

<b>TEMPLATE FOR DRAFTING QUARTERLY REPORTS TO BE SUBMITTED TO DAC BY ITS PUBLIC ENTITIES</b>									
<b>NATIONAL ARTS COUNCIL OF SOUTH AFRICA</b>									
The proposed format of the report is as follows:									
1 Cover letter signed by the Chairperson/Representative of the Board/Council									
2 Financial report: Income and Expenditure: See attached tables									
3 Non-Financial Report: Performance on targets as outlined in the approved Annual Performance Plan									
4 PFMA Compliance Report: As attached to this template or National Treasury web-site									
N.B. The cover letter should include									
1 Introduction									
2 Things that public entity wants to share with the Minister and DAC									
3 Challenges facing the public entity									
PLEASE ATTACH THE FOLLOWING DOCUMENTS									
1 Balance sheet									
2 Report on audit outcomes									
3 Schedule on SCM									
4 Job creation report									
5 Staff establishment/profile report, including people with disability									
6 Feedback report on outstanding issues discussed with the public entity or issues included in the feedback letter(s)									
7 Risk Management in line with TR 27.2.1 (20 top risks)									
8 An indication of whether the public entity has a Disaster Recovery Plan, Business Continuity Plan regarding ICT									
9 Disciplinary actions									
ALL REPORTS MUST BE SIGNED AND APPROVED BY THE BOARD/COUNCIL									
FROM 1 JULY 2016: STARTING WITH THE FIRST REPORT FOR 2016/2017 FINANCIAL YEAR									

**EXPENDITURE FOR QUARTER ENDED**

EXPENDITURE	BUDGET R'000	ADJUSTMENTS R'000	CURRENT BUDGET R'000	ACTUAL				FORECAST R'000	TOTAL 31-Mar-17 R'000	VARIANCE: BUDGET VS PROJECTED R'000	EXPLANATION OF VARIANCES OVER/UNDER 5%
				1st Quarter R'000	2nd Quarter R'000	3rd Quarter R'000	4th Quarter R'000				
Compensation	16 958	-	16 958	4 520	4 514	5 714	2 210	16 958	-	100.00	
Goods and Service	13 397	-	13 397	2 490	3 312	2 423	5 172	13 397	-	100.00	
Subtotal	30 355	-	30 355	7 010	7 826	8 137	7 382	30 355	-	100.00	
Capital Works (Funds to be utilised from previous financial years)	1 500	-	1 500	-	-	82	1 418	1 500	-	This cost include depreciation	
Capital Works (Current year allocation)	1 500	-	1 500	-	-	82	1 418	1 500	-		
Less Depreciation	33 355	-	31 855	(189)	(189)	(204)	(189)	(771)	-	100.00	
<b>Total</b>			31 855	6 821	7 637	8 015	8 611	31 084	-	97.58	

**EXPENDITURE PER PROGRAMME/PROJECT FOR QUARTER ENDED**

EXPENDITURE	BUDGET R'000	ADJUSTMENTS R'000	CURRENT BUDGET R'000	ACTUAL				FORECAST R'000	TOTAL 31-Mar-17 R'000	VARIANCE: BUDGET VS PROJECTED R'000	EXPLANATION OF VARIANCES OVER/UNDER 5%
				1st Quarter R'000	2nd Quarter R'000	3rd Quarter R'000	4th Quarter R'000				
Funding - prior year, Committed and aires	43 498	-	43 498	3 766	3 304	1 258	35 170	48 498	-	100.00	
Public Engagements (include Orchestras)	44 520	-	44 520	25 702	15 404	6 745	-	47 851	3 331	107.48	
Arts Business Development	26 307	-	26 307	4 643	9 230	1 100	11 334	26 307	-	100.00	
Less Depreciation	114 325	-	114 325	34 111	27 938	9 305	46 504	117 656	3 331	102.91	
<b>Total</b>											

**SUMMARY OF INCOME AND EXPENDITURE FOR QUARTER ENDED**

EXPENDITURE	BUDGET R'000	ADJUSTMENTS R'000	CURRENT BUDGET R'000	ACTUAL				FORECAST R'000	TOTAL 31-Mar-17 R'000	VARIANCE: BUDGET VS PROJECTED R'000	EXPLANATION OF VARIANCES OVER/UNDER 5%
				1st Quarter R'000	2nd Quarter R'000	3rd Quarter R'000	4th Quarter R'000				
Total Income	147 680	-	147 680	32 113	54 427	34 148	26 992	147 680	-	100.00	
Total expenditure	147 680	-	147 680	40 932	35 575	17 118	54 055	147 680	-	100.00	
<b>TOTAL FOR THE QUARTER</b>				(8 819)	18 852	17 030	(27 063)	-	-		

PUBLIC ENTITIES CORPORATE MANAGEMENT						PUBLIC ENTITIES PLANNING AND BUDGETING						PUBLIC ENTITIES MANAGEMENT OF WORKING CAPITAL							
No	Section	Description	Action	Yes	NO	Comments	No	Section	Description	Action	Yes	NO	Comments	No	Section	Description	Action	Yes	NO
1	49	Accounting Authority	In terms of section 49(3) the relevant treasury, in exceptional circumstances, may approve that a functionary other than the board or CEO be the AA of the public entity. In this regard, has the Auditor-General been informed in writing of any such approval or instruction?		N/A	NAC has a full Council which acts as an AA	1	52	Annual budget, corporate plan and shareholder's compact by Schedule 2 public entities and government business enterprises	Did the accounting authority submit the following to the relevant treasury and to the accounting officer of the department at least one month before the start of the public entity's financial year:				3	38(1)(f)		Has the public entity submitted a written assurance to the transferring department to the effect that the entity has and maintains effective, efficient and transparent financial management and internal control systems?		
2	TR 27.3.1	Chief Financial Officer	In the case of a 3A or 3C public entity, has a Chief Financial Officer been appointed to head the finance division?	Yes						• a projection of revenue, expenditure and borrowings for the financial year in the prescribed format; and	Yes				51(1)		Does the public entity:		
3	56(1)	Delegations of Authority	Have the powers entrusted or delegated to the accounting authority been delegated to other officials within the public entity?		Yes					• a corporate plan in the prescribed format covering the affairs of that public entity or business enterprise for the following three financial years, and if it has subsidiaries, also the affairs of the subsidiaries.	Yes						• have an appropriate procurement and provisioning administration system, which is fair, equitable, transparent, competitive and cost-effective?	Yes	
4	51(1)(a)(i)	Internal Control	Does the public entity have:  an effective, efficient and transparent system of financial and risk management and internal control?	Yes			TR 29.1.1		Does the corporate plan include the following:								• have a system for properly evaluating all major capital projects prior to a final decision on the project?		N/A
	51(1)(a)(ii)		a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77?	Yes					• strategic objectives and outcomes identified and agreed upon by the executive authority in the shareholder's compact;	Yes							• collect all revenue due?	Yes	
	TR 27.1.1		Is the audit committee a sub-committee of the accounting authority?	Yes					strategic and business initiatives as embodied in business function strategies;	Yes							• Have mechanisms in place to prevent irregular and fruitless and wasteful expenditure?	Yes	
	77(a)		Does the audit committee consist of at least 3 persons?	Yes					key performance measures and indicators for assessing the entity's performance in delivering the desired outcomes and objectives;	Yes							• Manage available working capital efficiently and economically?	Yes	
	77(b)		Does the audit committee meet at least twice a year?	Yes					a risk management plan;	Yes				TR 29.1.3 TR 29.1.6			Did the public entity submit a corporate plan and borrowing programme to the relevant treasury? (Schedule 2, 3B and 3D entities only) If a borrowing programme was submitted, did it include:	N/A	
	TR 27.1.6		Does the audit committee operate in terms of a written terms of reference?	Yes					• fraud prevention plan ;	Yes							• The terms and conditions on which the money was borrowed?	N/A	
									• materiality /significant framework, referred to in Treasury Regulations 28.1.5;	Yes							• information on proposed domestic borrowing;	N/A	

K.A.M.





PFMA CHECK LIST FOR PUBLIC ENTITIES (REPORTING)							PFMA CHECK LIST FOR PUBLIC ENTITIES CASH MANAGEMENT BANKING AND INVESTMENT									
Comments	No	Section	Description	Action	Yes	NO	Comments	NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS	
Through the PFMA checklist		TR 26.1.1		Does the public entity submit information on its actual and projected revenue and expenditure to the designated accounting officer within 30 days from the end of each quarter? (Schedule 3A and 3C entities)	Yes				1	51(1)(b)(ii)TR 31.1	Cash Management	Are systems, procedures and processes in place in the public entity to ensure efficient and effective banking and cash management, which includes?	Yes			
		TR 26.1.2		Does the public entity report quarterly to the executive authority (via the designated accounting officer) on the extent of compliance with the PFMA and Treasury Regulations? (Schedule 3A and 3C public entities)	Yes							Collecting and banking revenue promptly;	Yes			
		TR 29.3.1 TR 30.2.1		Has the public entity established procedures to report quarterly to the executive authority in relation to progress made against achieving the targets set out in the strategic and corporate plan?	Yes							Making payment no earlier than necessary with due regard for efficient, effective and economical programme delivery and the public entity's normal terms for account payments;	Yes			
NAC does not have capital projects. Any major tender is evaluated by the bid Committees	2	55	Annual report and financial statements	Did the public entity submit the following to the relevant treasury, executive authority and Auditor-General within 5 months from the end of the financial year:								Avoiding prepayments for goods and services unless required by the contractual arrangements with the supplier;	Yes			
				An annual report on the activities of the public entity during that financial year;	Yes							Accepting discounts to effect early settlement;	Yes			
				The financial statements for that financial year after the statements have been audited;	Yes							Pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the public entity are collected and banked promptly;	Yes			Where applicable
				The report of the auditors on those statements.	Yes							Accurately forecasting the public entity's cash flow requirements;	Yes			
				Does the public entity's annual report and financial statements fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned? Does the annual report and financial statements include:	Yes							Timing the in and out flow of cash;	No			DAC transfers equal monthly tranches
				Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;		N/A	Irregular expenditure emanates from 2011/2012 and 2012/2013 AFS					Recognising the time value of money, i.e. economically, efficiently, and effectively managing cash;	Yes			
				Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;	Yes		Financial misconduct, disciplinary action is completed and NAC implemented the recommendation. COO was dismissed, he appealed the dismissal. The process is under CCMA.									

K. H. M.

			<ul style="list-style-type: none"> <li>Any losses recovered or written off</li> </ul>		N/A				<ul style="list-style-type: none"> <li>Taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the optimum level for efficient and effective programme delivery, and selling surplus or under utilised assets;</li> </ul>	Yes				
			<ul style="list-style-type: none"> <li>Any financial assistance received from the state and commitments made by the state on its behalf;</li> </ul>	Yes					<ul style="list-style-type: none"> <li>Performing bank reconciliations at least weekly;</li> </ul>					
			<ul style="list-style-type: none"> <li>The financial statements of subsidiaries.</li> </ul>	Yes		Downtown Studios and Fox Street Properties are integrated within the NACAFS			<ul style="list-style-type: none"> <li>Making regular cash forecasts; and</li> </ul>					
	65		<ul style="list-style-type: none"> <li>Did the executive authority table the annual report and financial statements within one month after the accounting authority received the audit report?</li> </ul>	Yes					<ul style="list-style-type: none"> <li>Alignment of the approved budget with monthly cash flows;</li> </ul>					
			<ul style="list-style-type: none"> <li>If no, did the executive authority table an explanation in the Legislature setting out the reasons why the annual report and financial statements were not tabled?</li> </ul>						<ul style="list-style-type: none"> <li>Variance analyses of actual cash flow with the approved budget</li> </ul>					
	TR 27.1.7		<ul style="list-style-type: none"> <li>Does the annual report contain a disclosure to the effect that the audit committee has adopted a formal terms of reference</li> </ul>	Yes				2 TR 31.2.1	Banking	<ul style="list-style-type: none"> <li>Does the public entity submit a list of all its banking accounts to the National Treasury by 31 May of each year?</li> </ul>	Yes			
			<ul style="list-style-type: none"> <li>Did the audit committee comment on its evaluation of the public entity's financial statements?</li> </ul>	Yes				3 TR 31.3.1	Investment	<ul style="list-style-type: none"> <li>Does the public entity have an investment policy?</li> </ul>	Yes	N/A		
	TR 28.1.1		<ul style="list-style-type: none"> <li>Does the financial statements include a report by the accounting authority that discloses the emoluments of all directors and executive members of the public entity and its subsidiaries? If yes, to above, does the disclosure include:</li> </ul>	Yes				TR 31.3.2		<ul style="list-style-type: none"> <li>If yes to the above, does the investment policy include the:</li> </ul>				
			<ul style="list-style-type: none"> <li>Fees for services as a director or executive member;</li> </ul>	Yes		For non executives; Council and Panel remuneration				<ul style="list-style-type: none"> <li>selection of counter-parties through credit risk analyses;</li> </ul>				
			<ul style="list-style-type: none"> <li>Basic salary;</li> </ul>	Yes						<ul style="list-style-type: none"> <li>establishment of investment limits per institution;</li> </ul>				
			<ul style="list-style-type: none"> <li>Bonuses and performance related payments;</li> </ul>	Yes		Where applicable				<ul style="list-style-type: none"> <li>establishment of investment limits per investment instrument;</li> </ul>				
			<ul style="list-style-type: none"> <li>Sums paid by way of expense allowances;</li> </ul>	Yes						<ul style="list-style-type: none"> <li>monitoring of investments against limits;</li> </ul>				
			<ul style="list-style-type: none"> <li>Contributions made to any pension fund, medical aid, insurance scheme, etc.</li> </ul>	Yes						<ul style="list-style-type: none"> <li>reassessment of investment policies on a regular basis;</li> </ul>				
			<ul style="list-style-type: none"> <li>Any commission, gain or profit sharing arrangements;</li> </ul>		NO	Not applicable				<ul style="list-style-type: none"> <li>reassessment of counter-party credit risk based on credit ratings; and</li> </ul>				





No	Schedule	Report or document	Authority	Date	Section/Reg	Y/N
1, 2, 3		Any documents, returns etc required	Relevant treasury, AG	When required	S 54(1)	Yes. Informed National Treasury and Auditor general on variation order deviation
2, 3		AFS	Auditors (treasury if business entity)	Within 2 months after year-end	S 55(1)(c)	Yes
3, 3		Annual report	Executive authority; relevant treasury (R AG if didn't perform the audit)	Within 5 months after year end	S 55(1)(d)	Yes
4, 3		Auditors report	Executive authority; relevant treasury, AG	Annually	TR 33.3.1	
5, 3A, 3C		Financial misconduct procedures report	Executive authority	6 months prior to start of financial year	S 53(1)	Yes
6, 3A, 3C		Budget of estimated revenue and expenditure for the year	Executive authority	Within 30 days of the end of the quarter	TR 26.1	Yes
		Report on actual revenue and expenditure for the quarter	Executive authority	Quarterly	TR 26.1.2	Yes
7, 3A, 3C		Report on compliance to the PFMA	Executive authority	6 months prior to start of financial year	TR 30.1.1	Yes
8, 2, 3B, 3D		Strategic plan	Accounting officer & relevant treasury	1 month prior to start of financial year	S 52	
2, 3B, 3D		Projection of revenue, expenditure and borrowings	Executive authority	1 month prior to start of financial year	S 52, TR 29	Yes
9, 2, 3B, 3D		Corporate plan	National Treasury	Quarterly	TR 29.1.3 TR 29.1.4	N/A
2, 3B, 3D		Three year borrowing plan with corporate plan	National Treasury	Quarterly	TR 29.1.3 TR 29.1.4	Yes
10, 2, 3B, 3D		Quarterly reports on above reflecting actual borrowings	Executive authority	Annually	TR 29.2.1	Yes
		Shareholders compact				

Signatures  
CFO  
Date

*[Signature]*  
24/01/2017

CEO  
Date

*[Signature]*  
24/01/2017

Board/Council  
Date

3rd Quarter Report		Verification sources	3rd Quarter Target	Actual Performance for Qr 3	Reason for NOT Achieved / Partially Achieved	Interventions that will be put in place	Status to date (Achieved / Partially Achieved / Not Achieved)	Verification sources
Annual Target (a) 2016-2017								
90% of projects and grants risk assessed upfront prior to final approval per funding session	Risk assessment proformas	25% of projects assessed of local bursaries and call for proposals for the next funding sessions	Call for the next funding session made. 25% approval risk assessment of bursaries pre- approval completed	Not Applicable	Not Applicable	Achieved	Risk assessment pre-approval proformas and Copy of Call for projects and International Bursaries	
90% of projects risk assessed annually, post approval per funding session	Risk assessment proformas	25% of projects assessed post approval	25% of risk assessment of bursaries post - approval completed	Not Applicable	Not Applicable	Achieved	Risk assessment post approval proformas	
100% of disbursements to be made in accordance with agreed disbursement criteria	Files paid	100% of disbursements to be made in accordance with agreed disbursement criteria	100% of disbursements made in accordance with agreed disbursement criteria	Not Applicable	Not Applicable	Achieved	List of disbursements	
70% disbursements made or expiration of projects	List of projects paid and a list of projects expired.	10% of disbursements made or expiration of projects	11.42% of disbursements made or expiration of projects	Not Applicable	Not Applicable	Achieved	List of disbursements	
Allocation of grants/ projects per funding session: 50% for arts promotion, 30% for creation of new work, 20% for capacity building	Summary list of allocations	Allocation of grants/ projects per funding session: 12.5% for arts promotion, 7.5% for creation of new work, 5% for capacity building	Allocation of grants/ projects of 51.79 for arts promotions, 19.9 for creation of new work and 20.79 for capacity building	Not Applicable	Not Applicable	Achieved	Summary list to allocations	
5% of allocated funding disbursed to support Indigenous art forms	High level progress reports for indigenous arts	Monitor projects' progress	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	High level reports for funding disbursed to support Indigenous	
25% disbursed to targeted rural areas/provinces	High level progress reports for projects in rural areas	Monitor projects' progress	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	High level reports for funding disbursed to support rural areas/provinces	

Annual Target (\$) 2016-2017	Verification sources	3rd Quarter Target	Actual Performance for Qr 3	Reason for MOT Achieved / Partially Achieved	Interventions that will be put in place	Status to date (Achieved / Partially Achieved / Not Achieved)	Verification sources
10% disbursed to women and women-led organisations	High level progress reports for projects done by women and women led organisations	Monitor projects' progress	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	High level reports for funding disbursed to support women and women-led organisations
2% allocated to organisations working with people with disabilities and individuals living with disabilities	High level progress reports for projects of people working with disabilities and individuals living with	Monitor projects' progress	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	High level reports for funding disbursed to support people with disabilities and individuals living with
15% of allocated funding disbursed to projects that benefit the youth	High level progress reports for projects that benefit the youth	Monitor projects' progress	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	High level reports for funding disbursed to support projects that benefit the youth
20% of funding allocated to bursaries approved	Call for applications/Newspapers/ NAC website	15% of funding allocated to national bursaries for block and post graduate studies	27% of funding allocated to national bursaries for block and post graduate studies	Not Applicable	Not Applicable	Achieved	Funding bursary indexes
7 training and development programmes funded	TUT & Assitej Contract. Training commenced in September 2016.	Monitor training and development programmes	Training programmes monitored	Not Applicable	Not Applicable	Achieved	TUT & ASSITEJ, List of training interventions and attendance registers.
7 community arts centre managers trained	PAST and ASSITEJ Contracts	Monitor training of 7 community arts centre managers	Progress of Project monitored	Not Applicable	Not Applicable	Achieved	List of training interventions and attendance registers.
3 flagship projects identified and supported	ICD Closeout report. TUT progress report. Assitej implementation plan.	Monitor progress of projects	Monitor progress of projects	Not Applicable	Not Applicable	Achieved	Contracts Lalela, Africa Meets Africa, Little Voices
Establish a partnership with a relevant structure	Leonardo DAVINCI Hotel and Suites MOU	Implement partnership programmes	Additional partnership agreement signed with 21st Century Skills	Not Applicable	Not Applicable	Achieved	MOU 21st Century skills

Annual Target (s) 2016-2017	Verification sources	3rd Quarter Target	Actual Performance for Qr 3	Reason for NOT Achieved / Partially Achieved	Interventions that will be put in place	Status to date (Achieved / Partially Achieved / Not Achieved)	Verification sources
Partnerships established with 2 relevant structures	1. Partnership agreement signed with NHC. 2. Draft Seychelles MOU.	Memorandum of understanding/ service level agreement with second identified structure signed, and implemented	Memorandum of understanding was signed with 2 relevant structures in previous quarters.	Not Applicable	Not Applicable	Achieved	Refer to the following MOU's in Quarter 1 & 2: Partnership agreement signed with NHC. ,Draft Seychelles MOU, Asseba Contract, University of the Free State (Julie's Bicycle) and the Arts and Culture Trust ( with the University of Johannesburg), ICD Deviation, Horizon Education Trust
Update and Implement updated brand communication strategy	Updated brand communication strategy	Implement updated strategy	Updated strategy implemented	Not Applicable	Not Applicable	Achieved	PR Reports
Implement HR strategy and annual HR plan	Reviewed Leave & Performance Management Policy. Moderation committee minutes. Survey feedback report. HR	Implement 30% of year one of the HR strategy and annual plan	15 of year one of the HR strategy and annual plan	Management Oversight	HR has given Management a deadline to ensure that the interim reviews are finalised before the end of February 2017.	Partially Achieved	Staff engagement survey and Survey Breakdown
Implement ICT strategy and annual plan	Information Technology Policy and Procedure Policy signed in 2015	Implement a hardware- maintenance plan	The server maintenance plan has been achieved and new hardware is in place	Not Applicable	Not Applicable	Achieved	Invoices, new servers, upgraded system to the latest versions.
Unqualified audit outcome	2015/16 Annual Report	No target set	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Annual Target (s) 2016-2017	Verification sources	3rd Quarter Target	Actual Performance for Qr 3	Reason for NOT Achieved / Partially Achieved	Interventions that will be put in place	Status to date (Achieved / Partially Achieved / Not Achieved)	Verification sources
Performance evaluation of Council and its subcommittees	Not Applicable	Develop evaluation tools	Evaluation tools not developed	There is currently no Council in place, Council was dissolved on 31 August 2016.	The Board Secretary and CFO is in the process of engaging with the IOD to develop the necessary evaluation tools. This will be presented to the new Council once their appointment is finalised.	Not Achieved	Not Applicable

Signature Date(s)  
*S.O. Williams*  
 24/01/2017

CFO  
*R.P. Diput*  
 24/01/2017

CFO

Board/Council



CATEGORY	PUBLIC ENTITIES STAFF DEMOGRAPHICS												Total		
	Coloured		Indian		White		African		Persons with Disabilities		Total		Male	Female	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female			
Top Management								1	1					1	1
Senior Management									1					0	1
Professionally qualified and experienced specialists in mid-management															
Skilled technical and academically qualified workers, Junior management, supervisors, foremen and superintendents								1							2
Semi-skilled and discretionary decision making															5
Unskilled and defined decision making															12
Contract Staff															4
Interns	1														3
Total															26

SUPPLY CHAIN MANAGEMENT COMPLIANCE REPORT FOR QUARTER ENDING 31 DECEMBER 2016  
 NAME OF PUBLIC ENTITY : NATIONAL ARTS COUNCIL  
 NB: only contracts amounting to R100k and above

NAME OF SERVICE PROVIDER	DESCRIPTION OF SERVICE	DATE	CONTRACT NUMBER	B-BBEE STATUS	LOWEST ACCEPTABLE VALUE - CONTRACT VALUE	PREMIUM PAID (Amount Paid)	EXPANSION BID VALUE
Praed's Computing	IT support	06/10/2016	N/A	Level 1	R 122 774.33	R 122 774.33	R 122 774.33
NEXUS Travel	Travel Management	31/10/2017	N/A	Level 2	R 102 065.07	R 102 065.07	R 102 065.07
NEXUS Travel	Travel Management	24/11/2016	N/A	Level 2	R 125 932.58	R 125 932.58	R 125 932.58
SEMA Intergrated	Internal Audit	29/11/2016	N/A	Level 2	R 231 672.14	R 231 672.14	R 231 672.14
NEXUS Travel	Travel Management	08/12/2016	N/A	Level 2	R 504 285.78	R 504 285.78	R 504 285.78
NEXUS Travel	Travel Management	15/12/2016	N/A	Level 2	R 147 570.22	R 147 570.22	R 147 570.22
Praed's Computing	IT support	15/12/2016	N/A	Level 1	R 293 915.26	R 293 915.26	R 293 915.26
Total Exposure	communications agency	15/12/2016	N/A	Level 2	R 438 479.44	R 438 479.44	R 438 479.44

COMPILED BY: I. Moyo DATE: 24/01/2017

APPROVED BY CEO/COUNCIL/BOARD: SS Mhoso DATE: \_\_\_\_\_

SS Mhoso



**National Arts Council**  
**Statement of Financial Position for September 2016**

**ASSET**

AccountName	NOTES	September 2016 Actual
<b>NON-CURRENT ASSETS</b>		<b>7 484 841</b>
Property, plant and equipment	2	7 414 445
Intangible assets	3	70 396
<b>CURRENT ASSETS</b>		<b>30 259 714</b>
Trade and other receivables	4	755 351
Cash and cash equivalents	6	29 504 363
<b>TOTAL ASSETS</b>		<b>37 744 555</b>
<b>CURRENT LIABILITIES</b>		<b>3 826 145</b>
Trade and other payables	8	3 173 275
Projects and bursaries payables	9	652 870
<b>NET ASSETS</b>		<b>33 918 410</b>
<b>TOTAL LIABILITIES</b>		<b>37 744 555</b>

**Audit Findings Action Plan Monitoring Tool**

Audit Findings Action Plan Monitoring Tool

NATIONAL ARTS COUNCIL OF SOUTH AFRICA - 2016/2016

Audit Opinion	Unqualified	Select
Audit Issues	Qualification	No
	Emphasis of matter	Yes

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
* Select planned start and completion dates:			* Select title and enter name (use lower case):			* Select position:		* Select progress of activity:	* Enter any pertinent comments:	
1. Council did not assess the effectiveness of the Audit and Risk Committee in the 2015-16 Financial year.	Council did not exercise adequate oversight to ensure that the audit and risk committee is assessed for its effectiveness as required by the council charter and recommended by King III code on good corporate governance.	Council did not exercise adequate oversight to ensure that the audit and risk committee is assessed for its effectiveness as required by the council charter and recommended by King III code on good corporate governance.	25/05/2016	31/03/2017	Ms	Mary-Anne	Makgoka	Board Secretary		The Assessment form is designed and the ARC committee will now be assessed

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
* Describe activities in point form to address issues (use lower case):			* Select planned start and completion dates:		* Select title and enter name (use lower case):			* Select position:	* Select progress of activity:	* Enter any pertinent comments:
2. Non-Compliance - Stolen Property, Plant and Equipment	Although Management has established the Fixed Assets Management Policy, management did not implement proper monitoring in a timely manner to ensure that policies are adhered to and that all possible non-compliance was addressed.	1. Management must ensure that an investigation is held to confirm what happened to the assets written off as required by the policy. 2. Management should comply with their policy requirements and report the incident with the relevant authorities. The required consequence management steps should then be implemented. 3. Management must adjust the financial statements to include the disclosure relating to the incident that led to the write-down of Property, Plant and Equipment.	31/08/2016	31-Mar-17	Mr	Dakalo	Mandwana	Finance Manager		This assets were scrapped and written off & disclosed

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
* Select planned start and completion dates:			* Select title and enter name (use lower case):			* Select position:		* Select progress of activity:	* Enter any pertinent comments:	
3. Late submission of Performance Information for audit Purpose.	Management did not exercise oversight responsibility regarding performance information and related internal controls over reporting processes.	1. Management should monitor timelines in the performance information department and ensure that they are met.	17-Apr-01	31/05/2017	Mrs	Julle	Diphofa	AD Manager		Performance Information Report is now included in the year-end time table

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
* Select planned start and completion dates:			* Select title and enter name (use lower case):			* Select position:		* Select progress of activity:	* Enter any pertinent comments:	
4. Inconsistencies in key performance indicators between the annual performance plan and the annual performance report.	Management did not exercise oversight responsibility regarding performance reporting, compliance and internal controls to ensure that key performance indicators are consistent between the annual performance plan and the annual performance report.	Due diligence will be exercised when reviewing the APP to ensure consistency in reporting.	16-Aug-31	30/01/2017	Mrs	Julle	Diphofa	AD Manager		The Annual Performance Plan for 2017/18 is currently being developed and will be reviewed by both management.



**Audit Findings Action Plan Monitoring Tool**

Audit Opinion	Unqualified	Select
Audit Issues	Qualified	Yes
	Emphasis of matter	No
		Yes

Audit Findings Action Plan Monitoring Tool

NATIONAL ARTS COUNCIL OF SOUTH AFRICA - 2016/2016

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
9. Non-Compliance: Preference Price Points Calculated Incorrectly	Although Management has established supply chain management policy and procedures, management did not implement proper monitoring in a timely manner to ensure that legislative and policy requirements are adhered to.	The SCM Function will be reviewed to allow for adequate capacity, thus avoiding recurrence .			Mrs	Irene	Moyo	SCM Officer		For the bids of this financial year ,2017/18, the correct calculation has been used this year
10. Non- Compliance: Incorrect BBBEE Points awarded	Management did not implement proper monitoring in a timely manner to ensure that the review of the BEE points allocation is carried out.	Management will implement proper monitoring to ensure that accurate BEE points are reviewed.	Immediately		Mrs	Irene	Moyo	SCM Officer		The BBBEE score is now verified by the second person before capturing the scores
11. Leave Approved after leave taken	Management should ensure that employees take leave after the leave have been approved to ensure that the employee have sufficient accrued leave.	The policy provision is currently impractical and needs revision as it does not allow for emergency situations.	Immediately		Mr	Peter	Tshabela	Admin Supervisor		All managers are now approving leave in advance except when the system is down
					Mr	Dakalo	Mendhwana	Finance Manager		All managers are now approving leave in advance except when the system is down
					Ms	Janet	Molekwa	Comm Specialist		All managers are now approving leave in advance except when the system is down
					Mrs	Jule	Diphoto	AD Manager		All managers are now approving leave in advance except when the system is down
					Mrs	Rosemary	Mangope	CEO		All managers are now approving leave in advance except when the system is down
12. Information Technology governance weaknesses	Adequate detail was not included in the Metrofile and Bytes Technology SLA's as former NAC management considered the content in these SLA's as sufficient at a time of entering into the agreement. Former NAC management also did not have a baseline for criteria to be included in IT service level	All Service Level Agreements will be crafted in accordance with AG recommendations.	30/08/2016	N/A	Mr	Itumeleng	Sithoana	IT Manager		No new Service Level Agreements have been entered into between the NAC and service providers.

**Audit Findings Action Plan Monitoring Tool**

	Select
Audit Opinion	Unqualified Yes
Audit Issues	Qualification No
	Emphasis of matter Yes

Audit Findings Action Plan Monitoring Tool  
 NATIONAL ARTS COUNCIL OF SOUTH AFRICA - 2016/2016

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			
	agreements									
13. User Access controls weaknesses	Management considered criteria in the IT Security Policy and draft user account management procedure as sufficient given the size of the organisation, therefore additional controls were not included. System Monitoring was not performed as management regarded the manual monitoring of users		* Select planned start and completion dates:		* Select title and enter name (use lower case):			* Select position:	* Select progress of activity:	* Enter any pertinent comments:
		User accounts are checked by IT on a monthly basis	06/08/2016	31/08/2016	Mr	Itumeleng	Sikhosana	IT Manager		User accounts are monitored on a monthly basis
14. IT Service continuity	The BCP was not updated as management deemed the current BCP as adequate given that there is only one processing site.		* Select planned start and completion dates:		* Select title and enter name (use lower case):			* Select position:	* Select progress of activity:	* Enter any pertinent comments:
		The current BCP is under review.	29-Jul-16	31/08/2016	Mr	Itumeleng	Sikhosana	IT Manager		The new BCP will take into account the new server infrastructure as it is heavily dependant on it.
15. Incomplete Procurement registers	Management did not implement proper monitoring in a timely manner to ensure that the registers are updated and complete		* Select planned start and completion dates:		* Select title and enter name (use lower case):			* Select position:	* Select progress of activity:	* Enter any pertinent comments:
		The registers are updated accordingly	1-Aug-16		Mrs	Irene	Moyo	SCM Officer		The procurement register has been updated for this financial year and monitored on a monthly basis
16. Supplier database not updated	Procurement and contract management some suppliers were used however they were not listed on the approved supplier database		* Select planned start and completion dates:		* Select title and enter name (use lower case):			* Select position:	* Select progress of activity:	* Enter any pertinent comments:
		The National Treasury Supplier database is currently being utilised	1-Apr-15	31/08/2016	Mrs	Irene	Moyo	SCM		NAC is now using National Treasury Central Supplier Database

**Audit Findings Action Plan Monitoring Tool**

Audit Findings Action Plan Monitoring Tool

NATIONAL ARTS COUNCIL OF SOUTH AFRICA - 2015/2016

Audit Opinion	Unqualified	Select
Audit Issues	Qualification	No
	Emphasis of matter	Yes

Audit Findings	Description	Action Plan Description	Start Date	Completion Date	Person Responsible			Position	Progress	Narrative
					Title	First Name	Surname			