They said we’d NEVER be UNITED but WE DEFIED the ODDS, because there’s NO other NATION like OURS.
VISION
Broadcasting for Total Citizen Empowerment.

MISSION
To be a people centred, content driven, technology enabled, strategically focused and sustainable public service broadcaster.

VALUES
Conversations and partnerships.
Restoration of human dignity.
Building a common future.
This is the 77th Annual Report of the South African Broadcasting Corporation (SOC) Limited, referred to as ‘SABC’, ‘the Corporation’ or ‘the Company’ (Registration Number: 2003/023915/06).


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Mobile +27 83 679 9585
Email: GeldenhuysTV@sabc.co.za
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<td>Africa Cup of Nations</td>
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<td>ANC</td>
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<td>Broad-Based Black Economic Empowerment</td>
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<td>Cable News Network</td>
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<td>Common Market of Eastern and Southern Africa</td>
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<td>Corporate Social Investment</td>
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<td>Cape Town International Jazz Festival</td>
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<td>DAF</td>
<td>Delegation of Authority Framework</td>
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<td>Digital Audio Broadcasting</td>
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<td>Framework for Managing Programme Performance Information</td>
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<td>International Financial Reporting Standards</td>
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<td>Informal Knowledge Building</td>
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<td>Internet Protocol</td>
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<td>National Youth Skills Development Program</td>
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<td>Outside Broadcast</td>
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<td>ODI</td>
<td>One Day International</td>
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<td>OECD</td>
<td>Organisation for Economic Co-Operation and Development</td>
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</table>
Our local soap production Isidingo featured on SABC3.
“While CHILDREN need to be guided they also have an entrenched RIGHT to BE WHATEVER THEY WANT to be and that they can achieve this only if they are GIVEN THE SPACE TO DREAM AND LIVE OUT THEIR DREAMS.”

- Nelson Mandela
SABC
At A Glance
Showcasing our 18 Radio Stations and 4 TV Channels

The media landscape is forever evolving due to competition and convergence between broadcasting, telecommunications, new media and digital terrestrial TV. To many who have limited access to information technology and other more advanced media platforms, radio remains a critical source of information. In this regard, the SABC’s Radio stations continue to serve this large section of the South African population and the PBS Radio stations remain a core tool to deliver the Corporations’ public service mandate.

What follows is a brief outline of the Radio stations and TV channels of the SABC.

**SABC Radio Stations**

**Ikwekwezi FM** is a home, which provides relevant information that caters for the needs and tastes of the isiNdebele-speaking community of South Africa. It is acknowledged by its listeners as their primary source of news and information.

Average weekly audience: 1.668 million adults (15+)

**Lesedi FM** caters for the Sesotho-speaking community. It is a needs-driven participatory radio station that provides programming that touches on issues with a direct bearing on the development of its listeners.

Average weekly audience: 4.024 million adults (15+)

**Ligwalagwala FM** seeks to reflect a more urban and aspirational lifestyle. It prides itself on being an upbeat radio station that speaks to young, motivated, upwardly mobile black siSwati-speaking people.

Average weekly audience: 1.537 million adults (15+)

**Lotus FM**'s target market is the South African Indian community. The station caters for young and old that straddles three religious denominations: Hindu, Islam and Christian. It broadcasts in six languages, even though English is the main language of broadcast. Lotus FM offers an engaging mix of information, education and entertainment programmes, which serve to reflect the strong value system of its dynamic audience, whilst promoting a proudly South African radio brand within the context of Total Citizen Empowerment.

Average weekly audience: 329 000 adults (15+)

**Motsweding FM**'s core philosophy is the personal empowerment and development of its listeners. It is an aspirational station that embodies the ambitions of being worldly and cosmopolitan. It broadcasts from Mmabatho in Setswana and its listeners depend on the station for their education and entertainment. Motsweding FM has a massive spillover listenership in neighbouring Botswana.

Average weekly audience: 3.387 million adults (15+)

**Munghana Lonene FM** broadcasts in xiTsonga. It supports the aspirations of its listeners whilst ensuring contemporary norms and values. The station places emphasis on listener participation and actively seeks expert opinion, commentary and advice on various topical issues.

Average weekly audience: 1.074 million adults (15+)

**Phalaphala FM** broadcasts in Tshivenda. Its programming philosophy is underpinned by a desire to inspire its listeners, with a special focus on women and emerging entrepreneurs. Listeners are given a platform to share knowledge and expertise across a range of subjects and issues. The station broadcasts from Polokwane and talks to the young aspirant and upwardly mobile black people living in the Limpopo Province.

Average weekly audience: 907 000 adults (15+)
Radio 2000 is a cosmopolitan national radio station that broadcasts in English. It reflects and unites South Africa’s diverse cultures with the intent of strengthening democracy and nation-building through key offerings of adult contemporary music, lifestyle programming, sport and events of national importance. Radio 2000 provides content that is high quality and engages audiences in healthy discussions and debates on a wide range of subjects, empowering and uplifting to the citizens of South Africa.

Average weekly audience: 868 000 adults (15+)

RSG is a contemporary radio station that represents the modern all-inclusive Afrikaans audience. RSG provides for a progressive, forward thinking, loyal and strong family orientated audience that is proudly Afrikaner in the new South Africa.

Average weekly audience: 1.917 million adults (15+)

SAfm broadcasts in English, delivering credible and up-to-the-minute news coverage alongside relevant, informed analysis of current affairs. The station goes on to explore broad themes and subjects relevant to its target market. In the process, it delivers the information in a manner that benefits all South Africans. The station targets discerning, mature and sophisticated listeners nationally. Its focus is primarily on decision-makers seeking insightful and enabling information to keep themselves informed.

Average weekly audience: 558 000 adults (15+)

Thobela FM dedicates its programming to promoting the growth of its listeners, the dynamic modernisation of culture and enhancing individual economic development. It broadcasts in Sepedi.

Average weekly audience: 3.288 million adults (15+)

Tru FM views youth and youthfulness as an opportunity, and young people as a resource. It broadcasts in IsiXhosa and English and creates a platform for young people to express themselves. Tru FM empowers its listeners - the youth - to improve their quality of life as well as focusing on their self-development.

Average weekly audience: 243 000 adults (15+)

Ukhozi FM is the nation’s largest radio station. It focuses on edutainment and infotainment, guided by its philosophy that prioritises upliftment, growth and development. Broadcasting in IsiZulu, Ukhozi FM is a leading station with audiences in excess of over 6 million over the last decade.

Average weekly audience: 7.563 million adults (15+)

Umhlobo Wenene FM broadcasts in isiXhosa. It serves its listeners with honour and integrity by continuously providing global entertainment, education and information that inspires a culture of personal growth and development.

Average weekly audience: 5.359 million adults (15+)

X-K FM targets the San people of Platfontein in the Northern Cape. This community consists of the !Xu (who make up 64% of the listeners) and the Khwe (who constitute the remaining 36%), who fall into LSM 1 to 6. Just under a third of the station’s listeners are aged between 16 and 24, 34% are between 25 and 34, 15% are between 35 and 49 and 30% are over 50. 59% of households in the area earn under R500 per month, 32% earn between R500 and R899, and 5% earn between R900 and R1 399.

Average weekly audience: 6 000 adults (15+)

5FM broadcasts in English. It is the entertainment powerhouse for South African youth, offering the most popular contemporary music and entertainment.

Average weekly audience: 2.021 million adults (15+)

Good Hope FM broadcasts out of Cape Town, in English. It encapsulates the City’s urban culture of fun, energy and funkiness. It entertains and actively engages Capetonians through music, relevant lifestyle news and events. It is well positioned to serve its audience and its lifestyle, because it specialises in showcasing events and public concerns.

Average weekly audience: 682 000 adults (15+)

METRO FM South Africa’s largest commercial radio station, broadcasts in English, thereby strongly influencing young urban adults that lead pragmatic and successful lifestyles. Though primarily a music station, METRO FM also delivers credible and unbiased news reporting that keeps its listeners involved and informed.

Average weekly audience: 6.532 million adults (15+)
SABC TV Channels

SABC1 is a full spectrum, free-to-air channel that represents youthful dreams, their aspirations and reflects a society that is constantly in motion and progressive. The channel broadcasts in English, isiZulu, isiXhosa, sIsSwati and isiNdebele. Coverage via the terrestrial transmitter network accounts for 91.2% of the population. The channel is also available via satellite on the DStv and Vivid direct-to-home (DTH) digital satellite platforms.

Average weekly audience: 29.5 million adults (15+)

SABC2 is a full spectrum, free-to-air channel, defined by a focus on cultural customs and traditions. Of importance to the channel is a focus on community and family values and activities. The channel broadcasts in English, Afrikaans, Sesotho, Setswana, Sepedi, Xitsonga and Tshivenda. Coverage via the terrestrial transmitter network covers 92.5% of the population, and the channel is also available via satellite on the DStv and Vivid DTH digital satellite platforms.

Average weekly audience: 26.7 million adults (15+)

SABC3 is a full spectrum, free-to-air channel whose main focus is entertainment and information format for cosmopolitan viewers. It broadcasts mainly in English, with 10% of other languages. Coverage via the terrestrial transmitter network covers 82.1% of the population. The channel is also available via satellite on the DStv and Vivid DTH digital satellite platforms.

Average weekly audience: 21.1 million adults (15+)

SABC’s 24 Hour News Channel was launched on DStv Channel 404 in August 2013. The channel offers continuous content update and breaking news. It is a seamless fusion of live journalism and current affairs programming throughout the day. Since its launch the channel has produced more than 16 304 minutes of news and 6 336 minutes of current affairs. The channel broadcasts mainly in English, with African language bulletins provided for in the evening slots.
Ms Zandile Ellen Tshabalala

The Interim Board of the SABC was appointed at the Public Broadcaster on 25 March 2013 and served until the appointment of the new Board on 25 September 2013. As the Board we thank and acknowledge the contribution of the Interim Board in steering the SABC through a difficult time.

Looking Forward to the Next Financial Year (FY)

The work done during the 2013/14 financial year provides a basis for the national public broadcaster to deliver excellent public and commercial broadcasting services in the forthcoming financial year.

Rapid and fundamental changes will take place in the media landscape during the 2014 to 2017 period; the most significant will be the launch of Digital Terrestrial Television (DTT). This does and will continue to pose significant challenges to the Corporation in terms of the DTT project and its funding. Over the medium term, the Corporation will focus on rebuilding the organisation, with the strategic thrust being the re-alignment of the operating model with the imperatives of digital broadcasting.

In order to ensure that the SABC has the required staff to deliver against its mandate, the finalisation of the Skills Audit will assist the Board in implementing a structure that is aligned to the strategy of the Corporation.

I would like to take this opportunity to thank my fellow Board members, the Parliament Portfolio Committee on Communications, the Shareholder, the National Treasury and most importantly, the women and men of the SABC, who make sure that the Corporation continues to function despite all the daily challenges they experience.

Z E Tshabalala
Chairman of the SABC Board
Prof Mbulaheni Obert Maguvhe
Deputy Chairman

Ms Zandile Tshabalala
Chairman

Mr King Thembinkosi Bonakele

Ms Rachel Kalidass

Prof Bongani Khumalo

Mr Ronnie Lubisi

Mr Vusi Mavuso

Ms Nomvuyo Memory Mhlakaza

Mr Krish Naidoo

Dr Ndlovhu Swani Aaron Tshidzumba

Ms Hope Zinde

Mr Christian (Tian) Olivier
Acting Group Chief Executive Officer (GCEO) from 18 March 2014

Mr Hlaudi Motsoeneng
Acting Chief Operations Officer (COO) permanently appointed 8 July 2014

Mr James Aguma
Acting Chief Financial Officer (CFO) from 18 March 2014

Ms Noluthando Gosa
until 31 December 2013

Ms Lulama Mokhobo
Group Chief Executive Officer until 28 February 2014

Composition Of The Board

Ms Lulama Mokhobo
Group Chief Executive Officer until 28 February 2014
The SABC Board

The SABC Board is constituted in terms of the Broadcasting Act, Act 4 of 1999, as amended, and has a unitary structure comprising twelve Non-Executive Directors and three Executive Directors. The Non-Executive Directors are appointed by the President on the advice of the National Assembly, and the Executive Directors are appointed by the Minister in consultation with the Board. The Non-Executive Directors must hold office for such period as the President may determine which period must not exceed five years. Executive Directors have standard employee service contracts and are subject to the SABC’s conditions of service.

Change in Directors

On the approval of the President, the Interim Board was appointed on 25 March 2013 and the permanent Board was appointed on 25 September 2013. On 14 May 2014, the President approved the appointment of Ms Leah Thabisile Khumalo to replace Ms Noluthando Primrose Gosa, whose resignation became effective on 31 December 2013. What follows is a list and profiles of the members who served on both the interim and the current SABC Board during the year under review:

Ms Ellen Zandile Tshabalala
Chairman

BCom; Post Graduate Diploma in Labour Relations (UNISA); International Licentiate Diploma in Banking (Institute of Bankers); Corporate Governance and Risk Management Certificate (Milpark Business School).

Ms Tshabalala is a strategic management consultant with extensive experience in international business, economic diplomacy, banking, strategic management, project advisory and development as well as investments advisory. She currently serves as National Ambassador responsible for government relations at the Institute of People Management.

Her career spans over 30 years, mostly in senior management for corporates and state owned companies in South Africa including Standard Bank, Transnet Ltd, PortCon Consulting, and South African Post Office. She has also worked extensively in the fields of geostrategic advisory, risk, education and community work. She has made an enormous contribution in trade and investments negotiations with countries and businesses abroad on behalf of African states and companies.

She has served on numerous international structures and was the Chairman of the Council at Durban University of Technology between 2002 and 2006. Ms. Tshabalala currently serves on governance boards of a number of corporates and State Owned Companies including Presidential Advisory Council on Broad Based Black Economic Empowerment (BBBEE); Sishen Iron Ore Company – CDT; Transnet SOC Limited; Transnet Foundation; Cape Empowerment Limited; Ascension Properties; Port Shepstone Harbour Development Company; and Moral Regeneration Movement (M RM).

Prof Mbulaheni Obert Maguvhe
Deputy Chairman

PhD in Education (University of Pretoria); MEd (Boston College, Massachusetts, USA); Diploma in Special Education (UNISA); BEd (University of the Witwatersrand); BA Education (University of the North); Certificate in Assessor Training.

Prof Maguvhe is an Associate Professor at the University of South Africa in the Department of Inclusive Education. He is the Co-founder of the South African National Association of the Blind and acted as its Executive Director. He held the positions of Programme Manager and Programme Coordinator for Education and Training at the Council.

His experience, covering both the public and private sectors, with specific interest on education includes numerous positions which he has occupied. He was the Director: Special Needs at Kha Ri Gude Mass Literacy Campaign Department of Education, a teacher at Tshilidzini Special School, and a co-ordinator of the Workbooks Adaptation Task Team of the Department of Basic Education and Training.

He played an instrumental role in a number of significant improvements in the educational initiatives and developments for the blind and partially sighted. He adapted the Department of Basic Education’s Annual National Assessments for the Blind and was influential in designing Grade 2 Venda Braille. He initiated and participated in the development of unit standards leading to a diploma qualification in braille (SAQA level 5).

He has successfully served on a number of committees including being the Chairman of the African languages Committee under the auspices of Braille SA and a Board Member of the South African Library for the Blind.

Mr King Thembinkosi Bonakele

BJuris; LLB (University of Fort Hare); and MBA (GIBS).

Mr Bonakele is a Commissioner at the Competition Commission. He has held various positions at the Commission’s core divisions over the past ten years including being the Deputy Commissioner, Head of Mergers, Head of Compliance and Senior Legal Counsel.

Mr Bonakele established the Commission’s cartels division and has worked on all of the Commission’s major cases over the past ten years, including the bread and flour and construction bid-rigging cartel cases, Telkom and SAB abuse of dominance cases and a number of high-profile mergers. He has been involved in negotiating most of the Commission’s ground-breaking settlements and helped develop the Commission’s Corporate Leniency Policy as well as the Construction Fast Track Settlement Policy.

Mr Bonakele is an admitted attorney and previously practised with Cheadle Thompson and Haysom in Johannesburg largely in the areas of labour law, regulation and health and safety. He has also spent a year working in corporate finance and antitrust groups at Clifford Chance, the worlds largest law firm in their New York office. He occasionally teaches competition law at the University of Fort Hare, Wits University and is a fellow of the University of Johannesburg’s Centre for Competition, Regulation and Economic Development. He publishes academic journals and writes for newspapers and business magazines on competition matters.

Mr Bonakele currently serves as the Vice Chairperson of the African Competition Forum (ACF) and is a member of the International Competition Network Steering Group. He is also the Chairperson of the Board for the Buffalo City Development Agency (BCDA).

Ms Noluthando Primrose Gosa

Resigned 31 December 2013

BA (Hons) in Communications (University of Fort Hare); MBA (University of New Brunswick, Canada); International Certificate in Regulation (City University of London, UK).

Ms Gosa is the Chairman and CEO of Akhona Properties as well as Chairman of Akhona-Broll Properties. She serves on the Boards of Investec Asset Management and Broll Properties Group, amongst others. She is a Commissioner in the National Planning Commission and is a former Commissioner in the Broadcasting Complaints Commission and Councillor of the South African Telecommunications Regulatory Authority, a predecessor to ICASA.
Ms Rachel Kalidass

BCom (Hons); Certificate in the Theory of Accountancy (CTA) (University of Natal); BCompt (UNISA); CA (SA).

Ms Kalidass has 15 years of extensive experience in internal and external auditing, financial management, corporate governance and risk management. She is currently the Managing Director of R Kalidass and Associates, a practice of Chartered Accountants and Business Consultants.

Her previous Audit Committee positions include the Mpumalanga Provincial Legislature, Mpumalanga Provincial Department of Health, Mpumalanga Tourism and Parks Agency (MTPA), Mpumalanga Gambling Board (MGB), Inkombati Catchment Management Agency (ICMA), Mpumalanga Economic Growth Agency (MEGA), NEHAWU Investment Company as well as the Ehlanzeni District Municipality. She previously served as the Chairperson of the Audit Committee of the Mpumalanga Shared Services Audit Committee Cluster comprising Office of the Premier, Department of Safety and Security, Department of Co-operative Governance amongst others.

She currently serves as a Member on Boards and Committees of various institutions including the National Youth Development Agency (NYDA), Free State Gambling Board, South African National Parks (SANPARKS) and the National Library of South Africa (NLSA) as well as the Business Process Review Committee of the Department of Water Affairs. She is a member of the South African Institute of Chartered Accountants (SAICA), Independent Regulatory Board of Auditors (IRBA), the Institute of Internal Auditors (IIA) and Institute of Directors (IOD).

Prof Bongani Augustine Khumalo

Advanced Executive Programme (AEP) (SBL, UNISA); MA (Fairfield University); MBA (Hanley Management College); and Diploma in Broadcast Journalism (AACC Nairobi); DAdmin Honoris Causa (University of Fort Hare).

Prof Khumalo is the Chief Executive of Gidani (Proprietary) Limited and the Chairman of Bongani Rainmaker Logistics and Gravitas Group. He is a patron of the South African Business Coalition on HIV/AIDS (SABCO-HA) as well as the Professor Extraordinaire and Chairman of the Africa Centre for HIV/AIDS Management at the University of Stellenbosch since 2004.

Prof Khumalo was an Honorary Professor in the Department of Industrial Psychology and later at the Africa Centre. He was an Honorary Fellow of the University of Warwick. He is the former Deputy Chief Executive of Eskom. He served as a Presidential Advisor on HIV/AIDS and Rural Development reporting to the Chairman of the South African National AIDS Council (SANAC). He is the Founder and former Publisher of Aboveboard (Africa's Global Chronicle on Governance, Leadership and Ethics). He was previously the Chairman of the School of Business Leadership (SBL) at UNISA. He was the Chairman of Transnet Limited and he also served on the Board of Anglo Platinum as an Independent Non-Executive Director.

He is currently a Member of the Board of Afrika Tikkun and a scholar in economic and management sciences.

Mr Mashangu Ronny Lubisi

BCom (University of Zululand); BCompt Honours (UNISA); CTA (UNISA); CA (SA).

Mr Lubisi is currently the Managing Director of MRL Incorporated, an accounting firm he founded. Mr Lubisi, with his vast financial background, has held positions in finance at various institutions including the University of Venda, Gobodo Incorporated, and Vodacom to name a few.

He is a member of the South African Institute of Chartered Accountants and Public Accountants and Auditors Board since 2000.

Mr Vusumuzi Mavuso

Post Graduate Diploma in Public and Development Management (University of the Witwatersrand).

Mr Mavuso was a member of the Gauteng Provincial Legislature until 1998. He has held many positions in the public service from Municipal Manager to Regional Director at municipal levels. Mr Mavuso has held key positions of Deputy Director General (HOD) of the Department of Development and Planning in Local Government, as well as the Public Service Commissioner for Gauteng. He is a change management specialist and strategist with vast experience in local government as a consultant.

Mr Mavuso prides himself as a multi linguist (who can speak five official languages).

Ms Nomvuyo Memory Mhlakaza

National Diploma in Human Resources Management (Technikon Northern Gauteng); BTech in Human Resources Management (Tshwane University of Technology); Leadership Development Course; and an Advanced Leadership Development Course.

Ms Mhlakaza is currently employed as a Senior Manager in the office of the Chairperson of the National Youth Development Agency. She has experience in human resource management including industrial relations, workplace skills development plans, staff training and the design and development of training materials.

Mr Krish Naidoo

BProc (University of Durban Westville); MLitt (University of Aberdeen, UK); Attendance Certificate in Banking Law and Financial Markets (Nelson Mandela School of Law and the University of the Witwatersrand).

Mr Naidoo is a practising Attorney and has extensive experience in the fields of human rights, administrative law, mining and commercial law. He worked for Armscor as the Senior Manager of Corporate Communications and gained experience in liaising with the Diplomatic Corps and the Parliamentary Defence Committee. He participated in programmes relating to defence and has written articles for the media and defence journals on issues of defence.

He was a Founding Member of the National Association of Democratic Lawyers and a Founding Member of the National Sports Congress. He chaired the soccer unity talks to form the SA Football Association.

Dr Ndivhoniswa Aaron Tshidzumba

BA (Hons); MA; PhD in Communication (North West University); Post Graduate Diploma in TV Production (NEMISA); Certificate in Public Relations (Allenby Campus); and BA UED (University of Venda).

Dr Tshidzumba is currently a lecturer in Broadcasting at the Journalism Department of the Tshwane University of Technology. He is a Facilitator at the Business School of the Tshwane University of Technology. He is a Change Management Specialist and is currently the Chief Executive Officer of Business Africa Tshidzumba. He served as a Presidential Advisor on HIV/AIDS and Rural Development to the Chairman of the South African National AIDS Council (SANAC). He is the Founder and former Publisher of Aboveboard (Africa's Global Chronicle on Governance, Leadership and Ethics). He was previously the Chairman of the School of Business Leadership (SBL) at UNISA. He was the Chairman of Transnet Limited and he also served on the Board of Anglo Platinum as an Independent Non-Executive Director.

He is a member of the Board of Afrika Tikkun and a scholar in economic and management sciences.

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He is a member of the Board of Afrika Tikkun and a scholar in economic and management sciences.

Dr Ndivhoniswa Aaron Tshidzumba
Ms Mabalwa Hope Zenda Zinde

**BA in Social Science (University of the North).**

Ms Zinde has extensive experience in the field of Journalism, Communications, Media Relations, Campaign Management, Strategy and Concept Development for Marketing, Advertising and Promotions as well as Stakeholder Relations.

She was part of the team responsible for the transformation of Radio RSA to Channel Africa Radio, the transformation of Radio South Africa to SAFM and the enhancement of programming and the look and feel of SABC AFRICA. She participated in the formation of the Communication Workers Union. Ms Zinde was a member of the group of five representing staff at the SABC Board under the late Dr Ivy Matepe-Cassaburi.

Ms Zinde is a member of the Marketing and PR Event Design and Management, as well as the Channel Africa Radio Transformation Committee.

**EXECUTIVE MEMBERS OF THE BOARD**

**Ms Lulama Mokhobo**

**Group Chief Executive Officer (Group CEO) (until 28 February 2014)**

BA (UBLS); Diploma in Education (UBLS); and MSc in Instructional Technology (Utah State University, USA).

Ms Mokhobo left her position as the Group Chief Executive Officer of the SABC. She first joined the SABC as the Head of PBS in 2005, and later became the Division’s Group Executive responsible for SABC1, SABC2 and the 15 radio stations.

Prior to that Ms Mokhobo ran the Communications divisions of Eskom, the South African Post Office and the PR division of DaimlerChrysler SA. She is a former head of educational TV and radio of the now defunct Bop Broadcasting Corporation where she pioneered the use of broadcast content to help redress the educational imbalances that were created by the apartheid system.

She was one of the members of MidiTv, which won the first free-to-air broadcast licence (eTV) and later became its Director of Instructional Technology (Utah State University, USA), Certificate (QwaQwa Campus of the University of the North and South Africa to SAFM and the enhancement of programming and the look and feel of SABC AFRICA. She participated in the formation of the Communication Workers Union. Ms Zinde was a member of the group of five representing staff at the SABC Board under the late Dr Ivy Matepe-Cassaburi.

She has served on a number of Boards including that of a University, as well as the Channel Africa Radio Transformation Committee.

**Mr Christian (Tian) Olivier**

**Acting Group Chief Executive Officer (from 18 March 2014)**

**Acting Chief Financial Officer (until 18 March 2014)**

BCom; BCom (Hons); and MCom (Business Management) (RAU).

The Minister approved the appointment of Mr Tian Olivier as the Acting Group Chief Executive Officer with effect from 18 March 2014. Until then, he was the Acting Chief Financial Officer from 13 September 2012 to 18 March 2014.

Mr Olivier joined the SABC in 1989 as Chief Clerk: Budgets in the Finance Division. After five months he was promoted to the position of Accountant: TV-Productions. In 1991 the SABC decentralised the finance function and Mr Olivier was allocated to the TV News Division as Management Accountant.

After six years at News he was asked to move to TV Licences as Financial Manager and promoted to General Manager: Finance and Operations of the TV Licence Division a year later. In January 2010, he was seconded to the office of the CFO to assist with the annual budget planning process, cash flow modelling and financial performance reporting during the Government Guarantee period.

**Mr Hlaudi Motsoeneng**

**Acting Chief Operations Officer (COO) (permanently appointed 8 July 2014)**

National Certificate in Generic Management NOF Level 5 (Prodigy); the Thompson Foundation Certificate in Radio Journalism; the SABC Leadership Development Programme (GIBS); and the Analysis of Contemporary Social Issues (University of Witwatersrand).

Mr Motsoeneng first joined the SABC in the early 1990’s as a freelance journalist with commitment and passion for quality news and for broadcasting. He was appointed as a full-time trainee journalist early in 1995. He has made a positive contribution to the SABC as a journalist, as a producer of news and current affairs and as Executive Manager. He is focused and deliverables-driven and has worked through the ranks to achieve his present position of Acting Chief Operations Officer.

His exceptional abilities in Stakeholder Management were identified by the Free State Provincial Government where he worked as a Media Liaison Officer to the MEC for Cooperative Governance and Traditional Affairs. In this role, he served as a critical link between the Department and its Stakeholders, playing a pivotal role as an advisor to the MEC.

He has received the certificate of positive role models awarded (Free State Youth Commission); and the Special Recognition Certificate (QwaQwa Campus of the University of the North and QwaQwa Community).

**Mr James Rogers Aguma**

**Acting Chief Financial Officer (CFO) (from 18 March 2014)**

BCom (Hons) (MUK); BCom; PGDA (University of Cape Town); PGCTA (Natal) CA (SA); ACA; CGMA.

The Minister approved the appointment of Mr James Aguma as the Acting CFO with effect from 18 March 2014. Mr Aguma joined the SABC in March 2013 as General Manager: Strategic Support and Management, as well as the Channel Africa Radio Transformation Committee.

He has worked with PricewaterhouseCoopers on local and international clients including Momentum Group, Gensec Bank, Standard Bank, Rand Merchant Bank, USAID, the World Bank, Swedish Development Agency, Bristol Meyers Squibb and the European Union.
Mr Sipho Masinga
Group Executive:
Technology

Mr Hlaudi Motsoeneng
Acting Chief Operations Officer (COO) permanently appointed 8 July 2014

Mr Christian (Tian) Olivier
Acting Group Chief Executive Officer (GCEO)

Ms Iris Cupido
Chief Executive Officer: SABC Foundation

Mr James Aguma
Acting Chief Financial Officer (CFO)

Mr James Aguma
Army

Ms Lorraine Francois
Chief Audit Executive

Mr Sipho Masinga
Group Executive:
Technology

Mr Jabulani Mabaso
Group Executive:
Human Capital Services

Ms Mbulu Nepfumbada
Head: Legal Affairs

Mr Anton Heunis
Group Executive:
Commercial Enterprises

Mr Leslie Ntloko
Group Executive:
Radio

Mr Itani Tseisi
Group Executive:
Risk and Governance

Ms Verona Duwarkah
Group Executive:
Television

Mr Vincent Tsionyanne
Acting Group Executive:
Stakeholder Relations and Provinces

Mr Jimi Mathews
Acting Group Executive:
News

Ms Lorraine Francois
Chief Audit Executive

Ms Bessie Tugwana
Acting Head of Sport

Mr James Aguma
Group Executive:
Technology

Mr Madoda Shushu
Head of Procurement

Ms Mbolu Nepfumbada
Head: Legal Affairs

Mr James Aguma
Group Executive:
Technology

Ms Theresa Geldenhuyys
Company Secretary

Ms Bessie Tugwana
Acting Head of Sport

Ms Iris Cupido
Chief Executive Officer: SABC Foundation

Mr James Aguma
Army
SABC operations are enhanced through established nine Provincial Offices that are situated throughout the country. These Offices are led by Provincial General Managers who mainly exercise oversight. Resources are fully deployed in these parts of the country ranging from PBS Radio Stations, Radio Broadcast Facilities, Music Recording Studios, Logistics, Finance Support Function, Human Capital Support function, Radio Sales.

The importance of these offices is that they bring about provincial relevance and feel in news, programming and reflect life and culture of the people of different geographical areas. The establishment of the SABC 24 Hour News channel has added more capacity with regard to covering events of importance in the Provinces, thereby keeping provincial people informed and this in keeping with SABC’s overall mandate.

The Provinces are generally acknowledged as important communication hubs, as they service the remotest areas of South Africa. In essence Provincial Offices provide viable broadcast platforms, hence most radio stations are located in Provinces.

The SABC’s Vision of ‘Broadcasting for Total Citizen Empowerment’ takes effect in nation building initiatives with involvement of Provincial Offices, while many CSI initiatives continue to make a difference in the lives of ordinary citizens.

During the year under review, the SABC also focussed on ensuring that provincial facilities are upgraded to the required standards. This included fast tracking of submissions on property projects in order to ensure speedy implementation thereof.

Management in Provinces through various outreach programmes undertaken during the year under review, upheld the SABC brand with credibility. Provinces are indeed strategic delivery centres for the SABC.

Provincial General Managers

Ms Mamontha Motaung  
Acting PGM: Free State and Northern Cape

Ms Zola Yeye  
PGM: Eastern Cape

Ms Zamambo Mkize  
PGM: Kwazulu Natal

Ms Nadia Wotshela  
PGM: Western Cape

Mr Quinton Lenyai  
PGM: Mpumalanga

Mr Alwyn Kloppers  
PGM: Hatfield and Gauteng

Ms Tshamaano Makuya  
PGM: Limpopo

Mr Tlotlo Seru  
PGM: North West
“VISION without action is just a DREAM, action without vision just passes the time, but VISION WITH ACTION can CHANGE the WORLD.”

– Nelson Mandela

Executive Summary
The SABC’s vision of Broadcasting for Total Citizen Empowerment was noticeably portrayed in the public broadcaster’s performance delivery for the year under review. Outstanding achievements were realised in the areas of, amongst others, TV, radio, mandate delivery, governance and the liquidity status of the organisation.

SABC TV continued to provide the most watched channels in the country, effortlessly meeting the public service mandate and delivery of public value. Audience loyalty remained strong, particularly in respect of local dramas on SABC1, with 19 out of the 20 most watched programmes being from SABC TV. Radio showed steady growth despite the rapidly changing environment with new entries in the media landscape, including digital media. Most of the SABC Radio stations posted healthy audience growth figures during the financial year. Radio’s successes are further reaffirmed by the fact that eight out of the top 10 favourite stations nationally, come from the SABC stable.

Significant progress was made during the year under review in terms of creating stability and discipline in the organisation. Key focus areas include the overall improvement in governance processes and policies as well as the huge effort that went into clearing and correcting findings in the SABC’s disclaimer audit qualification. During the last quarter of the year under review, Group Executive Committee meetings were held on a weekly basis to clear long outstanding matters and to focus on business strategies that will assist the public broadcaster in delivering on its goals and objectives. All Board Sub-committees were functional and contributing to the Corporation’s business. The Audit Sub-Committee of the Board assisted greatly in managing and clearing audit findings.
Clips of the extensive news coverage of the passing of Mr Nelson Mandela.

The highlight of the year was unquestionably the SABC’s financial performance with the organisation’s early repayment of its Government Guaranteed loan, saving R34m in interest. At the end of the 2013/14 financial year, the SABC posted a profit after tax of R651m, a landmark achievement attributable mainly to revenue growth, improved cost management and enhanced working capital management.

December 2013 was dominated by the passing of former President, Mr Nelson Mandela and as the Public Service Broadcaster the SABC played a critical role in reflecting and honouring the former President’s legacy as an icon of the epic South African struggle for liberation. The TV Division broadcast 19.5 hours of live tribute programming between 8th and 15th December 2013 on SABC1 and SABC3. The SABC2 channel was set aside for use by News, for the latest breaking news around the announcement of Madiba’s passing, his memorial service, the lying in state and the funeral in Qunu. At the apex of SABC Radio highlights was the extensive coverage of the passing of Mr Mandela, where the SABC’s 18 radio stations played a pivotal role in breaking the sad and shocking news, whilst keeping listeners informed about developments as they unfolded. SABC Radio created the glue that united a nation in mourning. Radio presenters expertly supported grieving listeners and the public.

For all its efforts the SABC received formal and informal accolades for the excellent content and facilities it provided during the broadcast of the activities that were linked to Mr Mandela, and they range from local viewers, the SABC’s opposition broadcasters to the many international clients (EBU, CNN, BBC, CCTV, et al) who broadcast on TV, radio and digital media. The success of delivering on the project is attributed to the professional and expert cooperation between the various SABC Divisions.

The SABC has several reasons to celebrate its performance but the year under review saw the organisation also having to overcome many challenges and difficulties which hampered service delivery in certain areas.

SERVICE DELIVERY

The mandate of the SABC is encapsulated in legislative and regulatory prescripts and the prevailing operating environment. Its broad objectives are set out in the SABC Charter which, amongst others, requires the public broadcaster “to provide, in its public broadcasting services, radio and TV programming that informs, educates and entertains.”

During the year under review the SABC successfully delivered on its mandate of educating, informing and entertaining the nation.

Television

As part of the SABC’s strategy to retain and grow audiences in a multi-channel environment, SABC1, SABC2 and SABC3 managed to successfully revive and revamp their programming pillars, introducing fresh titles in genres such as drama and comedy, informal knowledge building (IKB) their entertainment programming. The public broadcaster made a cash investment of R937m in TV programming of which 74% (R693m) was local content – an unrivalled achievement. Repeat programming (2nd and 3rd runs) only made up 6% of total broadcasting for local content and 4% in international programming – the remainder (90%) of programmes were 1st runs. The channels exceeded its ICASA licence conditions targets on local content on SABC1 and SABC2, as well as on local languages other than English, during performance period (05:00 to 23:00).

Radio

SABC Radio remains the voice of our rainbow nation and continues to educate, inform and entertain the majority of South Africans in their mother tongue. During the final quarter of the period under review, SABC Radio ensured the promotion and entrenchment of democracy through voter education especially for the ‘born frees’ as well as those people who had never voted. Radio continues to drive the development of home grown artists and their music through extensive airplay, interviews, inclusion in performance line-up at events and through music awards.
ceremonies like the annual METRO FM and Xitsonga Music Awards ceremonies. The SABC has performed above ICASA’s minimum requirements for South African music. SABC Radio delivers broadcasting in more than the 11 official languages as some stations also broadcast in languages of minority groups - X-K FM broadcasts equally in !Xintali and Khwedam and Lotus FM broadcasts mainly in English with daily broadcasts in Urdu, Tamil, Gujarathi and Hindi.

News
The SABCs News and Current Affairs Division produces on a daily basis 12 TV news bulletins and 10 TV current affairs shows on SABC1, SABC2 and SABC3 every week. On Radio the SABC produced 1 255 Radio News bulletins in all the eleven official languages on 18 radio stations every week. In this regard, SABC News plays a critical role in providing high quality, reliable and unbiased news and current affairs services within South Africa. On its newly launched SABC 24 Hour News channel, the Division produced 16 304 minutes of news and 6 336 minutes of current affairs programming. Since its launch last year the channel has overtaken well established news platforms such as Sky, CNN, BBC and Al Jazeera.

Sport
During the year under review, the SABC was the home and platform of the 2014 Orange African Nations Championship (CHAN) held in South Africa. All 32 matches were broadcast live on SABC TV channels between January and February 2014. Other notable soccer productions included the international friendly between Swaziland and Bafana Bafana, the international friendly match between Bafana Bafana and Spain and the production of an entertaining match between Kaizer Chiefs legends and Liverpool legends. One of the highlights was when sporting fans joined hands in making history at the inaugural Nelson Mandela Sports and Culture Day, to celebrate and honour the former President, Mr Mandela. For the first time in South African history, soccer and rugby were played on the same day and at the same venue.

The SABC made a cash investment of R530m in Sport for the year under review of which R450m was paid for Sport Rights – an amount that will increase every year owing to the demand from the public to see sporting events on the public broadcaster’s platform. Funding to broadcast these events is, however, a challenge.

Universal Access
The SABC continues to work closely with Sentech to enable more citizens to have access to its services. The period under review saw the successful rollout of low power transmitters (LPT). The aim was to provide more citizens with access to SABC services, particularly those in the rural areas, whilst reducing the costs associated with transmitting the signal.

Pillars
Financial Performance
The SABC is delighted to announce that it realised excellent financial results for the period under review. Detailed information regarding the financial results may be viewed in the statements included under the Finance Section. Salient points are:

Revenue
Total gross revenue for FY2013/14 was R445m (6.5%) higher than budget. This represents an increase of R531 (8%) compared to the previous year.

Expenses
Operational expenses were R468m (8%) higher than budget compared to the R7m higher than budget spending of the previous year. Year-on-year expenses grew by R207m (3%) from last year.

Capex
The total value of approved capital projects was R2bn by year end. Value of new projects approved during the year was R539m. A cash budget of R465m (Internal and Government funds) was made available for these projects and by the end of the financial year only R104m was used.
Loans
Cash levels continued to improve during the year due to the improvement in days to collect from debtors and the under spending in a number of areas. At the end of the year cash balances were above R1.4bn and liquidity ratios positive.

Audit Disclaimer
At the end of the previous financial year the SABC received a disclaimer audit opinion. This required the urgent attention of the SABC and a two-year project plan that focused on the major qualifications that lead to the disclaimer was implemented. Additional accounting resources were contracted to assist with the volume of work needed to resolve the qualifications of TV content and Fixed assets (PPE). National Treasury was also engaged to assist with the accounting treatment of TV licence revenue. The Audit committee of the Board met monthly to monitor progress and provide support. The table below indicates the work done during year one of the plan.

<table>
<thead>
<tr>
<th>Key Areas of Concern in 2013</th>
<th>Implemented</th>
<th>In process of resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Property Plant and Equipment</td>
<td>Reconfiguration of the structure to centralise control of the fixed assets management accounting function in the CFO’s office is complete. A service provider was appointed to assist with asset verifications and update the asset register. 67.1% of assets have been verified. A draft fixed asset policy and standard operating procedure document has been developed.</td>
<td>Finalisation of the verification of 32.9% of the remaining assets. Reconciliation between PPE asset register and the GL has to be completed. Approval and implementation of the draft fixed asset policy. Finalisation of the recruitment of dedicated and experienced staff to monitor asset management.</td>
</tr>
<tr>
<td>2. Intangible Assets (computer software)</td>
<td>Reconfiguration of the structure to centralise control of the fixed assets management accounting function in the CFO’s office is complete. A service provider is appointed to assist with asset verifications and update the asset register. Majority of intangible assets have been verified. A draft fixed asset policy and standard operating procedure has been developed.</td>
<td>Reconciliation between intangible asset register and the GL has to be completed to resolve immaterial misstatements. Approval and implementation of the draft fixed asset policy. Finalisation of the recruitment of dedicated and experienced staff to monitor asset management.</td>
</tr>
<tr>
<td>3. Licence fee revenue and related receivables</td>
<td>Implementation of inspectorate service to validate the data base and aid in recovery of fees due is completed.</td>
<td>RFP process to source providers for GIS still in progress. The mechanisms to determine potential license fee holders’ still in progress. Action plan to obtain above information and verify the authenticity still in progress. Drafting of policies and procedures still in progress.</td>
</tr>
<tr>
<td>4. Programme, film and sports rights</td>
<td>A service provider was appointed to assist with asset verifications and update the asset register. Recruitment of a CA (SA) resource is done. All current and prior year transactions have been captured on the asset register and accounted for correctly in the financial system. Stock counts were performed at year end. A draft policy and standard operating procedure to manage programme, film and sports rights has been developed. Staff training on PFMA and IFRS relating to this area is done.</td>
<td>The process to ensure that all tapes and storage devices that hold these rights are stored in a central place still in progress. Approval and implementation of the policy and standard operating procedure to manage programme, film and sports rights.</td>
</tr>
<tr>
<td>5. Trade and other Receivables</td>
<td>The debtor’s management function is centralised and the debtor’s book has been cleaned up. The credit policy has been developed and approved. Credit insurance has been implemented.</td>
<td>Enhancements to the financial system to support accurate ageing of debtors.</td>
</tr>
<tr>
<td>6. Irregular expenditure</td>
<td>Key vacancies in procurement have been filled. Monthly reporting mechanisms per division to detect and report on irregular and fruitless and wasteful expenditure have been developed. Vendor database being continuously cleaned up with updates of legislated supplier documentation.</td>
<td>Implementation of a robust performance management regime to enforce accountability and address non-performance.</td>
</tr>
<tr>
<td>7. Taxation</td>
<td>Reconfiguration of the structure to centralise taxation management and reporting in the CFO’s office is complete. A process for withholding tax on royalty payments to foreign suppliers has been implemented.</td>
<td>Recruitment of additional skilled resources to increase the capacity in the tax function. Reopening and resubmissions of tax returns from 2009 to take into account adjustments to financial records arising from the audit clean up exercise.</td>
</tr>
<tr>
<td>8. Expenditure</td>
<td>The qualification relating to the attachment of supporting documentation to journals in the financial system has been resolved.</td>
<td>Suitable controls are in the process of being implemented.</td>
</tr>
<tr>
<td>9. Post retirement valuation</td>
<td>The post-retirement medical aid liability valuation was recalculated incorporating all the necessary employees.</td>
<td>-</td>
</tr>
</tbody>
</table>
As a result of focusing all the financial resources on the major qualification areas, a number of new risks emerged during the current year’s audit that also need attention. These items include the following matters of emphasis:

- Taxation
  The SABC has depleted its historical assessed losses. It now is in a tax paying position. The SABC will have to mitigate the risk of cash outflows relating to income tax payments by engaging in tax planning activities. The tax function is being reinforced with additional resources.

- Third Party Revenue
  The SABC has engaged in transactions with a number of third parties that result in remittances of revenue to the company. The contracts did not require the entities to provide independent assurance that the remittances were complete. To mitigate the risk of under declaration of revenue due to the SABC, the company will include the requirement for audit certificates in future contracts with third parties.

- Technology
  During the year under review, the SABC continued to embrace the transformation towards digital technologies that will improve the lives of South African citizens. The SABC successfully implemented infrastructure and system upgrades to be able to carry the services, in preparation for DTT migration.

- Marketing
  SABC Marketing continued to position the Public Broadcaster favourably both internally and externally to build and restore the corporate brand reputation by, amongst other strategies, driving transversal support for all SABC sub-brands to assist in meeting audience share and revenue targets.

- Stakeholder Management
  During the period under review SABC Executives undertook a road-show and visited all nine Provinces. In the sessions that were held with the involvement of external stakeholders some of the issues that were highlighted included inter alia.

- Minority languages;
- Establishment of independent producers outside of major cities;
- News coverage of events of importance in the Provinces;
- SABC’s brand visibility across all Provinces;
- Involvement of provincial sports bodies in development matters;
- Religion; and
- Youth development matters.

### Human Capital

People issues centred around a variety of Human Resources (HR) areas. These included, amongst others:

- The skills audit assessing the levels of skills that internal staff as well as the independent contractors possess, and knowing what developmental areas needed more attention;
- The filling of executive vacant positions;
- Dealing with salary anomalies; and
- Reviewing policies and procedures.

Addressing the audit findings relating largely to records management and internal controls, and the re-anchoring of performance management as a tool for improving organisational performance.

An action plan to address the recommendations raised by the skills audit report was developed and implemented. Learning interventions were focused on getting employees ready for digital migration. As a result, a larger percentage of the training focused on the use of smarter technology and the translation of learning to improvements in business results and customer satisfaction.

Programmes such as the ICT training programmes, employee study assistance schemes to enhance higher educational learning, internships, learnerships and work integrated learning
were given priority to ensure the SABC has the skills and talent for a dynamic and evolving techno-paced industry and thereby support the readiness for digital migration.

**CHALLENGES**

At the time of releasing the 2012/13 annual results it was stated that challenges revolved mainly around clearing the SABC’s disclaimer audit qualification it had received from the Auditor General. Excellent progress was made during the past year to review and implement policies and processes to enhance the internal control framework.

As part of its public service mandate the SABC must include sport programming in its list of broadcast offerings. The sport it offers is clearly defined as sport of national interest, as well as developmental and minority sports. These events are of national interest (popularity) and enjoy widespread public recognition (participation), with a particular focus on culture, nation building, the African agenda and restoring of human dignity.

Funding of these events remains a challenge for the SABC. In previous years the cash flow forecasts allowed for a certain amount that could be funded from internal cash funds, but the SABC could not fund the full amount required.

**GOING CONCERN**

The Company continues to trade as a going concern. Assets totalled R2bn and cash and cash equivalents were R1,4bn at year end.

**LOOKING FORWARD**

Broadcasters globally are undergoing profound transformation, caused by shifts in the world economy, new technologies, changes in audience behaviour and increasingly complex competitive environments. Within this context the SABC reshaped its future with a strategic plan that is guided by a very clear sense of direction and focus. Sustaining and reinvigorating the SABC is important because it is now functioning in a digital world, in which information is delivered on increasingly diverse platforms and from increasingly diverse sources.

The SABC has a statutory mandate to reach and serve all South African audiences. To better match the changing needs and expectations of its audiences, the Public Broadcaster has committed itself to refining and refocusing its portfolio of services. Delivering high-quality programming and content, spanning a range of genres accessible across multiple platforms is a primary focus for the SABC for the next number of years.

**CONCLUSION**

I wish to thank the Shareholder and the SABC Board for their continuous support during the past year, as well as our committed leadership and employees who are dedicated to making the SABC a world-class Public Broadcaster. My final gratitude goes to the millions of SABC viewers and listeners who tune into our channels and stations on a daily basis – may the SABC continue to inspire and make a difference in your lives.

C Olivier
Acting Group Chief Executive Officer
The SABC’s strategy, captured in its 2013 to 2016 Corporate Plan, places the development and delivery of public service content in the digital environment at the centre of all its activities. The plan focuses on audiences, editorial integrity, prioritising the development of local content, telling authentic South African stories and providing creative and innovative content to the country’s diverse audiences.

In 2010, National Treasury provided the SABC with a Government Guarantee (GG) amounting to R1.472bn. This GG has played a dominant role in the SABC’s financial strategy. Worth noting is the fact that the SABC utilised only R1bn of the GG through its Nedbank loan. Over and above this, the SABC has been able to repay the loan earlier than originally planned. This came about as a result of improved cost management following the implementation of the turnaround strategy and better working capital management. By the end of September 2013, the SABC had paid back the loan in full, thereby saving R34m in interest charges.

In addition, the SABC’s cash reserves have improved significantly during the period under review and were adequate to meet its needs. Current assets were enough to cover all current liabilities.

The SABC continues to participate in digital multi-platforms for the provision of content and to deliver on its public mandate. This provides citizens with access to broadcasting services in all 11 official languages. In addition to its existing TV channels and radio stations, the SABC further strengthened its delivery on news and current affairs programming through the launch of the SABC 24 Hour News Channel, broadcasting on DStv’s channel 404 from the 1st of August 2013. The channel offers a seamless fusion of live journalism and current affairs programming throughout the day. The channel is quintessentially and unashamedly African in its live and factual offerings.

Notwithstanding delays in implementation of Digital Terrestrial Television (DTT) in South Africa, the SABC has ensured that its technical infrastructure as well as content provision are ready for switch-on.

On the policy and regulatory front, the SABC embarked on a process of reviewing its Editorial Policies, in line with the Broadcasting Act. One of the main objectives of the reviewing process is to ensure that the SABC’s Editorial Policies are relevant to the current broadcasting and media environment and are crafted to enable the SABC to fulfil the objectives of the Broadcasting Act.

Owing to the profound transformation that the broadcasting industry is undergoing globally and taking into account the shifts in the world economy, new technologies, changes in audience behaviour and increasingly complex competitive environments, the SABC has to review and revise its current Corporate Plan annually. The organisation needs to reshape its future with a strategic plan that is guided by a very clear sense of direction and focus. To this end, the SABC has devised exciting strategies and opportunities for the next number of years in order to respond to the transforming broadcasting and media environment.

With sound management and keeping within the pre-determined financial parameters the SABC will be in a position to deliver on its public service mandate.
The South African Broadcasting Corporation (SOC) Limited (‘The SABC’) is a Schedule 2 (Major Public) entity in terms of the Public Finance Management Act 1 of 1999, as amended.

**FOUNDING AND CURRENT LEGISLATION AND POLICIES**

The SABC is a successor in title to the previous state-controlled African Broadcasting Corporation, which was formed in 1927 and incorporated the South West African Broadcasting Corporation (which has since become the Namibian Broadcasting Corporation). As it exists today, the SABC was established through an Act of Parliament in 1936, which has since been replaced by the Broadcasting Act 4 of 1999. The affairs of the SABC are conducted in accordance with the Companies Act 71 of 2008, as amended.

The Broadcasting Act further defines the business of the SABC in terms of two distinct services - the Public Broadcasting Services (PBS) and Public Commercial Services (PCS), which are administered separately. In keeping with this requirement, the SABC’s accounting systems have been configured to account for each group of services (15 PBS radio stations and two TV channels; three PCS radio stations and one TV channel) according to IFRS accounting principles.

Both PBS and PCS services are required to adhere to the SABC Charter, as well as to the latter and spirit of the Public Broadcasting Service Mandate espoused through licence conditions accorded to individual radio stations and TV channels.

**PUBLIC BROADCASTING SERVICE MANDATE**

The mandate of the SABC as a Public Broadcaster is embedded in legislation, regulations, policies, codes of conduct and licence conditions, amongst others. These include the:

- Broadcasting Act No. 4 of 1999, as amended;
- Independent Communications Authority of South Africa Act No. 13 of 2000, as amended; and
- Electronic Communications Act No. 36 of 2005, as amended

Arising from the above, the SABC is therefore enjoined to:

- Ensure access of its services to all citizens throughout the country;
- Inform, educate and entertain;
- Make services available in all official languages;
- Reflect both the unity and diversity of the cultural and multilingual nature of South Africa, its regions and audiences;
- Provide programming for children, women, youth and people with disabilities;
- Broadcast national, developmental and minority sports;
- Develop talent and showcase South African content; and
- Provide independent news of high quality.

In executing its mandate, the SABC is also guided, among others, by the:

- Public Finance Management Act (PFMA), Act No. 1 of 1999 as amended;
- Companies Act No. 71 of 2008 as amended;
- King III Report on Corporate Governance for South Africa;
- South African National Treasury Regulations; and
- SABC’s Delegation of Authority Framework (DAF).

In addition to the legislative and regulatory requirements, the SABC has a Board that is charged with the control and direction of its affairs, as defined by the company’s Memorandum of Association (MOA) and Articles of Association and codified in the shareholder compact incorporating a materiality framework. This ensures that the SABC complies with the statutory and public policy prescripts.
THE SABC CHARTER

The broad objectives of the SABC are as set out in its Charter, which is contained in Section 8 of the Broadcasting Act. These are:

• To make its services available throughout the Republic;

• To provide sound and TV broadcasting services, whether by analogue or digital means, and to provide sound and TV programmes of information, education and entertainment funded by advertisements, subscription, sponsorship, licence fees or any other means of finance;

• To acquire from time to time a licence or licences for such period and subject to such regulations, provisions and licence conditions as may be prescribed by the Authority;

• To provide, in its public broadcasting services, radio and TV programming that informs, educates and entertains;

• To be responsive to audience needs including the needs of the deaf and the blind and account on how to meet those needs;

• To provide other services, whether or not broadcasting or programme supply services, such services being ancillary services;

• To provide TV and radio programmes and any other material to be transmitted or distributed by the common carrier for free-to-air reception by the public subject to Section 33 of the Act;

• To provide to other bodies by such means and methods as may be convenient, services, programmes and materials to be transmitted or distributed by such bodies and to receive from such other bodies services, programmes and materials to be transmitted by stations of the Corporation for reception as above;

• To commission, compile, prepare, edit, make, print, publish, issue, circulate and distribute, with or without charge, such books, magazines, periodicals, journals, printed matter, records, cassettes, compact disks, video tapes, audio-visual and interactive material, whether analogue or digital and whether on media now known or hereafter invented, as may be conducive to any of the objects of the Corporation;

• To establish and maintain libraries and archives containing materials relevant to the objects of the Corporation and to make available to the public such libraries and archives with or without charge;

• To organise, present, produce, provide or subsidise concerts, shows, variety performances, revues, musical and other productions and performances and other entertainment whether live or recorded in connection with the broadcasting and programme supply services of the Corporation or for any purpose incidental thereto;

• To collect news and information in any part of the world and in any manner that may be thought fit and to establish and subscribe to news agencies;

• To carry out research and development work in relation to any technology relevant to the objects of the Corporation and to acquire by operation of law, registration, purchase, assignment, licence or otherwise copyright and designs, trademarks, trade names and any other intellectual, industrial and commercial property rights;

• To nurture South African talent and train people in production skills and carry out research and development for the benefit of audiences;

• To develop, produce, manufacture, purchase, acquire, use, display, sell, rent or dispose of sound recordings and films and materials and apparatus for use in connection with such sound recordings and films; and

• To develop and extend the services of the Corporation beyond the borders of South Africa.