



Annual Report 202021




Robben Island
MUSEUM



Annual Report

for the period 1 April 2020 to 31 March 2021

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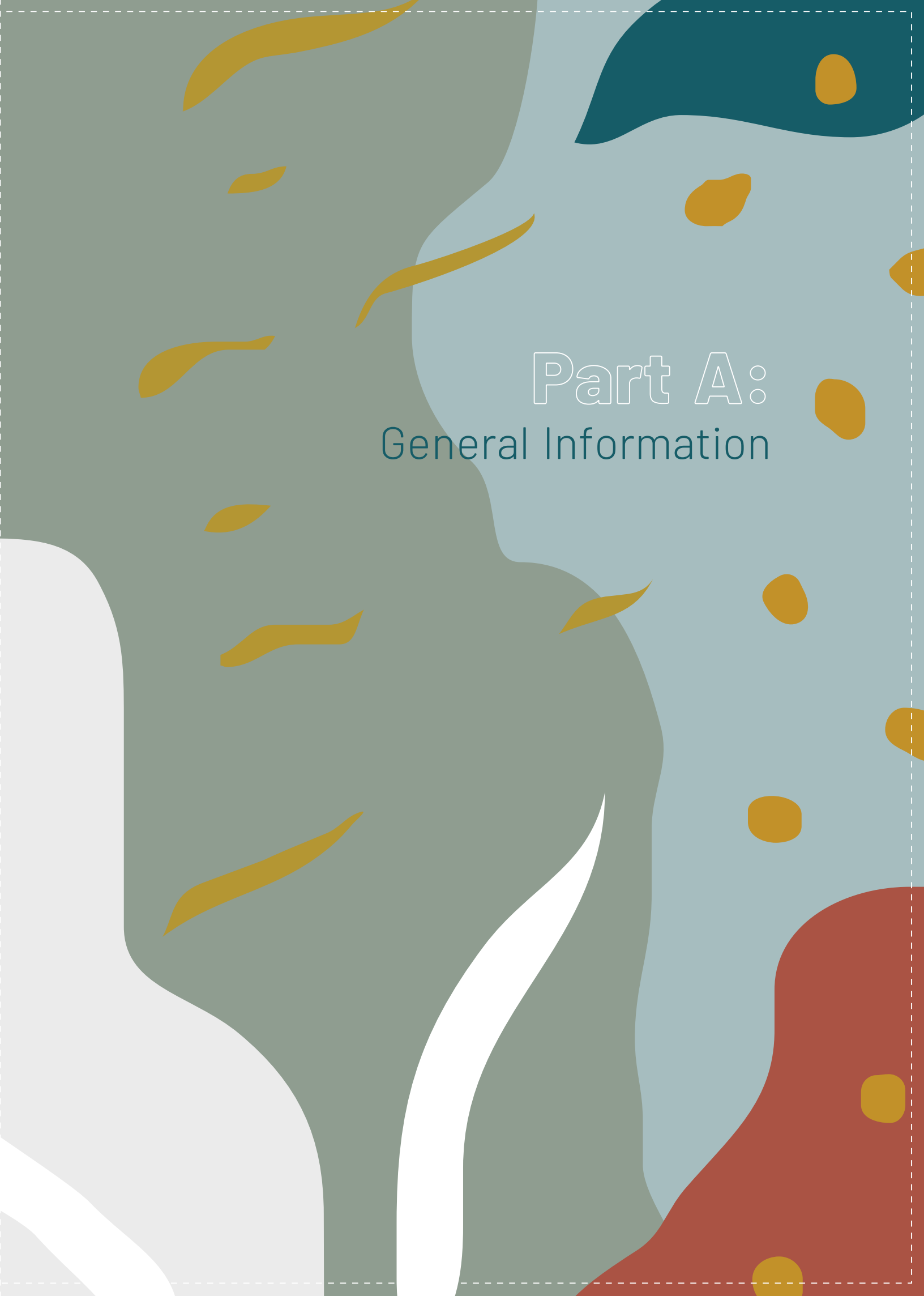
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Part A:

General Information

1.1 Submission of the Annual Report to the Executive Authority

In accordance with the provision of the Public Finance Management Act (1 of 1999), we have the pleasure in submitting for presentation to Parliament this report of the activities of Robben Island Museum for the financial year ended 31 March 2021.



Mr Khensani Maluleka
Chairperson of Council
5 November 2021

1.2 Robben Island Museum's general information

Registered name	Robben Island Museum
Registered office address	Nelson Mandela Gateway to Robben Island Clocktower V&A Waterfront Cape Town 8002
Postal address	P.O. Box 51806 Waterfront 8002
Telephonic contact number	021 413 4200
Email address	infoi@robben-island.org.za
Website address	www.robben-island.org.za
External auditors	Auditor General of South Africa
Bankers information	Nedbank and Standard Bank
Company secretary	Resolve Secretariat Services (Pty) Ltd

1.3 List of Abbreviations

AFS	Annual Financial Statements	PFMA	Public Finance Management Act
AGSA	Auditor General South Africa	PHED	Public Heritage Education Department
APMHS	African Program in Museum and Heritage Studies	PR	Public Relations
APP	Annual Performance Plan	RI	Robben Island
CEO	Chief Executive Officer	RIM	Robben Island Museum
CFO	Chief Financial Officer	RIWHS	Robben Island World Heritage Site
CHO	Chief Heritage Officer	SAHRA	South African Heritage Resource Agency
DSAC	Department of Sport, Arts and Culture	SAMSA	South African Maritime Safety Authority
DEA	Department of Environmental Affairs	SAMA	South African Museums Association
DAFF	Department of Agriculture, Forestry and Fisheries	SARS	South African Revenue Services
DPW	Department of Public Works	SCM	Supply Chain Management
EPP	Ex-Political Prisoner/s	SETA	Sector Education Training Authority
GRAP	Generally Recognised Accounting Principles	SMART	Specific, measurable, achievable, realistic and timed
ICMP	Integrated Conservation Management Plan	UNESCO	United Nations Educational, Scientific and Cultural Organization
MoU	Memorandum of understanding	US	University of Stellenbosch
MSP	Maximum Security Prison	UWC	University of the Western Cape
NMG	Nelson Mandela Gateway to Robben Island	VAT	Value Added Tax

1.4 Foreword by the Chairperson of the Council

Introduction

On behalf of the Council of Robben Island Museum (RIM), I am pleased to submit the Annual Report for the year ended 31 March 2021. This report is submitted in accordance with the Constitution of the Republic of South Africa (RSA) 1996; the Cultural Institutions Act of 1998; the Public Finance Management Act, Act 1 of 1999; Treasury Regulations, 2001 and other applicable Acts and Regulations.

This report coincides with the first term of the RIM Council, which was appointed mid 2019/20 Financial Year. RIM's Council, through the Executive Office, coordinated planning and reporting aligned to National Treasury requirements and ensured that all statutory meetings were timeously held. Performance reporting against predetermined objectives was 88% in 2020/2021.

The COVID-19 pandemic has greatly impacted our operations and revenue generation capabilities. However, the continuous turnaround of RIM's financial health and sustainability has been achieved by strengthening internal controls during the period under review.

RIM is pleased to report that an unqualified audit report has been received from the AG, restoring 12 years of unqualified audits. Even though RIM has conceded and disclosed the contested irregular expenditure in respect of the acquisition of the MV Krotoa in the 2019/2020 financial year, RIM and its legal advisors are still in disagreement with this finding.

High Level Overview of Robben Island Museum's Strategy and performance in its respective sector.

RIM managed to attain an admirable annual performance of 88% in spite of the immense change in working conditions and other factors.

Strategic relationships

During the period under review, RIM strengthened existing strategic relationships in South Africa and on the African continent through maintaining strategic relationships with Le Morne Cultural Landscape (Mauritius), Goree Island (Senegal), National Department of Tourism, Department of Forestry, Fisheries and the Environment, Robert Sobukwe Foundation, African World Heritage Fund (AWHF) and the Southern African Foundation for the Conservation of Coastal Birds (SANCCOB). New strategic partnerships include an on-going dialogue between RIM, Agence Française de Développement (AFD) and Institut national de l'audiovisuel (INA) (France) on the Digitisation of Mayibuye Archives. RIM continued to partner with industry players, across both public and private sectors, in order to capitalise on industry trends and developments.

Challenges faced by Council

During the period under review the Council faced the following challenges:

1. Impact of COVID

RIM, just like any other entity in South Africa was impacted by the unexpected outbreak of the COVID-19 Pandemic which induced the premature closure of tourism activities at the site. RIM remains vulnerable to the impact of this pandemic as it continues to decimate the sector, however, the preservation of lives remains the main priority.

2. Funding and Organisational Structure in relation to the requirements of being a World Heritage Site

Funding for RIM remains unaligned to RIM's compliance requirements as a WHS thereby making it difficult to fully implement the 3rd Integrated Conservation Management Plan (ICMP) with certainty. Whilst alternative funding has been sourced for some programmes, financial support remains inadequate for the full implementation of the 3rd ICMP.

3. Implementing Infrastructure and Facilities Management Programmes

RIM has always experienced major challenges in relation to the management, funding and implementation of conservation and maintenance works in the built environment, bulk services and landscaping on the island. This resulted in the implementation of the Tripartite agreement (signed in 2015 as a 5-year agreement) binding DSAC, DPWI and RIM, which expired in March 2019 and has not been renewed. In addition, the 4-year contract of the Implementing Agent appointed by DPWI to serve RIM also expired in 2018. As such, RIM has been without an implementing agent since March 2019. What DPWI relies on are short-term contracts for the operations and maintenance of the island's bulk services and also for reactive maintenance of the buildings.

In light of this, RIM has proposed, as a solution, and tabled to DSAC and DPWI a plan to take over the Facilities Management role as the Implementing Agent to DPWI with a view to arrest the slow delivery of the infrastructure programme and to support interpretation, visitor experience and to improve the state of conservation of the built environment. Some aspects of RIM's proposal have been acceded to by DPWI. However, the main resource for the management of RIM infrastructure is still to be secured by DPWI. RIM as a matter of prudence continues to highlight these challenges with both DPWI and DSAC so that a long-term solution is arrived at.

4. Governance of relationship between RIM and Ex Political Prisoners

Relationships between RIM and Ex Political Prisoners (EPPs) have at times proved challenging, as seen from negative media reports, resulting in DSAC commissioning an investigation on RIM. This investigation has since been concluded by RIM Council. As a state entity we found it important to subject ourselves to interrogation and processes to be reviewed and we are pleased to communicate that the investigation substantially cleared all allegations with some areas of improvement identified. To improve RIM's relationship with EPPs, an EPP Advisory Committee was established in 2017/18 as a sub-committee of the Heritage and

EPPs, which are broader than the mandate of RIM, be addressed through a holistic and inclusive approach involving other government departments and stakeholders. Addressing some of the EPP concerns such as beneficiation is a process beyond the competency of RIM as a cultural institution.

5. Boat capacity

The boat capacity has been insufficient for a number of years, with recent procurement attempts failing in recent years. While the additional vessel procured in 2019 has considerably assisted RIM during COVID-19, the entity will continuously review this capacity to ensure that public expectation and demand is met. The entity will explore also alternative methods to obtain additional capacity.

Strategic focus over the medium to long term period

Going forward, it is important for RIM to:

- **Improve relations with the Ex Political Prisoners Association (EPPA)** to ensure that (i) Employer-Employee Relations are maintained in the work place, (ii) socio-economic benefits of EPPs are addressed in a holistic manner as a stakeholder driven process with the support of other relevant government departments and, (iii) that EPPs continue to be a cardinal source of the narrative, including passing on this to future generations through a properly managed succession plan. The strategy is to build a new generation of guides with the EPPs as mentors for the prison narrative to ensure transmission of their social memory.
- **Continuously improve tourism infrastructure in line with public demand and ensure universal accessibility.**
- **Focussed implementation of the 3rd ICMP** and any other subservient plans by providing adequate financial resources, recruiting and retaining skilled personnel.
- Continued implementation of the Integrated Disaster Risk Plan (IDRP) and the Infrastructure programmes as priority areas.
- Improve the presentation and delivery of a holistic and inclusive narrative that takes into consideration the multi-layered values of the cultural landscape through the integrated tour guiding model and diversified tour options as part of product development strategy adopted by RIM.
- Implement the Adaptive re-use programme at Robben Island as a conservation strategy and towards diversification of product and revenue streams in order to augment the grant from DSAC. RIM Council has deliberately adopted this programme to assist towards creatively attaining sustainability for conservation, operations and staff costs at RIM. In the implementation of Adaptive re-use, RIM is conscious of the need to avoid destroying the site and to preserve its Outstanding Universal Value and unique heritage attributes of the Island.

- Broaden strategic partnerships to support the implementation of the 3rd ICMP and related Operations Plans. It is important for RIM to maintain excellent relations with all stakeholders, in particular South African Heritage resource Agency (SAHRA), Department of Forestry, Fisheries and the Environment (DFFE), United Nations Educational, Scientific and Cultural Organisation (UNESCO) and Advisory Bodies, African World Heritage Fund (AWHF), including national chapters of Advisory Bodies such as International Council on Monuments and Sites (ICOMOS-SA).
- Proper infrastructural support for Mayibuye Archives through intensifying the process of researching alternative accommodation for RIM's archives in Cape Town. The purpose is to implement good archival practices and increase public access to the archive as part of product diversification for Robben Island. Negotiations on the relocation of Mayibuye from within the UWC campus remains important as part of expanding the influence of both RIM and UWC.
- Position the entity to be able to attract and retain talented and skilled workforce.

Acknowledgements / Appreciation

RIM Council is grateful to DSAC for its critical support of RIM. A special word of gratitude is due to the Parliamentary Portfolio Committee on Sport, Arts and Culture, the Department of Forestry, Fisheries and the Environment, the National Department of Tourism, the Department of Correctional Services, the African World Heritage Fund, the South African Heritage Resources Agency, the City of Cape Town, University of the Western Cape (UWC), University of Cape Town (UCT), Stellenbosch University, and the French Embassy in South Africa, the Consulates of the Republic of Namibia, Slovakia and Argentina in South Africa. RIM also thanks each one of its stakeholders for their crucial support.

We are grateful to the tireless RIM staff, without who this World Heritage site would not have achieved its strategic objectives. Lastly, a special note of thanks to the new Council, bringing vast governance, heritage, conservation and research expertise, infused with energy and inspiration.

Conclusion

Positioning RIM to become self-sustainable and responsive to contemporary needs without comprising the significance and outstanding universal value of the site as a national and World Heritage site remains important for the incoming RIM Council.



Mr Khensani Maluleka
Chairperson of Council
5 November 2021

1.5 Chief Executive Officer's Overview

Introduction

I have great pleasure in presenting the Annual Report of Robben Island Museum (RIM) for the 2020/2021 financial year. While financial stability was attained in recent years, the entity still has the inability to allocate sufficient resources towards the comprehensive research, interpretation, conservation and preservation of both its tangible and intangible heritage. The ongoing COVID-19 pandemic is unlike any challenge that the entity has encountered before. Its adverse impact on our operations threatens the entity's commendable decade long financial stability. However, the entity will implement the necessary sustainable measures to ensure stability and future sustainability holistically. The COVID-19 pandemic has further negatively impacted the availability of resources just as the entity was positioning itself to prioritise critical investment in conservation, interpretation, ferries and digitisation.

Despite the numerous challenges, the Island is an outstanding asset and provides several exciting opportunities which remain untapped. Balancing sustainability and these competing imperatives are going to be critical in ensuring our recovery, as well as unlocking the potential of this iconic site for future generations to enjoy.

General financial review of the public entity

Robben Island Museum's finances are managed in accordance with the Public Finance Management Act of 1999, and the entity's internal auditors Nexia SAB&T, assisted the RIM Council and the Management team in strengthening the control environment and risk management for the period under review.

RIM has received an unqualified audit for the 2021/2022 financial period and rectified the qualification received in the 2019/2020 audit by disclosing the irregular expenditure relating to the MV Krotoa. RIM is however still of the opinion that the acquisition of the MV Krotoa is not irregular expenditure; and in addition, was the more suitable and financially viable option aimed at enhancing the strategic direction and sustainability of the Museum.

During the procurement process of the MV Krotoa, RIM followed procurement legislation and as such, three tenders failed. RIM subsequently approached the National Treasury (NT) with three options that would deviate from the normal procurement processes which NT agreed may be utilised. In addition, RIM's selection of a suitable vessel was based on the functionality criteria and value for money (most cost-effective option), which is consistent with the 90/10 preference points system and gives effect to the principle of cost effectiveness as outlined in Section 217 of the Constitution of the Republic of South Africa. RIM could not merely pick the proposal with the lowest price. A company could then have submitted a bid for a second-hand vessel which would have been cheaper than a newer vessel and had the lowest price or a new vessel with less capacity (seating), but ultimately cost RIM more because of maintenance, running costs, hiring additional vessels (to have more capacity available) and not deliver the same level of performance as a new vessel. As such, when the bids were evaluated the following criteria was taken into consideration: lead time until the vessel was available; capacity of the vessel, cost of running the vessel; direct cost of the vessel and whether the vessel was new or existing. Therefore, the selected vessel cost R90,985,598 and was a 280-seater. Based on the Auditor-General (AG)'s audit and their application of the 90/10 preferential point system (cheapest price), a vessel from the same manufacturer would have been chosen at a price of R87,064,844, however this vessel was a 200-seater. A R3,920,754 saving in costs would have resulted in a loss of 80 seats which can easily amount to an annual opportunity loss of over R20 million if the vessel is utilised for all RIM tours on a daily basis. It is important to note that with the impact of COVID-19, the additional seating will play a material role in the financial recovery of the institution and confirms that the best available solution for the entity was selected.

Tourism offering and visitor numbers

Following the suspension of tours from the 18th of March 2020, RIM announced the resumption of tours from Monday 14 September 2020 including stringent health and safety protocols throughout the visitor experience ensuring responsible tourism due to the pandemic and in line with the easing of the national lockdown regulations.

The lockdown has had a significant impact on RIM's finances as 65% of our income is generated through our tourism operations.

RIM is continuously sensitive of the issues both from a business operational perspective and also from a tourist customer perspective and ensuring we find the right balance to both mitigate operational risk and maintaining customer satisfaction; whilst prioritising the safety of staff and their livelihoods.

Overall financial impact is that RIM is 100% below the revenue budget and also the visitor target.

The effects of COVID-19 have been negative in most sectors, with tourism being one of the sectors hardest hit due to impact on gatherings and movement of both local and foreigners. The economic impact negatively impacted the local consumer with discretionary spend being first items to be cut.

Based on the current circumstances, RIM is operating limited tours on a weekly basis - tour capacity and frequency continue to be monitored and may be gradually increased to accommodate demand as and when required. It is important that the Museum's Annual Financial Statements are understood and interpreted within its overall strategic objectives. As a public entity, the Museum is expected to generate sufficient income in order to meet its commitments. The Museum also applies and requests permission from National Treasury to retain its surpluses annually in order to respond adequately to the demands of various business cycles and capital investment requirements.

Hybrid Ferry Operations Model and challenges

Boat operation remains a critical operational risk due to insufficient boat capacity with an increasing risk on the sustainability of hired boats being imminent considering the decline demand thus affecting visitor numbers across the tourism sector. Additionally, with a lack of suitable vessels in the market for charter services to operate under the harsh weather conditions of the Atlantic Ocean. All these factors combined, have resulted or rather necessitated RIM to cancel tours, thereby affecting revenue generation. These challenges, if not strategically mitigated, have the ability to impact the growth in visitor numbers and negatively impact the ability to diversify alternative income streams. It is imperative that the boat capacity constraint risk be reduced to an acceptable level through strategic interventions around the existing hybrid ferry operations model and the acquisition of new vessels. To this end, a Ferry Feasibility Study was conducted and is being reviewed to ensure its recommendations are aligned to the continuous evolving needs of the institution. Despite the purchase of a new vessel (MV Krotoa) which came into operation in the 3rd quarter of the 2019/2020 financial year, the boat capacity remains a challenge for RIM. However, product development is being prioritised in order to salvage visitor numbers and diversify income streams. The impact of COVID-19 has rolled back the plans to purchase any additional vessel due to the financial impact on available resources as well as the expected decrease in demand of tourism in the short term.

Despite the above-mentioned challenges, coupled with exposure to fluctuating ferry maintenance costs and diesel prices which pose a significant risk for planning purposes, RIM consciously aimed to keep ticket price increases for locals to a minimum. However, due to the impact of COVID-19, various marketing campaigns had to be implemented offering discounts to local travellers to attract the South African market which accounted

for almost 30% of RIM's annual visitor numbers in the past.

The domestic market and locals, including the SADC regional markets have the benefit of being able to visit multiple times in a year and this is what RIM's draft Business Development Strategy has identified as an area to focus on going forward. The lockdowns have also highlighted the need to develop appropriate off-site products that would allow visitors to have meaningful and enriching off-site experiences and take-away/ mementos.

Reprioritisation of funds and cost containment measures

As in the previous years, RIM management has continued to intensify cost containment measures and to strengthen the control environment. A myriad of efforts are employed to identify and quantify existing commitments to ensure that these are matched with RIM's income generating capabilities. The current year was particularly challenging due to increase in cancellations primarily due to the pandemic. This resulted in an intensifying cost containment measures with the entity having to further reprioritise limited resources going forward.

While RIM has managed to increase cash reserves in recent years, it should be noted that a substantial portion of the funds are ring-fenced for infrastructure capital projects funded through the infrastructure grant received from the DSAC. The remaining cash reserves are inadequate to address all of the entity's resource requirements to achieve its mandate, in order to address all mandates and needs. Due to the COVID-19 pandemic, earmarked cash reserves have been reprioritised to ensure sustainability of the entity beyond COVID-19 and aim to protect the livelihoods of staff.

It is also worth noting that RIM continues to face uncertainty with diesel funding, which is critical for power generation, and funding for horticultural services on the island. The DPWI previously funded this function, but when it was transferred to RIM there was no adjustment in the subsidy allocation. Robben Island Museum has had to absorb costs into its already strained operational budget. The current shortfalls are R5M for diesel and R2M a year for horticultural services. Funding cuts to these essential services were imposed without the required long-term funding commitment to RIM. DSAC has however assisted with grants for diesel funding as an interim provision. This funding grant for diesel has now been fully utilised and funding for future years remains uncertain and there remains no solution for horticulture funding since 2018/19.

Spending trends of the public entity

An annual performance plan is developed in line with RIM's 5-year strategy with an accompanying budget and this informs the spending patterns. Spending for the year is closely monitored to ensure that set budgets are maximised. (This is the point to emphasise in term of budget versus expenditure trends at a high level given our current financial situation and therefore augmenting this part in line with the comprehensive section of financials would assist, some of the input under the section on the build environment can be lifted under the spending trends, main cost drivers etc- the CFO can assist)

Human capital constraints and challenges facing the public entity

A considerable concern is the number of critical vacancies identified in the organization; especially within the heritage division and can only be filled once the funds are available. Prioritizing the filling of these vacant positions, particularly in the light of the current financial constraints is critical in order to best strategically position the entity going forward.

RIM has a challenge in having a balance between the strategic plan and organizational structure in view of the budget constraints. There are many critical vacancies that have been identified by the organizational review. Prioritizing the critical vacancies is vital in order to optimally and strategically position the entity going forward.

During the period under review, RIM would like to report that there is a recognised Union representing workers. RIM and the Union signed a recognition agreement to govern their relationship, including provisions for independent brokering in cases where both parties fail to agree.

Supply chain management

RIM has adequate SCM processes and systems in place to ensure that all procurement is compliant with National Treasury regulations and the PFMA.

All concluded unsolicited bid proposals for the year under review

There were zero unsolicited bids received during 2020/2021 financial year.

Challenges experienced and how they will be resolved

Built Environment: The Department of Public Works and Infrastructure is the legal custodian of the Island and is responsible for the maintenance of Island Infrastructure and the implementation of Capital works. A dedicated Infrastructure and Facilities Management (IFM) department has been put in place by RIM and has been resourced to ensure that the entity is capacitated to adequately review all built environment projects on the island and the mainland. This includes repairs, upgrades, restoration, including operations of the bulk services plants and overall maintenance of buildings. RIM's IFM department also ensures that projects undertaken address the requirements of the entity, especially with respect to conservation, visitor experience and interpretation. This department plays a vital role in the Tripartite agreement with DSAC and DPWI, in looking after the interests of RIM in relation to Infrastructure projects and maintenance being performed on the Island.

RIM notes with concern issues that have not been properly addressed under the programme, which include:

- The huge backlog with respect to maintenance of the built environment, especially the buildings that are critical to interpretation.
- Delays with respect to the implementation of planned capex projects, a matter that has also affected the costs of implementing these projects.
- The high cost for Facilities Management paid to the Implementing Agent by DPWI which resulted in greatly reduced allocation of funds for repairs and maintenance, especially to buildings critical for interpretation. These costs amounted to 46% of the IFM budget over a 4-year period.
- The lack of an integrated planning approach to resource management (water, waste and energy resources).

In addressing these challenges and as presented by the Chairperson of RIM Council, RIM has proposed to take over the role of implementing agent on behalf of DPWI.

Outlook/ Plans for the future to address financial challenges – Economic Viability

In order to diversify revenue streams to facilitate sustainability, RIM has developed a virtual tour in the 2020/2021 financial year and plans to launch a walking tour experience during 2021/2022 financial year. However due to COVID-19 pandemic and lock down regulations, it is apparent considering the nature of the entity's revenue generation areas, that tourism demand will need to increase substantially from current levels in order for entity to revert to pre-COVID revenue generation levels.

Events after the reporting date

The extended lockdown as a result of COVID-19 has negatively impacted the entities going concern status as it was declared a national disaster inducing unprecedented national lockdown, whose compliance to is being closely monitored by Government. The entity is currently utilising its reserves and DSAC approved reprioritised grants to cover the shortfalls. The entity is engaging DSAC with regard to providing additional financial support in the short term, as well as focusing on the revenue generating activities and alternatively, other cost cutting measures will have to be considered such as salary cuts or retrenchments. The resumption of tourism operations, supported by borders being opened to international travel and mass vaccinations, is key for the entity to be able to start generating adequate revenues. The entity is in discussions with DSAC with regard to unlocking additional funding for the entity in the short term.

Acknowledgements

I wish to acknowledge the RIM Council for its continued support and strategic guidance to the Executive Management. This has ensured RIM to remain on a positive growth path and maintaining her fiduciary responsibilities and good corporate governance in 2020/21.

A special word of gratitude goes to the staff of RIM for their dedication and determination to assist RIM in achieving its strategic objectives in the face of extreme challenges. This support is embodiment in the Outstanding Universal Value (OUV) of the site: "the Triumph of the Human Spirit against adversity".

The Museum would not have managed to accomplish programmes and activities without the support of the following partners: the tourism sector (especially tour operators and tourism industry bodies); various government departments that include but not limited to the National Department of Tourism, Department of Forestry, Fisheries and the Environment, Departments of Correctional Services, Department of Public Works and etc.; heritage agencies, in particular the African World Heritage Fund (AWHF) for the financial and technical support rendered to the institution and South African Heritage Resources Agency (SAHRA) for their advisory role, the local municipality, national and international universities, embassies and the private sector at large.

Lastly but not least, I wish to thank the Department of Sport, Arts and Culture for their continued financial support and policy guidance to Robben Island Museum and for their unwavering support in making RIM a recognised World Heritage Site through various bilateral promotional initiatives as part of cultural diplomacy.


Ms Abigail Thulare
Chief Executive Officer
5 November 2021

1.6 Statement of responsibility and confirmation of the accuracy of the annual report

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board which are the standards applicable to the public entity.

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

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2021.

Yours faithfully


Mr Khensani Maluleka
Chairperson of Council
5 November 2021


Ms Abigail Thulare
Chief Executive Officer
5 November 2021

1.7 Strategic overview

Core Business of Robben Island Museum

The core business of Robben Island Museum is:

- To conserve and act as a custodian of the multi-layered tangible and intangible heritage of Robben Island;
- To offer an inclusive, holistic and balanced interpretation of the island to the visitors and showcase many of its possible experiences; and
- To present a responsible, ethical, environmentally-sensitive and inspirational tourism experience.

Government Department

Department of Sports, Arts and Culture

Legal form

The entity is established in accordance with the Cultural Institutions Act, 1998, is a schedule 3A public entity in terms of the Public Finance Management Act, 1999; and is also governed by the National Heritage Resources Act, 1999.

Vision

To preserve and promote Robben Island as an inspirational national treasure and World Heritage Site that symbolises the triumph of the human spirit over extreme adversity and injustice.

Mission

- To conserve and manage the cultural and natural resources in order to retain the significance and the Outstanding Universal Value of the site;
- To promote an inclusive and holistic understanding of the Island's multi-layered history;
- To develop responsible and sustainable tourism products and services that offer a unique visitor experience;
- To share, educate and communicate the values, experience and legacy of Robben Island; and
- To ensure Robben Island Museum adheres to good practices for managing a World Heritage Site.

Values (HEART)

In order to deliver a service-minded culture which focuses on integrity, excellence, education and quality customer experience, the following are Robben Island Museum's values:



Honesty



Excellence



Accountability



Respect



Transparency

1.8 Legislative and other mandates

The mandate and core business of Robben Island Museum is underpinned by the Constitution and other relevant legislation and policies applicable to government departments. In addition, Robben Island Museum performs its functions in accordance with its Integrated Conservation Management Plan (ICMP), a UNESCO compliance document which the museum updates every five years.

The specific mandate of Robben Island Museum is derived from the following Acts, Policies, Treaties and Conventions:

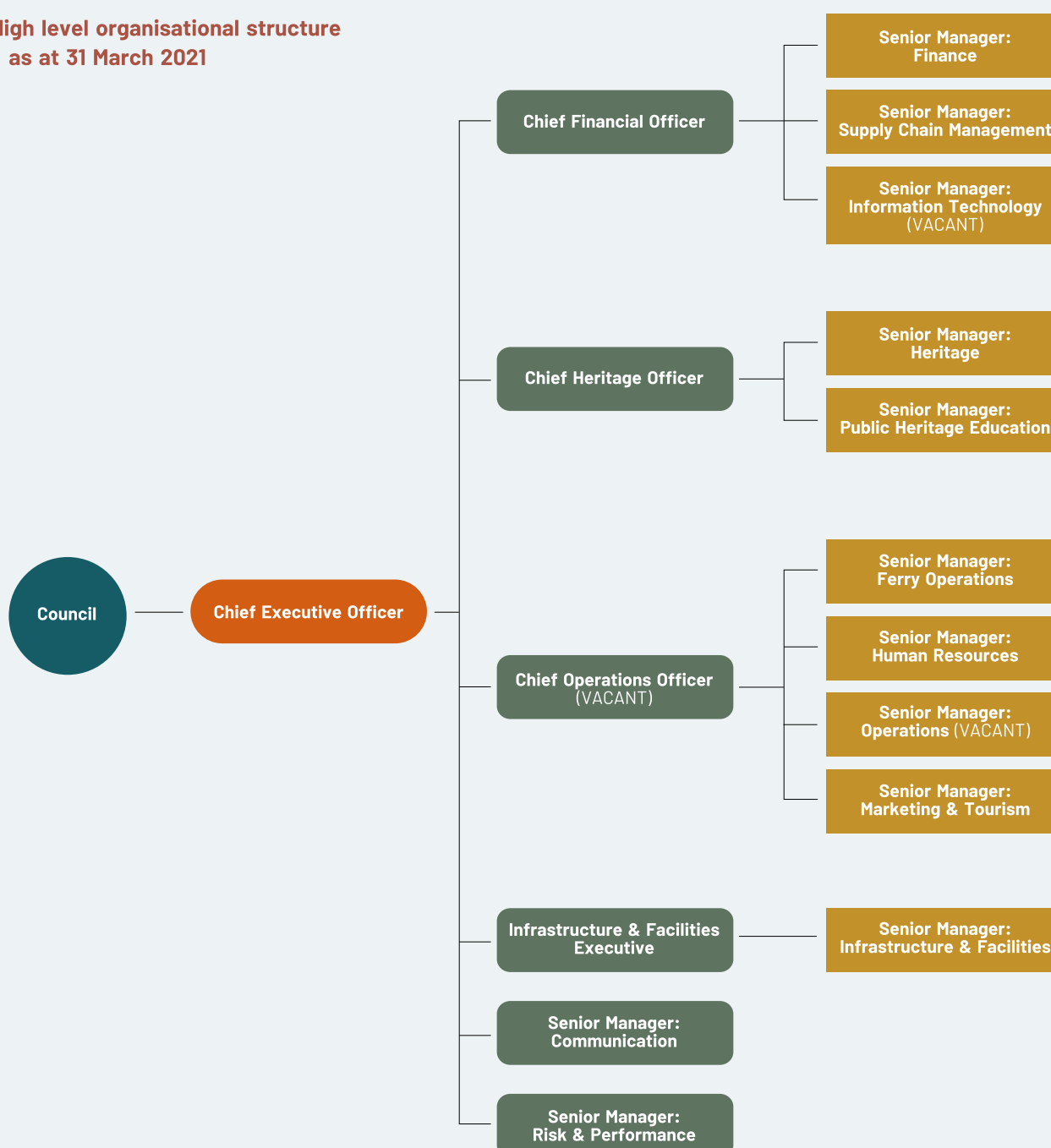
- National Heritage Resources Act, 1999
- The Cultural Institutions Act, 1998
- The National Monuments Act, 1969
- The South African World Heritage Convention Act, 1999
- The Public Finance Management Act, 1999 and National Treasury Regulations
- The National Environmental Management Act, 1998
- Cape Nature and Environmental Conservation Ordinance, 1974
- Conservation of Agriculture Resources Act, 1983
- Marine Living Resource Act, 1998
- Environment Conservation Act, 1989
- Sea-shore Act, 1935
- National Veld and Forest Fire Act, 1998
- National Water Act, 1998
- The South African Constitution Act 108 of 1996
- Promotion of Access to Information Act 2 of 2000
- Cultural Institutions Act 119 of 1998
- National Archives of South Africa Act 43 of 1996
- Ships Registration Act 58 of 1998
- Marine Pollution Intervention Act 64 of 1987
- Tourism Act 72 of 1993
- Government Immovable Asset Management Act
- Consumer Protection Act 1 of 2011
- Intellectual Property Laws Amendment Act
- Dumping at Sea Control Act 73 of 1980
- Admiralty Jurisdiction Regulation Act 1983
- Merchant Shipping Act 57 of 1951
- Maritime Zones Act 15 of 1994
- Disaster Management Act 57 of 2002
- Sea Birds and Seals Protection Act 46 of 1973
- International: The World Heritage Convention, 1972
- Basic Conditions of Employment Act No 75 of 1997
- Occupational Health and Safety Act No 85 of 1993
- Use of Official Languages Act, No 12 of 2012

1.9 Organisational structure

Executive Officers

Name of Executive	Position	Date appointed	Date Resigned
M Dada	Chief Executive Officer	1 July 2016	30 September 2021
Ms Abigail Thulare	Chief Executive Officer	2 November 2021	N/A
B Crocker	Chief Financial Officer	31 March 2018	N/A
P Taruvinga	Chief Heritage Officer	1 September 2013	30 June 2021
GJ Manana	Infrastructure and Facilities Executive	1 August 2015	30 June 2021
T Nemaheni	Chief Heritage Officer	1 September 2021	N/A
M Makhoalibe	Infrastructure and Facilities Executive	1 August 2021	N/A

High level organisational structure as at 31 March 2021









Part B:

Performance Information

2.1 Auditor-General Report: Predetermined objectives

The AGSA currently performs the necessary audit procedures on performance information to express an opinion in the management report on the usefulness and reliability of the reported performance information for selected programmes, and report material findings in the auditor's report. Refer to the Report of the Auditor-General.

2.2 Overview of Robben Island Museum’s performance

This section of the Annual Report provides a detailed overview of Robben Island Museum’s (RIM) performance by highlighting the activities and involvement in projects, initiatives and partnerships during the 2020/2021 financial year, which contributed to meeting RIM’s strategic objectives as a declared cultural institution and a World Heritage Site. The Performance Information Report presents strategic objectives, targets and achievements of RIM’s programmes.

As a public entity in the heritage sector, National Treasury has provided prescribed Estimates of National Expenditure (ENE) programmes to which spend and objectives have to align.

Robben Island Museum has at a high-level allocated our departmental activities and budgets as close as possible to the ENE guidelines; however, having ferry operations, a tourism element and estates makes RIM unique when compared to other museums.

RIM’s allocations of departments to ENE programmes are as follows:

ENE Programme	Sub-programmes
Business Development	Heritage Department Ferries Department Estates and Infrastructure Department Marketing and Tourism Department Operations Department
Public Engagement	Public Heritage Education Department
Administration	Office of the CEO Finance, Supply Chain and Information Technology Department Human Resources Department

2.3 Strategic outcome orientated goals:

The core business of Robben Island Museum as a heritage institution is outlined in the Integrated Conservation Management Plan (ICMP). The Strategic Goals/Objectives from the ICMP guide RIM’s Strategic Plan and the APP 2020/2021:

- GOAL 1** To strengthen governance of Robben Island Museum to ensure effective management.
- GOAL 2** To conserve and maintain the natural and cultural heritage of Robben Island.
- GOAL 3** To disseminate information about Robben Island to a broad audience.
- GOAL 4** To develop and promote Responsible Tourism operations.
- GOAL 5** To foster stakeholder relations and partnerships.

2.4 Situational analysis:

Service delivery environment:

The core business of RIM is to promote research, education and tourism, the conservation of Robben Island's intangible and tangible heritage in line with National and World Heritage standards. Social responsibility towards ex political prisoners is becoming another pillar of RIM's business framework.

Key priorities:

- Professional customer services and quality interaction;
- Efficient public relations;
- Pro-active communication;
- Repeat visits of customers (through varied offerings);
- Maintenance of positive relationships with clients, stakeholders, and suppliers;
- Interactive and effective professional "meet and greet" services will be introduced;
- Professional ticketing and guiding services provided;
- Diversified interpretation built into the product design (e.g. customised tours, light-hearted side of RI);
- Use of technology for self-guided tours;
- Consistency and availability of the boat service will be improved;
- Media and social media will be used in public relations and marketing and it will be ensured that RIM has an effective and modern website; and
- Identification of brand ambassadors, including strategic partnerships to promote RIM.

The result will be more visitors, more diversified tours bought by visitors, more repeat visitors, and visitors prepared to pay higher prices for premium services. This will lead to higher income for RIM. Furthermore, sponsorships, events and new partnerships will further increase the income.

As far as the costs are concerned, certain investments will have to be made in maintenance of the Island, organisational refinement, filling key positions, training, marketing, PR, stakeholder relations, new partnerships and better systems. This is necessary to improve effective customer services (incl. "meet and greet" services), effective operations management, effective ticketing system, effective public relations, diversification tour offering, consistent ferry operations, performance management, quality control, and original and applied research for conservation and heritage purposes.

Most importantly, resources will have to be aligned to deliver according to the demands of the business model.

This will entail the following:

- A professional and qualified staff complement is needed.
- The organisational structure needs to be aligned to the value proposition.
- Human resources need to be effectively utilized.
- Professional tour guiding services must be offered with authentic tour packages/ tour offerings.
- The NMG building, Jetty 1 and the Mayibuye Archives (located at UWC) must be effectively utilized.
- An effective operations office

- An effective infrastructure management office
- Effective marketing and public relations office
- Effective heritage and conservation services
- Ferries to provide consistent ferry services
- Assets on the Island properly maintained (e.g. land, flora and fauna, historical buildings and other structures, collections, and exhibitions).

Additional costs will therefore have to be incurred in the short term – but in the long term these would be more than offset by the increased income and increased reputation of RIM that would result from this proposal.

Adaptive re-use of facilities at Robben Island

Adaptive reuse is defined as the process of reusing a building (s) for a purpose (s) other than which it was built or designed for but without comprising its integrity, significance and the architectural values. RIM is looking for creative proposals around the alternative sustainable use of the heritage facilities and landscape on the island.

The adaptive reuse of Robben Island will take into consideration the

- (i) the legal framework applicable to the site as national heritage and World Heritage site, in particular maintaining the significance/outstanding universal value, authenticity and integrity of the site as a cultural landscape;
- (ii) the need to position RIM as a competitive tourism destination of national and international significance but creating a synergy with the current and similar activities of RIM;
- (iii) the expectations and needs of local communities and visitors to the Island;
- (iv) beneficiation framework for local communities, and in particular the ex-political prisoners towards contributing to national imperatives on socio-economic development; and
- (v) the possibility of integrating green technology into the proposed adaptive reuse(s) of the Island and in particular promoting zero diesel on the island.

Integrated Conservation Management Plan

Robben Island Museum is a World Heritage Site which creates additional responsibilities for management in terms of compliance and reporting on performance, not only to the Department of Arts and Culture, but also to the Department of Environmental Affairs and UNESCO.

The implementation of the ICMP requires dedicated funding and resources to ensure compliance to the World Heritage Convention Act, No.49 of 1999.

During the period 2010 to 2014 RIM was placed on UNESCO's reactive monitoring list and the World Heritage Committee Agenda, however, through management interventions RIM has been removed from both the monitoring process and as a discussion item on the Agenda.

UWC-Robben Island Museum Mayibuye Archives

The UWC-Robben Island Museum Mayibuye Archives is the repository of all acquired and donated collections (archival documents, artefacts, historical papers, photographs, artworks and audio-visual material) related to the struggle against Apartheid, the freedom struggle and political imprisonment in South Africa. The challenges facing Mayibuye Archives remain unresolved. These stem from the archives being located within the UWC campus. There is (i) no proper and adequate space for proper management of the collections, (ii) inappropriate infrastructure for the optimal conservation and safekeeping of collections and (iii) risk of destruction due to perennial student protests rocking Universities in South Africa. In mitigation, RIM continues to implement collections management strategies, including compliance with GRAP103 with the limited supportive infrastructure being installed to control access, security and movements of collections. Resolving the space allocated to Mayibuye Archives at UWC remains a priority, including exploring an alternative location outside the campus in whole or in part. Regarding the latter, RIM is exploring alternative sites, on the mainland for collections facility or one stop shop museum with capacity for interpretation, collections and public programming. Dialogue on this matter continues with UWC.

Research and knowledge production

Historically, research at RIM has been driven by various institutions and individuals based on their research topics. The researches undertaken have contributed but have also not necessarily been responsive to RIM's strategic intent around presenting an inclusive and holistic narrative. The RIM internal research has been limited to EPP Reference groups and the voluntary recording of EPPs when they visit the Island and at funerals of EPPs. The products produced include DVDs, leaflets and content filtering through in the current narrative of the island. As part of implementing, Strategic Research Agenda (SRA), RIM has conducted interviews with individual EPP's, transcribed reference materials, and recorded EPPs visiting the island. Priority in 2020/2021 will be placed on individual EPP's in other provinces of South Africa. RIM is exploring a partnership with the Cape Peninsula University of Technology (CPUT) on the same project. The aim is to document as many as possible EPPs before they pass on. Implementing the memorialisation project in order to enhance visitor experience remains a priority, with long hanging fruits implemented along the current visitor nodes. Going forward this will be supported through analysis of existing data. Developing exhibitions at Nelson Mandela Gateway and the Maximum Security Prison on the Island remains a priority as a by-product of research. Funding is needed to realise the full dream of memorialising Robben Island as a place of social memory.

Ferry operating model

The current boat operation is still at a critical stage and it has become imperative that the boat capacity constraint risk be reduced. Whilst RIM has adopted a hybrid approach with the use of RIM owned vessels and chartered vessels, some of the chartered vessels are slow and old. Vessels need to be removed regularly for maintenance and surveying, which means that other ferries need to be available during these times to ensure operations continue seamlessly.

The lack of suitable vessels within the current fleet, coupled with limited reliable vessels in the current hybrid approach, to operate under the harsh weather conditions, has meant RIM has had to cancel tours in some instances due to adverse weather conditions and insufficient vessel capacity. The

insufficient vessel capacity negatively impacts RIM's operations and reputation. This has had a major impact on RIM's ability to generate budgeted revenues for the foreseeable future. The entity has had to turn away tourists in low season due to a lack of capacity when boats have gone out of commission in the quarter.

The new passenger ferry, Krotoa, has made an improvement to stability and reliability in RIM's operation, however it will not solve RIM's ferry transportation problems as RIM needs to expand its fleet to meet tourist demand. RIM is exploring various avenues to unlock further funds, to procure additional vessels, this will ensure RIM increases visitor numbers and brings more stability and reliability to its ferry operation.

Infrastructure and built environment

The Council and Management of RIM has since 2010 identified as an area of concern the inadequate strategic alignment between maintenance/capital works projects and the strategy of RIM.

During 2013-14 RIM took responsibility for the maintenance of the island and aimed to gradually build capacity. However, the uncertainty regarding long-term funding for infrastructure, especially the provision of electricity, water and waste removal, continued to pose problems and affected the museum's ability to achieve its strategic objectives, especially those outlined in the ICMP. RIM is the only museum in South Africa which had to assume the responsibility for municipal services. In September 2014, RIM entered into a relationship with the Department of Correctional Services, to assist with the maintenance and enhancement of Robben Island's narrative.

In February 2015 RIM was informed by DAC and DPW Directors General that DPW intends to resume its responsibility of facilities maintenance on the island. A Tripartite Agreement outlining the relationship between RIM and the other two departments has been concluded. DPW and its implementing agent, Coega Development Corporation, started executing the maintenance responsibilities on the Island from the beginning of the second quarter of 2015-16 financial year.

The implementation of this relationship has posed challenges for RIM who are at the receiving end of the services and visitor experience. To this end RIM proposes taking over the role of implementing agent for DPW. This proposal is to be followed by a comprehensive State of Readiness report to DAC.

Built environment

The built environment of Robben Island is an integral attribute of the conveyance of the significance of the multi-layered cultural landscape. This would include all the layers of the history, not only the political era, but all the layers of the history including the banishment period, World War 2, etcetera.

To date the built environment of Robben Island has not been properly maintained to the standard expected on a National and World Heritage Site.

Some of the major challenges experienced include:

- RIM has no built environment conservation manual;
- Inadequate technical skills to maintain the built environment;
- Difficulty experienced in the maintaining of the supportive municipal services;
- Complexity of ownership in relation to the buildings.

Tour guiding configuration and quality of narrative

RIM has become aware through market surveys and research that the current tour guiding configuration does not provide for the optimum service delivery expectations of the RIM visitors and market.

Complaints have been received of the quality of the service delivery, inconsistency of narrative, group sizes and delays in service.

RIM has prioritised two specific APP targets which will seek to address the challenges related to tour configuration which include the improvement of the narrative and the implementation of a new tour guiding model.

Matching performance to funding

RIM receives an annual grant from DAC which only covers a portion of the operational costs. RIM thus has to generate a significant portion of revenue to ensure costs are adequately covered for the entire financial year. Due to the seasonality of revenue (peak season falls in quarter 3 and 4), projects related to APP targets are sometimes deferred until the last quarter when management can determine whether there is sufficient funding to execute on the deferred targets.

COVID-19

COVID-19 has severely impacted RIM's operations, performance and financial sustainability. Due to the national wide lockdown, RIM was unable to operate for 6 months of the 2020/2021 financial year which has severely impacted RIM's revenue generating capabilities. Movement within the country was also restricted resulting in a large number of staff working from home. Due to the change in work conditions and the effect on the budget, the Annual Performance Plan for 2020/2021 was revised in April 2020 and targets considerably reduced to match the new projected revenue.

2.5 Organisational environment:

Governance and leadership

The RIM Council, whose term started in July 2016, continues to provide governance and leadership to the institution in line with DAC mandate on behalf of the Presidency. During the period under review, DAC has appointed additional members to the Council in the areas of Tourism and Corporate Governance. This is strategic in ensuring that Council is responsive to the hybrid nature of Robben Island. Council received an induction and governance workshop during the period under review.

Employees

RIM acknowledges the challenges of aligning the museum's strategic plan with the organisational structure, the budget and the 3rd ICMP. RIM absorbed a significant number of temporary employees into its permanent structure in the 2010/2011 financial year to stabilise operations. The absorption has created its own challenges as most of these employees lacked the necessary skills resulting in the current inefficiency and ineffectiveness in programmes delivery. To this end performance management system is now in place to provide a mechanism of addressing these challenges, including identifying skills capacitation programmes. In addition, the current subsidy grant received from DAC is not sufficient to cover the increasing employee expenditure of RIM.

The prevailing business environment is not geared towards the achievement of RIM's strategic goals. The current staff establishment, salary structure, and configuration of departments need to be reviewed in order for RIM to achieve its strategic objectives. Although efforts have been made to strengthen the managerial level by appointing staff in line with the business model, it is apparent that organisation-wide restructuring is required.

The process of organisational review undertaken by RIM has concluded that numbers on the current structure are justifiable given the business model of RIM. It also indicated salary scale discrepancies among staff and this matters needs to be resolved. The reconfiguration of RIM, with particular focus to reducing employee costs, aligning the structure with 3rd ICMP, particularly the business model, is a priority in 2019/20 and outer years.

There have also been significant changes in the Labour Relations Act during the past financial year resulting in some fixed term contracts becoming permanent except for Senior and Executive Management Teams.

Relationship with Ex-Political Prisoners (EPPs)

The RIM Council and management recognise the importance of EPPs in the life history of Robben Island and the liberation struggle. As such the RIM Council has prioritised the finalisation of the museum's relationship with structures representing Ex-Political Prisoners through the establishment of an Ex Political Prisoners Advisory Committee. This will assist in ensuring that the museum delivers on its mandate to enhance the narrative and interpretation.

RIM Council recognises that Robben Island Ex-Political Prisoners from South Africa and Namibia are vital to the conservation of the multi-layered heritage of Robben Island.

2.6 Key policy developments and legislative changes:

Policy

RIM management has identified outdated organisational policies and procedures and has embarked on a project to review and update all RIM policies between 2019-2022 and thereafter annually if required. 42 policies have been updated during 2020/2021. A training schedule has been created for important policies to ensure that employees are aware of such policies.

Legislative changes

It should be noted that the Use of Official Languages Act, no 12 of 2012 will have a possible impact on the organisational structure for RIM as a language practitioner and two translators shall be required to implement the Act.

2.7 Performance information per programme:

Overall performance:

During the financial year 2020/2021 RIM had a total of 17 performance targets per the APP.

The overall performance for RIM was as follows:

- 15 targets were achieved; and
- 1 target was partially achieved; and
- 1 target was not achieved.



When performance is compared to 2019/2020 performance the following performance improvement can be detected:

- RIM has achieved 8% more of its targets than the prior year. In the prior year 80 % of targets were achieved.

Measurement basis for targets:

- (1.) **Over Achievement** of targets refer to where greater than 100% of the required task was completed.
- (2.) **Achievement** of targets represents 100% completion of a task.
- (3.) **Partial Achievement** requires 50% and more achievement of targets.
- (4.) **Non Achievement** is recorded when less than 50% of the required outcome is realised.

Programme1: Business Development

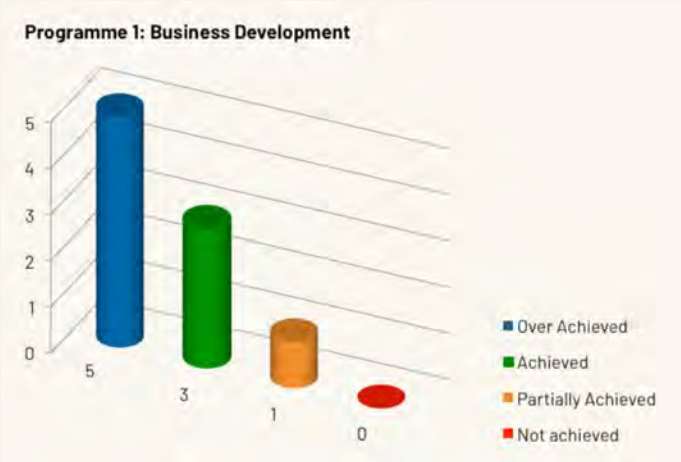
The Business Development programme fulfils the following strategic objectives of RIM: 2, 4 and 5 by providing strategic guidance and allocating resources for the implementation of the ICMP through the Strategic Plan.

The Business Development programme aims to:

- To protect and conserve the cultural (movable and immovable) and natural values of Robben Island.
- To maintain the outstanding universal value of Robben Island.
- To undertake continuous research in order to enhance interpretation.
- To promote and brand Robben Island as a Tourism Destination.
- To develop diversified products in order to expand the market base.
- To ensure effective public relations and communication.
- To establish and maintain effective partnerships with stakeholders.
- To protect and maintain the built environment of Robben Island.
- To provide and maintain supportive infrastructure and facilities.
- To maintain a safe, stable and reliable ferry service.
- To improve visitor experience through systems and service excellence.

The performance for the Business Development Programme was as follows:

- 5 targets were over achieved;
- 3 targets were achieved; and
- 1 target was partially achieved.



The significant achievements for the programme related to:

- 2774 items of the Mayibuye Archives Collection have been digitised, in order to conserve and maintain the cultural heritage of RIM per Strategic Goal 2.
- Three (3) faunal censuses were conducted throughout the year, in order to conserve and maintain the natural heritage of RIM per Strategic Goal 2.
- Fourteen (14) exhibitions have been installed.
- 211 interviews were conducted with EPP's, Ex-warders or their families.
- In order to further ensure responsible tourism operations through maintaining safe, stable and reliable ferry services, one (1) desktop drill checklist has been completed for an accident at sea and 90% of tours (fully or partially) were completed with RIM vessels through efficient implementation of the ferry maintenance plan.
- One (1) marketing campaign was launched during December.
- Three (3) evacuation drills have been practiced to protect and maintain the built environment of Robben Island.

Sub programme: Heritage Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To protect and conserve the cultural (movable and immovable) and natural values of Robben Island.	Annual update of heritage asset register	One (1) update of the heritage asset register for the 2019/2020 year end	Partially Achieved The heritage asset count for 2019/2020 was 95% completed as assets on the Island and some of the photographic assets could not be counted. As such the heritage asset register for 2019/2020 was partially updated.	The effect of COVID-19 and the subsequent lockdown impacted on the ability of the GRAP 103 unit to complete the asset count for 2019/2020 before the 2020/2021 count had to be initiated.	The 2020/2021 GRAP 103 heritage asset count has been concluded.	Achieved One (1) update of the heritage asset register has been completed.
	Number of new exhibitions installed per concept specifications in the year	Seven (7) Exhibitions installed per approved concept specifications	Over Achieved 17 instead of 7 exhibitions were installed.	COVID-19 and lockdown allowed reduced targets and greater focus on the core business, as such more than double the amount of exhibitions were able to be produced and installed.	N/A.	Not Achieved Twelve (12) instead of (8) exhibitions were initiated. Four (4) exhibitions were completed and installed, however these were not part of the approved exhibitions. The approved 8 exhibitions have text panels, stanchions and cabinets outstanding.
To maintain the outstanding universal value of Robben Island.	Number of items of the Mayibuye Archives Collection loaded onto the Atom system in the year	2000 items loaded onto the Atom system	Over Achieved A total of 2774 items have been uploaded onto the Atom System.	COVID-19 and lockdown allowed reduced targets and greater focus on the core business, as such additional items could be uploaded onto the Atom System.	N/A	Over Achieved 4006 items have been digitised.
To undertake continuous research in order to enhance interpretation.	Number of interviews of either ex-political prisoners, ex-warders and their families conducted in the year	Two-hundred (200) interviews conducted	Over Achieved One-hundred and fifty (150) EPP's and/or their families and sixty-five (65) ex-warders and/or their families were interviewed, totalling 215 interviews.	Additional interviews were completed in respect to Ex-warders due to their availability and willingness to provide an interview for research purposes.	N/A	Not Achieved Zero (0) out of 150 interviews have been conducted.
To maintain the outstanding universal value of Robben Island.	Number of faunal censuses conducted in the year	Three (3) faunal censuses conducted	Over Achieved Four (4) faunal censuses conducted.	COVID-19 and lockdown allowed reduced targets and greater focus on the core business, as such quarterly faunal censuses were able to be conducted.	N/A	Achieved Faunal censuses were conducted on the following four (4) groups: African Penguin, Springbok, Fallow Deer and Steenbok.

Sub programme: Ferries Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To maintain a safe, stable and reliable ferry service.	Percentage (%) of running tours, for which a RIM owned vessel is utilised, from the Nelson Mandela Gateway (NMG)	55% of running tours carried out (fully or partially) by RIM commissioned vessels	Over Achieved 90% of running tours were carried out fully or partially by RIM commissioned vessels	Visitor numbers were severely impacted by COVID, reducing the need for vessel capacity. This allowed RIM's vessels to be utilised almost exclusively.	N/A	Over Achieved 51% of total tours have been carried out by RIM commissioned vessels.
	Number of desktop drill checklists completed for accidents at sea	One (1) desktop drill checklist completed for accidents at sea	Achieved One (1) desktop drill checklist has been completed	N/A	N/A	Achieved One (1) desktop drill checklist has been completed in respect to accidents at sea based on the scenario that the vessel was taking on water and was in distress.

Sub programme: Infrastructure & Estates Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To ensure equitable access and operational safety for visitors	Number of evacuation drills practiced.	One (1) evacuation drill practiced for Robben Island and two (2) evacuation drills practiced for the NMG	Achieved Two (2) evacuation drills practices at the NMG on 23 July 2020 and 14 January 2021 respectively. One (1) evacuation drill was practiced on Robben Island on 21 August 2020.	N/A	N/A	N/A
To provide and maintain supportive infrastructure and facilities.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To protect and maintain the built environment of Robben Island.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Sub programme: Marketing & Tourism Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To promote and brand Robben Island as a Tourism Destination.	Number of executive approved marketing campaigns	One (1) executive approved marketing campaign launched	Achieved One (1) executive marketing campaign launched during December 2020.	N/A	N/A	Achieved Four (4) marketing campaigns were held namely: Africa Travel Indaba; RIM Open Day; Private Tours and 21 Reasons to Visit RIM.
To develop diversified products in order to expand the market base.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Sub programme: Operations Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To improve visitor experience through systems and service excellence.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Programme 2: Public Engagement

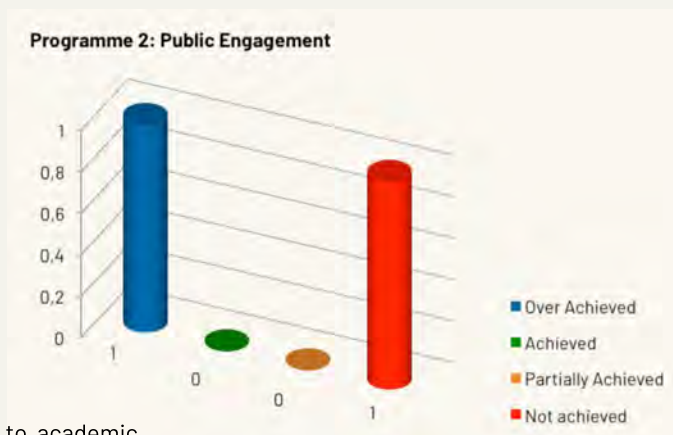
The Public Engagement programmes include the targets of the Public Heritage Education Department.

The programme aims to:

- To provide a visitor experience through an integrated and holistic narrative of the island.
- To provide access to academic scholarship, research and training through post graduate programme.
- To provide inclusive access to information through outreach programmes.

The performance for Programme 2: Public Engagement was as follows:

- 1 target was over achieved;
- 1 target was not achieved.



The significant achievements for the programme related to:

- Three (3) academic seminars were held to enable access to academic scholarship, research and training.

Sub programme: Public Heritage Education Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To provide access to academic scholarship, research and training through post graduate programme.	Number of students to be selected for bursaries in either heritage studies or social sciences	Seven(7) students to be selected for bursaries	Not Achieved Zero (0) students selected for bursaries	COVID-19 and the subsequent lockdown has adversely affected Robben Island Museum's finances and as such the bursaries could not be honoured until the financial situation turns around.	Target has also been removed from the 21/22 Annual Performance plan due to lack of budget, however will be reinstituted when the financial position of RIM has turned around.	Not Achieved Seven (7) students were not selected and awarded bursaries for studies in Humanities and Social Sciences.
	Number of academic seminars and workshops held in the year	One (1) academic seminar held	Over Achieved Three (3) academic seminars were planned and executed namely: 1. Imbokodo 2. Sobukwe Memorial Lecture on 5 December 2020 3. "The learning experiences of Robben Island Museum Interns during Coronavirus Pandemic" on 26 March 2021.	COVID-19 impacted the normal way business have been conducted, however the seminars were moved into the virtual landscape in order to over achieve the set target.	N/A	Over Achieved 7 academic seminars and 1 exhibition was executed namely: Africa Month Celebration; Nelson Mandela Centenary; Imbokodo Lecture; 12 hour Night Vigil including exhibition; African Youth Forum; Decolonising Education and The Lived Experiences of RIM Interns: 24 Years into democracy (RIM Think Tank)
To provide a visitor experience through an integrated and holistic narrative of the island.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To provide inclusive access to information through outreach programmes.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Programme 3: Administration

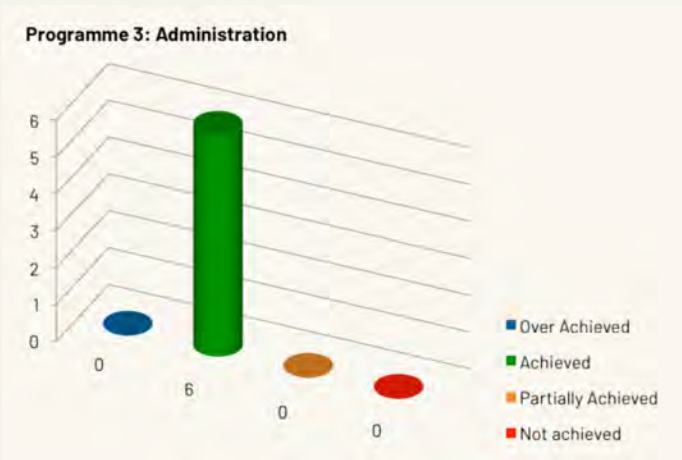
The Administration programmes include the targets of the Office of the CEO, Finance, Supply Chain Management, Information Technology and Human Resources Department.

The Administration programme aims to:

- To ensure the effective and efficient strategic management.
- To promote good governance.
- To monitor sustainability of RIM functional areas through using financial reporting systems.
- To ensure sustainable acquisitions of goods and services in compliance with regulations.
- To provide support of hardware and software within the organisation and user support.
- To recruit and retain top talent.
- To ensure an efficient and effective performance management system.
- To development skills.

The performance for Programme 3: Administration was as follows:

- 6 targets were achieved; and



The significant achievements for the programme related to:

- Two (2) risk management were held to manage current risks and identify emerging risks to ensure effective and efficient strategic management.
- One (1) stakeholder strategy focussing on relationship building with DSAC completed.
- Four (4) reports were compiled on the financial overview and management account in order to monitor sustainability of RIM functional areas.
- One (1) virtual tour implemented to diversify products and enhance the financial sustainability of RIM.
- The Supply Chain Management policy has been reviewed in order to ensure sustainable acquisition of goods and services in compliance with regulations.
- 100% of staff have been performance evaluated once (1) in the year.

Sub programme: Office of the CEO						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To ensure the effective and efficient strategic management.	Number of strategic risk workshops held	Four (4) strategic risk management workshops held in the year	Achieved Two (2) Strategic Risk Workshops were held via ZOOM on 10 June 2020 and 8 December 2020 respectively.	N/A	N/A	Achieved Four (4) risk management workshops were held to manage current risks and identify emerging risks. Workshops were held on 12 June 2019, 4 September 2019, 10 December 2019 and 11 March 2020.
To strengthen the relationship with the oversight body	Number of stakeholder strategies focussing on relationship building with DSAC.	One (1) stakeholder strategy focussing on relationship building with DSAC.	Achieved One (1) stakeholder strategy focussing on relationship building with DSAC developed	N/A	N/A	Achieved Four (4) risk management workshops were held to identify emerging risks and to manage current risks. Workshops were held on 25 June 2018, 19 September 2018, 4 December 2018 and 12 March 2019.

Sub programme: Office of the CEO						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To promote good governance.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To ensure effective public relations and communication.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To establish and maintain effective partnerships with stakeholders.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To monitor sustainability of RIM functional areas through using financial reporting systems.	Number of reports on the financial overview and management accounts of RIM operations	Four (4) reports on the financial overview and management accounts of RIM	Achieved Four quarterly (4) reports on financial overview and management accounts of RIM's operations were completed.	N/A	N/A	Achieved Quarterly (4) reports on financial overview and management accounts of RIM's operations were completed.
To provide support of hardware and software within the organisation and user support.	Number of Virtual Tours Implemented	One (1) ICT system implemented	Achieved One (1) virtual tour has been implemented	N/A	N/A	Achieved A virtual tour plan has been developed.
To ensure sustainable acquisitions of goods and services in compliance with regulations.	Review of a Supply Chain Management policy specific to the needs of the Robben Island Museum	One (1) annual review of a Supply Chain Management policy	Achieved Supply Chain Management policy approved by Council on 26 January 2021	N/A	N/A	Achieved One (1) reviewed and updated Supply Chain Management policy was approved by RIM Finance Committee on 29 February 2020

Sub programme: Human Resources Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To ensure an efficient and effective performance management system, develop skills.	Percentage (%) of staff that have been performance evaluated once (1) in the year	100% of staff have been performance evaluated once (1) in the year	Achieved Achieved 100% of staff have been performance evaluated in the year	N/A	N/A	Not Achieved 88/265 (33%) of staff have been performance evaluated in 2019/2020 financial year.
To recruit and retain top talent.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

2.8 Strategy to overcome areas of under-performance:

RIM has faced the following high-level challenges which have had an impact on performance during the financial year:

- Diesel funding for power generation on the Island;
- Ferry operation challenges with vessels;
- Inappropriate organisational structure to execute targets successfully;

The following mitigating actions are currently being implemented to overcome areas of historical under-performance:

- Diesel for power generation had previously been funded by DPW as a result the matter will be resolved via dialogue between DAC and DPW, deciding on where the funding responsibility lies. Efficiencies realised as a result of commissioning of the Photo Voltaic plant is expected to reduce the initial budget shortfall by 40% per annum.
- Formal agreements have been entered into with service provider vessels to ensure that enough boat capacity is always available. The procurement processes have been ongoing for 36 months and NT has agreed to allow RIM to deviate from normal SCM procedures and procure a vessel from outside South Africa. The new 280 seater vessel was handed over to RIM on 10 June 2019 in Singapore.
- A service provider has assisted RIM in a restructuring process to align the organisational structure to the strategic objectives of the entity. The proposed structure has highlighted many vacant positions that need to be urgently filled.

2.9 Linkage performance with budgets:

2020/2021					
Description	Original Budget	Adjustment	Final Budget	Actual expenditure	(Over)/Under expenditure
EXPENDITURE FOR PROGRAMMES	R	R	R	R	R
Personnel	- 127 006 121	-	- 127 006 121	- 115 068 862	11 937 259
Depreciation and amortisation	- 17 378 727	-	- 17 378 727	- 13 837 857	3 540 870
Finance costs	-	-	-	-	-
Debt impairment	-	-	-	-	-
General Expenses	- 116 352 270	-	- 116 352 270	- 52 411 161	- 63 941 109
Total expenditure	- 260 737 118	-	- 260 737 118	- 181 317 880	79 419 238

Expenditure is mainly made up of General Expenses, followed closely by Personnel costs and the difference consists of the annual Depreciation and Amortisation.

The under expenditure of Depreciation and Amortisation mostly relates due to the delay in the timing of capital expenditure spend and reassessment of useful life.

The under expenditure of Personnel costs relates to positions being vacant and staff movements.

The under expenditure of General Expenses is due to the entity incurring a deficit in the current year and adopting stringent cost containment measures.

2.10 Revenue collection:

2020/2021					
Sources of revenue	Original Budget	Adjustments	Final Budget	Actual amount collected	(Over)/Under collection
REVENUE	R	R	R	R	R
REVENUE FROM EXCHANGE TRANSACTIONS					
Sale of goods	2 203 471	-	2 203 471	184 400	-2 019 071
Rendering of services	157 456 364	-	157 456 364	6 394 762	-151 061 602
Rental of facilities and equipment	1 499 609	-	1 499 609	165 505	-1 334 104
Other income	2 203 471	-	2 203 471	1 242 715	-871 809
Recoveries	183 253	-	183 253	83 682	(-2 542)
Finance Income	9 511 897	-	9 511 897	5 831 734	-3 680 163
Gain on disposal of assets	-	-	-	-	-
Total revenue from exchange transactions	172 969 118	-	172 969 118	13 902 768	-159 066 320
REVENUE FROM NON-EXCHANGE TRANSACTIONS					
Government grants	87 768 000	-	87 768 000	80 829 000	-6 939 000
Deferred Revenue	-	-	-	31 556 932	31 556 932
Public Contributions and donations	-	-	-	21 849	21 849
Total Revenue From Non-Exchange Transactions	87 768 000	-	87 768 000	112 407 781	24 639 781
Total revenue	260 737 118	-	260 737 118	126 310 579	-164 426 539

Revenue is mainly made up of Rendering of Services which is the Net Ticket Sales of Visitors to the Island and the Government Grants and Subsidies which is the unconditional and conditional grants received from the Department of Sports, Arts and Culture.

Sale of Goods, Rental of Facilities and Equipment and Other Income makes up all the other income generating services offered by the Robben Island Museum with the financial outcome in line with budget and the balance of Total Revenue is the Finance Income earned on the favourable bank balances maintained throughout the year.

The actual income is less than the budgeted income as a result of a drastic decline in the number of visitors due to Covid-19 and subsequent worldwide lockdown regulations.

The actual income from the grant received is less than the budgeted income due to a decrease in the subsidy budget.

2.11 Capital Investment:

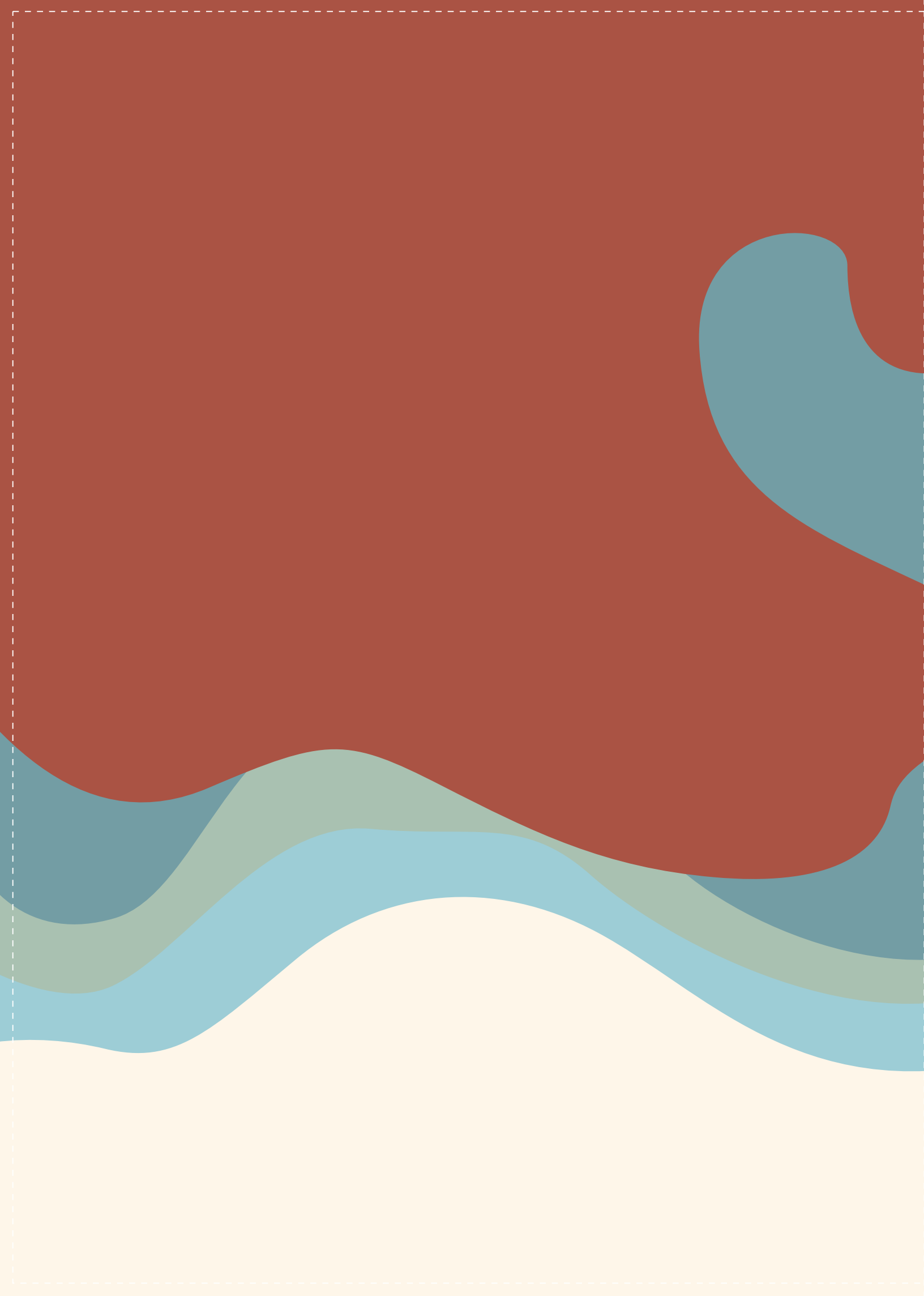
RIM does not plan to close down or down-grade any current facilities. The COVID-19 pandemic and transport restrictions will have an impact on the public entity's current expenditure. The additional health and safety requirements have necessitated the review of project specifications.

RIM has an in-depth condition assessment and a Built Conservation Manual that dictates maintenance and specifications for all built assets that are situated on Robben Island. These documents also include the current state of the capital assets and ensures that the asset register is maintained up to date.

Infrastructure Projects	2019/2020			2020/2021		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
Harbour Precinct - New Floating Jetty	R 1 228 816	R 427 628	R 801 188	R 0.00	R 0.00	R 0.00
Harbour Precinct - Safety (Hand Rail)	R 2 777 514	R 1 313 485	R 885 786	R 0.00	R 0.00	R 0.00
Effluent Plant - New WWTW	R 21 111 789	R 0'00	R 21 111 789	R 21 111 789	R 98 066	R 21 013 723
Bluestone Quarry Wall	R 18 376 934	R 618 684	R 17 758 251	R 17 758 251	R 796 730 R 10 029 485 (Transfer for COVID 19 relief)	R 6 932 036
Desalination Plant (New Reverse Osmosis Plant)	R 7 685 939	R 0.00	R 7 685 939	R 7 685 939	R 70 445	R 7 615 494
Restoration and conservation of built environment	R 17 625 000	R 1 680 153	R 15 944 847	R 15 944 847	R 1 412 699	R 15 732 147
Installation of customised hospitalities fittings at JC hall	7 000 000	R 0'00	R7 000 000	R7 000 000	R7 000 000 (Transfer for COVID 19 relief)	R 0.00
Upgrades of Interpretation and Visitors Management	R 5 900 000	R 1 417 557	R 4 482 443	R 4 602 443	R 59 800	R 4 542 643
Restoration and repairs to helicopter landings and transport depot.	R 4 590 600	R 0'00	R 4 590 600	R 4 590 600	R 0.00	R 4 590 600
NMG Reconfiguration of space to accommodate exhibition & executive office space,						
Fire and OHS compliance	R 2 771 406	R 45 735	R 2 725 671	R 4 725 671	R 427 828	R 4 297 843
Mayibuye Archives alternative accommodation	R 1 500 000	R 241 500	R 1 258 500	R 1 258 500	R 0.00	R 1 258 500

Infrastructure Project	Status	Comments / Reasons
Harbour Precinct - New Floating Jetty	Completed	
Harbour Precinct - Safety (Hand Rail)	Completed	
Effluent Plant - New WWTW	In progress	The project was handed over to RIM for implementation. The Design report is approved. The next stages are as follows: • Detail design – Completed • Tender documentation and advert • Tender evaluation • Appointment of contractor and commencement Practical completion
Bluestone Quarry Wall	In progress	The project was handed over to RIM for implementation. A service provider has been appointed to execute the project. The Department of Environment, Forestry and Fisheries require submission of a Maintenance Management Plan due to the change in implementation approach and scope of works from the previous approved submission. The draft MMP was submitted to DEFF and all interested and affected parties for commenting as part of the 90-day Public Participation Process (PPP). Due to the climate changes and movement of bird life on the island, an updated Avifaunal assessment report is required to address some of the comments submitted by the affected parties. To achieve this a service provider has been appointed and the assessment will be completed by Mid-May 2021.
Desalination Plant (New Reverse Osmosis Plant)	In progress	The project was handed over to RIM for implementation. The Design report is approved. The next stages are as follows: • Detail design – Completed. • Tender documentation and advert • Tender evaluation • Appointment of contractor and commencement Practical completion
Restoration and conservation of built environment	In progress	This project constitutes a number of projects that are currently being implemented: 1. Conditions assessment and conservation manual – Completed 2. Restoration of MSP sections – In progress Restoration of 13 Buildings – In progress
Installation of customised hospitalities fittings at JC hall	In progress	Budget for this project has been reprioritised and included in "Restoration and conservation of built environment"
Upgrades of Interpretation and Visitors Management	In progress	This project constitutes a number of projects that are currently being implemented: 1. Painting and repairs to 19 Houses – Completed 2. Painting and repairs to 59 Houses – In progress 3. Restoration of the Visitors centre – Completed
Restoration and repairs to helicopter landings and transport depot.	In progress	The project is delayed due to the estimated budget being below the lowest tender price. Value engineering to focus on the critical interventions to reduce the contraction value in progress.
NMG Reconfiguration of space to accommodate exhibition & executive office space, Fire and OHS compliance	In progress	Conditions assessment of the building has been conducted. Identified building compliance issues are currently being addressed. Detailed design and estimates have been completed.
Mayibuye Archives alternative accommodation	On hold	The project started with a feasibility study and business case which has been completed. The next phase is design development and implementation. However, the project is currently on hold in order to allow for the alignment of the Business Development Strategy considering the current status quo brought on by the pandemic.







Part C:

Governance

3.1 Introduction

Parliament, the Department of Arts and Culture, the Council and the Executive of Robben Island Museum are responsible for corporate governance.

Governance of Robben Island Museum is guided by the Cultural Institutions Act of 1998, the Public Finance Management Act of 1999, the King Report on Governance for South Africa 2009 ("King IV") and the World Heritage Convention Act.

3.2 Portfolio Committees

The portfolio committee met once with RIM management during the 2020/2021 financial year.

3.3 Executive Authority

Quarterly reports on the financial information, non-financial information and challenges are submitted to DSAC on a quarterly basis.

3.4 The Council

The Robben Island Museum Council is the Accounting Authority whom is appointed by DSAC. The Council provides strategic direction and is accountable for the performance of Robben Island Museum.

The responsibilities of the Council are as follows:

- exercise leadership, enterprise, integrity and judgment in directing RIM so as to achieve its objectives and at all times to act in the best interests of RIM in a manner based on transparency, independence, accountability, fairness and responsibility;
- ensure the effective use of all the resources of RIM;
- be the vehicle of last resort for complainants both internal and external to RIM;
- continually monitor the exercise of delegated power by management and ensure that effective goal-setting and programme monitoring is undertaken by management and communicated regularly to the Council;
- set in place mechanisms to monitor and manage all risks to RIM; to review these risks regularly and to take the necessary steps to contain and alleviate such risks;
- advise on significant financial matters and to ensure that full accountability for all financial matters is undertaken by management;
- ensure that a comprehensive system of policies and procedures is in place and that appropriate governance structures exist to ensure the smooth, efficient and prudent stewardship of the Company;
- exercise objective judgment on the business affairs of RIM, independent from management but with sufficient management information to enable a proper and informed assessment to be made;
- identify and monitor non-financial aspects relevant to RIM and ensure that RIM acts responsibly towards all relevant stakeholders of the Company; and
- ensure compliance by RIM with all relevant laws and regulations, audit and accounting principles and such other principles as may be established by the Board from time to time.

Council Charter and Sub-Committee Charters

The RIM Council's mandate, fiduciary duties and responsibilities is described in the Council's Charter which is reviewed and if required amended on an annual basis. The Charter sets out a requirement that the Governance, Ethics and Legal Sub-Council is responsible to review the effectiveness of Council, its committees, its individual members, including the Chairperson to be completed annually.

Composition of the Council

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
L Robinson	Member	1 July 2016		Qualified from the University of Cape Town with as an architect in 1980.	Architect	Cape Town Central City Improvement District NPC	32
U Mdledle-Mkize	Member	20 September 2017		B.Juris, llb degrees Practical legal training Certificate in practice management Certificate in compliance management (Compliance in Financial Services Industry) 2009 Contracts Management Training 2009 Law of Contracts 2011 Consumer Protection Act 2011 Commercial Law Programme 2013 Compliance Management 2015 Attended Executive Coaching	Attorney and Lawyer practicing	His Will Farming CC Covenant Prosperity Investments CC (deregistration process) Uthango Legal and Corporate Placements CC (deregistration process) Mdledle-Mkize Vockerodt INC (deregistration process) Lamprey Investments (Pty) Ltd (deregistration process) Hapuka Investments INC (deregistration process) Bhungane Services and Supplying (Pty) Ltd (deregistration process) Fossa Trade and Invest (Pty) Ltd (deregistration process) Edmamark (Pty) Ltd (deregistration process) Mdledle Mkize Attorneys INC (deregistration process) Ntinga or Tambo Development Agency SOC Africa's Best 350 (Pty) Ltd	27
M Makgolo	Member	1 July 2019		MA (Honours) Archaeology: University of Auckland, New Zealand BA (Honours) Archaeology: University of Ibadan, Nigeria	Archaeology	Bakgotsi Investments CC (deregistration process) Digital Installer Training Program (Pty) Ltd (deregistration process) M M R D Transport Services (Pty) Ltd (deregistration process) Makgolo Heritage Management Consult (Pty) Ltd MM Distribution Agency (Pty) Ltd SA Gallery of Heroes NPC K2020161974 (South Africa) NPC South African Sports Arts and Culture Hall of Fame NPC	35
K Maluleke	Chairperson	1 July 2019		BAED: UNIN Post Graduate Diploma in Heritage and Museum Studies: University of Pretoria Post Graduate Diploma in Strategic Marketing: University of Hull	Heritage	Khensani Heritage Consulting (Pty) Ltd Makenzo Property Management CC (deregistration process) Sector Based Development Consulting (Pty) Ltd Phikhe SME Support Services (Pty) Ltd (deregistration process) IKS Strategic Advisers (Pty) Ltd (deregistration process) Khensani Media and Entertainment (Pty) Ltd (deregistration process) Khensani Holdings (Pty) Ltd (deregistration process) Khensani Properties (Pty) Ltd (deregistration process) Bafidile XIII Projects (Pty) Ltd (deregistration process) Azlile Trading and Projects (Pty) Ltd (deregistration process)	35
P Chilwane	Member	1 July 2019		Admitted as a Notary and Conveyancer of the High Court of South Africa Post Graduate Diploma: Advanced Management Programme: Wits Business School Admitted Attorney of the High Court of South Africa B.Proc Degree (Law): University of Pretoria	Attorney	Azendaya CC Vilakazi Chilwane INC Elenasa (Pty) Ltd Azendaya Trustees (Pty) Ltd Tialea (Pty) Ltd	34

Composition of the Council [continued]

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
T Dlamini	Member	1 July 2019		Diploma: Human Resources: IPM South Africa BA Information Science: Ballarat University College Diploma: Library Studies: University of Botswana and Swaziland	Human Resources	MMD Investment Holdings CC Anysong Trading (Pty) Ltd (deregistration process) Adicare (Pty) Ltd (deregistration process) Ingolovane Women in Rail Trading and Projects (Pty) Ltd (deregistration process) Digital Landmark (Pty) Ltd Ainsdaal (Pty) Ltd On Digital Media (Pty) Ltd Makotulo Agricultural Company (Pty) Ltd Exclusive Access Trading 659 (Pty) Ltd (deregistration process) Nathola Investments (Pty) Ltd Rivamode (Pty) Ltd	30
M Seakhwa	Member	1 July 2019		Project Management Certificate Diploma in Public Management and Development: Wits Business School-Kagiso Trust-CBDP Arts Management and Development Course: Wits School of Public Management 1 Computer Skills & Office Routine Course: Sached's Pitman School	Heritage	Equipped Events Allround CC Write Associates (Pty) Ltd The South African Literary Awards NPC Legapa Gallery Soweto NPC Mundolingua Solutions (Pty) Ltd (deregistration process) Friends of Nadine Gordimer Committee NPC Maritime Heritage Institute (Pty) Ltd One Africa FM NPC (deregistration process)	35
V Menye	Member	1 October 2019		MBA: Henley Business School (To be completed in April 2019) Masters in Information: Technology at University of Pretoria (dissertation outstanding) BSC (computer science) Degree: University of the Western Cape International Investment Management Certificate: Fordham University (New York)	IT Executive Management	Okuhlekodwa Trading and Projects 74 CC (deregistration process) Mchenge Piggery and Crop Farming Co-op Centre for Courageous Authenticity in Leadership NPC Lisole2 Business Solutions (Pty) Ltd United Petroleum Solutions (Pty) Ltd Comms Cloud Managed Infrastructure (Pty) Ltd	29
L Mabe	Member	29 November 2019		Secondary Teachers Diploma (1985) BA (1991) UNISA Bachelor of Education. (1996) UNISA LCBP: Media Communication with Palama (2011) M Phil (economic policy) : Stellenbosch University (2013) Advanced Certificate in Governance and Public Leadership (2013) (Wits University) Post Graduate Diploma in Management (2015) (Wits University)	Audit General	Dirang Mmogo Motshetshe Co-Operative Limited Zatotouch Zatopath (Pty) Ltd Motshetsheke Trading (Pty) Ltd Lou and Ant (Pty) Ltd Lerutla Biohealth (Pty) Ltd	33
E Daniels	Member	11 January 2021		BA (Law) UWC BProc UNISA LLM (Constitutional Law) UWC Admitted as an attorney of the High Court of South Africa	Attorney	N/A	5
T Ngcobo	Member	11 January 2021		BCOM Project Management Diploma		TP Ngcobo and Associates Development Consultants CC Martipix (Pty) Ltd Makana Trust Maphdloba Family Trust	6

Audit Committee

Name	Qualifications	Internal or external	If internal, position in public entity	Date appointed	Date resigned	No. of Meetings attended
Thabo Mosololi	Chartered Accountant (SA) – 1994 EDP, Wits Business School – 2004 MAP, Wits Business School – 1999 Diploma in Project Management, Damelin 1997 International Business Certificate, London Guildhall University – 1994 B Comm (Honours), University of Western Cape 1987 – 1990	External	N/A	14.01.2014	30.04.2021	3
June Williams	B Sc – Zoology (major), Mathematics and Biochemistry (submajors) 1971-1974 Higher Diploma in Education – 1974 B Sc Honours in Zoology – 1979-1980 M Sc Biological Education – (January to April 1981) Postgraduate Diploma in Accounting – 1989-1990 B Comm Hons in Accounting – 1989-1990	External	N/A	12.07.2019		4
Tebogo Matabane	B Comm. Accounting – 2004 Professional Accountant (SA), Professional Tax Practitioner (SA) Level 7 – 2011 Master of Business Administration (MBA) – 2015 Doctoral Research Training Programme – 2018	External	N/A	12.07.2019		6
Unathi Mdledle-Mkize	B.Juris, llb degrees Practical legal training Certificate in practice management Certificate in compliance management (Compliance in Financial Services Industry) 2009 Contracts Management Training 2009 Law of Contracts 2011 Consumer Protection Act 2011 Commercial Law Programme 2013 Compliance Management 2015 Attended Executive Coaching	Internal	Council member	19.07.2019		6
Vuyokazi Menye	MBA: Henley Business School (To be completed in April 2019) Masters in Information: Technology at University of Pretoria (dissertation outstanding) BSC (computer science) Degree: University of the Western Cape International Investment Management Certificate: Fordham University (New York)	Internal	Council member	1.10.2019		6

The governance structure is constructed as follows:

Sub-committee	Members	Sub-committee	Members
Audit and Risk Committee	T Mosololi (Independent) J Williams (independent) B Tebogo-Matabane (independent) U Mdledle-Mkize V Menye	Heritage and Education Committee	K Maluleke L Robinson M Makgola M Seakgwa
Finance and Remuneration Committee	V Menye T Dlamini P Chilwana L Mabe	Infrastructure and Facilities Committee	L Robinson K Maluleke M Seakgwa
Finance and Remuneration Committee	M Makgolo P Chilwane L Mabe U Mdledle-Mkize	Marketing, Tourism and Visitor Operations Committee	T Dlamini M Makgolo K Maluleke

Meeting attendance

Members of Council are required to attend full Council meetings and to attend the meetings of the Council Sub-committees to which they have been appointed. A new Council was appointed during the 2019/2020 financial year, thus the previous Council attended the first quarter's Council and Sub-Council Committee meetings and the new Council attended quarter 2 to quarter 4's committee meetings.

Name of Member	Audit and Risk Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
T Mosololi (Independent)	6	3
J Williams (Independent)	6	4
B Tebogo Matabane	6	5
U Mdledle-Mkize	6	5
V Menye	6	6

Name of Council Member	Infrastructure and Facilities Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
L Robinson	4	4
K Maluleke	4	4
M Seakhwa	4	4

Name of Council Member	Finance and Remuneration Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
V Menye	9	9
T Dlamini	9	7
P Chilwane	9	9
L Mabe	9	8

Name of Member	Marketing, Tourism and Visitor Operations Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
T Dlamini	3	3
M Makgolo	3	3
K Maluleke	3	3

Name of Council Member	Heritage and Education Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
K Maluleke	4	4
L Robinson	4	4
M Makgolo	4	4
M Seakhwa	4	4
T Dlamini	4	1

Name of Member	Governance, Ethics & Legal Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
M Makgolo	15	15
P Chilwana	15	15
L Mabe	15	13
U Mdledle-Mkize	15	7

Remuneration of board members

The remuneration of Council members is disclosed as per note 31 of the Annual Financial Statements. The remuneration of the Council is determined per National Treasury regulation.

Name of Member	EPPA	
	Number of meetings held	Number of meetings attended
Mr Morakabe Seakhwa	4	4
Ms Tholakele Dlamini	4	4
Mr Makgolo Makgolo	4	4
Mr Khensani Maluleke	4	2

3.5 Risk Management

The Public Finance Management Act, 1999 (Act No. 1 of 1999 as amended by Act No. 29 of 1999) requires Robben Island Museum to ensure it has and maintains effective, efficient and transparent systems of risk management. RIM thus implements a Risk Management Strategy and Risk Management Policy.

Executive and senior management engage with the Senior Manager Risk on a quarterly basis to update RIM's risks to achieving its strategic objectives and to identify any other emerging risks.

RIM has also developed departmental risk registers (operational, disaster, POPIA and fraud risk) including mitigating actions to be taken to reduce risk to acceptable levels.

The Audit and Risk Council Sub-Committee further independently reviews the progress in addressing action mitigation plans on a quarterly basis.

Progress has been made in addressing risks, however 10% of risks cannot be mitigated due to either budget constraint, DPWI or external issues.

3.6 Internal Audit Unit

Nexia SAB&T (Nexia) was appointed as the internal auditors on in 31 March 2019 for a period of three years.

A risk-based three-year and one-year Internal Audit Plan was considered and adopted by the Audit Committee.

Nexia performed the following engagements during the year and delivered reports with findings and recommendations for improvements:

1. Performance Information Review
2. Annual Financial Statements Review
3. Human Resources Annual Report Review
4. Verification of Request for Condonation of Irregular Expenditure Review
5. Asset Management – Maintenance Review
6. ICT Strategy Review

3.7 Compliance with laws and regulations

Robben Island Museum as a World Heritage Site has a significant amount of laws and regulations to comply with.

RIM has developed a number of policies and regulations in order to ensure compliance. The policies are reviewed regularly and where necessary, new policies are developed. RIM endeavours to adhere to the PFMA, Cultural Institutions Act, Treasury Regulations, Supply Chain Practise Notes and other relevant prescripts.

3.8 Fraud and corruption

Robben Island Museum management actively participates in DSAC's Fraud Awareness Campaigns and the Whistle-blowing Fraud and Corruption Hotline posters are visible in the entity's buildings. Employees are encouraged to report any instances of suspected fraud or corruption.

The fraud prevention plan at RIM focusses on awareness campaigns, training, internal audit projects and reviews of high risk areas.

Fraud cases are reported to senior management or directly to the Senior Risk Manager. The Senior Risk Manager will then perform a preliminary investigation and submit findings to the Executives as well as Human Resources Department. If the suspected fraud is confirmed, an external organisation is procured to perform an independent investigation and the case is taken from there.

3.9 Minimising conflict of interest

Procurement

According to National Treasury Practise Note Number 7 of 2009/2010, accounting officers and accounting authorities are required to utilize the attached revised SBD 4 when inviting price quotations, advertised competitive bids, limited bids or proposals. This SBD 4 should be used with minimum changes that are necessary to address contract and project specific issues.

In terms of the National Treasury Regulations, if a supply chain management official or other role player, or any close family member, partner or associate of such official or other role player, has any private or business interest in any contract to be awarded, that official or other role-player must –

(a) disclose that interest; and

(b) withdraw from participating in any manner whatsoever in the process relating to that contract.

According to the Code of Conduct for Bid Adjudication Committees, all members as well as the secretary of Bid Adjudication Committees, (including Bid Evaluation Committee and Bid Specification Committee members) should be cleared at the level of – "Confidential" by the accounting officer / authority and should be required to declare their financial interest annually. Each member as well as all officials rendering administrative support must sign a declaration form at each Bid Adjudication Committee meeting.

Employees

Employees are required to annually disclose their financial interests which are reviewed to identify any instances of conflict of interest.

3.10 Code of Conduct

The Robben Island Museum Code of Good Conduct is a guideline which is intended to formalise Robben Island Museum's approach to addressing misconduct and poor work performance and creating sound employee relations. Any breach of the code of conduct is investigated either by Human Resources or if it relates to fraud, by the Senior Risk Manager.

3.11 Health, Safety and Environmental matters

Health and Safety

Robben Island Museum has a dedicated SHEQ Officer and a Health and Safety Committee.

- Robben Island has an effective health and safety management system in place that is aligned with the ISO 18001 standard. This management system covers all Health and Safety aspects thus protecting people who visit RIM.
- The SHEQ Officer perform internal safety audits on the safety management system. Any gaps and non-conformity are being dealt with immediately.
- Robben Island has updated its OHS Policy and the executions plan has been implemented accordingly.
- RIM has several OHS guidelines in place this ensures the safety of all persons.
- Robben Island performs quarterly evacuation drills to test the effectiveness of the emergency preparedness plans.
- RIM has developed a COVID 19 Response Plan to deal with COVID 19 issues. Several guideline and tools were developed to ensure the success of the plan.
- Robben Island ensures that equipment is serviced in time and has a certificate of compliance.
- Incidents are managed as per the incident management procedure; all incidents are investigated within 7 days.
- Inspections are done by the SHEQ Officer and recommendations have been implemented.

Environmental matters

Robben Island Museum has entered into strategic partnerships with academic and Government Institutions to enhance its compliance with environmental legislative framework and also assist with monitoring of natural resources on the Island.

Partnerships with the University of Cape Town, Earthwatch, SANCCOB and Department of Environmental, Forestry and Fisheries (DEFF) are important for research and monitoring of avifauna on Robben Island, particularly threatened species i.e. African penguins.

RIM has mitigated fire hazards on the site through ongoing controlled burn projects that are annually conducted in partnership with the City of Cape Town's Fire and Rescue and Biodiversity Unit.

Illegal harvesting of marine living resources around the site buffer zone has been a major concern. RIM has improved its buffering mechanism through a formal partnership with the DEFF: Monitoring, Control and Surveillance Chief Directorate, this collaboration ensures compliance and prevents illegal activities within the buffer zone, which is now part of the newly declared Marine Protected Area, extending 580 square kilometres offshore our site.

3.12 Company Secretary

Resolve Secretariat (Pty) Ltd was appointed as the Company Secretary on 28 November 2017 for a period of 5 years.

3.13 Social Responsibility

Internships

Robben Island Museum facilitates internships to assist interns in gaining valuable work experience.

During the year 2020/2021, twenty-nine interns developed new skills by assisting in the Finance Department, Heritage Department and Marketing and Tourism Department.

Concession and complimentary tickets:

Robben Island Museum annually makes concession and complimentary tickets available to:

- Academic institutions;
- Schools,
- Adult educational groups,
- Cultural and social stakeholders; and
- Ex-political prisoners;

During 2020/2021 Robben Island Museum made a total of 187 concession and complimentary tickets available which promotes educational and social responsibility initiatives. Unfortunately, due to the effect of COVID–19 on RIM’s financial resources, the number of concessions had to be drastically reduced, however other discounts and packages were offered throughout the year.

Bursaries

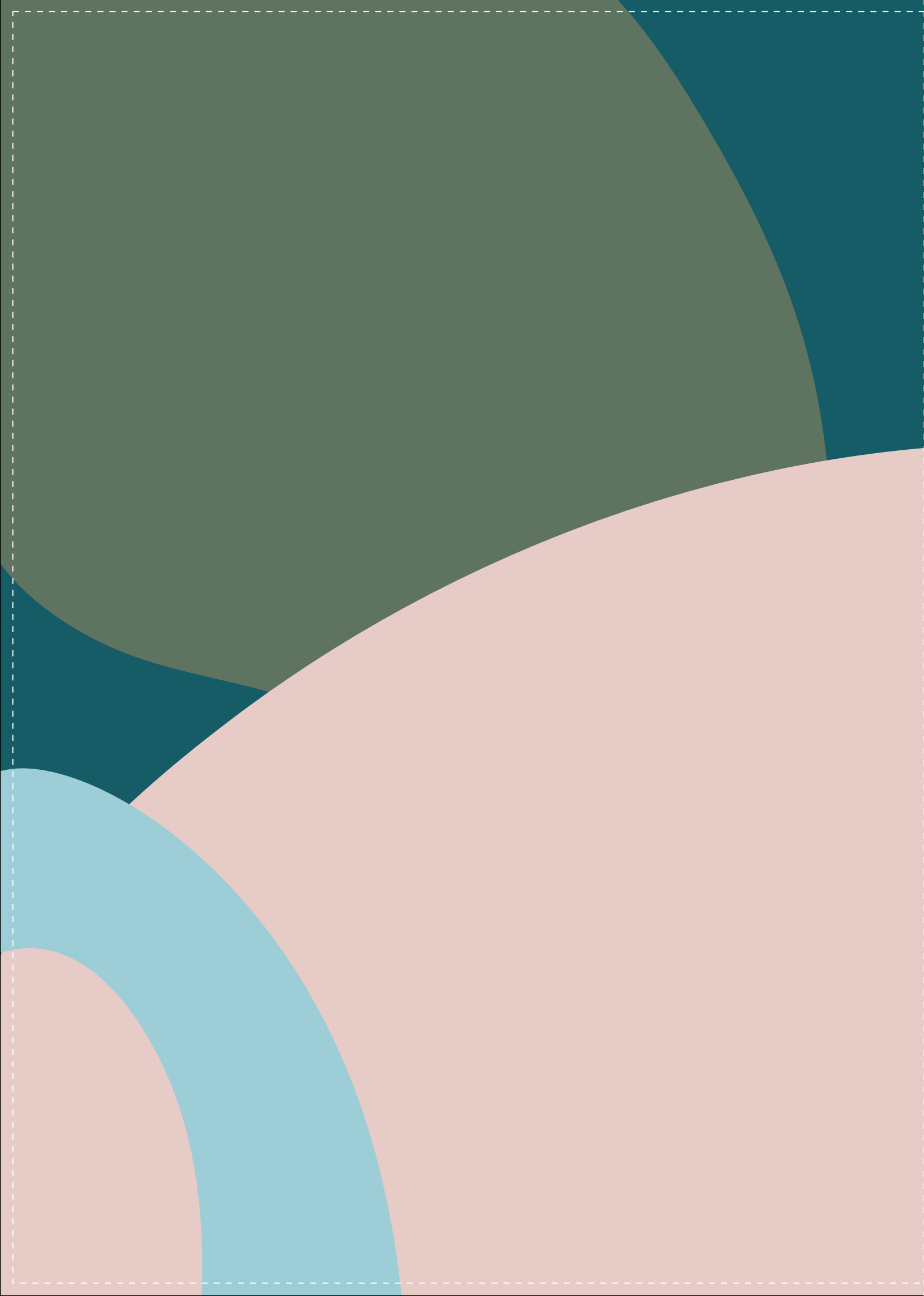
Robben Island Museum has offered 7 students bursaries to further their studies in Humanities and Social Sciences during the 2020/2021 financial year.

3.14 B-BBEE Compliance Performance Information

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

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

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy?	Yes	Robben island Museum’s preferential procurement policy is embedded in the Supply Chain Management Policy. For all procurement of goods and services above R30k (all taxes included) Robben Island Museum applies the Broad Based Black Economic Empowerment principle. Companies are given preference in line with their BEE Certificate in terms of their level of contribution.
Determining qualification criteria for the sale of state-owned enterprises?	NO	
Developing criteria for entering into partnerships with the private sector?	NO	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	NO	



Part C:
Human
Resource
Management

4.1 Introduction

Overview of HR matters

The Human Resources Department is responsible for providing Strategic and Operational Human Resources Support to embrace diversity, environmental sustainability, and social justice and contribute towards the delivery of South Africa's Qualifications Authority's (SAQA) mandate.

They are further responsible to provide comprehensive HR management processes and systems, and support business partners in delivering world class human resources management and training.

HR priorities for the year under review

1. Structural Realignment
2. Management of the Performance Management System
3. Implementation of new Job Grades
4. Management of Labour Relations

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

There was none.

Employee performance management framework

All employees submitted signed performance contracts. The performance evaluation for Q3 and Q4 2020/2021 financial year shall be conducted in the first quarter of the 2021/2022 financial year.

Employee Wellness Programmes

RIM's Employee Wellness Programme is managed by a service provider, Velocity, from 1 February 2021. Careways (Life Employee Health Solutions) provided service to RIM for three quarters in 2020/2021 financial year. RIM receives monthly reports from Velocity on the usage of the programme.

Policy development

Due to the limitations and re-prioritization of certain goals and focus areas, no new HR policies were developed. The primary focus and all efforts were on management of the employees with comorbidities and provision of support and wellness to those working remotely.

Highlight achievements

The vacant Senior Manager positions for Marketing and Human Resources Departments were respectively filled during the year. RIM believes that the appointments will enhance the smooth management of the Marketing and Human Resources Departments. RIM enabled 107 training opportunities for employees to attend training courses and there were no bursaries awarded in 2021. The job grading outcomes were implemented across the board, this is an endeavor to eradicate salary disparities in the workplace and to realize the principle of 'Equal Pay for Work of Equal Value' as per Employment Equity Act.

Challenges faced by RIM

The issue of COVID 19 and the related lockdown restrictions are challenges faced by RIM. Operations have been impacted negatively and as a result our revenue stream decreased drastically. Staff morale is low and there is a lot of anxiety culminating from uncertainty.

Future HR plans /goals

The following targets have been set out for the Human Resources department to meet during 2021 – 2022 financial year:

1. Develop a Human Resources Strategy.
2. Manage performance management system in accordance with relevant legislation.
3. Complete and submit Workplace Skills Plan (WSP).
4. Complete and submit Employment Equity Plan (EEP).

Human Resources Oversight Statistics

1. Total Employee cost

Programme	Total Expenditure for the Entity	Total Personnel Expenditure (N2)	Personnel Expenditure as a % of total expenditure	No of employees (N1)	Average personnel cost per employee
All RIM Activities	R 181 317 880	R 115 068 862	63%	348	R 330 657,65

N1 - All employees including the following categories:
Council, permanent and non-permanent employees.

N2 - Total employee costs as per the Annual Financial Statements Note 20.

2. Personnel cost by programme/activity/objective

Programme activity	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. As % of total exp (R'000)	No. of employees	Average personnel cost per employee (R'000)
HR	3 905 927.71	3 695 518.54	95%	8	461939.8175
MARKETING	5 725 058.08	5 198 721.30	91%	23	226031.3609
EXECUTIVE	16 546 705.95	7 721 902.82	47%	21	367709.6581
EDUCATION	11 386 262.80	10 260 638.04	90%	35	293161.0869
ESTATES	39 448 536.11	12 266 875.16	31%	35	350482.1474
FINANCE	21 852 981.29	17 752 412.77	81%	49	362294.1382
VISITOR OPS	31 892 555.96	20 398 970.10	64%	59	345745.2559
FERRIES	25 866 986.92	23 326 179.40	90%	54	431966.2852
HERITAGE	24 692 864.78	24 440 444.87	99%	64	381881.9511
	R181 317 880	125 061 663	63%	348	

3. Personnel cost by salary band

Level	Personnel Expenditure (N3)	% of personal expenses to total personnel costs	No of employees (N1)	Average personnel cost per employee
Executives	8 311 931,92	6,27	4	2 077 982,98
Senior Management	15 021 982,86	11,33	15	1 001 465,52
Professionally qualified and experienced	14 587 297,92	12,51	22	663 058,99
Skilled	22 616 644,19	18,57	43	525 968,47
Semi-skilled and discretionary decision making	54 822 433,60	43,99	154	355 989,83
Unskilled	2 424 377,33	1,83	12	202 031,44
People with disabilities	410 564,96	0,31	1	410 564,96
Contract staff	2 710 135,81	2,04	43	63 026,41
Interns	2 354 020,41	1,78	40	58 850,51
Council members	1 802 274	1,36	14	128 733,86
	125 061 633	100%	348	380 874,46

N1 - All employees including the following categories:
Council, permanent and non-permanent employees.

N3 - The above employee expenditure per VIP payroll. This amount does not include movements in employee cost provisions (note 12) as per the Annual Financial Statements Note 20.

4. Performance Rewards (There was none)

Programme / objective	Performance rewards	Personnel Expenditure	% of performance rewards to total personnel cost
Top Management	N/A	N/A	N/A
Senior Management	N/A	N/A	N/A
Profession Qualified	N/A	N/A	N/A
Skilled	N/A	N/A	N/A
Semi-skilled	N/A	N/A	N/A
Unskilled	N/A	N/A	N/A
Total	N/A	N/A	N/A

5. Training (Training costs)

Programme	Personnel Expenditure (R)	Training Expenditure (R)	Training expenditure as % of personnel expenditure	Number of employees who were trained and received bursaries	Average training cost per employee
All RIM Activities	115 068 862	191 200	0.17%	107	1787

Please note that training expenditure includes training courses and staff bursaries.

6. Employment and vacancies

Programme	Number of employees 2021	Approved posts 2021	Vacancies 2021	% vacancies of approved posts
All RIM Activities	274	332	58	17.46%

N4 – This amount includes Council members and contractors employed specifically for GRAP 103 project not reflected on approved posts list.

7. Employment changes

Salary band	Employment at the beginning of the period 31 March 2020	Appointments	Terminations	Transfers between bands	Employment at the end of the period 31 March 2021
Top Management	4	0	0	0	4
Senior Management	12	3	3	0	12
Professionally skilled	22	0	1	0	21
Skilled	41	2	4	0	39
Semi -skilled	149	3	8	0	144
Unskilled	12	0	0	0	12
People with disabilities	1	0	0	0	1
Non-permanent (N1)	40	3	41	1	2
Employees	281	11	57	0	235
Council members and Audit Committee members	12	2	1	0	13
Total employees	293	13	58	0	248
INTERNS	29	11	14	1	26

8. Reasons for employees leaving

Reason	Number	% of total employees leaving
Death	4	5.56%
Resignation	13	18.06%
Dismissal	1	1.39%
Retirement / Retrenched	3	4.17%
Transferred	1	1.39%
Expiry of Contract	50	69.44%
Total	72	100%

9. Labour relations:

Misconduct and disciplinary action

Nature of disciplinary action	Number
Final written warning	3
Written warnings	8
Dismissals	1
Case in progress	3
Suspension without pay as a sanction	1

10. Equity Target and Employment Equity Status

Table 9.1 Total number of employees in each of the following post levels on 31 March 2021:

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	0	1	0	0	0	0	0
Senior Management	3	0	2	0	1	0	0	0
Professional qualified	7	0	2	0	2	0	0	1
Skilled	16	0	11	0	0	0	1	0
Semi-skilled	46	0	31	0	0	0	1	0
Unskilled	7	0	0	0	0	0	0	0
TOTAL	82	0	47	0	3	0	2	1

The museum met the targets.

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	0	0	0	0	0	0
Senior Management	5	0	0	0	0	0	1	0
Professional qualified	5	0	3	0	0	0	2	0
Skilled	10	1	3	1	0	0	1	1
Semi-skilled	48	0	14	1	0	0	1	1
Unskilled	5	1	0	0	0	0	0	0
TOTAL	73	2	20	2	0	0	5	2

The museum did not meet the target of employing one female at top management.

Levels	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	1	1	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	1	1	0	0

The museum met the target of having one employee with disability in the 2020/2021 financial year.



Part D:

Annual Financial Statements

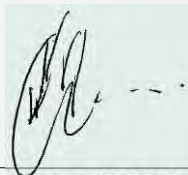
Annual Financial Statements for the year ended 31 March 2021

CONTENTS

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

5.1 Report of the Auditor-General	52
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5.4 Statement of Financial Performance	58
5.5 Statement of Changes in Net Assets	58
5.6 Cash Flow Statement	59
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5.8 Accounting policies	61-72
5.9 Notes to the Annual Financial Statements	73-90

The annual financial statements set out on pages 57 to 90, which have been prepared on the going concern basis, were approved by the board of members on 5 November 2021 and were signed on its behalf by:



Mr Khensani Maluleka
Chairperson of Council
5 November 2021

5.1 Report of the Auditor-General

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Robben Island Museum set out on pages 57-90, which comprise the statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Robben Island Museum as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1 of 1999 (PFMA).

Basis for opinion

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

Emphasis of matters

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

Underspending of conditional grants

7. Disclosed in note 13 to the financial statements is unspent conditional grants and receipts of R78 317 397 (2020: R108 317 687). The majority of the unspent funds related to infrastructure projects.

Events after reporting date

8. I draw attention to notes 32 and 33 to the financial statements, which deals with subsequent events and going concern, specifically the effects of financial implications as a result of covid-19.

Responsibilities of the accounting authority for the financial statements

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

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

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

Report on the audit of the annual performance report

Introduction and scope

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the entity's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 1 – business development	23 –25

16. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not identify material findings on the usefulness and reliability of the reported performance information for the following programme:
- Programme 1 – business development

Other matters

18. I draw attention to the matters below.

Achievement of planned targets

19. Refer to the annual performance report on pages 18 to 32 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the business development programme. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. I did not identify any instances of material non-compliance with selected specific requirements of applicable legislation, as set out in the general notice issued in terms of the PAA.

Other information

23. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. If based on my work that I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
27. I have nothing to report in this regard.

Internal control deficiencies

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

Other reports

30. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
31. The council instituted an investigation into allegations of irregularities affecting various aspects of the entity that was conducted by an external service provider. The report was tabled at a council meeting held on 28 February 2021. The implementation of recommendations of the report and follow up action will continuously be monitored by council.

Auditor-General

Cape Town
10 November 2021



Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

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

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

5.2 Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 March 2021

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 51(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

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

- Performance Information Review
- Annual Financial Statements Review
- Human Resources Annual Report Review
- Verification of Request for Condonation of Irregular Expenditure Review
- Asset Management – Maintenance Review
- ICT Strategy Review

The following were areas of concern:

- Due to COVID-19 and subsequent worldwide lockdowns, the Tourism industry has been adversely affected, resulting in Robben Island Museum being unable to operate at normal levels. This has resulted in a decline in revenue and a lack of funding for most projects, including internal audit, which places the entity at risk of non-compliance with the PFMA as well as a heightened fraud risk due to control breakdown.

In-Year Management and Monthly/Quarterly Report

Robben Island Museum has submitted reports on a monthly and quarterly basis to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity.

Auditor's Report

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

The Audit Committee accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



Mr. Tebogo Matabane

Chairperson of the Audit and Risk Committee
Robben Island Museum
5 November 2021

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Notes	2021 R	2020 R
ASSETS			
Current Assets			
Inventories	3	1 200 421	727 518
Receivables from exchange transactions	4	1 895 089	2 136 382
Deposits	10	557 494	423 378
Cash and cash equivalents	5	126 182 899	203 670 518
		129 835 903	206 957 796
Non-Current Assets			
Property, plant and equipment	6	142 960 235	154 215 984
Intangible assets	8	827 287	1 303 069
Heritage assets	9	113 263 886	111 379 035
		257 051 408	266 898 088
Total Assets		386 887 311	473 855 884
LIABILITIES			
Current Liabilities			
Operating lease liability	11	-	41 576
Payables from exchange transactions	12	21 958 269	25 089 154
Unspent conditional grants and receipts	13	78 317 397	108 317 687
Provisions	14	1 325 560	118 741
		101 601 226	133 567 158
Non-Current Liabilities			
Operating lease liability	11	4 660	-
Total Liabilities		101 605 886	133 567 158
Net Assets		285 281 425	340 288 726
Reserves			
Revaluation reserve	15	35 487 103	35 487 103
Accumulated surplus		249 794 322	304 801 623
Total Net Assets		285 281 425	340 288 726

The accounting policies on pages 61 to 72 and the notes on pages 73 to 90 form an integral part of the annual financial statements.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2021 R	2020 R
REVENUE			
Revenue from exchange transactions			
Sale of goods		184 400	2 326 210
Rendering of services	16	6 394 762	141 067 545
Rental of facilities and equipment		165 505	1 427 623
Other income	17	1 242 715	3 998 154
Recoveries		83 682	110 829
Finance Income	18	5 831 734	12 122 561
Gain on disposal of assets and liabilities		-	350 000
Total revenue from exchange transactions		13 902 798	161 402 922
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	19	112 385 932	95 205 542
Public contributions and donations		21 849	-
Total revenue from non-exchange transactions		112 407 781	95 205 542
Total revenue		126 310 579	256 608 464
EXPENDITURE			
Employee related costs	20	(115 068 862)	(114 787 805)
Depreciation and amortisation	21	(13 837 857)	(11 310 408)
General Expenses	22	(52 411 161)	(120 091 294)
Total expenditure		(181 317 880)	(246 189 507)
(Deficit) surplus for the year		(55 007 301)	10 418 957

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF CHANGES IN NET ASSETS

	Revaluation reserve R	Accumulated surplus R	Total net assets R
Balance at 01 April 2019	35 487 103	294 382 669	329 869 772
Surplus for the year	-	10 418 957	10 418 957
Total changes	-	10 418 957	10 418 957
Balance at 01 April 2020	35 487 103	304 801 623	340 288 726
Changes in net assets			
Deficit for the year	-	(55 007 301)	(55 007 301)
Total changes	-	(55 007 301)	(55 007 301)
Balance at 31 March 2021	35 487 103	249 794 322	285 281 425
Note	15		

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

CASH FLOW STATEMENT

	Notes	2021 R	2020 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services rendered		6 065 430	148 116 127
Grants received		82 385 642	119 320 001
		88 451 072	267 436 128
Payments			
Employee related costs		(114 058 196)	(113 575 465)
Goods and services		(53 977 975)	(114 509 063)
		(168 036 171)	(228 084 528)
Net cash flows from operating activities	23	(79 585 099)	39 351 600
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1 872 161)	(100 117 099)
Purchase of other intangible assets		(242 826)	(314 842)
Purchases of heritage assets	9	(1 892 901)	(2 508 082)
Net cash flows from investing activities		(4 007 888)	(102 940 023)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance income		6 105 368	13 094 386
Net increase/(decrease) in cash and cash equivalents		(77 487 619)	(50 494 037)
Cash and cash equivalents at the beginning of the year		203 670 518	254 164 555
Cash and cash equivalents at the end of the year	5	126 182 899	203 670 518

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Performance						
REVENUE						
REVENUE FROM EXCHANGE TRANSACTIONS						
Sale of goods	2 203 471	-	2 203 471	184 400	(2 019 071)	30.1
Rendering of services	157 456 364	-	157 456 364	6 394 762	(151 061 602)	30.2
Rental of facilities and equipment	1 499 609	-	1 499 609	165 505	(1 334 104)	30.3
Recoveries	183 253	-	183 253	83 682	(99 571)	30.5
Other income	2 114 524	-	2 114 524	1 242 715	(871 809)	30.4
Finance income	9 511 897	-	9 511 897	5 831 734	(3 680 163)	30.6
Total revenue from exchange transactions	172 969 118	-	172 969 118	13 902 798	(159 066 320)	
REVENUE FROM NON-EXCHANGE TRANSACTIONS						
TRANSFER REVENUE						
Government grants	87 768 000	-	87 768 000	80 829 000	(6 939 000)	30.7
Deferred revenue	-	-	-	31 556 932	31 556 932	30.8
Public contributions and donations	-	-	-	21 849	21 849	30.9
Total revenue from non-exchange transactions	87 768 000	-	87 768 000	112 407 781	24 639 781	
Total revenue	260 737 118	-	260 737 118	126 310 579	(134 426 539)	
EXPENDITURE						
Employee related costs	(127 006 121)	-	(127 006 121)	(115 068 862)	11 937 259	30.10
Depreciation and amortisation	(17 378 727)	-	(17 378 727)	(13 837 857)	3 540 870	30.11
General Expenses	(116 352 270)	-	(116 352 270)	(52 411 161)	63 941 109	30.12
Total expenditure	(260 737 118)	-	(260 737 118)	(181 317 880)	79 419 238	
Deficit before taxation	-	-	-	(55 007 301)	(55 007 301)	
Actual Amount on Comparable Accrual Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(55 007 301)	(55 007 301)	

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements

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

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

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

The bulk of the land on Robben Island on which the Museum operates is not brought to account as it is not the property of the Museum but government owned and only managed by the Museum on behalf of government. Improvement costs incurred by the Museum with regards to these assets are capitalised and depreciated over the estimated useful lives of these assets.

The Nelson Mandela Gateway building used by the Museum is recognised as owner occupied property and accounted for at cost, and depreciated over the useful lives of the building. Where management has dual usage of a building and has commenced use for investment purposes and this use is not material in relation to the total cost of the building, the building will be reflected as owner occupied and will not be proportionately split into investment and owner occupied property.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the Museum and the cost of the item can be measured reliably. These costs are depreciated over the remaining useful lives of the assets.

All classes of property, plant and equipment except for boats are carried at cost less accumulated depreciation and any accumulated impairment losses.

Boats shall be revalued at least once every five years. If economic conditions have had a substantial impact on the value of a class of boats, prior to the five year period, such valuation will be performed on the identified class of boats. When boats are revalued the accumulated depreciation is eliminated against the gross carrying amount of the asset and the gross carrying amount is restated to the revalued amount.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Books are accounted for on the cost model.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The increases in the carrying amount arising on revaluation of boats are credited to the revaluation reserve in net assets. Decreases that offset previous increases of the same asset are charged against the revaluation reserve directly in the statement of changes of net assets; all other decreases (depreciation and impairments) are charged to the statement of financial performance. The revaluation reserve will be released and transferred to 'accumulated surplus' when the assets are disposed of.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.1 PROPERTY, PLANT AND EQUIPMENT (continued)

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

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

Item	Average useful life
Buildings	40 years
Plant, machinery, tools	5-12 years
Furniture and fixtures	5-13 years
Television sets, video machines, safety and medical equipment	5-12 years
Motor vehicles	5-15 years
Cranes	18 years
Computer equipment	3-12 years
Leasehold improvements	3-9 years
Books	Indefinite
Boats	
Hull	20 - 30 years
Propulsion system, engine, gear box and propellers	20 - 30 years
Deck equipment, rib, winches and anchors	5 - 30 years
Navigation, communication and scientific surveillance equipment	15 - 20 years

The residual value, the useful life and depreciation method of each asset are reviewed at least at each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities.

The effect of a change in an accounting estimate, shall be recognised prospectively by including it in surplus or deficit in: (a) the period of the change, if the change affects that period only; or (b) the period of the change and future periods, if the change affects both. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of net assets, it shall be recognised by adjusting the carrying amount of the related asset, liability or item of net assets in the period of the change.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.1 PROPERTY, PLANT AND EQUIPMENT (continued)

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

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

Property, plant and equipment which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. These assets are not accounted for as non-current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

Intangible assets are initially recognised at cost. The cost of a separately acquired intangible asset comprises: its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable costs of preparing the asset for its intended use.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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

Item	Average useful life
Computer software	3-8 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.3 Heritage assets

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

The entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

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

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

1.4 Financial instruments

An entity shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. An entity recognises financial assets using trade date accounting.

The issuer of a financial instrument shall classify the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

An entity shall measure all financial assets and financial liabilities after initial recognition using the following categories: (a) Financial instruments at fair value. (b) Financial instruments at amortised cost. (c) Financial instruments at cost. All financial assets measured at amortised cost, or cost, are subject to an impairment review.

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

An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognised in surplus or deficit.

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

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

An entity shall remove a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.4 FINANCIAL INSTRUMENTS (continued)

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

Cash and cash equivalents are measured at amortised cost. Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and short term deposits held.

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. All trade and other receivables are assessed at least annually for possible impairment. Impairments of trade and other receivables are determined in accordance with the accounting policy for impairments. Impairment adjustments are made through the use of an allowance account. Provision is made for bad debts for all debtors older than 90 days.

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

1.5 Tax

No provision has been made for SA Income Taxation, as the Museum is exempt from income taxation in terms of section 10 (1) (cA) (i) of the Income Tax Act, 1962.

1.6 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value on the first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.7 Impairment of non-financial assets

The entity assesses at each statement of financial position date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a re-valued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation. Any reversal of an impairment loss of a re-valued asset is treated as a revaluation increase.

1.8 Impairment of non-cash-generating assets

An entity shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable service amount of the asset.

Entities are required to annually assess, by considering internal and external factors, whether there is an indication that a non-cash-generating asset may be impaired. If any such indications are triggered, the entity is required to estimate the recoverable service amount of that asset.

A non-cash-generating asset will be impaired when its carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the entity must reduce the asset's carrying amount to the recoverable service amount and recognise the impairment loss in surplus or deficit. However, if the asset is carried at a revalued amount, then the impairment loss should be treated as a revaluation decrease. After the impairment loss has been recognised, the entity must adjust the depreciation or amortisation charge to allocate the revised carrying amount over the remaining useful life of the asset.

The reversal of the impairment loss is recognised in surplus or deficit unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. The depreciation or amortisation charge should also be adjusted after the reversal to allocate the revised carrying amount of the asset over its remaining useful life.

1.9 Employee benefits

Short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

Robben Island Museum

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ACCOUNTING POLICIES

1.9 EMPLOYEE BENEFITS (continued)

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.10 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

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

Management's judgement is required when recognising and measuring provisions, and when measuring contingent liabilities as set out in note 27.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.11 Revenue from exchange transactions

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

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

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

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

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

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

Finance income

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

1.12 Revenue from non-exchange transactions

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.12 REVENUE FROM NON-EXCHANGE TRANSACTIONS (continued)

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

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

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

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

Unconditional grants received (i.e. Grants received without any conditions attached) will be recognised as revenue equal to the fair value of the assets received for no consideration

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

1.13 Comparative figures

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

1.14 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.15 Irregular expenditure

Irregular expenditure is any expenditure incurred by the entity that contravenes any applicable legislation.

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

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

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

1.16 Budget information

The Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.16 BUDGET INFORMATION (continued)

The approved budget covers the fiscal period from 01/04/2020 to 31/03/2021.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Refer to note 31 for additional information.

1.17 Leases

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

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

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

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. The asset or liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.18 RELATED PARTIES

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

1.19 Going concern assumption

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

1.20 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Significant judgements include:

Inventory

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Impairment of heritage assets, intangible assets, property, plant and equipment

The calculation in respect of the impairment of property, plant and equipment is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This was performed across all classes of heritage assets, intangible assets, property, plant and equipment.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.20 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Provisions and contingencies

Provisions and contingencies were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 and 27.

Useful lives of intangible assets, property, plant and equipment

The useful lives and residual values of assets are based on management's estimates. Management considers the impact of technology, service requirements, expected physical wear and tear on the asset, expected usage of the asset and any legal or similar limitations on the use of the assets to determine the period over which an item of property is depreciated.

Valuing of assets

Estimates are required in computing fair values for items measured under the cost model. These estimates are subjective and require an array of inputs and difficult estimates when determining fair value at initial recognition of heritage assets.

1.21 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

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

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

1.22 Events after reporting date

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

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

ACCOUNTING POLICIES

1.22 EVENTS AFTER REPORTING DATE (continued)

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

Recognised amounts in the financial statements are adjusted to reflect events arising after the reporting date that provide evidence of conditions that existed at the reporting date. Events after the reporting date that are indicative of conditions that arose after the reporting date are dealt with by way of a note

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
2. New standards and interpretations		
2.1 Standards and interpretations issued, but not yet effective		
The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2021 or later periods:		
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 (amended): Financial Instruments	01 April 2021	Not Significant
3. Inventories		
Consumable fuel (diesel, petrol)	543 212	39 984
Inventory Alpha One	116 023	146 348
Books and posters	541 186	541 186
	1 200 421	727 518
4. Receivables from exchange transactions		
Trade receivables	52 855	173 104
Interest accrued	127 511	401 145
Sundry debtors	40 303	22 441
Prepaid expenses	1 674 420	1 539 692
	1 895 089	2 136 382
Fair value of trade receivables		
Trade and other receivables	52 855	173 104
Trade debtors consist of:		
Gross Debtors	175 769	218 654
Less provision for doubtful debts	(122 914)	(45 550)
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	148 488	161 967
Bank balances	126 034 411	203 508 551
	126 182 899	203 670 518

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

6. Property, plant and equipment

	2021			2020		
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value
Buildings	35 509 470	(17 962 424)	17 547 046	35 509 470	(17 054 819)	18 454 651
Plant and machinery	5 023 727	(1 587 809)	3 435 918	4 930 059	(1 135 312)	3 794 747
Furniture and fixtures	13 290 060	(7 269 274)	6 020 786	12 418 933	(5 716 918)	6 702 015
Motor vehicles	17 571 906	(14 343 113)	3 228 793	17 481 633	(13 608 446)	3 873 187
Computer equipment	15 798 841	(12 183 746)	3 615 095	15 265 658	(9 691 460)	5 574 198
Leasehold improvements	1 045 401	(964 433)	80 968	1 045 401	(928 447)	116 954
Books	395 967	-	395 967	395 967	-	395 967
Boats	123 929 633	(15 293 971)	108 635 662	123 672 094	(8 367 829)	115 304 265
Total	212 565 005	(69 604 770)	142 960 235	210 719 215	(56 503 231)	154 215 984

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Impairment loss	Total
Buildings	18 454 651	-	(907 605)	-	17 547 046
Plant and machinery	3 794 747	93 668	(452 497)	-	3 435 918
Furniture and fixtures	6 702 015	871 146	(1 552 375)	-	6 020 786
Motor vehicles	3 873 187	90 273	(734 667)	-	3 228 793
Computer equipment	5 574 198	559 534	(2 510 532)	(8 105)	3 615 095
Leasehold improvements	116 954	-	(35 986)	-	80 968
Books	395 967	-	-	-	395 967
Boats	115 304 265	257 540	(6 926 143)	-	108 635 662
Total	154 215 984	1 872 161	(13 119 805)	(8 105)	142 960 235

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

6. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Impairment loss	Total
Buildings	19 276 560	81 680	(903 589)	-	18 454 651
Plant and machinery	2 137 640	2 007 628	(326 140)	(24 381)	3 794 747
Furniture and fixtures	1 822 434	5 475 024	(557 405)	(38 038)	6 702 015
Motor vehicles	5 123 814	149 948	(1 400 512)	(63)	3 873 187
Computer equipment	7 225 153	1 207 234	(2 785 894)	(72 295)	5 574 198
Leasehold improvements	244 539	-	(127 585)	-	116 954
Books	395 967	-	-	-	395 967
Boats	28 524 639	91 195 585	(4 415 959)	-	115 304 265
	64 750 746	100 117 099	(10 517 084)	(134 777)	154 215 984

Revaluations

Assets to the value of R8 105 (2020: R134 777) were written off during the current financial year, due to damage, obsolescence, theft or not verified during the asset verification process.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
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6. Property, plant and equipment (continued)

Revaluation of vessels

Robben Island Museum's (RIM) boats were revalued on the 20th of March 2018. The valuation was performed by an independent valuator, Paul Coxon & Associates CC.

This estimate was based on the age and condition of the vessel, the current market value of these or similar types of vessels and on the information available at the time of inspection.

The determination of the values for the various components was based on their knowledge of the current market value of similar components, on quotations and values for similar components we have on record and these values adjusted for age and condition.

The revaluation surplus amounting to R17 530 879 was credited to the statement of changes in net assets during the 2018 financial year.

RIM has assumed that the machinery and equipment will be used in its present state with the benefit of continuity with the lifespan of the vessels for the foreseeable future. Deferred maintenance, physical wear and tear, operating malfunctions, lack of utility and other observable conditions were considered during the performance of the valuation.

Repairs and maintenance for the year

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Repairs and maintenance	3 563 447	7 365 204
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Expenditure incurred to repair and maintain property, plant and equipment consists of the following:

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

Boats	2 196 121	5 683 176
Buildings	891 656	786 376
Motor vehicles	465 631	895 652
Computer equipment	10 039	-
	3 563 447	7 365 204

Change in estimate

In the current year Robben Island Museum (RIM) reassessed the useful lives of computer equipment, boats, plant and machinery, motor vehicles, furniture and fittings and intangible assets. The useful lives of assets were extended, based on the condition and expected future benefits that will be derived from the use of these assets. The change in accounting estimate effect was accounted for prospectively.

Statement of Financial Position - Net Effect

	2021	Within 1 year	2 to 5 years
Boats	1 151 225	994 433	-
Motor vehicles	704 273	1 269 661	-
Intangible assets	138 519	30 097	-
Furniture and fixtures	31 872	279	-
Plant and machinery	1 649	-	-
Computer equipment	657 961	1 215	-
	2 685 499	2 295 685	-

Statement of Financial Performance- Net Effect

	2021	Within 1 year	2 to 5 years
Depreciation	2 685 499	(389 814)	(2 295 685)

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
7. Capital Commitments		
Brink Diesel Cape (Boats)	1 584 636	-
Marius Hitge Consultants (Furniture and fixtures)	-	392 579
New Age Promotion (Boats)	-	87 000
New Age Promotion (Intangible assets)	183 900	-
The Media Chilli (Buildings)	-	188 445
Waltons Stationery (Furniture and fixtures)	-	61 025
CCTV Security Surveillance (Computer equipment)	-	81 827
Office Scene (Furniture and fixtures)	-	9 899
FBI (Heritage assets)	-	1 741 000
Lead Laundry and Cleaning (Furniture and fixtures)	-	2 818
Kassified Production (Heritage assets)	-	198 450
Southey Contracting (Plant and machinery)	-	90 273
Dormac Marine Engineering (Boats)	-	164 092
FoodWear SafetyGear (Plant and machinery)	842	-
SA Fire Watch (Plant and machinery)	48 703	-
	1 818 081	3 017 408

(2020/2021):

At reporting date suppliers: Brink Diesel Cape have been approved for services related to boats.

At reporting date suppliers: New Age Promotion have been approved to supply goods and/or services related to intangible assets.

At reporting date suppliers: Foodwear SafetyGear and SA Fire Watch have been approved to supply plant and machinery.

(2019/2020):

At prior reporting date suppliers: New Age Promotion and Dormac Marine Engineering have been approved for services related to boats. CCTV Security Surveillance have been approved to supply computer equipment. Waltons Stationery, Office Scene, Lead Laundry and Cleaning and Marius Hitge Consultants have been approved to supply furniture and fixtures The Media Chilli have been approved to supply goods and/or services relating to buildings. Kassified Production and FBI have been approved to supply assets relating to heritage. Southey Contracting have been approved to supply plant and machinery.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

8. Intangible assets

	2021		2020	
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation
				Accumulated amortisation and accumulated impairment
				Carrying value
Computer software	2 851 691	(2 024 404)	827 287	2 653 820
				(1 350 751)
				1 303 069

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Amortisation	Impairment loss	Total
Computer software	1 303 069	242 826	(718 052)	(556)	827 287

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Computer software	1 781 551	314 842	(793 324)	1 303 069

Other information

All intangible assets are externally acquired and relate to computer software which does not form an integral part of the computer hardware.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

9. Heritage assets

	2021			2020		
	Cost	Accumulated impairment losses	Carrying value	Cost	Accumulated impairment losses	Carrying value
Arts and artefacts	66 005 124	(164 025)	65 841 099	66 005 124	(164 025)	65 841 099
Audio visual	32 032 286	(90 599)	31 941 687	30 139 386	(84 850)	30 054 536
Photographic	15 760 000	(278 900)	15 481 100	15 760 000	(276 600)	15 483 400
Total	113 797 410	(533 524)	113 263 886	111 904 510	(525 475)	111 379 035

Reconciliation of heritage assets 2021

	Opening balance	Additions	Impairment losses recognised	Total
Arts and artefacts	65 841 099	-	-	65 841 099
Audio visual	30 054 536	1 892 901	(5 750)	31 941 687
Photographic	15 483 400	-	(2 300)	15 481 100
	111 379 035	1 892 901	(8 050)	113 263 886

Reconciliation of heritage assets 2020

	Opening balance	Additions	Total
Arts and artefacts	65 841 099	-	65 841 099
Audio visual	27 546 454	2 508 082	30 054 536
Photographic	15 483 400	-	15 483 400
	108 870 953	2 508 082	111 379 035

Heritage Assets to the value of R8 050 were impaired during the current financial year.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
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9. Heritage assets (continued)

Valuations

In the prior year RIM changed its accounting policy for heritage assets from the revaluation to the cost model. Management discovered that the inappropriate accounting policy choice was taken on initial adoption since the entity primarily holds assets for safe keeping and not for trade. In addition, regular revaluations for the size and nature of the collection would be impracticable, and in Management's view would make financial statements more reliable and no less relevant. The change in accounting policy was applied retrospectively.

Expenditure incurred to repair and maintain heritage assets

Expenditure incurred to repair and maintain heritage assets included in Statement of Financial Performance

Heritage assets	-	1 959
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10. Deposits

Deposits	557 494	423 378
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The deposit in the current and prior year relates to office space and jetty rental for the boat (MV Krotoa) paid to the V & A Waterfront. The increase in the deposit by R134 166 relates (R557 494) to jetty rental for MV Krotoa. The lease relating to office space was renewed for the period 1 March 2021 to 30 June 2023.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
11. Leases		
Operating leases - as lessee		
Minimum lease payments due		
- within one year	1 504 211	4 285 803
- in second to fifth year inclusive	1 328 097	534 564
	2 832 308	4 820 367

Property rental lease expenses are represented by Jetty 1 rentals and office space.

The effect of straight lining the operating lease relating to office space resulted in a net decrease in expenses in the statement of financial performance of R36 916. In the prior year this resulted in an increase in expenses in the statement of financial performance of R37 797. The decrease for the current year comprise the straight lining effect of the V&A Waterfront lease that was concluded and the new lease that was entered into in the prior year with the V&A Waterfront for the next two years.

The current year effect of straight lining the lease resulted in an increase in non-current liabilities of R4 660. The prior year effect of straight lining the new lease resulted in an increase in current liabilities of R41 576.

In respect of the current lease concluded with the V&A Waterfront, no lease improvements have been implemented in the current financial year.

Minimum lease payments due (Office equipment rentals)		
- within one year	212 614	212 614
- in second to fifth year inclusive	257 027	469 640
	469 641	682 254

Office equipment leases comprises of photocopy machines. Photocopy machine leases are negotiated for an average of three years and additional fees are payable based on the number of photocopies made during the period.

Operating leases - as lessor (income)

Minimum lease payments due		
- within one year	-	321 802
- in second to fifth year inclusive	-	-
	-	321 802

Robben Island Museum (RIM) leases out one fixed property through a lease. The lease is classified as an operating lease. The lease terminated 30 June 2020. The new tender is currently been evaluated and will be finalised in the new financial year.

12. Payables from exchange transactions

Accrued bonus	1 540 589	1 675 958
Accrued expenditure	5 133 274	9 124 467
Accrued leave pay	8 452 212	7 306 177
Income received in advanced	544 143	2 682 494
Sundry payables	427 117	245 121
Ticket sales refundable	1 143 730	1 113 400
Trade payables	4 717 204	2 941 537
	21 958 269	25 089 154

Income received in advance represents ticket sales for tours schedule to take place after 31 March 2021.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
12. Payables from exchange transactions (continued)		
Fair value of trade payables		
Trade payables	4 717 204	2 941 537
13. Unspent conditional grants and receipts		
Movement during the year		
Balance at the beginning of the year	108 317 687	85 944 341
Deferred income for the year	(31 556 932)	(10 710 541)
Transfer to COEGA	(1 638 858)	(1 741 113)
Conditional grant received	3 195 500	34 825 000
	78 317 397	108 317 687

Robben Island Museum (RIM) had the following unspent grants at the year end: Department of Tourism R2,2m. Department of Sports, Arts and Culture (DSAC) Infrastructure R74,9m and the Grap 103 grant of R1,3m. Revenue is recognised when expenditure is incurred in executing the Department of Tourism, Infrastructure and Grap 103 related activities.

To note, in respect of the Department of Sports, Arts and Culture (DSAC) Infrastructure grant, the Department of Public Works is the implementing agent for majority of the infrastructure projects. The funds are transferred to RIM and RIM verifies that the expenditure relating to the Department of Public Works projects are in line with conditions of the grant. RIM is not in control of the timing and actual spending of the infrastructure projects for which the Department of Public Works is the implementing agent.

14. Provisions

Reconciliation of provisions - 2021

	Opening Balance	Additions	Utilised during the year	Total
Provision for workmens compensation	118 741	-	(5 673)	113 068
Provision for legal fees	-	1 212 492	-	1 212 492
	118 741	1 212 492	(5 673)	1 325 560

Reconciliation of provisions - 2020

	Opening Balance	Additions	Utilised during the year	Total
Provision for employees arbitration	510 561	-	(510 561)	-
Provision for workmens compensation	124 073	158 426	(163 758)	118 741
	634 634	158 426	(674 319)	118 741

The provision for workmens compensation is calculated as a % of employees earnings per year. Information is submitted to the Department of Labour annually, who provides a statement of amount payable in respect of the provision raised.

The provision for legal fees relates to costs incurred by the state attorney in its investigation into RIM mismanagement as initiated by the RIM Council. It is expected that the State Attorney will recover the costs it incurred in the investigation from RIM. The provision is measured on the basis of the invoices issued to the State Attorney for the Investigation. The timing and amount of outflows are uncertain.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
15. Revaluation reserve		
Opening balance	35 487 103	35 487 103
Movement	-	-
	35 487 103	35 487 103

The revaluation reserve consisted of the surplus from the revaluation of boats and books.

16. Rendering of services

Private and guided tours	56 783	2 123 404
Robben Island Museum tour sales	6 140 420	137 794 028
Cargo sales	187 551	118 934
Hospitality, accommodation and management fees	10 008	1 031 179
	6 394 762	141 067 545

17. Other income

Infrastructure related services	-	2 200 000
Production and publication	29 629	52 524
Sundry income	1 213 086	1 565 630
Education Africa participation fees	-	180 000
	1 242 715	3 998 154

18. Finance income

Interest revenue		
Bank	5 831 734	12 122 561

19. Grants

Operating grants

MTEF allocated DSAC operational grant (unconditional)	80 829 000	84 495 000
Deferred income recognised (conditional grants)	31 556 932	10 710 542
	112 385 932	95 205 542

20. Employee related costs

13th Cheque payments	4 902 104	5 065 736
Basic salary	72 953 533	73 238 524
Defined contribution plans	8 556 856	8 479 802
Housing benefits and allowances	10 411 809	10 241 517
Leave pay provision charge	1 851 267	1 534 987
Medical aid - entity contributions	13 542 350	12 521 016
Other short term costs	622 446	498 870
SDL	685 123	994 744
Service rewards	164 700	6 000
Travel, subsistence and other allowances	754 616	1 589 766
UIF	463 320	458 417
WCA	160 738	158 426
	115 068 862	114 787 805

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
21. Depreciation and amortisation		
Amortisation	718 052	793 324
Depreciation	13 119 805	10 517 084
	13 837 857	11 310 408
22. General expenses		
Advertising	448 503	1 378 910
Agency and support / outsourced services	6 100 440	9 267 783
Assets expensed	14 959	225 730
Assets written off	16 712	134 777
Auditors remuneration	2 618 676	2 599 034
Bank charges	189 576	3 642 969
Boat expenses	2 724 243	6 271 482
Business and advisory consulting fees	5 436 915	7 803 850
Catering	36 279	573 467
Communication	1 991 173	1 526 294
Consumables	247 367	542 700
Education	179 006	566 979
Exhibitions	703 664	999 241
Fuel and oil	6 058 945	10 143 575
Heritage conservation cost	15 720	34 346
Heritage programmes	232 960	234 938
Hire of boats	393 264	38 521 172
Insurance	2 219 793	2 145 467
Internal Audit	167 545	662 910
Inventory expenses	180 992	1 685 063
Inventory write off	82 527	41 592
Legal professional fees	2 514 059	3 686 379
Loss on foreign exchange	-	1 150 956
Medical expenses	212 412	158 857
Motor vehicle expenses	284 402	273 442
Other administrative expenses	506 718	723 830
Owned and leasehold property expenses	16 862 680	16 783 081
Printing and stationery	287 473	424 866
Relocation and recruitment costs	208 495	301 247
Repairs and Maintenance- Motor Vehicles	465 632	895 652
Staff Training	191 200	879 525
Staff welfare	-	230 680
Travelling costs	395 601	4 992 990
Venue expenses	423 230	587 510
	52 411 161	120 091 294

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
23. Cash (used in) generated from operations		
(Deficit) surplus	(55 007 301)	10 418 957
Adjustments for:		
Depreciation and amortisation	13 837 857	11 310 408
Interest income	(6 105 368)	(13 094 386)
Assets written off	16 711	134 777
Movements in operating leases	(36 916)	37 796
Movements in provisions	1 206 819	(515 897)
Movement in deposit held	(134 116)	7 170 991
Changes in working capital:		
Inventories	(472 903)	394 490
Receivables from exchange transactions	241 293	1 813 542
Payables from exchange transactions	(3 130 885)	(692 424)
Unspent conditional grants and receipts	(30 000 290)	22 373 346
	(79 585 099)	39 351 600

24. Revenue from non-exchange transactions

A business relationship currently exists between Robben Island Museum (RIM), Department of Sports, Arts & Culture (DSAC) and Department of Public Works (DPW). DSAC currently funds approved Capital Projects, Municipal Charges and Lease expenditure for all property under the custodianship of DPW. DPW has however a mandate to act as an implementation agent with regard to Infrastructure Projects, Property Management and the related maintenance at RIM. It also enters into third party relationships on behalf of DSAC's entities emanating from the above mentioned relationship.

25. Risk management

Financial risk management

Robben Island Museum (RIM) activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The management of RIM have overall responsibility for the establishment and monitoring of RIM's risk management policies and procedures which have been established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls and to monitor adherence to limits, risk management policies and procedures and reviewed regularly to reflect changes in market conditions and the entity's activities.

Liquidity risk

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

Cash is managed prudently by keeping sufficient cash in bank accounts. Cash is received from Government funding and several project funders. This cash is managed on behalf of the funders, and separate bank accounts are held for funders money as and when required.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. Sales to customers are settled in cash or using major credit cards. All deposits are with reputable major banks.

Aged debtors for debtors that are overdue but not impaired

30 days	1 865	4 340
60 days	4 852	12 350
90 days	551	1 168
	7 268	17 858

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
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25. Risk management (continued)

Market risk

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

	Floating interest	Total
31 March 2021		
Bank Balances	3,00%-3,75%	126 182 898
31 March 2020		
Bank Balances	0%-6,25%	203 670 518

Currency risk

There were no open forward exchange contracts at the year-end.

26. Contingencies

Contingent liabilities

Current period surplus	-	10 158 902
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RIM contributes R17 500 towards the EPP (Ex-Political Prisoners) funeral costs. RIM is requesting EPP's to register, however responses are weak and RIM is therefore unable to reliably determine the number of possible applicants. RIM has no legal obligation to pay this cost but has created a constructive obligation. RIM may limit the amount of payments, subject to financial resources available.

27. Related parties

Related party transactions

Department of Sports, Arts & Culture

Conditional grants received	-	34 825 000
MTEF allocated DSAC operational grant received	80 829 000	84 495 000

DSAC is the controlling authority of the Robben Island Museum (RIM). The following government grants were received from DSAC for earmarked funds included in the medium term expenditure framework (MTEF).

In the prior year, conditional grants received from the allocated medium term expenditure framework (MTEF) for specific purposes.

Operational grants received from the allocated medium term expenditure framework (MTEF) for operational purposes.

28. Fruitless and wasteful expenditure

There was no fruitless and wasteful expenditure incurred in the current financial year.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
29. Irregular Expenditure		
Opening balance as previously reported	92 119 883	1 284 822
	92 119 883	-
Add: Irregular Expenditure - current	-	90 985 598
Less: Amount written off - prior period	-	(150 537)
Irregular expenditure to be condoned	92 119 883	92 119 883

Details of irregular expenditure – current year

There was no irregular expenditure incurred in the current financial year

Prior Period:

Irregular expenditure discovered in the prior years relating to the extension of the previous internal auditors' contract in May 2016. At the time, a new treasury regulation became effective on 01 May 2016, signed off and approved by the Chief Procurement Officer on the 19 April 2016, which prohibited the method of extension utilised for the previous internal audit contract extension. The contract was extended on the 06 May 2016 following due consultation with the Audit Committee at the time. The contract extension which was 15% more than the original contract had been approved 7 days after the effective date of the new treasury regulation.

This irregular expenditure relating to the prior years in relation to this contract amounted to R1 134 285.

During the audit of tender, RIM FER 01-2018/2019, the Auditor General identified a finding of non-compliance in relation to this tender, for the procurement of a new passenger ferry.

The abovementioned finding relates to the alleged failure by RIM to comply with the requirements of the Preferential Procurement Policy Framework Act 5 of 2000 ("PPPFA") and Treasury Regulation 16A6.3 (b) in respect of the evaluation process of the tender.

The Auditor-General indicated that RIM's failure to apply the preference point system prescribed in terms of the PPPFA constitutes non-compliance with the applicable legislative framework and thus result in irregular expenditure.

Further to the above, AG indicated that should RIM have applied the PPPFA, a different service provider would have been selected.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
30. Actual operating expenditure versus budgeted operating expenditure		
30.1) The actual income is less than the budgeted income by R2.0m as a result of a decline in the number of visitors in comparison to the prior year due to Covid-19.		
30.2) The actual income is less than the budgeted income by R151.1m as a result of reduction in tours scheduled and capacity as a result of lockdown restrictions.		
30.3) The actual income is less than the budgeted income by R1.3m due to impact of covid restrictions.		
30.4) The actual income is less than the budgeted income by R0.87m due to a decrease in recovery of electricity.		
30.5) The actual income is less than the budgeted income by R0.1m due to less recoveries in the current financial year.		
30.6) The actual income is less than the budgeted amount by R3.7m due to decrease in cash reserves from the entity incurring a deficit in the current financial year.		
30.7) The actual income is less than the budgeted income by R6.9m due to a decrease in the subsidy budget.		
30.8) The actual income exceeds the budgeted income by R31.6m due to deferred income being recognised for NDT grant (R2.0m), Grap 103 grant (R0.3m), Infrastructure grant (R2.9m), NAC grant (R3.2m) and reprioritisation of infrastructure grant (R23.2m).		
30.9) The actual income exceeds the budgeted amount by R0.02m as a result of a donation received.		
30.10) The actual expenditure is less than the budget by R11.9m due to a number of key positions being vacant.		
30.11) The actual expenditure is less than the budget by R3.5m due to the delay in the timing of capital expenditure spend and reassessment of useful life.		
30.12) The actual expenditure is less than the budget by R63.9m. The main reason for the underspend is due to the entity incurring a deficit in the current year and adopting stringent cost containment measures. Hire of boats is less than the budget by R27.8m as a result of a reduction in tours. Commission and bank charges is less than the budget by R6.3m. Consumables (Fuel, oil & gas) is less than the budget by R5.6m. Boat expenses is less than the budget by R5.2m. Consulting/Professional fees is less than the budget by R3.3m. Flights, accommodation and shuttle service is less than the budget by R3.3m due to increased utilisation of virtual Zoom meetings. Exhibitions are less than the budget by R3.2m.		

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2021 R	2020 R				
31. Executive management and council members' emoluments							
Executive							
2021							
	Date appointed	Basic Salary	Allowances Received	Company contribution	Leave pay cost	13th Cheque	Total
M Dada - CEO	2016/07/01	1 492 288	501 298	207 111	54 503	124 358	2 379 558
P Taruvinga - CHO	2013/09/01	1 268 262	108 105	174 180	(37 860)	105 688	1 618 375
BG Manana - Executive Manager	2015/08/01	1 268 262	108 105	174 180	(18 930)	105 688	1 637 305
B Crocker - CFO	2018/04/01	1 207 773	177 483	166 564	(59 809)	100 647	1 592 658
		5 236 585	894 991	722 035	(62 096)	436 381	7 227 896

***13th Cheque forms part of the Guaranteed Total Cost of Remuneration and an Employee has the option to structure their package to allow for a 13th Cheque which is paid out annually in November.

2020

	Date appointed	Basic Salary	Allowances Received	Company contribution	Leave pay cost	13th Cheque	Total
M Dada - CEO	2016/07/01	1 505 775	574 143	208 491	29 496	113 994	2 431 899
P Taruvinga - CHO	2013/09/01	1 268 262	210 337	175 328	38 426	105 689	1 798 042
BG Manana - Executive Manager	2015/08/01	1 268 262	104 595	175 328	471	105 689	1 654 345
B Crocker - CFO	2018/04/01	1 207 773	173 973	167 699	28 826	100 647	1 678 918
		5 250 072	1 063 048	726 846	97 219	426 019	7 563 204

Council members

2021

	Appointment date	End Date	Total 2021	Total 2020
E Daniels	2021/01/11		24 388	-
TP Ngcobo	2021/01/11		31 356	-
L Callinicos	2010/03/24	2019/06/30	-	17 420
L Mpahlwa	2010/03/30	2019/07/31	-	12 928
P Nefolovhodwe	2010/03/30	2019/07/31	-	22 005
SB Buthelezi	2012/08/24	2019/07/31	-	10 545
LAK Robinson	2016/07/01		155 038	64 955
DR SL Mokene-Matabane	2016/07/01	2019/07/31	-	20 311
M Malapane	2016/06/30	2019/07/31	-	9 444
E Duminy	2017/09/20	2019/06/30	-	8 436
UN Mdledle-Mkize	2017/09/20		128 908	59 228
BL Muthien	2019/07/01	2019/11/28	-	46 398
ADV M Masutha	2019/12/11	2020/11/15	90 687	26 316
LL Mabe	2019/11/29		162 006	29 614
V Menye	2019/10/01		172 458	53 728
PP Chilwane	2019/07/01		177 684	57 486
M Seakwa	2019/07/01		160 264	58 952
SPT Dlamini	2019/07/01		143 202	62 438
MMA Makgolo	2019/07/01		195 104	71 422
MK Maluleke	2019/07/01		240 792	80 783
			1 681 887	712 409

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 R	2020 R
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31. Executive management and council members' emoluments (continued)

Adv M Masutha resigned as chairperson on 14 October 2020.

The current chairperson is MK Maluleke.

Two new council members were appointed on 11 January 2021 (E Daniels and TP Ngcobo).

Audit Committee

2021

	Appointment date	Resignation Date	Total 2021	Total 2020
TF Mosololi	2014/01/14		86 340	44 634
JM Laubscher	2013/01/14	2019/07/31	-	12 000
TNM Ntshiza	2013/01/14	2019/07/31	-	6 000
JM Williams	2019/07/12		34 047	10 476
BT Matabane*	2019/07/23		-	-
			120 387	73 110

*BT Matabane is a non-remunerative member of the Audit Committee since he is currently employed by the State.

Reimbursements

	Total 2021	Total 2020
JM Laubscher	-	11 280
BL Muthien	-	120
JM Williams	-	511
UN Mdledle-Mkize	-	3 549
LAK Robinson	-	5 146
V Menye	-	6 511
LL Mabe	-	6 870
	-	33 987

32. Events after reporting date

On 16 April 2021 the entity initiated a S189 labour process in order to reduce its labour costs in order to ensure the financial sustainability of the entity.

33. Going Concern Consideration

The Covid 19 pandemic has severely impacted the operations of Robben Island Museum with the entity only being able to run limited tours during the financial period. The result is that the entity incurred a significant deficit which was funded by utilising its reserves. The entity has utilised most of its reserves and as a result urgent interventions are being initiated to ensure sustainability of the entity and for it to remain a going concern.

On 16 April 2021 the entity commenced with a consultation process in terms of Section 189 (3) of the Labour Relations Act 66 of 1995 ("LRA") in order to undergo business rationalisation process to address the challenges faced by the entity due to the impact of Covid 19 pandemic on its business operations. The entity has no alternative but to reduce its overall costs in order to remain sustainable. It is envisaged that a reduction in labour costs will ensure that the entity remains sustainable, while maintaining its infrastructure and products so as to be ready to accommodate any future increases in demand.





Part D:
Appendix:
Materiality and
Significance
Framework

Applicable during the 2020/21 Financial Year

1. Background

This document was developed to give effect to the May 2002 amendment to the Treasury Regulations, whereby the following new requirement was set for public entities:

“For purposes of material [sections 50(1), 55(2) and 66(1) of the Public Finance Management Act (PFMA)] and significant [section 54(2) of the PFMA], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant Executive Authority in consultation with the external auditors.”

[Section 28.1.5]

Public entities are required to include the Materiality and Significance Framework in the Strategic Plan to be submitted to its Executive Authority. [TR 30.1.3] Further, the Materiality and Significance Framework must be detailed in the public entity’s annual report. [TR 28.2.1]

No definitions for the concepts “material” and “significant” are included in either the PFMA or in the Treasury Regulations. Accordingly, in compiling this framework, guidance was sought from, inter-alia “Framework for the Preparation and Presentation of Financial Statements” (issued by the International Accounting Standards Board) which defines “Materiality” in the following terms:

“Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful.”

Further guidance was drawn from the International Standard on Auditing (ISA) 320, “Audit Materiality” (issued by the International Auditing and Assurance Standards Board) on the Public Sector Perspective:

“In assessing materiality, the public sector auditor must, in addition to exercising professional judgment, consider any legislation or regulation which may impact that assessment.

In the public sector, materiality is also based on the “context and nature” of an item and includes, for example, sensitivity as well as value. Sensitivity covers a variety of matters such as compliance with authorities, legislative concern or public interest.”

The reference to “economic” decisions in the “Framework for the Preparation and Presentation of Financial Statements” is therefore, assessed as not being conclusive or wholly appropriate to a public entity such as the Robben Island Museum (RIM).

Further, materiality can be based on a number of financial indicators. Detailed below is an indicative table of financial indicators of the type that is widely accepted in the accounting profession as basis for calculating materiality.

General Basis used in accounting profession	Acceptable Percentage Range	RIM Applicability
Gross Revenue	0.25 – 1%	Applicable; being grants received, ticket sales and interest income
Gross Surplus	1 – 2%	Applicable; being excess of grants over operating and capital expenditure
Net Surplus	2.5 – 10%	Applicable; being construction funding not applied during financial year
Equity	2 – 5%	Not Applicable
Total assets	0.5 – 2%	Applicable; being construction costs and heritage assets (plus capitalised research and development cost and office infrastructure)

2. Broad Framework for Robben Island Museum

RIM will be dealing with this framework under two main categories, being quantitative and qualitative aspects.

2.1 Quantitative aspects

Materiality level

The Museum assesses the level of a material loss as being 0.25% of estimated budgeted expenditure (R654 340) for all classes of transactions except for assets.

The Museum assesses the level of a material loss as being 0.5% of total assets at 30 November 2019 (R 2 332 242) for asset transactions.

Motivation

It is recognised that different levels of materiality can be set for different classes of transactions. RIM has taken the approach of setting a materiality for all classes of transactions except for assets; for which a separate materiality has been set.

Factors considered

In determining the said materiality values, RIM took into account factors that include:

Nature of RIM's business

Revenue: Funding for the Museum primarily comprise grants received from the Department of Arts and Culture; own generated income from tourism activities (ticket sales) together with interest earned on investments on deposit accounts as well as grants from donors.

Expenditure: Given the nature of RIM to be an entity mandated to maintain physical structures, operate tours and house intellectual property, preference is given to gross expenditure as the basis of defining the level of materiality.

Assets: Given the nature of the change in RIM's treatment of heritage assets, (i.e. capitalising heritage assets) the effect of which has fundamentally changed the structure of RIM's balance sheet. It has been deemed necessary to set a separate materiality for total assets to take cognisance of capitalising heritage assets.

Statutory requirements applicable to the RIM

- RIM is a project funded by the Department of Arts and Culture; approval for its formation having been obtained in terms of sec 38(1)(m) of the PFMA.
- The Museum has been listed as a PFMA Schedule 3A public entity.
- The Council of the Museum is required to execute the mandate in terms of the of the Cultural Institutions' Act.

The Museum accordingly elects to give preference to a lower level of materiality (i.e. closer to the lower level of the acceptable percentage range) due to it being so closely governed by various acts and the public accountability responsibility it has to stakeholders.

The control and inherent risks associated with RIM

In assessing the control risk RIM concluded that a materiality level of 0.5% of total assets for asset transactions and 0.25% of expenditure for all other classes of transactions is appropriate and prudent. This assessment is based on the fact that a sound control environment is being maintained. In this regard cognisance was given to amongst other matters:

- Proper and appropriate governance structures have been established that include a Management Committee, CEO, CH0, CFO and an Executive Manager Infrastructure and Facilities Management.
- CEO, CH0, CFO and Executive Manager Infrastructure and Facilities Management positions have been created with specific risk management responsibilities;
- An audit committee that closely monitors the control environment of RIM was established;
- The function of internal audit was outsourced to a firm of professional internal auditors; and
- A three-year Internal Audit Coverage Plan, based on annual risk assessments being performed. This is reviewed annually and agreed by the audit committee.

3. RIM General Approach to Qualitative Aspects

Materiality is not confined to the size of the entity and the elements of its financial statements.

The Museum recognises that misstatements that are large either individually or in the aggregate may affect a “reasonable” user’s judgement. Further, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst other:

- New ventures that RIM may enter into.
- Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof due to knowledge thereof affecting the decision making of the user of the financial statements.
- Transactions entered into that could result in reputational risk to RIM.
- Any fraudulent or dishonest behaviour of an officer or staff of RIM.
- Any infringement of the RIM’s agreed performance levels.
- Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).
- Unauthorised, irregular or fruitless and wasteful expenditure.
- Items of a non-financial nature, which would impact on the continued operation and deliverables of the Museum.

The policy contained in this framework will be appropriately presented in the Annual Report of the Museum as required.

Definitions and Abbreviations

Accounting Authority:	Robben Island Museum Council
Executive Authority:	Department of Arts and Culture
Entity:	Robben Island Museum
PFMA:	Public Finance Management Act (Act 1 Of 1999 as amended by act 29 of 1999)
Treasury Regulations:	Public Finance Management Act, 1999: amendment of Treasury Regulations in Terms of Section 76 as published in Government Gazette No. 7372

4. Detailed/Specific RIM Responses to Requirements

4.1 RIM Response to Fiduciary duties of the Accounting Authority Requirements

The accounting authority must (c) on request, disclose to the Executive Authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts , including those reasonable discoverable, which in any way influence the decisions or actions of the executive authority or that legislature.		
Further/Specific Requirement [PFMA section 5(a)]	Quantitative (Amount)	RIM Response: Qualitative
None	RIM Response: Any fact discovered of which the amount exceeds the determined materiality figure as calculated under par 2.1	RIM Response: 1. Any item or event of which specific disclosure is required by law 2. Any fact discovered of which its omission or misstatement, in the Council’s opinion, could influence the decisions or actions of the executive authority or legislature.

4.2 RIM Response to Annual Report and Financial Statements Requirement

General/Principal Requirement (PFMA section 55) The annual report and financial statements referred to in subsection (1)(d) must (a) 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:		
Further/Specific Requirement [PFMA section 55(a)]	RIM Response: Quantitative	RIM Response: Qualitative
(a) include particulars of: (i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year: (ii) any criminal or disciplinary steps taken consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; (iii) any losses recovered or written off; (iv) any financial assistance received from the state and commitments made by the state on its behalf; and (v) any other matters that may be prescribed.	1. Losses through criminal conduct: any loss identified. 2. Losses through irregular, fruitless, wasteful expenditure: Where combined total exceeds the planning materiality figure used by the external auditors for the year under review.	All identified losses through criminal conduct will be disclosed.

4.3 RIM Response to Information to be submitted by Accounting Authority Requirement

General/Principal Requirement (PFMA section 54) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:		
Further/Specific Requirement [PFMA section 54]	RIM Response: Quantitative	RIM Response: Qualitative
(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement.	A cut-off figure of R5000.	Any participation, outside of the approved strategic plan and budget.
(c) acquisition or disposal of a significant shareholding in a company.	Qualitative aspect is more relevant	Any acquisition or disposal, outside of the approved strategic plan and budget.
(d) acquisition or disposal of a significant asset.	Qualitative aspect is more relevant	1. Any asset that would increase or decrease the overall operational functions of the Museum, outside of the approved strategic plan and budget. 2. Disposal of the major part of the assets of the Museum.
(e) Commencement or cessation of a significant business activity.	Qualitative aspect is more relevant	Any business activity that would increase or decrease the overall operational functions of the Museum, outside of the approved strategic plan and budget.

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M.
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Min.

M.
10
Min.

M.
15
Min.

Zuiderbreedte

Latitude Meridionale



Robben Island

MUSEUM



ISLE ROBBER
ROBBEN EILAND

Nabst.
Lome
Fanal
Baak

Batterie Battery

La Balaine
De Walvisch

Mouillage
Ankering

Sable fin Fyn Zand

Batterie
Battery

la Ville
DE STAD

Tete du Lion
Leeuwberg

Fort

Molen

Vallee des Builes
Buffels Valley

Riviere de Sel Zoute Rivier

Montagne de la Table
Tafelberg

Montagne du Diable
Duivelsberg

Le Bois rond
Kompanus Bosch

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