and accessibility.

As part of our commitment to proactively lead advocacy and lobbying interventions, we will intensify our efforts to support policy development through input and contributions, as well as focus greater attention on forming partnerships with sector bodies. Of equal importance is also a need to strengthen capacity building interventions, improved research, and strategies to help the sector deal with rapid advances in technology, while taking advantage of the opportunities it presents. These activities are intended to mobilise resources across the sector to the benefit of community media. Other initiatives include increasing the MDDA's contribution to sector capacity building, in particular by supporting governance and content generation training.

We commit ourselves to ensuring good governance principles and innovative solutions in the use of available resources for the execution of our mandate. This is not only critical for maintaining the confidence of our stakeholders, and existing funders, but also important to build confidence among potential funders and partners in order to mobilise sector resources in support of the growth of the community media sector.

The employees of the Agency are one of its greatest asset. They form an important pillar of the success of the Agency, both as our foot soldiers as well as our ambassadors. It is for this reason that we involve them in all aspects of the work of the Agency, including encouraging their participation in internal and external activities. And for them, we are forever grateful.

I wish to extend my gratitude to the Minister in the Presidency Hon. Khumbudzo Ntshavheni and Deputy Minister Nomasono Motaung for their oversight and unwavering support, the MDDA Board of Directors led by Prof Hlengani Mathebula, my Executive Management team, MDDA employees and our partners for their contribution in advancing this all-important mandate.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a series of loops and a long horizontal stroke extending to the right.

Shoeshoe Qhu
MDDA 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 is consistent with the annual financial statements audited by Auditor General.

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

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

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

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

The Accounting Authority is responsible for establishing and implementing a system of internal control 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 2024.

Yours faithfully



Chief Executive Officer
Shoeshoe Qhu
Date: 31 August 2024



Chairperson of the Board
Prof Hlengani Mathebula
Date: 31 August 2024

6. STRATEGIC OVERVIEW

6.1. Vision

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

6.2. Mission

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

6.3. Values

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

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

7. LEGISLATIVE AND OTHER MANDATES

CONSTITUTIONAL MANDATE

Section 32:

Everyone has a right to access to information.

Section 15 (1)

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

Languages – Section 6 (1)(2)

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

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

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

(a) freedom of the press and other media.

LEGISLATIVE MANDATE

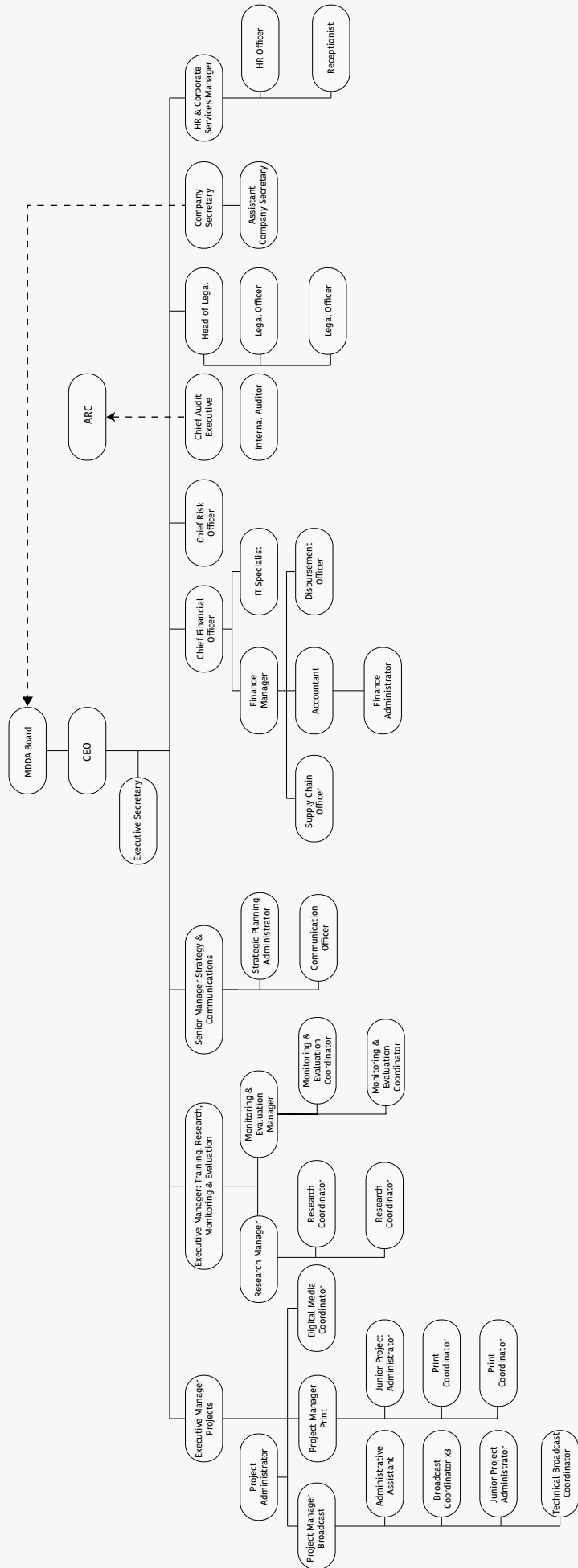
The Media Development and Diversity Agency (MDDA)'s mandate is to:

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

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

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

8. ORGANISATIONAL STRUCTURE



9. MDDA BOARD OF DIRECTORS



Prof Hlengani Mathebula
Chairperson



Ms Jayshree Pather



Ms Nadia Bulbulia



Mr Qondile Khedama



Ms Carol Mohlala



Mr Thembelani Mpakati



Mr. Hoosain Karjieker

MDDA STAFF PICTURES

Executives



Shoeshoe Qhu
Chief Executive Officer



Noxolo Bhangaza
Executive Assistant to the
Chief Executive Officer



Tintswalo Baadjie
Chief Financial Officer



Mzuvukile Kashe
Executive Manager: Projects



Lethabo Dibetso
Acting Executive Manager: Research,
Training, Monitoring & Evaluation

Finance Team



Simphiwe Mthembu
Finance Manager



Mokgaetji Ledwaba
Finance Projects Officer



Anah Hlabizwe
Acting Finance Officer



Mojaki Mohibidu
Supply Chain Officer



Tsotetsi Motsama
ICT Specialist

Company Secretariat



Yolanda Du Preez
Company Secretary



Terrance Mbangwa
Assistant Company Secretary

Internal Audit



Kedibone Mokgalaka
Chief Audit Executive



Thebeetsile Letsapa
Internal Auditor

Legal



Dawid Moreroa
Head of Legal



Remofilwe Mandindi
Legal Officer

Communications and Strategy



Margaret Ndawonde
Communications Officer



Phathutshedzo Netshifhephe
Strategic Planning Administrator

HUMAN RESOURCES



Winny Kubheka
HR & Corporate Services Manager



Sisanda Nompumza
Human Resource Officer



Yesani Maseko
Receptionist

PROJECTS



Siphokazi Mgudlwa
Project Manager: Broadcast



Boikhutso Tsikene
Project Manager: Print



Sediroa Sithole
Project Administrator



Chimba Chibesa
Junior Project Administrator



Michael Sive
Junior Project Administrator

MDDA STAFF PICTURES

Projects



Sfiso Maphanga
Broadcast Coordinator



Danielle Baloyi
Broadcast Coordinator



Lennox Klaas
Broadcast Coordinator



Mmathabo Thulo
Print Coordinator



Ouma Moatsi
Administrative Assistant



Bulali Dyakopu
Digital Media Coordinator



Tabani Nkomo
Broadcast Coordinator



Pamela Mkhize Madonsela
Print Coordinator

Monitoring & Evaluation (M&E)



Nompumelelo Maduna
Monitoring & Evaluation
Coordinator



Gugulethu Bonnet
Monitoring & Evaluation
Coordinator

Research And Sector Capacity Building



Desiree Lebaea
Research Coordinator



Khanyisa Mahlawule
Research Coordinator

Interns



Lerato Pule
Internal Audit Intern



Nokuthula Sibanyoni
Research and training Intern



Katlego Makhutle
Projects Intern



Nhlanhla Mkhwebane
Communications Intern



Qhamani Mnweba
Monitoring & Evaluation Intern



Puseletso Moabelo
Project Intern



Neliseka Xhakaza
IT Intern

02 PART B: PERFORMANCE INFORMATION



1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 76 - 77 of the Report of the Auditors Report, published as Part G: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

The Media Development and Diversity Agency ("MDDA") was established to facilitate ownership, control, and access to information and content production of the community media by historically disadvantaged communities. Despite being in existence for more than Twenty (20) years, Community and Small Commercial Media ("CSCM") organisations have struggled to position the CSCM sector as authorities on local content or as the platform to reach often-inaccessible audiences. This means that community media platforms have not yet been able to convince advertisers of their value for advertising - which is the lifeline for the community media's sustainability in the long term.

The year 2023 marked hundred (100) years since radio was introduced in South Africa, through "the first experimental broadcast at the Railway Headquarters in Johannesburg" on 18 December 1923. Radio remains firmly in place as the country's most loved medium. Millions tune in daily to forty (40) commercial and public broadcast stations and over two hundred and fifty (250) community stations. Although other forms, like television, have threatened, as the song goes, to kill "the radio star", the intimacy, immediacy and sociability of radio remain unmatched. Community radio, in particular, has emerged as a powerful tool for promoting local voices, fostering dialogue, and amplifying the voices of marginalized communities. As South Africa

celebrates a century of radio broadcasting, it is important to reflect on the unique role that community radio has played in shaping the media landscape and contributing to social change. Community radio stations in South Africa have a long history of serving as a platform for local voices and perspectives. These stations are often run by members of the community, making them uniquely positioned to address the specific needs and concerns of their audience. By providing a platform for local artists, musicians, and activists, community radio stations help to showcase the diversity and richness of South Africa's cultural landscape. Additionally, community radio has played a crucial role in promoting social inclusion and fostering a sense of community cohesion. By providing a space for dialogue and debate, community radio stations help to bring together diverse voices and perspectives, creating opportunities for cross-cultural exchange and understanding. This, in turn, contributes to social cohesion and helps to build stronger, more inclusive communities.

The Board approved the celebration of the MDDA Twenty Year Anniversary milestone through a series of events over two financial years 2023/24 and 2024/25. The celebrations will highlight the importance of quality ethical journalism, community media sustainability, the advancement of social-cohesion, human rights by community media; and different critical media-related topics and issues.

MDDA TWENTY YEAR ANNIVERSARY CELEBRATIONS

On 13 June 2023 the Deputy Minister in the Presidency, Ms Nomasonto Motaung (MP) and Chairperson of the Board, Professor Hlengani Mathebula jointly hosted a cocktail reception function to officially launch the Twenty-Year Anniversary Celebrations. The cocktail launch was the first of a series of build-up activities to commemorate the Twenty Years of the MDDA's existence as the sole grant funding agency for community media development in South Africa. The theme for the event and the Twenty-Year Celebrations overall is "Democracy and Diversity: Celebrating 20 Years of Access to Information and Media Freedom through community media". The official launch of the MDDA Twenty Year Celebrations was centred around the commencement of the



National Funding Roadshows on the 2023 grant call for applications as well as the planned launch of Vukani Community Radio Station planned for 14 June 2023 in Cala, Eastern Cape

The MDDA 20-year celebrations highlighted vital role the Agency has played in promoting media diversity and development in South Africa over the past 20 years. One of the key achievements of the MDDA over the past two decades has been its support for community media outlets. Through funding and capacity building initiatives, the agency has helped to empower grassroots media organizations to tell their own stories and provide a platform for marginalized voices. This has had a transformative impact on the media landscape in South Africa, allowing for a more inclusive and representative range of perspectives to be heard. As a graduate student, I recognize the importance of diverse media voices in promoting social cohesion and democracy in a country as diverse as South Africa. Looking ahead, the MDDA faces new challenges in an increasingly digital media landscape.

Competition Commission Media and Digital Platforms Market Inquiry

On 15 September 2023, the Competition Commission Gazetted its intention to conduct a market inquiry into the distribution of media content on digital platforms, including search, social media and news aggregation platforms, the “Media and Digital Platforms Market Inquiry” (or “MDPMI”). Search and social media platforms primarily fund themselves through advertising and drive consumer traffic, engagement and data collection to support that revenue stream. New media content is made available to drive traffic and engagement and where the digital platform market features will influence the bargaining over the use of that content and referral traffic to news media websites. News aggregation services curate content from various news sources to offer consumer convenience in digital news consumption, and market features will influence the bargaining over the use of news content. The MDPMI was initiated in terms of section 43B(1)(a) of the Competition Act 89 of 1998 (as amended) given that the Commission had reason to believe that there existed market features in digital platforms that distribute news media content which impede, distort or restrict competition, or undermine the purposes of the Act, and which have material implications for the news media sector of South Africa. These reasons are set out below along with the final scope of the Inquiry. Community media plays a vital role in providing local, independent, and diverse perspectives on issues that matter to a community. However, with the rise of big tech companies dominating the digital landscape, the sustainability of community media is being threatened.

Big tech companies such as Facebook, Google, and X (previously known as Twitter) have become the primary sources of information for many people, drastically altering the media landscape. This has led to a decline in traditional advertising revenue for community media outlets, as businesses increasingly turn to digital platforms to reach consumers. Without this revenue, many community media outlets struggle to survive, leading to layoffs, closures, and a loss of diverse voices in the media ecosystem.

Furthermore, big tech companies often prioritize content that generates the most engagement and clicks, rather than focusing on local news and issues that are important to a community. This bias towards sensationalized and viral content makes it difficult for community media outlets to compete for audience attention, further eroding their sustainability.

In addition, big tech platforms have also been criticized for their role in amplifying misinformation and disinformation, undermining the credibility and trustworthiness of local journalism. This erodes the foundation of community media, which relies on transparency, accuracy, and accountability to maintain its relevance and impact.

ICASA Concludes Licensing Process

In October 2023 the Independent Communications Authority of South Africa (ICASA) announced its conclusion of its licensing process to issue Community Sound Broadcasting Service (“CSBS”) and Radio Frequency Spectrum (“RFS”) licences for the provision of community sound broadcasting services. Out of the fifty-six (56) applications that were admitted to Phase 1 of the licensing process, only five (5) applicants complied in full, with all the pre-registration requirements and they were therefore, admitted to Phase 2 of the licensing process.

The second phase of the licensing process was undertaken in terms of section 17 of the Electronic Communications Act, 2005 (Act No. 36 of 2005) and in line with the criteria set out in Schedule B of the Invitation to Pre-Register (“ITP-R”).

ICASA’s processes reaffirmed the community radio sector as a beacon of diversity, bringing in the harmonious social cohesion while also uniting the voices of communities. It also highlighted a greater need for collaboration between the MDDA and the Regulator to capacitate the sector on compliance given the large number of applicants that move on to the second phase of the licensing process.

2.2. Organisational environment

en-masse resignations in finance and impact on delivery

The MDDA experienced a significant number of resignations within the finance department during the reporting period. This posed challenges in maintaining financial stability and timely processing of transactions. Despite these setbacks, proactive measures were swiftly implemented to redistribute responsibilities among existing staff, streamline processes, and ensure minimal disruption to our operational efficiency.

Initiation of the Organisational Redesign Exercise to Improve Service Delivery

In response to the evolving needs and challenges faced by the MDDA, an Organizational Structure Review and Design project was launched to enhance service delivery. This initiative aimed to streamline internal processes, optimize resource allocation, and foster a culture of continuous improvement across all departments. The MDDA has engaged the services of 21st Century from July 2023, a highly reputable and experienced company specialising in organisational design

and development. Their expertise and insights were instrumental in helping the MDDA optimise its structure to better align with the goals and enhance overall performance. Through comprehensive employee consultations and diagnostic assessments, key areas for improvement were identified and revised fit for purpose organisational structure approved by the MDDA Board.

Internship Programme and Appointments

The MDDA's internship programme continues to play a pivotal role in nurturing young talent and fostering diversity within the Agency. Over the past year, 12 interns were welcomed into various units, where they actively contributed to projects and gained valuable hands-on experience. Notably, three of interns within this cohort successfully transitioned into temporary roles within the Agency, reflecting the programme's success in talent retention and capacity building. Moving forward, the MDDA remains committed to expanding and refining the internship programme to cultivate future leaders and strengthen our organizational resilience.

Recognition of Long-Serving Employees and Commitment to Servicing the Sector

As part of the 20-year celebration, the MDDA was privileged to acknowledge the exemplary dedication and contributions of Ms Ouma Moatsi and Ms Sediroa Sithole, who have collectively served the MDDA for 15 years. Their steadfast commitment to advancing our mission has left an indelible mark on the media and diversity sectors. Through their administrative expertise, institutional memory, and invaluable contributions, they have played instrumental roles in shaping Agency's strategy. Their continued presence embodies the Agency's core values and serves as an inspiration to all members of staff.

Excellence Award at IPM 2023

The Media Development and Diversity Agency (MDDA) was honoured with the prestigious Excellence Award at the Institute of People Management (IPM) in 2023 in the category for Best Employee Wellness and Employee Engagement. The Institute of People Management (IPM) is a professional membership body for Human Resources Management that is officially recognised by the South African Qualifications Authority (SAQA). It has a membership of 1000s and holds an annual convention to share best practice, build skills, and collective engagement as a community of practice. This year was the 67th such convention. The IPM Awards showcase the best in HR excellence and shine a spotlight on the remarkable individuals, teams, and initiatives that have left an indelible mark on the workforce, workplace environment, and overall corporate success.

The award underscores the dedication and hard work of our HR team in implementing innovative strategies to enhance employee engagement, talent development, and overall organizational effectiveness. Key initiatives such as #StaffConnect and #MyWellbeing have not only strengthened our internal capabilities but also positioned the MDDA as a leader in promoting diversity, equity, and inclusion within the media sector.

2.3. Key policy developments and legislative changes

There were no changes to key policies and no legislative changes during the period of reporting.

2.4. Progress towards achievement of institutional Impacts and Outcomes

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

The agency had set itself fourteen annual targets for the 2023/24 Financial Year. Twelve (12) of these were achieved, which means that the Agency achieved 86% of its annual targets. Two (2) of these fourteen targets were not achieved.

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

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

Programme 2 -Sub-Programme 2.2 had two annual targets which were contributing to one outcome which referred to a 'Capable, effective and efficient organisation in support of the delivery of the MDDA mandate' and One target was achieved and the other one was not achieved.

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

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

Programme 5 - had one annual target. which was contributing to one outcome which referred to 'Capable, effective and efficient organisation in support of the delivery of the MDDA mandate' and that target was achieved.

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1. MDDA Programme Performance Information 2023-2024 Financial Year

The following pages present the Performance Information Report as is required in terms of Treasury Regulations and Section 55 (2) (a) of the PFMA. The objectives are measurable and aligned to the budget. This assists the Accounting Authority (the Board) in its additional responsibility to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the Agency.

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

The MDDA is reporting against the Annual Performance Plan of 2023/2024 as tabled in Parliament on the 28th April 2023. The Annual Performance Plan was developed to give effect to the MDDA Five-Year Strategic Plan for 2020/2021 - 2024/2025, which was tabled on the 18th March 2020. Both the Strategic Plan and Annual Performance Plan have been developed in terms of the Revised Framework for Strategic Plans & Annual Performance Plans as per National Treasury Instruction No 5 of 2019/2020.

The 2023/2024 MDDA Annual Performance Plan has five programmes, which include a total of 14 output indicators.

MDDA Programme Structure

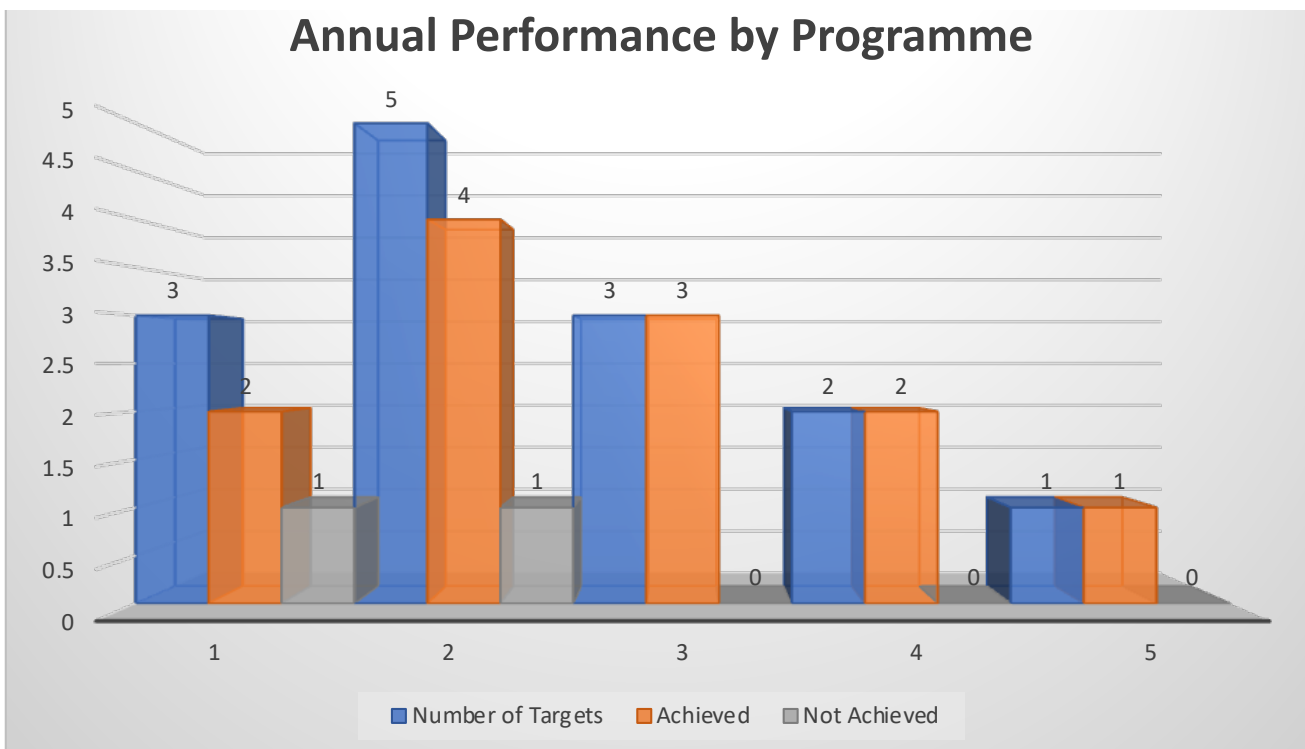
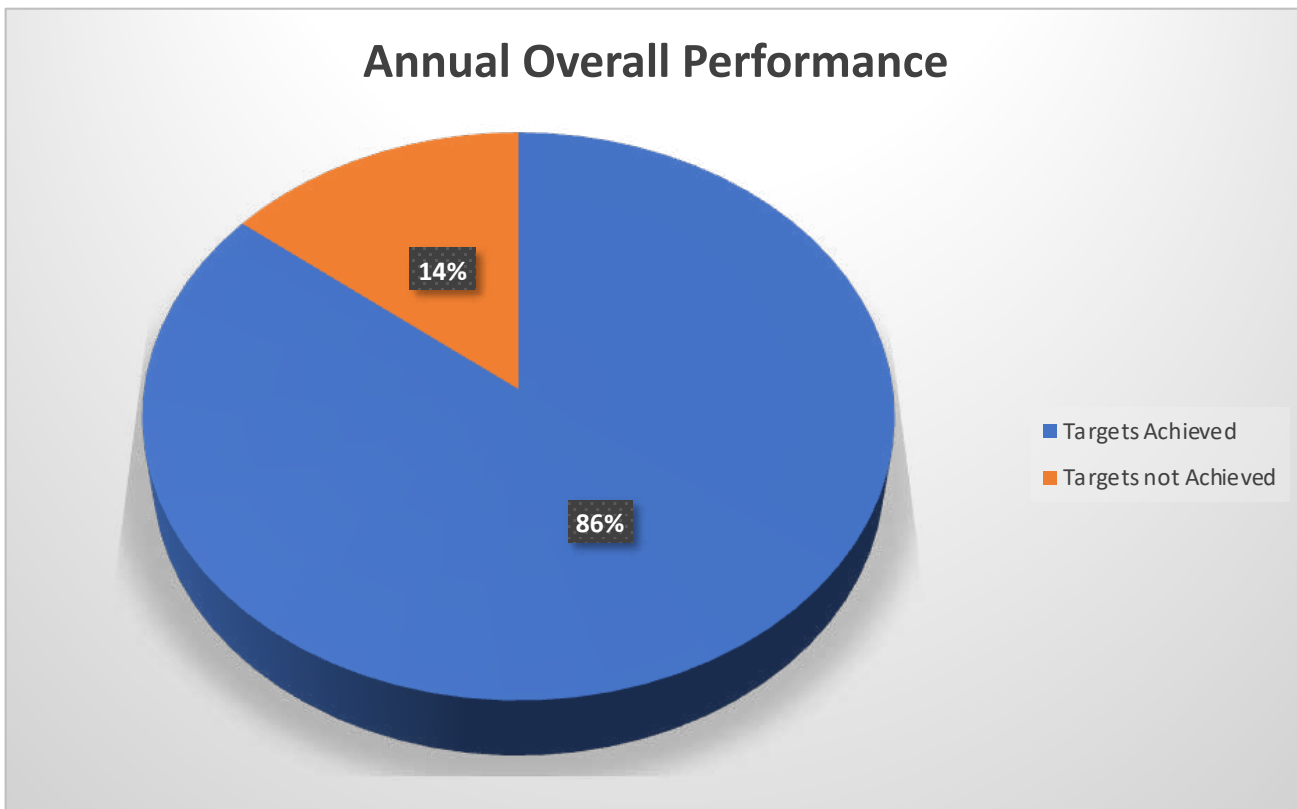
The MDDA programme structure comprises five programmes, as shown below. Programme 2: Grant and Seed Funding is the core activity in delivery of the MDDA mandate.



The MDDA is reporting against the 2023/2024 Annual Performance Plan, Annual targets for 2023/24 are Fourteen (14). twelve (12) of these were achieved, which means that the Agency achieved 86% of its annual targets. Two (2) of these fourteen targets were not achieved.

The output indicator that was not achieved fell under.

- **Programme 1:** Governance and Administration - Output indicator No: 1. Unqualified audit with no significant findings. Material findings were noted due to control deficiencies.
- **Programme 2:** Output indicator No 8. Number of monitoring reports generated on funded projects. Monitoring and Evaluation targets was not achieved. This was as a result of the misalignment.



PROGRAMME 1: GOVERNANCE AND ADMINISTRATION

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
A capable, effective and efficient organisation in support of the delivery of the MDDA mandate	Unqualified audit	1. Unqualified audit with no significant findings	Unqualified audit opinion	Unqualified audit opinion for 2021-22 financial year.	Unqualified audit with no significant findings	Qualified audit opinion	Unqualified audit with no significant findings	Target not Achieved. Material findings were noted due to control deficiencies.
		2. Percentage of fraud detected or prevented through effective risk management mechanisms	Fraud prevention and risk management strategies implemented	100%	100%	100%	-	Target achieved
		3. Percentage implementation of initiatives and interventions in the annual risk plan register	0%	0%	100%	100%	-	Target achieved

PROGRAMME 2: GRANT AND SEED FUNDING

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

Sub-Programme 2.1: Community and Small Commercial Media

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
Media diversity promoted through the growth of sustainable community based and small commercial media nationally	Community broadcast project funding	4. Number of grant funding applications for community broadcast projects approved	24	23	20	22	2	Target Achieved. The Unit had enough budget to fund two more extra projects from the actual target of 20.
	Community and Small Commercial Media digital/print project funding	5. Number of grant funding applications for small commercial print or digital media projects approved	10	10	6	8	2	Target Achieved. High demand for grant support in the sector and the unit had funds to support additional projects.
Capacitated, digitally responsive Community-based media sector	Community Media digital strategy implemented	6. Number of media projects provided with digital support	21	17	20	23	3	Target Achieved. High demand of digital support.

Sub-Programme 2.2: Monitoring and Evaluation

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
A capable, effective and efficient organisation in support of the delivery of the MDDA mandate	Annual evaluation of M&E reports	7. Number of annual evaluation reports generated on funded projects	1	0	1	1	-	Target Achieved.
	Monitoring reports on input, output, and compliance to MDDA granting-aid contracts	8. Number of monitoring reports generated on funded projects	66	75	80	51	-29	Target not Achieved. Monitoring and Evaluation targets was not achieved. This was as a result of the misalignment.

PROGRAMME 3: PARTNERSHIPS, PUBLIC AWARENESS AND ADVOCACY

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
A capable, effective and efficient organisation in support of the delivery of the MDDA Mandate	Stakeholder engagements for (non-financial support) of the community and small commercial media	9. Number of stakeholder engagements for non-financial support held	10	21	6	18	12	Target Achieved. More stakeholder engagements were held during the period of review.
	Thought Leadership media engagements to position the brand MDDA	10. Number of media engagements held promoting Thought Leadership	40	31	16	23	7	Target Achieved. More media engagements were held, and elections contributed to more media engagements.
	Fundraising initiatives for sustainable development of community and small commercial media	11. Number of proposals for funding and support presented to potential and existing stakeholders	6	7	10	10	0	Target Achieved. stakeholders.

PROGRAMME 4: CAPACITY BUILDING AND SECTOR DEVELOPMENT

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
Increased HDI communities accessing media opportunities and information through community and small commercial media	Training interventions aimed at capacitating the community media with skills aligned to sector specific needs	12. Number of training interventions aimed at capacitating the community media	12	10	8	10	2	Target Achieved. The overachievement was as a result of leveraging on partnership with NEMISA, FPB, IEC & Media Monitoring Africa. We were able to partner on various training initiatives with these organisations which meant we were able to stretch our resources (largely human resources) by implementing more than planned initiatives for output indicators 13 &14.
	Media and information literacy initiatives held	13. Number of media and information literacy initiatives held	3	3	4	5	1	Target Achieved. The overachievement was as a result of leveraging on partnership with NEMISA, FPB, IEC & Media Monitoring Africa. We were able to partner on various training initiatives with these organisations which meant we were able to stretch our resources (largely human resources) by implementing more than planned initiatives for output indicators 13 &14.

PROGRAMME 5: INNOVATION, RESEARCH AND DEVELOPMENT

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

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
			2021/22	2022/23				
A capable, effective and efficient organisation in support of the delivery of the MDDA mandate	Research projects on key trends/developments impacting the community media sector	14. Number of Research projects funded on key trends/developments impacting the community media sector	2	2	2	2	-	Target Achieved

Linking performance with budgets

Programme/activity/objective	2023/2024			2022/2023		
	Budget	Actual	(Over)/Under Expenditure	Budget	Actual	(Over)/Under Expenditure
		Expenditure			Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Governance and Administration	40,342,733	39,099,532	1,243,201	39,284,935	39,859,568	-574,633
Grant and Seed Funding	89,688,144	65,882,537	23,805,607	94,024,261	104,758,256	-10,733,995
Partnerships, public awareness and advocacy	3,758,569	1,724,825	2,033,744	1,349,906	1,386,974	-37,068
Capacity building and sector development	2,651,374	1,685,211	966,163	2,815,000	2,512,415	302,585
Innovation, Research and Development	1,344,019	10,198,408	-8,854,389	2,103,288	3,329,970	-1,226,682
Total	137,784,839	118,590,513	19,194,326	139,577,390	151,847,183	-12,269,793

Programme 1

The positive variance of R 1 million is within range. The budget was revised to cater for office renovations and branding that were budget in the previous financial year, 20-year celebration activities which were not part of the original budget, increased board costs due to more meetings than planned, organisational redesign project which was not budgeted for as well as the forensic investigation for the cyber breach costs.

Programme 2 (Grant and seed funding)

The underspending by R23 million is mainly due to the timing difference of disbursements that is based on the phases that each project is in.

Programme 4 (Capacity building and sector development)

The positive variance is mainly due to capacity building activities having taken place late in Q4, the costs incurred will be accrued-for once invoices are received. excess funds will be committed, and the budget will be spent in the new financial year.

Programme 5 (Innovation, Research and Development)

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

4. REVENUE COLLECTION

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

Sources of revenue	2023/2024			2022/2023		
	Estimate	Actual	(Over)/Under Collection	Estimate	Actual	(Over)/Under Collection
		Amount Collected			Amount Collected	
	R'	R'	R'	R'	R'	R'
Government grants & subsidies	45,475,146	42,190,965	3,284,181	62,917,508	58,597,597	4,319,911
Broadcast funders contributions	67,096,376	66,048,868	1,047,508	62,643,019	64,988,360	-2,345,341
Interest received - investments	4,119,110	6,738,341	-2,619,231	4,020,116	5,060,060	-1,039,944
Total	116,690,632	114,978,173	1,712,459	129,580,643	128,646,017	934,626

5. Capital investment

The following table summarises the final capital expenditure. It provides an indication of the amount spent on the capital assets within the Agency. The actual procurement of new laptops took place before yearend of 2022/2023; however, the actual expenditure (actual payments to the Service Provider) from the previous financial year is presented in the 2023/24 financial year.

Infrastructure projects	2023/2024			2022/2023		
	Budget	Actual	(Over)/Under Expenditure	Budget	Actual	(Over)/Under Expenditure
	Expenditure			Expenditure		
	R'	R'	R'	R'	R'	R'
New replacement assets	370,000	472,407	-102,165	300,492		300,492
Total	370,000	472,407	-102,165	300,492	-	300,492

SUMMARY OF PROJECTS SUPPORTED FOR THE FINANCIAL YEAR

Projects Funded

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

Print Projects			
No	Project Name	Province	Approved Funding Amount
1	East Griqualand Post	Eastern Cape	R744 000.00
2	Empuma Community news	Eastern Cape	R545 000.00
3	Khanyisa News	Mpumalanga	R582 000.00
4	ZSP Global Insights	Mpumalanga	R610 000.00
5	Youth Voice Media PTY LTD	Mpumalanga	R666 000.00
6	Segomotsi Setso Sa Rona Media Hub	North West	R718 000.00
7	The Vryburg Independent Post	North West	R633 000.00
8	North West on Sunday	North West	R749 400.00

Broadcasting Projects			
No	Project Name	Province	Approved Funding Amount
1	Good News Community Radio	KwaZulu Natal	R2 411 772.00
2	Highway Radio	KwaZulu Natal	R2 654 400.00
3	ICORA	KwaZulu Natal	R2 781 000.00
4	1 KZN TV	KwaZulu Natal	R2 599 479.00
5	Radio Mafisa	North West	R2 157 000.00
6	Radio Namakwaland	Western Cape	R870 800.00
7	Radio Zibonele	Western Cape	R1 552 000.00
8	RX Radio (low power)	Western Cape	R660 000.00
9	Rainbow FM	Gauteng	R2 212 00.00
10	East Wave	Gauteng	R684 740.00
11	Tshwane FM	Gauteng	R2 103 000.00
12	TUT FM	Gauteng	R2 103 000.00
13	Ngqushwa	Gauteng	R1 343 840.00
14	Kouga	Eastern Cape	R2 527 800.00
15	Mdantsane	Eastern Cape	R1 732 000.000
16	Rhodes Music Radio	Eastern Cape	R2 483 000.00
17	Ulwazi FM	Northern Cape	R2 740 000.00
18	Radio Riverside	Northern Cape	R207 000.00
19	QwaQwa	Free State	R2 533 000.00
20	CUT FM	Free State	R989 000.00
21	Univen FM	Limpopo	R1 095 000.00
22	Radio Turf	Limpopo	R600 484.00

The above projects were approved during the third quarter of 2023-2024 financial year, and disbursement will take place in the first quarter of the 2024-2025 financial year.

Print and Digital Media Approved Projects

Eastern Cape

East Griqualand Post



East Griqualand Post was established in 2020, by two former journalists, who worked for a media institution called Media24 and where retrenched due to the impact of Covid 19. The publication is a stable and is on its way to become a number one choice of advertising platform for local government, municipalities, retails, service business and construction companies in the Alfred Nzo District Municipality.

East Griqualand Post reaches audiences in the eastern part of the Eastern Cape. The project prints 10 000 copies per week, the business also offers advertising space to advertisers in the targetted areas of Mount Ayliff, Bizana, Matatiele, Ntabankulu, Flagstaff, Mount Frere, Lusikisiki, Qumbu and Tsolo.

The primary aims and objectives of the project are to promote a culture of reading and writing, Provide local content to local communities, and Provide access to information.

Empuma Community News



Empuma News is a tabloid size newspaper established in 2022 which publishes monthly and is based in Qonce (King Williams Town). The paper caters to many villages and townships e.g., Pakamisa Berlin, Litha, Ndevena, Zwelitsha, Bishop, Ginsburg and Dimbaza other areas. It is distributed around townships and villages where access to news and information in local languages is needed the most. The newspaper is 80% IsiXhosa and 20% English.

The number of copies currently being printed is 2,500 once a month and it is not enough due to demand from communities. The area has a high level of unemployment and school dropout rates and many households depend social grants. As a result, the newspaper focuses its content on showcasing local opportunities, issues of food security, poverty alleviation programmes to encourage and inspire readers. It also aims to give particular voice and representation to young people and women who do not always have the opportunity to express their views in the media.

The coverage also focuses on preserving African traditions by covering traditional ceremonies. The publication engages in a literacy programme of running reading competitions at local schools to foster a stronger relationship with community stakeholders. The newspaper offers an in service training programme to journalism students from Walter Sisulu University.

Mpumalanga

Khanyisa News



The Khanyisa News is a small commercial newspaper which is based in Ermelo in the Gert Sibande district in the Mpumalanga province. The publication was founded upon the market niche in the district as well as the rural setup of the district, to become the information centre for news, opportunities, and entertainment also to provide mentorship and development by bringing on board knowledgeable people to coach its readers. The publication picked up how the district it serves is talent infested however language barriers were a problem in the community. This led Khanyisa Newspaper to take a decision to migrate from 50:50 ration English: Isizulu to write 90% in isiZulu so as to access deed rural populations. This led to the publication gaining momentum to the effect that those travelling across the district on N17 pick up the paper and it ends up in Swaziland, Free State, Gauteng or KwaZulu Natal.

ZSP Global Insights



The ZSP Global Insights for Creative Industries Magazine is a new or a start - up publication which is based in Emalahleni in the Nkangala district in the Mpumalanga province. The publication is a community-focused magazine dedicated to exploring the insights and stories of the creative industries within the Nkangala District. It aims to empower and amplify the voices of individuals from the community, shedding light on talents, struggles and achievements. ZSP Global Insights mission is to provide a platform that fosters creativity, promotes diversity, and drives positive change. ZSP Global Insights firmly believes in the transformative power of media and its ability to inspire, educate, and bring people together. Its vision is to create a magazine that not only celebrates the rich cultural heritage and artistic expressions of its community, but also to provide practical resources and guidance to help individuals pursue their passions and unlock their full potential.

Youth Voice Media PTY LTD



The Youth Voice News is a newspaper publication based in Hazyview in the Ehlanzeni district in Mpumalanga province and was established in 2010. The publication is distributed to more than 50% of the high schools situated in Bushbuckridge and Ehlanzeni District.

The paper will also be available at the FET Colleges situated in Ehlanzeni. The paper is also distributed in Taxi Ranks, Shopping centres, churches, government offices and colleges. Content is sourced locally in the areas the paper reaches.

North West

Segomotsi Setso Sa Rona Media Hub



Kgatelopele Newspaper is the brainchild of Segomotsi Sa Rona Media Hub, a non-profit organisation that was founded in 2015 by young people in the community of Huhudi. The idea of starting a newspaper was established after the realisation that there was a need for a community newspaper that will address the needs of the previously disadvantaged communities in the Ruth Mompoti District Municipality. The project was initiated to establish proper communication channels between the community and various stakeholders that include – local government, provincial government, local business people and non-governmental organisations.

The organisation aims to print 5 000 copies twice a month and aims to publish in Setswana and English. The paper will be distributed in Huhudi Location in Vryburg and other surrounding areas under the Dr Ruth Segomotsi Mompoti District municipality. The Dr Ruth Segomotsi Mompoti District Municipality consist of townships, villages and farms and most of its people speak Setswana.

The Vryburg Independent Post



TMAXG Communications and Projects (Pty) Ltd is an organization that founded The Vryburg Independent Post - District News That Matter. This publication aims to provide a comprehensive coverage of local news and events that are of significance to the community in Vryburg and its surrounding areas. With a focus on delivering news that truly matters to the residents, The Vryburg Independent Post strives to be a reliable and trusted source of information.

The content of the publication will include a wide range of topics, such as community news, current affairs, human interest stories, business updates, cultural events, sports highlights, and opinion pieces. The objective is to offer a diverse and engaging mix of content that captures the essence of the community and caters to the interests and needs of its readers.

«The Vryburg Independent Post - District News That Matter» aims to foster a sense of community pride, promote local talent and initiatives, and provide a platform for open dialogue and discussion. By delivering accurate, timely, and relevant news, the publication seeks to empower the community with information and encourage active engagement and participation in local affairs.

North West on Sunday



Northwest On Sunday is a small commercial newspaper published by a black owned company called North West on Sunday (PTY) LTD. The company was registered in 2013 in Ditsobotla Local Municipality in the North West Province. The publication is a Sunday paper circulating in towns like Potchefstroom, Mafikeng, Lichtenburg, and Zeerust in the Ngaka Modiri Molema District Municipality. The focus of the publication is to supply the community with news that is relevant to the North West Province.

North West on Sunday is a publication that was established with the aim to fill a gap for information dissemination in the North West. The paper seeks to promote a culture of reading and writing in its areas of circulation. This is achieved by reporting news and events that are of public interest specifically to the communities that are served by this publication.

North West on Sunday is a free, Setswana and English language newspaper that is published on a monthly basis, with a circulation of 10 000 copies across the North West Province. The publication gives a voice to rural communities across the province and connects them with information, resources, and opportunities in a reader-friendly format, making it an important tool for rural transformation. The organization has been producing and distributing its paper since its inception.

KwaZulu-Natal

Community Broadcast Approved Projects



GNCR is a faith-based Christian community radio station based in Durban next to King Shaka International Airport. The station's programming includes news, sports, and community uplifting programmes in many languages including Tamil, Hindi, and Afrikaans. The station broadcasts to Durban and surrounding areas area on the frequency 93.6 FM and live streams worldwide through its website. Here listeners can also access the podcasts of the station's main shows and learn more about the events sponsored and supported by it.

GNCR Geographic Licence area is Verulam and Phoenix in eThekweni Metro. GNCR Broadcast languages are English – 67%, Afrikaans –2%, IsiZulu –25%, Tamil-3% and Hindi –3%. Local News and Information are 60 minutes per day. South African Music Content is 80%.

Highway Radio



Highway Radio is a community of interest radio station serving the Christian community in Durban and Pinetown area in the eThekweni Metro in KwaZulu Natal. The station aims to promote Christian values by flighting content that is spiritual reinvigorating. The station's content is not only limited to religious issues but covers a myriad of pertinent topics including but not limited to current affairs, sports, science, arts and music. Highway Radio Geographic Licence area is Greater Durban and surrounding areas in KwaZulu-Natal. Highway Radio Broadcast languages are IsiZulu – 42%, English –55% and Afrikaans – 3%. Local News and Information is 56 minutes per day. South African Music Content is 80%. Highway Radio Frequency is 101.5 FM. It broadcast for 24 hours.

Indonsakusa community Radio NPC (ICORA FM)



Indonsakusa Community Radio affectionately known as ICORA FM is situated in the Northern part of KZN, Empangeni. It was established on the 10th of December 1997 in King Dinuzulu . The prime objective was and still is to redress the imbalances of the past particularly in rural areas.

The idea of forming this radio station was born out of the conviction that the station would stimulate and guide the communities to action. Some programmes that are broadcast by the station range from teenage pregnancies, sexual transmitted disease, child abuse, drug additions, and developmental issues.

ICORA FM Geographic Licence area are Babanango, Qudeni, Esikhawini and Richards Bay in KwaZulu-Natal. ICORA FM Broadcast languages 100% Zulu. Local News and Information Thirty (30) minutes of news per day, of which fifteen (15) minutes shall be local news, ten (10) minutes shall be national, and five (5) minutes shall be international. South African Music Content is 80%. ICORA FM Frequency is 100.40 MHZ. It broadcast for 24 hours.

1 KZN TV



The station has been in existence for more than thirteen years and is still broadcasting 24 hours a day. It was an idea of the founding members considering their involvement in the community broadcasting industry acquired just after completion of their tertiary education. The formation of the channel was due to the observation by the founders while working for the campus television that there was a need to expand their broadcast base as the community could not be fed with local news as they were more reliant on the national broadcasters. The station aims to inform with daily news programs and current affair shows, educate its audience on Zulu culture, instil traditional knowledge in youth programs and follow the Zulu Royal family. One of the last objectives of this broadcasters is to entertain with interactive musical programs like Juke Box as well as traditional music and other entertainment programs.

1 KZN TV Geographic Licence area is uThungulu and iLembe in KwaZulu-Natal. 1 KZN TV Broadcast languages are IsiZulu – 60% and English – 40%. Local News and Information 60 minutes per day. 1 KZN TV Frequency is 847.25 MHz. It is broadcast 24 hours a day.

North West

Radio Mafisa



Radio Mafisa is a community radio station based in Rusternberg. The station is a family medium which aims to promote partnerships with community organisation for socio economic development. Radio Mafisa broadcasts to the Rustenburg area on the frequency 93.4 FM that is received on neighbouring towns like Marikana and Petlhane. The station is the oldest radio formation in Bojala District Municipality and such, its establishment coincided with the development of Rustenburg as a town. This is reflected in its programming which includes lot of content from the mining areas where people come from different areas to seek, in MAFisa FM, they find a home away from home. Though in Northwest Province, the station has IsiXhosa over and above English and Afrikaans as a language of broadcast.

The stations main objectives include providing community media with relevant information, offering digital training to members of the community especially the youth and women, exposing community members to the media and addressing socio economic development issues.

Western Cape

Radio Namakwaland



Radio Namakwaland is a community radio station serving the Christian community in the West Coast areas of the Western Cape. The station aims to promote christian values while bringing spiritual support and strengthen the bonds between the Christian communities through the airways.

The station's broadcast content is delivered in English and Afrikaans 24 hours a day. Though a Christian community of interest, the station's line up is a rich mélange of current affairs, arts, cultural and human-interest stories. It also offers music shows focused on the gospel genre and music by local artists drawn from its coverage area.

Radio Namakwaland broadcasts from Vredendal on the frequency 93.4 FM and live streams worldwide through its website. Here listeners can also access the podcasts of the station's main shows and learn more about the events sponsored and supported by it.

Zibonele FM



Zibonele FM provides a free to air stereo FM radio service to the community of Khayelitha and surrounding areas and the Cape Metro in the Western Cape Province. Zibonele FM broadcasts a total of 65 minutes of news per day of which 40% is local 30% regional, 20% national and 10% international. 60% of Zibonele FM talk programmes are aimed at social issues affecting the Community, education, literacy and informing the community. This includes informal education such as skills development.

Zibonele FM Geographic Licence area is Greater Khayelitsha in the Western Cape. Zibonele FM Broadcast languages are IsiXhosa – 80%, English – 10% and Afrikaans –10%. Local News and Information are 65 minutes per day. South African Music Content is 80%. Zibonele FM Frequency is 98.2 FM. It is broadcast 24 hours a day.

Objectives

- To provide good content that answers the needs of the community we serve. To provide community education and responsive radio programming that engages and enriches the community. The leadership should champion and monitor implementation of these goal. The leadership will be responsible to evaluate the effectiveness and impact of these goals.

RX Radio



RX Radio began operations on the 1st of December as an online radio. In 2022, ICASA awarded the station a Low Power Licence to broadcast within the Red Cross Children's Hospital in Rondebosch, Cape Town. RX Radio Geographic Licence area is Red Cross Children's Hospital. RX Radio Broadcast languages are IsiXhosa – 80%, English – 10% and Afrikaans –10%. Local News and Information 65 minutes per day. South African Music Content is 80%. RX Radio Frequency is 98.2 FM. It is broadcast 24 hours a day.

Objectives

- To produce quality programming for children and by the children.

Gauteng

Rainbow FM



Rainbow FM is a community radio station serving the Christian community in the West and South West areas of Gauteng. The station aims to promote Christian values while bringing spiritual support and strengthen the bonds between the Christian communities.

With that intent, it provides religious content in English, IsiZulu, Afrikaans, Tshivenda, SeSotho and SePedi. Its line-up comprises talk shows on current affairs and religious matters, the coverage of the main local and church events, interviews with members of the audience, religious celebrations and children's programming. It also offers music shows focused on the Gospel genre and music by local artists.

Rainbow FM broadcasts to the Gauteng area on the frequency 90.7 FM and live streams worldwide through its website. Here listeners can also access the podcasts of the station's main shows and learn more about the events sponsored and supported by it.

Objectives

- Rainbow Community Broadcaster is a non-denominational not for profit Community Radio station who promotes community interest through broadcasting.

East wave Radio



East wave Radio is a community radio station serving the Indian community in the Southwest of Gauteng based in Lenasia. The station is a community of interest for Indian people as per the station's broadcast licence that aims to connect to all the people living in its coverage area and beyond.

The station celebrates the rich cultural diversity of the community by featuring content that highlights different cultural traditions, practices, and events. Special shows, interviews, and features are dedicated to showcasing cultural festivals, heritage, music, and art. By doing so, East Wave Radio provides a platform for different cultural groups to share their information & perspectives, preserving and promoting cultural heritage.

East wave Radio Geographic Licence area is Lenasia in Southwest Gauteng. East wave Radio Broadcast languages are English – 60%, Tamil –15%, Hindu –15%, Gujerati –5% and Urdu–5%. Local News and Information is 102 minutes per day. South African Music Content is 80%. East wave Radio Frequency is 90.7 FM. It is broadcast 24 hours a day.

Objectives

- Eastwave is a non-denominational not-for-profit station that promotes the community interest of Indians through broadcasting and flighting of developmental content in Gauteng and beyond.

Tshwane FM



Tshwane FM is a campus community radio station based at the Tshwane University of Technology in Pretoria West. The objective of of the radio station is to broadcast to the community in the station's broadcast area with honesty, loyalty and integrity; develop the skill and talent of station members in the broadcasting field; inform, educate and entertain listeners about issues, events and matters concerning them; be part of the force that is dedicated to maintaining and enhancing development in South Africa; keep in constant touch with the realities and expectations of our community; involve sections of the community who are under-represented in the existing broadcasting services; transmit programmes that will build and develop the community and to strive towards discouraging racism, sexism, and any other discriminatory behaviours.

The stations geographic licence areas are Tshwane University of Technology and its surrounding areas. Broadcast languages include English, Xhosa, Sesotho, Setswana, Sepedi and isiZulu. Local news and information account for 20 minutes of the station's daily content with 80% of South African music being aired per day.

TUT FM



The station is situated within the Tshwane University of Technology Soshanguve campus and broadcast at a 50km to the following areas Soshanguve, Mabopane, Garankuwa, Akasia, Winterveld, Hammanskraal, Pretoria CBD, Menlyn, Montana, Pretoria North and Atteridgeville.

The station has been self-transmitting and on air for 29 years with 4 permanent staff members 26 volunteers that range from students to community members from the coverage areas mentioned above.

TUT FM 96.2 targets listeners between the ages of 14 – 35 and prides itself with programming that addresses topical issued of local, regional and national interest such as health, crime government development programmes, disability and so on. Most of our programmes are of local origin and contribute to the development of society by using the airwaves to educate, inform and educate the community that we serve. TUT FM Geographic Licence area is Tshwane Metropolitan. TUT FM Broadcast languages are English – 30%, Tshivenda – 14%, Sepedi – 14%, Setswana – 14%, IsiXhosa –14 % and IsiZulu – 14%. Local News and Information 205 minutes per day. South African Music Content is 70%. TUT FM Frequency is 96.2 FM. It is broadcast 24 hours a day.

Objectives

- To, inform/educate, employ and be a helping Hand to community.

Ngqushwa FM



Ngqushwa FM is a community radio station serving the villages in and around Peddie/Ngqushwa. Ngqushwa has between 118 and 125 villages with over 25 000 households. Over 80 % of these people are part of the ever-growing Ngqushwa FM audience. The station has been in existence since 2012 even though it was licensed in 2014, they took to air in May 2017.

Ngqushwa FM Geographic Licence area is Ngqushwa Local Municipality. Ngqushwa FM Broadcast languages are Xhosa 99%, Afrikaans –00.3% and English–00.7%. Local News and Information 60 minutes per day. South African Music Content is 60%. Ngqushwa FM Frequency is 99.5 FM. It is broadcast 24 hours a day.

Objectives

- The objective is to preserve and to promote the indigenous language spoken in the area, to provide airtime to the community to engage on matters that affect them, to raise awareness and encourage community participation in the topics that affects them, to utilise the OBE to visit places in the remote areas of Peddie.

Eastern Cape

Kouga FM



Kouga FM is a community radio station serving the community of Humansdorp in the Eastern Cape. The station aims to enhance family values while serving as a platform for dialogue among community members and religious leaders. The station delivers its content in English, Afrikaans, and IsiXhosa which is a mixture of talk shows on current affairs, arts and religious matters. Kouga FM listeners tune to 99.9 FM to access their radio and via live streams worldwide through its website.

Kouga FM Geographic Licence area is West Rand (Kouga and KouKamma Local Municipalities). Kouga FM Broadcast languages are English – 8%, Afrikaans –75% and IsiXhosa –17%. Local News and Information 115 minutes per day. South African Music Content is 80%. Kouga FM Frequency is 99.9 FM. It is broadcast 24 hours a day.

Kouga FM is a community radio that enhances family values, prides itself in building customs and at the centre of creating a platform for dialogue amongst religious and sectors of society.

Mdantsane FM



Mdantsane FM is a community radio station serving the community of Mdantsane and the surrounding areas in several rural areas and the villages of Bisho and King Williams Town. The project has facilitated several outreach programmes in King Williams Town because of the community over there needing their station closer to their homes. In this respect, Mdantsane FM has secured the new premises in King Williams Town to quench this demand. The on-air studio the project is requesting seeks to serve this demand by their listeners. In addition to this single studio the project is requesting a rental of the new premises in King Williams Town. This will serve as a satellite broadcast station for

this community. The total population of Mdantsane is estimated to over 160 000 and the total population of King Williams Town is estimated to about 35 000.

Mdantsane FM Geographic Licence area is Buffalo City Municipality (Great Kei, Amahlathi and Ngqushwa area). Mdantsane FM Broadcast languages are IsiXhosa 60%, English 40%. Local News and Information 60 minutes per day. South African Music Content is 80%. Mdantsane FM Frequency is 89.5 FM. It is broadcast 24 hours a day.

Objectives

- To be one of the recognised and credible sources of community development that empowers the youth and adults through our social and economic development content and community projects within Buffalo City Metro Municipality and beyond. Through forging community partnership with community-based organisations and local businesses.

Rhodes Music Radio (RMR)

Rhodes Music Radio (RMR) is a campus-based community radio station located in the heart of Rhodes University Grahamstown, South Africa. RMR was founded in 1981; the station was the first campus-based station to be licensed to broadcast legally. RMR is a youth lifestyle radio station and provides programming that is entertaining, experimental and is informative.

The station's frequency is 89.7 FM Here listeners can also access the podcasts of the station's main shows and learn more about the events sponsored and supported by it.

Rhodes Music Radio Geographic Licence area is Rhodes University campus and 50 km radius in Makhanda. Rhodes Music Radio Broadcast languages are English – 60%, Afrikaans –10% and IsiXhosa–30%. Local News and Information 25 minutes per day. South African Music Content is 80%. Rhodes Music Radio Frequency is 89.7 FM. It is broadcast 24 hours a day.

Objectives

- To provide its community a professional broadcasting service; development of a culture of critical and constructive debate to educate and empower community through shows like talk, public service, and accountability show; provision of news for an informed community and give platform to air views.

Northern Cape

Ulwazi FM



Ulwazi FM is a community radio that serves the De Aar, Pixley Ka Seme Region in the Northern Cape. The station's mission is "to inform, educate and entertain" through effective and efficient broadcasting. The

station is based in the centre of Nonzwakazi township, the largest town in Pixley ka Seme. There has been an increase in De Aar's population, urbanization being spurred on with the majority of the population still trapped in the vicious circle of poverty. Unemployment in the district remains high with a highly unskilled population.

Through Ulwazi's programming and community activities, the station seeks to inform, entertain and unite communities across the Pixley ka Seme District. The recognizes and encourages diversity in all its forms, through programming and access to the facilities of the station.

Ulwazi FM Geographic Licence area is Pixley ka Seme District. Ulwazi FM Broadcast languages are IsiXhosa – 50%, Afrikaans –20%, English –20% and SeTswana –10%. Local News and Information 40 minutes per day. South African Music Content is 80%. Ulwazi FM Frequency is 88.9 FM. It is broadcast 24 hours a day.

Objectives

- Ulwazi FM objective is to reflect the diversity and views of the listeners of Pixley ka Seme District through the station's programming. The station has over the years complied with its license conditions through interaction between with the community by producing programmes that are relevant to its target audience and to the De Aar community and surrounding areas. To improve and promote community participation and to provide quality programming.

Radio Riverside



Radio Riverside is a community broadcasting in a radius of +- 110km to towns in and around Upington daily. The station broadcasts in Afrikaans 60%, English 20%, IsiXhosa 15% and Setswana 5%. The project currently has 92 000 weekly cumulated listenership.

Radio Riverside scooped multiple PMR awards as the best rated station in the Northern Cape Province, other awards with MTN Radio Awards, and multiple awards with MDDA/Sanlam Community Media Awards including Rantho Letsebe Award and Best Community Radio Station Award.

The station is on-air for 24 hours a day, seven day-a-week. The board is elected at the elective Annual General Meeting by the community through community organisations. An elective AGM is held every 4 years and reporting AGMs in between the elective AGMs. Our studios are based in the Upington town and easily accessible to the different townships around Upington. station has a good reputation, excellent people, and a steady position in the local market.

Objectives

- Improve our Sustainability.
- Enhance Operational Excellence/ Organisational systems.

- Develop our workforce /HR Development
- Ensure Community Participation/Compliance

Free State

Qwaqwa Radio



The station was established in 2006 registered as an NPO with the Department of Social Development. Qwaqwa Radio broadcasts 24 hours a day. The station has been playing a significant role in raising the voice, thoughts and challenges to the community of Thabo Mofutsanyane District who have little to no access to mainstream media.

Qwaqwa Radio is a media platform that gives listeners latest news, information and entertainment for all age groups. The station is based in Witsieshoek, Qwaqwa.

Qwaqwa Radio Geographic Licence area is Thabo Mofutsanyana District. Qwaqwa Radio Broadcast languages are English – 44% and Sesotho–56%. Local News and Information 108 minutes per day. South African Music Content is 80%. Qwaqwa Radio Frequency is 87.6-100.3 FM. It is broadcast 24 hours a day.

Objectives

- To strengthen station's role as an essential local and regional content provider and support initiatives that enable the station to respond to and reflect the diversity of its communities through the content and personnel.
- To facilitate the distribution of high-quality content, including news and information that is fair and balanced.

CUT FM



CUT FM was first broadcast licence by ICASA on the 8th of September 2014 ICASA. The station covers the whole of Bloemfontein and its surrounding towns as far as 120 km to 150 km. Its target audience is from 15 to 35 years old targeting scholars, students and young working adults. Its programming is Urban Youth Radio with content covering topics, issues and news concerning the youth.

CUT FM Geographic Licence area is Mangaung, Bloemfontein in Free Steta.. CUT FM Broadcast languages are English – 60%, Afrikaans – 10% and Sesotho – 30%. Local News and Information is 60 minutes per day. South African Music Content is 70%. CUT FM Frequency is 96.2 FM. It is broadcast 24 hours a day.

Objectives

CUT FM is a campus radio station of the Central University of Technology (CUT). It broadcasts from the campus across Bloemfontein. It is operated by university students and Mangaung community members and broadcasts in English (60%), Sesotho (30%) and Afrikaans (10%). Its line-up includes various music shows that accept music submissions from local artists as a way to support their work. The station provides coverage of sports, social and cultural events in Bloemfontein.

Limpopo

Univen FM



Univen FM started operating on 05 September 1997. The Community Radio Station is in Thohoyandou at the Thulamela Municipality. The Station's broadcasting radius covers the Vhembe and Mopani District municipality, Mutale local municipality, North of Kruger National Park on the eastern side, Greater Giyani municipality area and Makhado local municipality in the South, Western and Northern parts. In its 25 years of existence.

Univen Community Radio was founded and initiated by the University of Venda to provide a community broadcasting service to the University community inclusive of students and staff and surrounding community members to. The station focuses on broadcasting and reporting issues around economic development, politics and social aspects such as education, sport, health, fashion and entertainment in the Vhembe District Municipality. Univen FM Geographic Licence area is University of Venda and surrounding area in Limpopo. Univen FM Broadcast languages are English 40%, Tshivenda 35%, Xitsonga 15%, and Sepedi 10%. South African Music Content is 70%. Univen FM Frequency is 99.8 Mhz. It is broadcast 24 hours a day.

Objectives

- To provide quality on-air programming that is both informative and educational to the community around Vhembe district municipality Limpopo province.
- To offer a very diverse and comprehensive content to our listeners through on-air programming content.

Radio Turf



Radio Turf is a campus-based media house, operating at University of Limpopo and mainly serving the student community as well as the surrounding villages and Mankweng township.

The radio serves as a training institution for the media students at the university and its content is informed by the campus student environment, with specific programmes targeting young people at all spheres of life. That is, the radio also collaborates with social partners to focus on specific content targeted at youth, e.g., HIV/AIDS, gender-based violence and other health awareness issues.

Radio Turf Geographic Licence area is University of Limpopo and surrounding in the Capricorn District. Radio Turf Broadcast languages are Sepedi 60% and English 40%. Local News and Information the licensee shall broadcast a total seventy five (75) minutes of news per day, of which twenty (20) minutes shall be local news, forty five (45) minutes shall be national and ten (10) minutes shall be international. South African Music Content is 70%. Radio Turf Frequency is 103,8Mhz. It is broadcast 24 hours a day.

Objectives

- To maintain community broadcasting services which strives to meet the information, education and entertainment need of our community.

RESEARCH, TRAINING, AND DEVELOPMENT – 2023/24FY CAPACITY BUILDING



Governance and Compliance Workshops

The Agency partnered with the National Electronic Media Institute of South Africa (NEMISA) to implement a 2-day 5iQ Community Radio Board Governance workshops in Eastern Cape and Kwazulu-Natal consecutively. The training was targeted at boards and management of community radio stations, facilitated by Dr Harlan Cloete from University of the Free State. The sessions covered subjects around board roles and responsibilities, financial management, strategic planning, regulatory compliance management, promoting organizational values and decision making, effective governance practices, board strategies and structures, code of conduct, and ethical practices.

Eastern Cape session was hosted on 2 to 4 June and KZN on 8 to 9 July 2023. Each radio station was represented by three board members and a station manager. A total of 29 community radio stations benefited from this workshop.

Mentorship Program – Site Visits

The unit conducted mentorship site visits as a follow up activity for 20 Kwa-Zulu Natal based projects that participated in Leadership training implemented in March 2023.

The purpose was to assess progress, understand whether the skills acquired during a class-based training were applied effectively, and provide guidance to those that are struggling. In addition, observations were conducted around issues such as stations' programming, infrastructure, community engagement, sustainability efforts, opportunities and challenges, and identify further interventions. Site visits interview guide was used to obtain information around subjects being assessed. A report detailing issues discovered from each project is available and attached hereto, should anyone need to peruse the document.

Abaqulusi FM – Board Governance and Strategic Planning Workshop

In August 2023, the Agency hosted a special two-day workshop to address strategic planning, governance, and compliance challenges faced by Abaqulusi community radio. The purpose was to ensure that Abaqulusi radio management team and board members understand their roles and responsibilities; and assist the station to develop their own strategic plan and operating models. Thematic areas such as strategic planning and management, Governance and Compliance Management, Legal Compliance with the MDDA and other external laws and regulations were covered. The aim was also to assist the station to avoid possible consequences and penalties due to reported poor management and non-compliance issues.

Broadcast Technical Training

This two-phased accredited training program was designed to provide radio operators with the technical skills and knowledge needed to operate and maintain a community radio station equipment. The training comprised of both theory and practical sessions which covered a range of topics, including the use of various types of radio equipment (microphones, mixing boards, and audio software, radio transmitters and antennas), broadcast spectrum management, how to operate and monitor equipment, fault finding, maintenance and repair, control signal strength and sound quality, and general day-to-day operations of a studio.

It was designed for identified stations based in inland provinces, including Gauteng, Limpopo, North-West, and Mpumalanga. Twenty-two (22) technicians managed to complete the program, received certificate and toolboxes.

Elections Reporting Workshops

The Agency implemented this training program for community print and broadcast journalists to improve their coverage of elections. The training was facilitated by consultants and IEC officials. It covered topics such as understanding election laws and regulations amendments; ethical guidelines for election reporting to ensure fair, accurate and balanced

coverage; best practices for conducting interviews with candidates, election officials, and voters; elections polling and results data analysis and interpretation; responsible use of social media and digital platforms for reporting; and the right tools and other sources to access accurate information related to elections.

The workshops were held in Johannesburg (including Gauteng, Limpopo, Mpumalanga, North-West, and Free-State projects), East London (for Eastern cape, Western cape and Northern cape provinces), and Durban for KZN based projects. A total of 120 journalists participated in these workshops.

Grantee Orientation Workshop 2023

This workshop is designed for all new grantees with the purpose of training them on Management (finance, project, and business), Governance, and Compliance. These grantees are projects that were approved by the board for 2023-24 grant cycle. The aim was to broaden their understanding of the functions of the MDDA, processes, and procedures that may impact their funding, and general compliance with MDDA support requirements and other organizations. The workshop also included governance session to ensure that projects are able to effectively manage and govern their organizations as expected. It was conducted in Johannesburg, from 6 to 8 December 2023. About 110 people consisting of delegates from funded projects, board members from identified stations and sector stakeholders attended this session.

Newsroom Skills Workshop

The Agency in partnership with NEMISA implemented a 2-day Newsroom Skills training programme, targeting five community radio stations situated around Gauteng. Stations participated include Kasie FM, Westside FM, EKFM, UJ FM and Koffi FM. It was designed to equip participants to develop skills needed to run a successful radio newsroom and produce compelling news content for the communities served. This was an introductory course that equipped participants on the inner workings of a newsroom including how to write and edit newsworthy stories and improve their news production skills, prioritize and organize stories, manage deadlines, work effectively as part of a team, and the importance of engaging the local community and other stakeholders to source content.

Media Literacy Programmes

During June 2023, the Agency in partnership with Films and Publication Board (FPB), implemented a series of events aimed at promoting the safety and well-being of children and empower them to take action against abusive parties. The event included schools' awareness campaigns, seminars, roundtable discussions to educate the public about the importance of protecting children from online and physical abuse and neglect, as well as collectively discussing solutions and commitment in addressing the prevailing challenges. The events were held in various locations in Cape Town. Parents, caregivers, educators, public and security institution and other support organizations participated.

In October 2023, the Agency again partnered with FPB and visited a school in Krugersdorp to engage and teach school children on online safety issues and effective use of online platforms for educational purposes. This included sharing information on how to avoid interacting with strangers, avoid downloading unknown or harmful files, practice respect to avoid cyberbullying and where to report such behaviour.

In February 2024, The Agency partnered with Media Monitoring Africa (MMA) to host Safer Internet Day in Rockville Soweto. This was another platform to raise awareness and promote the safe and responsible use of online technology and mobile phones by young people and their communities, towards creating a safer and good internet behaviour for everyone.

RESEARCH AND DEVELOPMENT

Trends of Media Ownership and Control in South Africa

In keeping with the MDDA's objective of "encouraging ownership and control, as well as access to media by historically disadvantaged communities...", the Agency released a research report on the Trends of South African Media Ownership in 2009. The study found that the media landscape had not transformed much as majority were still owned and controlled by the minority shareholders. Since then, the media sector (community and commercial) in South Africa has significantly transformed, which imply a greater degree of ownership and control patterns especially with the prevalence of digital media platforms. This necessitated the Agency to conduct a further study to update the trends by assessing the progress made to date in ensuring diversity in media ownership and control.

The Role of Artificial Intelligence in SA Newsrooms

The adoption of artificial intelligence (AI) in newsrooms is a growing trend as media organizations seek to improve operations, content creation and distribution. The Agency initiated a study to examine the impact and implications of AI in South African newsrooms, especially within community media. This examination provides an in-depth analysis of the different facets of AI adoption in the newsrooms, as well as the impacts on operational efficiency, advertising, content creation, and delivery, generating news stories, and explore related challenges.

03 PART C: GOVERNANCE



1. INTRODUCTION

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

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

2. PORTFOLIO COMMITTEES

The entity was invited to participate in Parliamentary Portfolio Committee on Communications and Digital Technology meetings on the following dates:

- 5th of May 2023
- 16th of May 2023
- 5th of September 2023
- 12th of September 2023
- 10th of October 2023
- 10th of October 2023; and
- 20th of February 2024

These meetings allowed the Portfolio Committee to consider the performance of the entity in terms of the approved Annual Performance Plan. The Portfolio Committee utilized the meetings as a tool to exercise its oversight over the MDDA and to receive assurance on the performance of the organisation. These meetings also provided an opportunity for the MDDA to present to the committee on salient topics relevant to MDDA service delivery such as the impact of load shedding on MDDA service delivery and the impact of signal-related costs on the community media sector

3. EXECUTIVE AUTHORITY

MDDA Submitted quarterly performance information and financial information reports to the Executive Authority on the following dates:

- Quarter 1 - 31 July 2023
- Quarter 2 - 30 October 2023
- Quarter 3 - 31 January 2024
- Quarter 4 - 30 April 2024

4. THE ACCOUNTING AUTHORITY / BOARD

Introduction

The MDDA Act stipulates that the MDDA Board ought to consist of nine members; six members are appointed on the recommendation of Parliament, after a public nomination process which is open, transparent, and with a publication of a shortlist of candidates for appointment. Three members are appointed by the President, taking into consideration the funding of the Agency, of whom one is from the commercial print media and another one from the commercial broadcast media. The President of the Republic of South Africa appoints one of

the members as Chairperson of the Board. Members are appointed on a non-executive basis and are required to commit to fairness, freedom of expression, openness, and accountability. Members take an oath or affirmation before performing duties, committing themselves to upholding and protecting the Constitution and the other laws of the Republic.

The role of the Board is as follows:

The MDDA Board acts as an Accounting Authority and appoints the Chief Executive Officer in terms of Section 13 of the MDDA Act.

The Agency acts only through the MDDA Board, which is required by law to be independent; impartial; and to exercise its powers and perform its duties without fear, favour or prejudice; and without any political or commercial interference.

The role of the MDDA Board also includes the following:

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

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

Board Charter

The MDDA Board has approved a Board Charter, which is reviewed annually. The purpose of this Charter is to set out the Board's role and responsibilities, its authority, composition, functioning and other related matters. It serves as a source of reference for existing and new Board members, and all members of the MDDA Board are familiar with the contents of the Charter. Board meetings and administration have been implemented in respect of the Board Charter, which serves as a guide for all MDDA Board activities.

Code of Conduct

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

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

Composition of the Board

2023/2024 MDDA Board and Committees

In line with Section 4 of the MDDA Act, the President of the Republic appointed Professor Hlengani Mathebula as the MDDA Board Chairperson, effective from the 8th June 2021, for a period of five years. Board members active during the year also included Ms Brenda Leonard, Ms Marina Clarke, Ms Martina Della Togna, Ms Carol Mohlala, Ms Nadia Bulbulia (commercial broadcast representative) and Mr Hoosain Karjieker (commercial print media representative). The term of office as regards Ms Brenda Leonard and Ms Marina Clarke expired on the 31st August 2023. Ms Martina Della Togna resigned from the MDDA Board on the 7th February 2024. She had served the MDDA as a Board member from June 2022 and this was her second term as an MDDA Board member. The MDDA welcomed three new board members namely Mr Thembelani Mpakati, Ms Jayshree Pather and Mr Qondile Khedama on 21st February 2024. The new Board members took their oath of office on the 5th March 2024 to uphold and protect the Constitution and the other laws of the Republic of South Africa and immediately commenced with their duties.

Upon appointment and after taking an oath of office, new members were inducted through provision of relevant documentation. The Induction programme is aimed at equipping members with sufficient knowledge and understanding of the operations of the MDDA, the opportunities and challenges facing the Agency, including the key risks, which would enable them to effectively contribute to strategic deliberations and exercise their duty of oversight over the Agency.

The Agency has continued to enjoy sustained support from the Executive Authority which has provided guidance in terms of national policy priorities. The bilateral meetings between the Agency and the Ministry occurred on the 8th September 2023 and the 18th January 2024. These engagements assisted both the shareholder and the Agency in maintaining alignment of the strategic direction of the Agency and that of national government. The Board of members met for four ordinary Board meetings and three special Board meetings during 2023/24 to process the statutory, strategic and policy requirements of the organisation and to provide guidance to Executive Management. These meetings also ensured that the disbursement of funds to community broadcast and print media were approved, and such disbursements closely monitored.

The Board held a policy workshop session which took place on the 26th August 2023. This fruitful session discussed strategic areas of policy focus for the MDDA.

The MDDA Funders Breakfast is an annual event held with current and prospective funders to report on MDDA's key interventions, demonstrate how funds were utilised in the previous financial year and how future funding will be channelled to advance the mandate of providing an environment for community media development and diversification.

The annual Funder's Breakfast was held on the morning of the 24th March 2023 and was attended by Prof. H. Mathebula, Ms M. Della Togna, Ms B. Leonard, Ms M. Clarke, and Mr H. Karjieker as representatives of the MDDA Board. Members of the Board also attended various studio launches of community broadcasters during the year.

The appointment of Board members has translated to an improvement in the structuring of the governance committees of the MDDA. With additional members serving on the Board, the organisation has been able to better utilise its already established committees to improve decision making by the MDDA Board.

The MDDA Board consisted of four Committees during 2023/24: Audit and Risk Committee; Projects Oversight Committee; Research, Capacity Building, Monitoring and Evaluation Committee and the Corporate Affairs Committee. The Committees have provided the Board with recommendations and reports which ensure transparency and full disclosure of the Committees' activities. An independent Non - Executive Board member serves as a Chairperson in each Committee.

The Audit and Risk Committee members consisted of Mr Fortune Mkhabela, Ms Margaret Phiri and Ms Matseliso Shongwe, who were appointed as independent members of the committee from the 1st April 2021 until the 31st March 2024, and who have served the Committee diligently. Mr H. Karjieker served as the Board representative assigned to the Audit and Risk Committee and Ms B. Leonard served as an alternate Board representative in the event that Mr Karjieker was unable to attend Audit and Risk Committee meetings. Mr T. Mpakati, replaced Ms B. Leonard as the alternate Board representative, following Ms B. Leonard's departure from the MDDA Board.

Below are the meetings held by the MDDA Board during the 2023/24 financial year.

2023/2024 MDDA Board Meetings (includes continuations and special meetings)

- 25 and 26 April 2023
- 29 May 2023
- 26 July 2023
- 31 July 2023
- 26 August 2023 (MDDA Board policy workshop)
- 25 October 2023
- 30 January 2024
- 6 March 2024

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Prof Hlengani Mathebula	Board member and Chairperson of the MDDA Board	8 June 2021	Active	PhD and Master of Management from the University of the Witwatersrand and Bachelor of Arts (B.A.), BTH (Hons) from the University of the North completed the Senior Executive Programme at Harvard Business School.	An accomplished business leader with more than 20 years' experience in the financial services industry.	Makhuva investment Group Mathebula Tourism and Agriculture Ignite Africa Advisory Group Hlengani Wa Makhuva Investment HPCSA University of Limpopo BBEC Shoprite Holdings HMI BRANDSA Trust Giyani Private Hospital Group Opco	None.	9
Ms Marina Clarke (term of office expired on the 31st August 2023)	Board member	1 September 2020	31 August 2023	BA (Drama) degree from the University of Pretoria.	Entrepreneurial Development, developmental sciences and corporate services	Epilepsy South Africa Educational Trust SAHRC	Research, Capacity Building and Monitoring and Evaluation Committee (Former Chairperson), Corporate Affairs Committee, Project Oversight Committee	15
Ms Brenda Leonard (term of office expired on the 31st August 2023)	Board member	1 September 2020	31 August 2023	She holds a BA Communication Science degree from UNISA.	Senior community media practitioner. Ms Leonard has been deeply involved in the National Community Radio Forum, currently holding the position of Secretary for the Western Cape branch.	Bush Radio CPUT Journalism Advisory Board Bush TV Y-Afro Link Communications and Projects Shine the Way 193 CC National Community Radio Forum Western Cape Thuynsma-Leonard Foundation Liyabuya Ithemba General Trading Primary Cooperative Limited Tresco South Africa	Corporate Affairs Committee (former Chairperson), Research Capacity Building and Monitoring and Evaluation Committee; and Audit and Risk Committee (alternate member)	12

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Ms Nadia Bulbulia	Board member	10 September 2021	Active	Speech and Drama Teachers Diploma and a Bachelor of Art in Dramatic Arts (Honours). Master's Degree in Humanities (MA with Distinction).	Operations and strategic expertise specifically, in the broadcast sector, including the creation of a new audience research entity, serving on boards of self-regulatory agencies and related industry organisations, stakeholder management and engagement and the representative for broadcasters on Ministerial advisory bodies and panels and before Parliamentary Portfolio Committees.	CBFA - Children and Broadcasting Foundation for Africa	Research Capacity Building and Monitoring and Evaluation, Corporate Affairs Committee (Chairperson) and Projects Oversight Committee	21
Mr Hoosain Karjeker	Board member and commercial print representative	17 November 2021	Active	B. Compt degree, a diploma in Project Management and a National Diploma in Internal Auditing.	Strategy Development, Planning and Reporting, Relationship Management, Operational Management; and Staff and Contractor Management and Leadership	Turgat Counter Clockwise Media Findal Cape Town Aluminium And Extrusions Think Big Network Chaaday Media Holdings Bizzamm Portable Investment Holdings Automated Broadcasting Network Bhekisisa Development Media Knockout Media Mguardian Relta 10 M And G Africa Alpha Media Investment Holdings	Corporate Affairs Committee, Projects Oversight Committee (Chairperson) and Audit and Risk Committee	21
Ms Carol Mohlala	Board member	19 May 2022	Active	BA Degree (majored In Industrial Sociology and Media Studies)	An experienced researcher, writer, and communications expert. Extensive experience in the media sector at large.	Mohlala Motors	Projects Oversight Committee, Corporate Affairs Committee, Research, Capacity Building and Monitoring and Evaluation Committee (Chairperson)	19

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit committee / Ministerial task team)	No. of Meetings attended
Ms Martina Della Togna (resigned on the 7th February 2024)	Board member	19 May 2022	7th February 2024	Master's Degree in Fine Arts AFDA: School of Film and Television (2011)	Filmmaker, communications specialist and media researcher with over 25 years of experience in the South African film and media sectors.	RIA Digital Agency Fort Calata Foundation Nogqwashu Films 3rd Eye Multimedia Molweni Township Film Festival and Tours	Projects Oversight Committee, Research, Capacity Building and Monitoring and Evaluation Committee	21
Mr Thembelani Mpakati	Board member	21 February 2024	Active	Bachelor of Law (LLB) degree and a National Diploma in Cost and Management Accounting (CCMA) Institution UNISA and Walter Sisulu University respectively	Lawyer, leadership, negotiator and mediator	Nako Mpakati Nontuli Project (Pty) Ltd Ayathemba Trading and Projects	Corporate Affairs Committee, Audit and Risk Committee (alternate member)	1
Ms Jayshree Pather	Board member	21 February 2024	Active	Master of Sciences in Development Planning (Wits University)	Human rights activist, communications professional, researcher	None	Research, Capacity Building and Monitoring and Evaluation Committee and Projects Oversight Committee	1
Mr Qondile Khedama	Board member	21 February 2024	Active	Advanced Diploma in Public Management, Programme in Management Development for Municipal Finance as well as Developmental Communications. Digital Marketing certificate, Public Relations and Leadership certificate, Feature Writing certificate, Newspaper Management, Project Management and Events Managements	He is currently Head of Communications for the Mangaung Metro Municipality and a contributor to the PAN African Foundation (PAN), University of the Free State, Centenary Public Lectures as well as Eyewitness News (EWN)	None	Research, Capacity Building and Monitoring and Evaluation Committee	1

Committees

To effectively discharge its duties and priorities, the Board has four Committees that provide oversight over specific areas of MDDA's business affairs. The Committees provide the Board with recommendations and reports which ensure oversight, transparency, and full disclosure of the Committees' activities:

1. Audit and Risk Committee
2. Project Oversight Committee
3. Research, Capacity Building, Monitoring and Evaluation Committee
4. Corporate Affairs Committee

Committee	No. of meetings held	No. of members	Name of members
Audit and Risk Committee	10	6	Mr Fortune Mkhabela (Chairperson) Ms Margaret Phiri Ms Matseliso Shongwe Mr Hoosain Karjieker (Board Representative) Ms Brenda Leonard (alternate Board Representative until 31st August 2023) Mr Thembelani Mpakati (alternate Board Representative)
Corporate Affairs Committee	7	4	Ms Nadia Bulbulia (Chairperson) Ms Brenda Leonard (Former Chairperson) Mr Thembelani Mpakati Mr Hoosain Karjieker Ms Carol Mohlala
Projects Oversight Committee	7	5	Mr Hoosain Karjieker (Chairperson) Ms Carol Mohlala Ms Nadia Bulbulia Ms Jayshree Pather Ms Martina Della Togna Ms Marina Clarke
Research, Capacity Building and Monitoring and Evaluation Committee	5	3	Ms Carol Mohlala (Chairperson) Ms Marina Clarke (Former Chairperson) Ms Jayshree Pather Mr Qondile Khedama Ms Brenda Leonard Ms Martina Della Togna

Remuneration of board members

The Board was remunerated, in accordance with National Treasury Regulations. Ms C. Mohlala and Mr Q. Khedama were not eligible for remuneration due to their employment by state departments. Board members were also reimbursed for their reasonable travel costs which were incurred in the execution of their duties. The Board's remuneration for 2023/24 until 31 March 2024 was therefore as follows:

Name	Remuneration	Other re-imbursements	Other re-imbursements	Total
Prof. H Mathebula	224 266.00	0.00	31 845.35	256 111.35
Ms N Bulbulia	159 894.00	0.00	0.00	159 894.00
Ms B Leonard (April 2023 to Sep 2023)	98 172.00	0.00	329.00	98 501.00
Ms M Clarke (April 2023 to Sep 2023)	116 442.50	0.00	2 422.00	118 864.50
Mr H Karjieker	229 930.00	0.00	0.00	229 930.00
Ms. C. Mohlala	0	0.00	0.00	0.00
Ms M. Della Togna (April 2023 to February 2024)	141 912.00	0.00	1 871.00	143 783.00
Ms J Pather (new appointment March 2024)	9 720.00	0.00	0.00	9 720.00
Mr Mpakati (new appointment March 2024)	9 720.00	0.00	0.00	9 720.00
Total	990 056.50	0.00	36 467.35	1 026 523.85

RISK MANAGEMENT

When the world is faced with a backdrop of rapid technological changes, economic uncertainty, a warming planet and conflict. As government entities come under pressure by weakened economies and limited resources. While in a country that is plagued by series of cyber-attacks and information security breaches, where stakeholder confidence and brand value are shaken. Managers are not only concerned about improving the risk management systems and models but are focused on improving the underlying risk culture in their respective organisations. The Media Development and Diversity Agency (MDDA) as a section 3A entity has developed and implements an approved risk management policy and strategy. It has embarked on this journey to help itself in identifying risks that are key to its operations and bring about assurance that its set objectives are achieved with greater certainty. The entity further ensures that not only key risks are identified and assessed but also takes in to account that new and emerging risks are identified. These were influenced among other factors by changes in legislation, people, new developments within the ICT space and the ever-changing business environment or landscape.

It is therefore important to identify what could cause an organisation to deviate from its objectives, to determine how likely it is to happen, as well as what the consequences could be if it does happen. As a result, our organisation is aimed at prioritising its risk on the bases of the level risk exposure and materiality, ensuring that attention is directed to the risks that remains high in likelihood and impact on the MDDA's strategic objectives and mandate.

The MDDA has an established Board for optimized management and oversight of its operations, through which it has an efficiently functioning Audit and Risk committee (ARC) that reports on a quarterly basis on the effectiveness of the Enterprise Risk Management (ERM) systems. The Committee is primarily responsible for oversight of the following: Risk profile of the entity and governance prescripts and reports, Fraud awareness and advocacy as well as the Business continuity Management

Systems (BCMS). This protects and creates value for the organisation while exploiting opportunities and managing risks within acceptable risk management appetite and tolerance levels.

The Public Sector Risk Management Framework and the PFMA requires that the Accounting Officer creates and maintains an environment is conducive for development of the ERM and promotes transparent, efficient and effective risk management systems. The MDDA has embedded risk management activities in all its operations throughout the organisation in support of its risk-based decision-making approach. Resulting in improved policy development, internal control environment and organisational performance. Furthermore, the MDDA has an Audit Committee that has a non-executive function that aims to satisfy itself that Management has properly fulfilled its responsibilities and independently monitors the effectiveness of the system of risk management.

The MDDA continues to remain vigilant and cautious of the potential impact that the new and emerging risk may pose to its operations. However, we are also aware that new technologies could produce significant opportunities for the organization in terms of, among other things, possible process optimisation, enhanced fraud detection and increase delivery of service.

As we are fervent about the full deployment of the risk management framework, we have confidence that the MDDA's risk management plan and its ongoing execution will ensure that the MDDA remains resilient in the complex environment in which we operate. Our mandate remains precedence and our risk management practises remains sound.

INTERNAL CONTROL UNIT

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

Corporate governance

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

Financial management

The ARC approved the internal audit report which indicates that the control environment relating to the revenue and expenditure management and budget management activities were moderate and improvement on the control environment is required.

Audit of predetermined objectives

The ARC approved the internal audit report which indicates that the control environment relating to the Audit of the Predetermined Objectives on 2023/2024 Annual Performance Reporting were moderate and improvement on the control environment is required.

INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

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

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

Annual Financial statements Review
 Corporate Governance Review
 Revenue and Expenditure Review.
 Budget Management Review.
 Legal & Contract Management Review
 Annual and quarterly reviews of the Audit of predetermined objectives (AoPO)
 Stakeholders' management Review
 Update of Internal Audit Charter, Audit & Risk Committee Charter & Internal Audit Methodology

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Fortune Mkhabela	Bachelor of Commerce Honours (Auditing) Certification in Control Self-Assessment (CCSA) Certified Internal Auditor (CIA) Bachelor of Commerce Specialisation in Accounting	External	N/A	1 April 2021	2 April 2024	9
Ms Margaret Phiri	Bcom. Accounting Degree CTA/Bcompt honours Qualified CA(SA)	External	N/A	1 April 2021	N/A	8
Ms Matseliso Shongwe	Bachelor of Accounting (Wits University) Qualified CA(SA)	External	N/A	1 April 2021	31 March 2024	9
Mr Hoosain Karjeker	B. Compt degree, Diploma in Project Management National Diploma in Internal Auditing.	External (Alternate Board Representative)	N/A	22 April 2022	Active	7

Name	Qualifications	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned	No. of Meetings attended
Ms Brenda Leonard	Bachelor of Arts Communication Science	External (Alternate Board Representative)	N/A	28 July 2021	30 July 2023	0
Mr Simon Mankgaba	Post Graduate Diploma in Internal Auditing Honours in Accounting Btech in Internal Auditing Management Development Programme Diploma in Criminal Justice and Forensic Investigations National Diploma in Internal	External	NA	16 July 2020	15 July 2023	2

COMPLIANCE WITH LAWS AND REGULATIONS

The entity has drafted a compliance matrix, which alludes to all legislative frameworks applicable to the MDDA. The Audit and Risk Committee conducts oversight against quarterly reporting of the entity's compliance with the compliance matrix and reports to the MDDA Board on progress of the entity in this regard.

FRAUD AND CORRUPTION

The MDDA has developed and implements an anti-fraud prevention plan forming part of the anti-fraud and corruption strategy approved by the Board Chairperson. The fraud prevention strategy is a detailed plan on how the institution implements the measures to address the risk fraud and corruption. The implementation is monitored on a quarterly basis and appropriate reports are compiled and presented to the Audit and Risk Committee and subsequently to the Board to exercise oversight and guidance.

The MDDA utilises a reliable anti-fraud and corruption Hotline, complimented by the National Anti-Corruption Hotline, the ARC Chairperson as well as the Board Chairperson, for officials to make confidential disclosures about suspect fraud and corruption. The hot-line services are anonymous for the expediency and protection of whistle blowers against any form of harassment and victimisation, when they raise concerns in good faith as informed by the applicable legislation protecting whistle-blowers.

Types of cases that may be reported on our toll-free anti-fraud and corruption hotline includes, suspected cases of fraudulent grant allocation, soliciting bribes by staff for grant payment to non-compliant community radio stations, general corruption in the award on tenders and contravention of the MDDA code of conduct. All reported cases of fraud and corruption are thoroughly investigated by independent forensic investigators. Where reasonable and sufficient evidence is established, the MDDA institutes a formal investigation or enquiry into allegations in terms of the MDDA whistle blowing policy.

Employees are encouraged through anti-fraud and corruption initiatives to discharge duties and responsibilities with integrity and transparency while displaying optimised levels of professionalism in the workplace, avoid conflict of interest, comply with all applicable legislation and prescripts, not act malicious or recklessly to damage the reputation of the MDDA.

MINIMISING CONFLICT OF INTEREST

The MDDA Board approved the revised Code of Conduct and Ethics Policy, which was then shared with all staff. All employees conduct an annual Declaration of Interest. All other processes, including hiring and supply chain management, also include declarations of interest. Members should be recused if they are in a conflict of interest as defined by the policy.

CODE OF CONDUCT

The MDDA Board approved the revised Code of Conduct and Ethics Policy that commits the Agency, its external partners and its employees to the highest standards of ethical conduct. The Ethics Policy comprises a short, aspirational summary outlining the Agency's core ethical values, ideals, and principles. The Code of Conduct, on the other hand, is more directional in nature in that it is very specific in describing or forbidding specific behaviour. In essence, the Ethics Policy is value based, whereas the Code of Conduct is rules-based.

The MDDA combines the Ethics Policy and Code of Conduct for the Agency, thereby providing guidelines for all employees to do the right thing and behave at high standards at all times. It also provides employees with concrete ideas about what is right and what is not accepted in the workplace, without the need for constant management presence to supervise them.

HEALTH SAFETY AND ENVIRONMENTAL ISSUES

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

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

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

COMPANY SECRETARY

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

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

SOCIAL RESPONSIBILITY

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

Promoting Media Diversity:

MDDA’s primary responsibility is to foster diversity in the media industry by supporting and encouraging the establishment of community and small commercial media projects. This includes initiatives that represent historically disadvantaged, marginalised communities and ensure a plurality of voices in the media.

MDDA aims to bridge the digital divide and improve media access for historically disadvantaged groups, including rural communities, women, youth, and people with disabilities. By providing support and resources, MDDA enables these groups to participate in media creation and consumption.

MDDA’s social responsibility extends to empowering media entrepreneurs, especially those from disadvantaged backgrounds. By providing financial support and capacity-building programs, the agency helps aspiring media professionals to establish viable and sustainable media ventures.

Fostering Media Literacy and Critical Thinking:

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

Supporting Diverse Content Creation:

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

AUDIT COMMITTEE REPORT

I am pleased to present you with the report of the MDDA Audit and Risk Committee (“Committee”) for the financial year ended 31 March 2024. This report has been prepared in accordance with the Public Finance Management Act 1 of 1999 as amended (“PFMA”).

Statutory Duties

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

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

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

The review of the interim financial reports with management and the external auditors before filing with regulators and consider whether they are complete and consistent with the information known to committee members.

Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.

Review other sections of the annual report and related regulatory

filings before release and consider the accuracy and completeness of the information.

Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.

Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.

Review with management and the external auditors the results of the audit, including any difficulties encountered.

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

The Committee considered the strategic risks and their impact on achieving the Agency's strategy and assessed the adequacy of controls and the combined assurance applied over the identified risks. The Committee monitored the effectiveness of the internal control environment through the review of reports from Internal Audit, Management, and the External Auditor, and improved the quality of financial reporting through the review of the financial statements submitted to the Committee.

Having reviewed information provided by management, internal audit, and external auditor on the adequacy of controls, financial reporting, the Committee is of the view that significant improvements are needed in the contract management and legal environment, performance information management including the cyber-security, ICT business resilience and continuity process environments.

Post Year End Events

Ms Dudu Hlatshwayo was appointed as the chairperson of the Committee on 1st May 2024 and Mr Fortune Mkhabela resigned as the chairperson of the Committee on 2nd April 2024

Significant Financial Statements Reporting Issues

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

Composition and meetings

The Audit and Risk Committee members consisted of Mr Fortune Mkhabela, Ms Margaret Phiri and Ms Matseliso Shongwe, who were appointed as independent members of the committee from the 1st of April 2021 until the 31st of March 2024. Mr H. Karjiekker served as the Board representative assigned to the Audit and Risk Committee and Ms B. Leonard served as an alternate Board representative in the event that Mr Karjiekker was unable to attend Audit and Risk Committee meetings. Mr T. Mpakati, replaced Ms B. Leonard as the alternate Board representative, following Ms B. Leonard's departure from the MDDA Board.

The Committee met ten times during the financial year. There were four quarterly meetings, six scheduled special meetings and four unscheduled special meeting. All the meetings were held virtually to ensure safety of everyone attending the meetings. The purpose of the special meetings was to consider the draft and audited financial statements and Performance Report.

Committee Performance

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

Role of the Chairperson

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

Prior to committee meetings, the chairperson met with the chief audit executive and other department officials to prepare for the committee meetings.

Financial Statements

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

The effectiveness of internal control

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

- **Corporate governance**

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

- **Financial management**

The ARC approved the internal audit report which indicates that the control environment relating to the revenue and expenditure management and budget management activities were moderate and improvement on the control environment is required.

- **Audit of predetermined objectives**

The ARC approved the internal audit report which indicates that the control environment relating to the Audit of the Predetermined Objectives on 2023/2024 Annual Performance Reporting were moderate and improvement on the control environment is required.

- **External Audit**

We have reviewed the public entity's implementation plan for audit issues raised in the prior year and we are satisfied that there has been a significant improvement from management in responding to the action plans.

The Audit 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.

- **Internal Audit**

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

To ensure that the internal audit function can appropriately conduct all its tasks and that its capacity is proportionate to the size of the MDDA operations, the committee has resolved to improve the function's ability to cover most of its activities by increasing resources.

- **Integrated Reporting**

The Committee has considered the governance and financial information that will be included in the Annual Integrated Report when published. The Committee has reviewed the disclosure of sustainability issues in the Annual Integrated Report to ensure that the information is reliable and does not conflict with the financial information.

The Committee relies on Management, External Auditor, Internal Audit, Agency Risk, and the hotline reports to highlight any concerns, complaints or allegations relating to fraud and corruption, inadequacy of internal financial controls, the content of the financial statements and potential violations of the law.

We are of the view that information in the integrated report provides a balanced view and we have recommended the annual integrated report to the Board for approval.

Looking Ahead

The Committee is acutely focused on resolving the material irregularities as pointed out by the AGSA and to ensure that the control environment is strengthened. The Committee will continue to monitor the allocation and utilisation of funds /grants by beneficiary organisations.

Management is encouraged to enhance processes of identifying and preventing irregular expenditure, as well as fruitless and wasteful expenditures. Irregular expenditure amounting to R3 374 114-00 as well as a fruitless and wasteful expenditure of R493 101-00 were identified. To prevent any future irregular, fruitless and wasteful expenditure, the Committee and Board have put in place stringent internal controls.

Conclusion

As a committee, we are satisfied that we have complied with our statutory responsibilities and terms of reference. Having had regard to all material risks and factors that may impact on the integrity of the Annual Financial statements and following appropriate review, we recommended the Annual Financial Statements of the Media Development and Diversity Agency for the year ended 31 March 2024 to the Board for approval.



Ms Dudu Hlatshwayo
Chairperson of the Audit Committee
MDDA

B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

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

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The MDDA does not issue licences or concessions.
Developing and implementing a preferential procurement policy?	Yes	The MDDA is implementing the Preferential Policy Framework Act (Act 5 of 2000), Preferential Procurement Regulations 2022, and National Treasury Instructions and Practice Notes.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	There are no SOEs under MDDA control.
Developing criteria for entering into partnerships with the private sector?	N/A	The MDDA does not enter into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The MDDA does not offer incentives, grants and investment schemes.

04 PART D: HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

Overview and priorities

In its pursuit of fostering media development and diversity across South Africa, the Media Development and Diversity Agency (MDDA) underscores the pivotal role of human capital. Throughout the fiscal year 2023/2024, MDDA remained steadfast in its commitment to cultivating a diverse, skilled, and motivated workforce to effectively advance its mission.

Central to this endeavor is the diligent work of the HR Department, which serves as a cornerstone in achieving operational excellence. Aligned with the objectives delineated in MDDA's Strategic Plan 2020-2025, the HR plan outlines a range of initiatives aimed at bolstering organisational competencies and leadership capacity. These initiatives, framed within six strategic thrusts, encompass Recruitment; Employment Equity, Transformation and Inclusivity; Training and Development; Performance Management; Organisational Culture and Change Management; and Employee Health and Wellness. By strategically planning, executing, and reviewing Human Resources projects, MDDA continues to fortify its foundation for sustained growth and impact in the realm of media development and diversity.

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce.

The 2023/2024 fiscal year marked a period of strategic reflection and organisational development for the Media Development and Diversity Agency (MDDA). Central to these efforts was a comprehensive review of the agency's organisational structure, aimed at enhancing efficiency, agility, and alignment with its mission of promoting media development and diversity in South Africa. During the reporting period, the MDDA undertook a thorough review of its organisational structure to ensure that it remained responsive to the evolving needs of the media and grant funding landscape.

This review involved assessing existing roles, responsibilities, reporting lines, and span of control to identify areas for improvement and optimisation. Through extensive consultation with stakeholders and benchmarking against industry best practices, the MDDA redefined its organisational structure to enhance clarity, accountability, and collaboration across departments. The proposed value chain, operating model and structure of the MDDA will be presented at the Board Meeting in April 2024.

Despite an increase in staff turnover, the Media Development and Diversity Agency (MDDA) has demonstrated resilience and progress by appointing key leadership positions. Notably, during the reporting period, MDDA welcomed the appointment of the Chief Executive Officer, Supply Chain Officer, Finance Manager, Project Officer: Print, and Chief Financial Officer. These strategic additions to the agency's leadership team signify a deliberate effort to fortify operational capacity and strategic direction. With these appointments, MDDA is poised to navigate evolving challenges and capitalise on emerging opportunities in its mission to foster media development and diversity in South Africa.

Training and Development

Aligned with its strategic imperatives, the Media Development and Diversity Agency (MDDA) prioritised substantial investments in capacity-building endeavors aimed at elevating the skillsets and proficiencies of its workforce. Over the reporting period, MDDA implemented twelve (12) distinct training initiatives, comprising comprehensive training programs, workshops, and targeted professional development opportunities. These initiatives were meticulously crafted to address the dynamic landscape of industry trends and challenges. By arming its personnel with the requisite knowledge and competencies, MDDA endeavors to maintain a leading position in driving media development initiatives across South Africa.

Employee Wellness programmes

At the Media Development and Diversity Agency (MDDA), nurturing a supportive work environment that prioritizes employee well-being and engagement remains paramount. Under the banner of our #StaffConnect and #MyWellbeing flagship programs, MDDA continued its unwavering commitment to delivering initiatives geared towards enhancing employee satisfaction and overall wellness. Throughout the reporting period, the agency executed a diverse array of initiatives aimed at promoting work-life balance, raising awareness about mental health, and fostering a culture of inclusivity. Key endeavors included the implementation of hybrid work arrangements, the introduction of wellness programs, and concerted efforts to champion diversity and inclusion within our workforce.

A notable milestone achieved during this period was the receipt of the prestigious IPM Excellence Award in the category of Employee Engagement and Well-being. This accolade recognizes organizations that have demonstrated outstanding achievements in improving employee engagement and well-being through strategic initiatives. The award ceremony took place during the 67th Annual IPM Convention held in Sun City, Northwest in November 2023, underscoring MDDA's commitment to fostering a healthy and supportive work environment conducive to employee success and fulfilment.

Promoting excellence through Performance Management and recognizing achievement

Throughout the reporting period, MDDA upheld its commitment to fostering a culture of meritocracy by diligently implementing a robust performance management system. In line with our commitment to incentivizing high performance, qualifying employees were duly rewarded with performance incentives, affirming the appreciation for their exceptional contributions to the Agency's mission and objectives. By nurturing a performance-driven culture rooted in transparency and accountability, MDDA remains poised to sustain its trajectory of success and deliver impactful outcomes.

Challenges

Throughout the reporting period, the agency maintained its steadfast commitment to recruiting and retaining talent across diverse demographic groups, underscoring the importance of cultivating a team reflective of varied perspectives and experiences. Despite concerted efforts, it is noteworthy that the agency encountered challenges in achieving desired outcomes concerning the recruitment of individuals from specific racial demographics, particularly the coloured and white groups. While these efforts did not yield the intended results during this reporting cycle, the agency remains resolute in its dedication to fostering an inclusive and representative workforce. Moving forward, the agency will continue to refine its strategies and outreach initiatives to address these disparities, recognising the imperative of creating an environment where all individuals, regardless of background, can thrive and contribute effectively to the agency's mission.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

There was a total permanent staff complement of 34 at the end of the period under review, out of 44 approved positions. This equates to a vacancy rate of 22%. There were seven (7) terminations of permanent employees, one (1) was dismissal while the other six (6) were resignations. The Agency appointed two female executives during the FY 2023/24. The Agency had nine (9) interns, four (4) employees on short term contracts during the year under review.

2.1 Personnel related expenditure

Personnel Cost by programme/ activity/ objective

Employees are remunerated on total cost to the company remuneration model in order to increase the flexibility of their salary packages, make them more competitive in the market, and compensate them fairly for the services rendered.

The MDDA offers fringe benefits such as a provident fund administered by Liberty and, medical aid administered by Discovery included in the total cost to the company. Additionally, qualified employees also received, a cell phone allowance and study assistance. It is a condition of employment for permanent employees at the MDDA to join both the medical aid plan and provident fund.

The total staff complement reflected here includes employees who left the Agency within the financial year as well as the nine interns.

Programme/activity/objective	Total Expenditure for the entity	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee
Office of the CEO	6,897,830.02	3,867,394.14	56%	2	R1,933,697.07
Finance	7,368,474.95	4,739,984.60	64%	8	R592,498.08
Communications & Strategy	1,724,825.40	1,435,127.81	83%	3	R478,375.94
Company Secretary	3,711,399.46	2,150,565.42	58%	2	R1,075,282.71
Legal Services	5,285,833.22	2,049,556.58	39%	2	R1,024,778.29
Internal Audit	5,691,867.61	1,787,259.56	31%	2	R893,629.78
Human Resources & Corporate Affairs	10,128,471.07	4,383,538.48	43%	13	R337,195.27
Projects	70,639,419.01	9,841,356.61	14%	16	R615,084.79
Research, Training, Monitoring & Evaluation	7,142,392.43	4,838,173.61	68%	6	R806,362.27

Personnel cost by salary band

Level	Personnel Expenditure)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee
Top Management	5,895,203.26	17%	5	R1,179,040.65
Senior Management	11,875,138.05	34%	9	R1,319,459.78
Professional qualified	13,711,158.94	40%	22	R623,234.50
Skilled	2,329,476.00	7%	10	R232,947.60
Semi-skilled	847,395.78	2%	9	R94,155.09
Unskilled	16,075.20	0%	1	R16,075.20
TOTAL	34,674,447.23		56	3,464,912.82

Performance Rewards

Programme//activity/objective	Performance rewards	Personnel Expenditure
Top Management	-	5,895,203.26
Senior Management	535,684.37	11,875,138.05
Professional qualified	571,185.49	13,711,158.94
Skilled Technical	104,145.46	2,329,476.00
Semi-skilled	R0.00	847,395.78
Unskilled	R0.00	16,075.20
TOTAL	1,211,015.32	34,674,447.23

Training Costs

Programme//activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Professional Membership	34,674,447.23	122,473.13	0.35%	13	9421.01
Training & Development	34,674,447.23	199,701.35	0.58%	46	4341.33

Employment and vacancies

Progress has been made in filling the critical positions during the year under review, the organisation experienced a high staff turnover during the year under review.

Programme/ activity/objective	2023/2024 (April)	2021/2022 Approved Posts	2023/2024	2021/2022 Vacancies	% of vacancies
	No. of Employees		No. of Employees		
Top Management	1	4	3	1	25%
Senior Management	10	10	7	3	30%
Professional qualified	19	23	18	5	22%
Skilled	6	6	5	1	17%
Semi-skilled	1	1	1	0	0%
Total	37	44	34	10	

Programme/activity/objective	2023/2024 (April)	2022/2023 Approved Posts	2023/2024 (March)	2022/2023 Vacancies	% of vacancies
	No. of Employees		No. of Employees		
Office of the CEO	1	2	2	0	0%
Projects	13	14	13	1	7%
Research, Training, Monitoring & Evaluation	6	7	5	2	29%
Company Secretary	2	2	2	0	0%
Communication & Strategy	3	3	2	1	33%
Finance	5	7	4	3	43%
HR & Corporate Services	3	3	3	0	0%
Risk	0	1	0	1	100%
Legal Services	2	3	2	1	33%
Internal Audit	2	2	1	1	50%
Total	37	44	34	7	

Table: Employment and Vacancies as per Occupational Levels**Employment changes**

Seven (7) employees were terminated during the period under review.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	2	0	3
Senior Management	10	1	4	7
Professional qualified	19	2	2	19
Skilled	6	0	1	5
Semi-skilled	1	0	0	1
Total	37	5	7	35

Table: Employment changes**Reasons for staff leaving**

Four (6) employees left the employ of MDDA for various reasons and one dismissal.

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	6	86%
Dismissal	1	14%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	7	

Table: Reasons for staff leaving

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written warning	2
Dismissal	1
Total	4

Equity Target and Employment Equity Status

The MDDA is in the process of implementing its three-year Employment Equity (EE) Plan (2022-2023) that is emanated from the provisions of Employment Equity Act, 1998, to support the creation of an enabling environment, to ensure equitable demographic representation across all occupational levels and categories and to manage inequalities within the organisation.

The employment equity statistics are based on all employees employed from 01 April 2022 to 31 March 2023. During the reporting period, 100% of our permanent employees were black (African and Indian), which is recorded as overachievement in this category although there has been an underrepresentation on other races to make the workforce reflective of diversity workforce and in line with the Employment Equity Plan.

Female representation is sitting at 56% for the period of reporting. Despite the appointment of a female employee, one (1) female employee exited the organisation during this period. The Agency exceeded its annual target in 2023/24 by achieving a rate of 3% of its employees being employees with disabilities, an overachievement of 1%. The Agency embarked on a robust campaign for employees to declare their status on Gender, Race and People with Disability, the campaign is still underway. This comes after the workshop on diversity and disability. An intern with a disability was appointed in a quest to pave way in achieving the 7% target.

LEVELS	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	2	0	0	0	0	0	0
Senior Management	4	4	0	0	0	0	0	0
Professional qualified	7	9	0	0	0	1	0	0
Skilled	3	3	0	0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	15		0		0		0	0

LEVELS	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	2	0	0	0	0	0	0
Senior Management	6	6	0	0	0	0	0	0
Professional qualified	11	11	0	1	1	1	0	0
Skilled	4	4	0	0	0	0	0	0
Semi-skilled	1	1	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	22		0		1		0	

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	1	1	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	0	0	0	0

05 PART E: PFMA COMPLIANCE REPORT



1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.2 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	1 472 183	0
Adjustment to opening balance	0	7 081 687
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	3 374 114	1 472 183
Less: Irregular expenditure condoned	0	-7 081 687
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
Closing balance	4 864 6297	1 472 183

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	3 374 114	7 081 687
Irregular expenditure that relates to 2022/23 and identified in 2023/24	0	0
Irregular expenditure for the current year	0	0
Total	3 374 114	7 081 687

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

Description ¹	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	5 579 834
Irregular expenditure under investigation	0	0
Total²	0	5 579 834

c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	0	7 081 687
Total	0	7 081 687

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of irregular expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	0	0
Total	0	0

f) Details of irregular expenditure written off (irrecoverable)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	0	0
Total	0	0

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Not applicable
Total

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

Description	2023/2024	2022/2023
	R'000	R'000
Non applicable		
Total		

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

Disciplinary steps taken
None

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	81 769	52 484
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	493 101	29 285
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing balance	574 870	81 769

Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	493 101	29 285
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	493 101	29 285
Total	493 101	29 285

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

Description ²	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total³	0	0

c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	0	0
Total	0	0

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
Total	0	0

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

Disciplinary steps taken
None

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

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	0	0

b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

c) Other material losses recoverable

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

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

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	246	31 430 711
Invoices paid within 30 days or agreed period	235	30 119 032
Invoices paid after 30 days or agreed period	11	1 311 679
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

3 INFORMATION ON SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
				R'000
Caseware Annual Renewal	Adapt IT	Sole source	once off	R110,030.92
67th Annual Convention and Exhibition	Institute of People Management	Sole source	once off	R25,070.00
Catering Services	Mmabatho Palms Hotel	Single source	once off	R75,100.00
Total				R210,200.92

3.2. Contract variations and expansions

Project description	Name of supplier	Reason for variation/extension	Contract number	Value of contract
				R'000
Audio Visual Installation	AV Connection	The 2 tv screens had to be replaced at the venue	N/A	R62,650.00
Telecommunications and Network	Bitcon	Due to infrastructure relocation, contract had to be extended as terms and conditions of the service provider	N/A	R384,000.00
Total				R446,650.00

05 PART F: ENVIRONMENTAL LANDSCAPE AND FUNDING



GROWTH AND DEVELOPMENT OF LOCAL MEDIA

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

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

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

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

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

FUNDING OF THE AGENCY

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

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

The money referred to above must be utilised to:

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

Description	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000
Total budget from DoC/GCIS	30 669 000	31 795 000	32 279 000	60 187 627	51 753 326	45 475 146
Broadcast Income	51 743 849	56 313 833	60 915 177	64 948 917	64 888 360	67 096 376
TOTAL	82 412 849	88 108 833	93 194 177	125 136 544	116 641 686	112 571 522

The Economic Development Fund (EDF) - conditional grant transferred to revenue in the 2023/24 financial year has caused a minor increase in grant revenue. The EDF programmes have been initiated since 2022/23 financial year and a total of R38 645 889 conditional grants is anticipated to be transferred to revenue over the MTEF.

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

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

Broadcast Partners

RADIO ALGOA FM
CAPE TOWN RADIO
CAPRICORN CAP
CENTRAL MEDIA GROUP
EAST COAST RADIO
ETV
HEART FM
IGAGASI FM
JACARANDA FM
KAYA FM
MULTICHOICE
ON DIGITAL MEDIA
PRIMEDIA BROADCASTING
SABC
VUMA FM
Y FM
YOU FM

Foreign Grants

No foreign grants were received in the year under review.

Rollover

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

Funding Cycles

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

Regulatory and Contractual Requirements

MDDA regulations state that:

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

06 PART G: FINANCIAL INFORMATION



Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Media Development and Diversity Agency (MDDA) set out on pages 81 to 109, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of the auditor's report, the financial statements present fairly, in all material respects, the financial position of the MDDA as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the Standard of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Property, plant and equipment

3. The public entity did not recognise all items of property, plant and equipment in accordance with GRAP 17, Property, plant and equipment. Radio station equipment uplifted from grant beneficiaries was identified and could not be traced to the asset register. Consequently, property, plant and equipment was understated by R4 065 558. There was an impact on the accumulated surplus.

Administration expenses

4. During 31 March 2023, I was unable to obtain sufficient appropriate audit evidence for administration expenses (purchase returns), as the public entity did not have adequate systems and supporting documentation. I was unable to confirm the administrative expenses (purchase returns) by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the corresponding figure of administration expenses, stated at R17 185 520 in note 20 to the annual financial statements. My audit opinion on the financial statements for the period ended 31 March 2023 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the administration expenses for the current year.

Cash flow statement

5. Grants receipts were incorrectly calculated as it did not include cash movements from grants and subsidies, which constitutes a departure from Standards of GRAP 2, Cash Flow Statement in the prior year. Consequently, the corresponding figure of grant receipts is overstated by R4 304 791 in the cash flow statement. My audit opinion on the financial statements for the period ended

31 March 2023 was modified accordingly. My opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the grant receipts for the current year.

Context for opinion

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

Emphasis of matter

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

10. As disclosed in note 27 to the financial statements, the corresponding figures for the 31 March 2024 were restated as a result of an error in the financial statements of the public entity at, and for the year ended 31 March 2023.

Responsibilities of the accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

13. 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.
14. 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 annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
16. I selected the following material performance indicators related to Programme 2: Grant & Seed Funding, Programme 3: Partnership, Public awareness and Advocacy and Programme 4: Capacity Building and Sector Development presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of grant funding applications for community broadcast projects approved.
 - Number of grant funding applications for small commercial print or digital media projects approved. Number of media projects provided with digital support.
 - Number of annual evaluation reports generated on funded projects.
 - Number of monitoring reports generated on funded projects.
 - Number of stakeholder engagements for non-financial support held.
 - Number of media engagements held promoting thought leadership.
 - Number of proposals for funding and support presented to potential and existing stakeholders.
 - Number of training interventions aimed at capacitating the community media.
 - Number of media and information literacy initiatives held
17. I evaluated the reported performance information for the selected material performance indicators against the criteria developed

from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information presented in the annual performance report in the prescribed manner.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
20. I did not identify any material findings on the reported performance information for the selected material performance indicators.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievements.
23. The table that follows provides information on the achievement of planned targets and lists the key indicator that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report.

Programme 2: Grant and Seed Funding

Targets achieved: 64%		
Key indicator not achieved	Planned target	Reported achievement
Number of monitoring reports generated on funded projects	80	51

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 3: Partnerships, Public Awareness and Advocacy. Management subsequently corrected all the misstatements and I did not include any material findings in this report

Report on compliance with legislation

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

Annual financial statements and annual report

29. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1) (a) and (b) of the PFMA.
30. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided, which resulted in the financial statements receiving a qualified opinion.

Procurement and contract management

31. The preference point system was not applied in procurement of goods and services as required by section 2(a) of the PPPFA and Treasury Regulation 16A6.3(b).

Other information in the annual report

32. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
33. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
34. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
35. 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

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
37. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on compliance with legislation included in this report.
38. Leadership did not exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls as non-compliance matters were identified.
39. Leadership did not monitor the implementation of action plans to address internal control deficiencies as the action plan was identified to be ineffective, prior year material misstatements were not addressed, material non-compliance was identified with legislation and repeat internal control deficiencies were identified in relation to the annual financial statements.
40. Governance did not ensure that there is an adequately resourced and functioning internal audit unit that identifies internal control deficiencies and recommends corrective action effectively was in place. Deficiencies were identified in the work of the internal audit unit.

41. The audit committee did not evaluate and monitor responses to risks and providing oversight over the effectiveness of the internal control environment, including financial reporting and compliance with laws and regulations.
 42. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting as material misstatements were identified that resulted in the modification of the auditor's opinion.
 43. Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information as material misstatements were identified that resulted in the modification of the auditor's opinion.
 44. Management did not implement controls over daily and monthly processing and reconciling of transactions as material misstatements were identified that resulted in the modification of the auditor's opinion.
 45. Management did not review and monitor compliance with applicable laws and regulations as material non-compliance matters were identified.
- Letters of demand have been issued to the beneficiaries who have been identified to have misused grant funding.
50. The accounting authority plan to commence with the following additional steps to resolve the material irregularity:
 - Strengthen controls and oversight mechanisms to prevent similar losses in the future and ensure compliance with the remedial actions in place to recover any misused or misappropriated funds.
 - Strengthening oversight mechanisms such as issuance of non-compliance and breach notices.
 - Enhancing compliance procedures.
 - Providing additional training to beneficiaries on financial management and reporting requirements.

I will follow up on the implementation of the planned actions during my next audit.

Auditor - General

Material irregularities

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

Pretoria
31 July 2024

Material irregularities identified during the audit

47. The material irregularities identified are as follows:

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

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



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 54(2)(c'); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2) Section 57(b)
Treasury Regulations for public entities (TR)	Treasury Regulation 16A 3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b); 16A6.2(e);16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; TR 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7; 16A 8.2(1); 16A 8.2(2); 16A 8.3; 16A 8.3(d); 16A 8.4; 16A9.1 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2; 16A 9.2(a)(ii); TR 16A 9.2(a)(iii) Treasury Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Treasury Regulation 31.1.2(c') Treasury Regulation 31.2.1; Treasury Regulation 31.3.3 Treasury Regulation 33.1.1; 33.1.3
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
Preferential Procurement Regulations 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c) ; 3.3 (e) ; 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
National Treasury SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
National Treasury Instruction Note 03 of 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
National Treasury SCM Instruction Note 11 2020-21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
National Treasury SCM Instruction note 2 of 2021-22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Par. 4.3.2; 4.3.3
National Treasury Instruction note 4 of 2015-16	Paragraph 3.4



Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements
for the year ended 31 March 2024

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

General Information

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

Media Development and Diversity Agency

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Annual Financial Statements for the year ended 31 March 2024

Index

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

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

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

Directors' Responsibilities and Approval

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

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

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

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

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

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

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

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

The annual financial statements set out on page 4, which have been prepared on the going concern basis, were approved by the board on 30 July 2024 and were signed on its behalf by:



Prof. Hlengani Mathebula
(Chairperson)

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Current Assets			
Receivables from exchange transactions	3	476 547	179 625
Receivables from non-exchange transactions	4	42 280	42 280
Cash and cash equivalents	5	82 916 636	92 200 026
		83 435 463	92 421 931
Non-Current Assets			
Property, plant and equipment	6	1 537 488	1 468 478
Total Assets		84 972 951	93 890 409
Liabilities			
Current Liabilities			
Operating lease liability	7	656 874	422 590
Payables from exchange transactions	8	2 898 373	3 361 264
Unspent conditional grants and receipts	9	13 508 074	18 539 615
Provisions	10	2 110 460	2 093 795
Credit card	5	-	32 663
		19 173 781	24 449 927
Total Liabilities		19 173 781	24 449 927
Net Assets		65 799 170	69 440 482
Accumulated surplus		65 799 172	69 440 482
Total Net Assets		65 799 172	69 440 482

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023
Revenue			
Revenue from exchange transactions			
EDF income		543 721	2 135 181
Interest received	11	6 738 341	5 060 060
Total revenue from exchange transactions		7 282 062	7 195 241
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	12	41 647 244	56 462 416
Broadcast funders contribution	13	66 048 868	64 988 360
Total revenue from non-exchange transactions		107 696 112	121 450 776
Total revenue	14	114 978 174	128 646 017
Expenditure			
Employee related costs	15	(35 092 956)	(37 086 924)
Depreciation and amortisation	16	(344 737)	(534 759)
Impairment loss/Reversal of impairments	17	-	(27 257)
Lease rentals on operating lease	18	(3 210 540)	(1 195 744)
Grant cost expenditure	19	(61 409 112)	(96 210 596)
Administration expenses	20	(18 533 167)	(17 195 766)
Total expenditure		(118 590 512)	(152 251 046)
Deficit for the year		(3 612 338)	(23 605 029)

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2022	92 945 836	92 945 836
Changes in net assets Surplus for the year	(23 594 783)	(23 594 783)
Total changes	(23 594 783)	(23 594 783)
Balance at 01 April 2023	69 411 510	69 411 510
Changes in net assets Surplus for the year	(3 612 338)	(3 612 338)
Total changes	(3 612 338)	(3 612 338)
Balance at 31 March 2024	65 799 172	65 799 172

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Receipts			
Grants		36 753 757	41 882 699
Interest income		6 738 341	5 060 060
Broadcast funders contribution		66 048 868	64 988 360
		109 540 966	111 931 119
Payments			
Employee costs		(35 092 956)	(37 086 924)
Suppliers		(22 260 079)	(20 209 050)
Grant cost expenditure		(60 966 251)	(96 210 596)
		(118 319 286)	(153 516 816)
Net cash flows from operating activities	22	(8 778 320)	(41 585 697)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(472 407)	-
Net increase/(decrease) in cash and cash equivalents		(9 250 727)	(697 585 41)
Cash and cash equivalents at the beginning of the year		92 167 363	133 742 814
Cash and cash equivalents at the end of the year	5	82 916 636	92 157 117

Media Development and Diversity Agency

(Registration number PE63)

Annual Financial Statements for the year ended 31 March 2024

1. Significant accounting policies

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

1.1 Basis of preparations

These annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

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

1.3 Going concern assumption

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

1.4 Materiality

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

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

1.5 Significant judgements and sources of estimation uncertainty

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

Impairment testing

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

Useful lives of property, plant and equipment

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

1.6 Property, plant and equipment

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

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

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

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Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

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

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

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

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

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

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

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

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

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

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

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

1.6 Property, plant and equipment (continued)

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

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

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

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

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 6). The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 6).

1.7 Financial instruments

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

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

cash; a residual interest of another entity; or a contractual right to:

- receive cash or another financial asset from another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to: deliver cash or another financial asset to another entity; or exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

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

Classification

Subsequent measurement of financial assets and financial liabilities

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

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

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

Reclassification

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

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

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

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

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

Gains and losses

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

Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

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

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

Financial assets measured at cost:

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

Financial assets

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

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

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

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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

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

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

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

Financial liabilities

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

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

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

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

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

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

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

1.8 Leases

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

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

Operating leases - lessee

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

1.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

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

1.10 Employee benefits

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

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

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

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

1.11 Provisions and contingencies

Provisions are recognised when:

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

it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
a reliable estimate can be made of the obligation.

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

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

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

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

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 30.

1.12 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

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

GRAP 17 requires disclosure of Property, plant and equipment related commitments. MDDA discloses commitments in relation to the grant expenditure

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even though they do not meet GRAP 17 disclosure requirement. The disclosure is for the purposes of attaining fair presentation since grant expenditure is the most significant part of MDDA operations and the commitment disclosure will give more insight to the users of the financial statements.

1.13 Revenue from exchange transactions

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

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

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

Measurement

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

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied: the amount of revenue can be measured reliably; it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

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

Interest

Revenue arising from the use by others of entity assets yielding interest, is recognised when: It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and The amount of the revenue can be measured reliably.

1.14 Revenue from non-exchange transactions

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

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

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

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

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

Recognition

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

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As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

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

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

1.15 Grant cost expenditure

Grant cost expenditure relates to grants disbursed to grant beneficiaries

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

1.16 Administration expenses

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

- Employee cost
- Depreciation and impairment
- Grant cost expenditure

1.17 Irregular expenditure

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

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

1.18 Fruitless and wasteful expenditure

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

1.19 Comparative figures

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

1.20 Related parties

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

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

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

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

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

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

1.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified: those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

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

1.22 Prior period errors and adjustments

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

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

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

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

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

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

3. Receivables from exchange transactions

Other receivables Prepaid expense	476 547	179 625
	476 547	179 625
Other receivables 120+ days	476 547	179 625
Financial asset receivables included in receivables from exchange transactions above	-	-
Total receivables from exchange transactions	476 547	179 625

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

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

4. Receivables from non-exchange transactions

Debtors - Other	42 280	42 280
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Credit quality of receivables from non-exchange transactions

Staff debtors for prior year mainly relates to recoverable relocation costs paid to a former staff member who did not serve the minimum employment period as required by the MDDA human resources policy, cash advances advanced to MDDA staff members for travelling costs.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	9 906 220	23 655 387
Short-term deposits	73 010 416	68 544 639
Credit card	-	(32 663)
	82 916 636	92 167 363
Current assets	82 916 636	92 200 026
Current liabilities	-	(32 663)
	82 916 636	92 167 363

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

The cash and cash equivalents balance includes R 50 439 466 (2023 - R 56 373 691) funds committed for the approved grant beneficiaries, refer to note No. 23 for commitment disclosure.

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6. Property, plant and equipment

	Cost / Valuation	2024		Cost / Valuation	2023	
		Accumulated Carrying value depreciation and accumulated impairment			Accumulated Carrying value depreciation and accumulated impairment	
Furniture and fixtures	1 347 760	(781 647)	566 113	1 347 760	(724 827)	622 933
Office equipment	97 694	(77 627)	20 067	77 452	(70 820)	6 632
IT equipment	3 696 772	(2 745 465)	951 306	3 234 181	(2 395 270)	838 911
Leasehold improvements	1 527 715	(1 527 713)	2	1 527 715	(1 527 713)	2
Total	6 669 941	(5 132 452)	1 537 489	6 187 108	(4 718 630)	1 468 478

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Impairment loss	Total
Furniture and fixtures	622 933	-	(56 820)	-	566 113
Office equipment	6 632	20 242	(6 807)	-	20 067
IT equipment	838 910	452 165	(281 111)	(58 658)	951 306
Leasehold improvements	2	-	-	-	2
	1 468 477	472 407	(344 738)	(58 658)	1 537 488

Reconciliation of property, plant and equipment - 2023

	Opening balance	Depreciation	Impairment loss	Total
Furniture and fixtures	679 578	(56 645)	-	622 933
Office equipment	1 682	(5 050)	-	6 632
IT equipment	122 741	(95 482)	(27 257)	2
	1 941 070	(534 761)	(27 257)	1 379 052

Pledged as security

No assets are pledged as security.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Repair of building carpets	-	436 262
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In 2018, 2020 and 2023 Mogale FM, Maruleng FM and Tshepo Ya Sechaba FM's equipment were uplifted due to the closure of the radio stations respectively. The Studio equipment uplifted were stored in storage while awaiting redistribution to other radio stations upon refurbishment.

Mogale FM was fully installed by 02 November 2016 with the purchase price of R 1,498,670. The equipment was uplifted in 2018. By the period of upliftment, the carrying amount of the asset amounted to R 1 074 046.83. The Opening balance of the cost price and accumulated depreciation has been adjusted accordingly.

7. Deferred Lease Liability

Lease liabilities	(656 874)	(422 590)
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8. Payables from exchange transactions

Trade payables	2 207 543	2 416 567
Accrued leave pay	493 535	649 954
Total	197 295	294 743

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9. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts Department of Communication - Programme production	5 802 150	5 802 470
Competition Commission - Economic development fund	7 705 924	12 737 145
	13 508 074	18 539 615
Movement during the year		
Balance at the beginning of the year	18 539 615	39 416 275
Additions during the year	396 668	475 152
Disbursements to beneficiaries	(4 893 488)	(19 216 630)
Income recognition during the year	(534 721)	(2 135 182)
	13 508 074	18 539 615

Programme Production

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

Competition Commission

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

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

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

10. Provisions

Reconciliation of provisions - 2024					
	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Employee costs - provisions	2 093 795	2 110 460	(1 236 355)	(857 440)	2 110 460
Reconciliation of provisions - 2023					
	Opening Balance 1 852 408	Additions	Utilised during the year	Reversed during the year	Total
Employee cost provisions	1 852 408	2 093 795	(1 695 546)	(156 862)	2 093 795

The provisions relates to the provision for staff performance bonuses. Bonuses are provided based on the projected staff performance.

11. Interest Income

Interest revenue

Bank	6 738 341	5 060 060
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12. Government grants & subsidies

Operating grants

GCIS	41 066 487	56 038 630
MICT : SETA Grant - Conditional	580 757	423 786
	41 647 244	56 462 416

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13. Broadcast funders contributions

Broadcaster contributions	66 048 868	64 988 360
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14. Revenue

Other income	543 721	2 135 181
Interest received - Short term deposits	6 738 341	5 060 060
Government grants & subsidies	41 647 244	56 462 416
Broadcast funder contributions	66 048 868	64 988 360
	114 978 174	128 646 017

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

Other income	543 721	2 135 181
Interest received - investment	6 738 341	5 060 060
	7 282 062	7 195 241

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

Government grants & subsidies	41 647 244	56 462 135
Broadcast funders contributions	66 048 868	64 988 360

15. Employee related cost

Basic	26 669 439	27 476 330
Performance Bonuses	1 223 603	1 936 934
Medical aid - company contributions	-	87 638
Unemployment Insurance Fund - UIF	88 722	86 782
Skills Development Levy - SDL	305 163	339 445
Leave pay provision charge	127 392	(1 063)
Cell phone allowance	616 000	640 000
Travel, motor car, accommodation, subsistence and other allowances	552 130	481 741
Acting allowances	2 590 551	3 104 211
Contributions to Provident fund	2 919 956	2 934 906
	35 092 956	37 086 924

16. Depreciation and amortisation

Property, plant and equipment	344 737	534 759
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17. Impairment loss

Impairments

Property, plant and equipment	-	27 257
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18. Lease rentals on operating lease

Premises

Contractual amounts	3 210 540	1 195 744
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19. Grant cost expenditure

Other subsidies Grant disbursement	49 090 867	87 964 977
Projects systems expenses	576 009	884 559
Training, workshop, and other administration costs	12 245 849	7 361 060
	61 912 725	96 210 596

Grant disbursements relate to the funds paid to beneficiaries.

Projects systems expenses relates to the projects management systems costs.

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

20. Administration expenses

Advertising	168 478	179 469
Assessment rates & municipal charges	-	112 548
Auditors remuneration	2 864 349	1 264 900
Bank charges	34 669	38 166
Cleaning	-	8 456
Computer expenses	546 167	90 114
Consulting and professional fees	1 645 033	543 224
Insurance	115 867	94 977
Licenses	387 388	580 111
Placement fees	542 591	77 697
Postage and courier	86 864	58 175
Printing and stationery	53 735	76 016
Repairs and maintenance	535 404	48 517
Staff welfare	60 629	152 055
Subscriptions and membership fees	-	14 241
Telecommunications costs	670 593	525 053
Training	322 174	775 338
Travel - local	2 573 694	1 939 774
Electricity	-	136 579
Sewerage and waste disposal	-	7 149
Refuse	-	4 295
Board administration costs	576 008	933 066
Non-executive directors emoluments	984 826	954 461
Communications	2 687 823	1 221 340
Legal fees	3 068 054	7 090 497
Cyber Attack	451 308	-
Loss on asset disposal	58 658	-
Other expenses	98 855	259 302
	18 533 167	17 185 520

21. Auditors' remuneration

Fees	2 864 349	1 264 900
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22. Cash used in operations

Deficit	(3 612 338)	(23 605 029)
Adjustments for:		
Depreciation and amortisation	344 737	534 759
Impairment deficit	58 658	27 257
Movements in operating lease assets and accruals	234 284	105 620
Movements in provisions	16 665	241 387
Changes in working capital:		
Receivables from exchange transactions	(296 922)	2 202 444
Other receivables from non-exchange transactions	-	46 881
Payables from exchange transactions	(462 891)	(262 356)
Unspent conditional grants and receipts	(5 060 513)	(20 876 660)
	(8 778 320)	(41 585 697)

23. Commitments

Operational commitments

Already contracted for but not provided for

Opening balance	56 373 691	79 773 707
Projects approved	45 337 715	45 352 663
Disbursement to projects	(44 197 378)	(63 653 814)
Write-backs	(7 074 562)	(5 098 865)
	50 439 466	56 373 691

Total operational commitments

Already contracted for but not provided for	50 439 466	56 373 691
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The figures for prior year commitments were rectified to take into account errors noted by AGSA but were not corrected as follows:

Approved projects not included

Writebacks approved not included Disbursements not included

The note also included EDF information which is already included under unspent conditional grant note.

The entity has entered into contracts to fund community radio, TV, print, digital projects, media and advertising bursaries commitments regarding the projects are shown above. All funding agreements are for periods up to 18 months for the projects and 36 months for media and advertising students bursaries.

Other operational commitments

- Open orders	444 868	2 159 277
- Long term contracts	3 659 617	1 323 367
	4 104 485	3 482 644

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	2 404 842	2 247 516
- in second to fifth year inclusive	7 245 727	9 650 569
	9 650 569	11 898 085

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Office building

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

The prior year amount was exclusive of vat and has been adjusted.

24. Related parties

Relationships

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

Related party balances

Amounts included in receivable (Payable) regarding related parties

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

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

Government Communications Information Systems

MDDA has received grants to the value of R36 173 000 from GCIS in the 2023-24 financial year (2023 - R36 822 000).

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25. Directors emoluments

Executive

2024

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

2023

	Basic salary	Bonuses and performance related payments	Other short-term employee benefits	Acting allowance	Subsistence and travelling	Total
Ms. Zukiswa Potye: CEO (Terminated - 25 Jan 2023)	1 974 626	-	30 000	-	-	2 004 626
Mr. Yaseen Asmal: CFO (resigned 30 September 2022)	1 065 909	92 054	18 000	-	1 248	1 177 211
Mr. Khathutshelo Maposa: Acting CFO (From 01 October 2022)	514 648	-	14 285	333 161	1 053	863 147
Mr. Mzu Kashe: Acting CEO (From 01 April 2022)	1 767 519	89 602	39 077	467 996	6 786	2 370 980
Ms. Zukiswa Mqolomba: Executive Manager: RTME	469 060	84 343	9 322	-	912	563 637
(Resigned 30 June 2022) Mr. Lethabo Dibetso: Acting Executive Manager: RTME(From 01 July 2022)	1 081 174	61 068	58 331	78 526	8 057	1 287 156
Ms. Siphokazi Mgudlwa: Acting Executive Manager: Projects (From 01 April 2023)	1 139 102	63 370	32 518	482 892	7 735	1 725 617
	8 012 038	390 437	201 533	1 362 575	25 791	9 992 374

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Non-executive

2024

	Members' fees	Total
Prof. Hlengani Mathebula (Chairperson)	224 266	224 266
Ms. Brenda Leonard	98 172	98 172
Ms. Marina Clarke	116 442	116 442
Mr Hoosain Karjieker	229 930	229 930
Ms N Bulbulia	159 894	159 894
Ms Della Togna	141 912	141 912
Ms. Carol Mohlala**	-	-
Mr Thembela Mpakathi	9 720	9 720
Ms. Jayshree Pather	9 720	9 720
Mr. Qondile Khedama	-	-
	990 056	990 056

2023

	Members' fees	Total
Prof. Hlengani Mathebula (Chairperson)	113 109	113 109
Ms. Brenda Leonard	205 434	205 434
Ms. Andiswa Ngcingwana - Resigned 4 April 2022	3 511	3 511
Mr Hoosain Karjieker	181 980	181 980
Ms. Marina Clarke	209 184	209 184
Ms. Martina Della-Togna - Appointed 19 May 2022	94 770	94 770
Ms. Carol Mohlala** - Appointed 19 May 2022	4 274	4 274
Ms. Nadia Bulbulia	146 154	146 154
Ms Nomkhosi Peter** - Resigned 31 March 2023	1 094	1 094
	959 510	959 510

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

Audit and Risk Committee (ARC)

2024

	Emoluments	Other benefits*	Total
Mr. Fortune Mkhabela**	-	-	-
Ms. Margaret Phiri	35 775	-	35 775
Ms. Matseliso Shongwe	40 815	-	40 815
Mr. Simon Mankgaba**	-	400	400
Mr Hoosain Karjieker - Appointed 22 April 2022	-	-	-
	76 590	400	76 990

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2023

	Emoluments	Other benefits*	Total
Mr. Fortune Mkhabela**	-	-	-
Ms. Margaret Phiri	35 970	-	35 970
Ms. Matseliso Shongwe	54 370	-	54 370
Mr. Simon Mankgaba**	-	1 600	1 600
Mr Hoosain Karjiekier - Appointed 22 April 2022	-	-	-
	90 340	1 600	91 940

* Other benefits comprise travel allowance and medical benefits

** The members below were not remunerated a meeting attendance board fees because they work for other organs of state. However, members are entitled for reimbursement of their travel and data expenditure as disclosed.

26. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Irregular expenditure	3 374 114	1 472 183
Fruitless and wasteful expenditure	493 101	29 285
Closing balance	3 867 215	1 501 468

*Refer to reconciling notes in the annual report

27. Prior-year adjustments

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

Statement of financial position

	note	As previously Correction of		Restated
		reported	error	
Operating lease liability		(28 973)	(393 617)	(422 590)
Property, plant and equipment		1 379 051	89 42	1 468 478
Accumulated surplus		(69 351 053)	(89 427)	(69 440 482)
		(68 000 975)	(393 617)	(68 394 594)

Statement of financial performance

	note	As previously Correction of		Restated
		reported	error	
Lease rentals on operating lease		802 127	393 617	1 195 744

28. Going concern

We draw attention to the fact that at 31 March 2024, the entity had an accumulated surplus of 65 799 172 and that the entity's total assets exceed its liabilities by 65 799 172.

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

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29. Risk management

Liquidity risk

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

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

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

The table below analyses the entity's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Forward foreign exchange contracts - cash flow hedges				
Payables from exchange transactions	2 456 4321	-	-	-
Provisions	2 110 460	-	-	-
Deferred lease liability	656 874	-	-	-

At 31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	8 960 071	-	-	-
Provisions	2 093 795	-	-	-
Deferred lease liability	28 973	-	-	-

Credit risk

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

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

Market risk Interest rate risk

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

Cash flow interest rate risk

Financial instrument	Current interest rate	Due in less Less than 1 year	Due in less Less than 2 years	Due in less Less than 3 years	Due in less Less than 4 years	Due in less after 5 years
Cash in current banking institutions	8,50 %	-78 220 322	-	-	-	-

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30. Contingencies

Contingent assets

2024

A claim has been lodged against an employee who left the MDDA with balance owing of R 46 830.

2023

A claim of R 521 120 has been lodged against an employee who was paid a salary and other benefits while on unauthorised sick leave.
Contingent liability 2024.

Contingent liability

2024

A claim has been lodged against the MDDA and Board Chairperson due to alleged defamatory remarks to the value of R 500 000.00.

A civil claim has been lodged against the MDDA for storage fees for studio equipment to the value of R 174 561.

2023

A claim has been made against the MDDA by a beneficiary whose funding agreement has been cancelled R 300 000.

31. Segment Reporting

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

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

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

32. Budget Information

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

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