uMsunduzi
MUSEUM · ISIGCINAMAGUGU

an agency of the
Department of Sport, Arts and Culture

ANNUAL REPORT

OF THE UMSUNDUZI MUSEUM

FOR THE YEAR ENDED 31 MARCH 2021

A MUSEUM IN TRANSITION

UMSUNDUZI MUSEUM

ANNUAL REPORT

2020/2021 FINANCIAL YEAR

Submission of the Annual Report to the Minister of Sport, Arts and Culture by the Chairperson of the Museum Council

In terms of the Public Finance Management Act, No.1 of 1999, I have the honour to submit
the Annual Report of the uMsunduzi Museum
for the financial year 2020/2021 to the Minister of Sport, Arts and Culture.

Chairperson:

Dr M.R. Mchunu

Council Members:

Mr B. Daniels, Mrs Z. Dlamini, Mr B. Dube, Ms C. Fani, Mr K. Govender,
Adv. S. Magaqa, Mr T. Sithole

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PART A

GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	uMsunduzi Museum
REGISTRATION NUMBER (if applicable):	N/A
PHYSICAL ADDRESS:	351 Langalibalele Street
	Pietermaritzburg
	3201
POSTAL ADDRESS:	P.O. Box 998
	Pietermaritzburg
	3201
TELEPHONE NUMBER/S:	027 33 394 6834/5
FAX NUMBER:	027 33 3946 797 / 033 342 4100
EMAIL ADDRESS:	mngubane@msunduzimuseum.org.za
WEBSITE ADDRESS:	www.msunduzimuseum.org.za
EXTERNAL AUDITORS:	Auditor-General South Africa
BANKERS:	ABSA Bank
COMPANY/ BOARD SECRETARY:	Mrs Lestelle Sewell

2. LIST OF ABBREVIATIONS / ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
AFRICOM	International Council for African Museums
BBBEE	Broad Based Black Economic Empowerment
COV	Church of the Vow
CFO	Chief Financial Officer
DSAC	Department of Sport, Arts and Culture
MEC	Member of Executive Council
NDPW	National Department of Public Works
PFMA	Public Finance Management Act
p.a.	Per annum
SAPS	South African Police Service
SCM	Supply Chain Management
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
SMME	Small Medium and Micro Enterprises
SMART	Specific, Measurable, Achievable, Realistic and Time bound

3. FOREWORD BY THE CHAIRPERSON

In terms of the Public Finance Management Act 1 of 1999 as amended, it gives me pleasure to submit the Annual Report of the uMsunduzi Museum for the financial year 2020/2021. The report is also reporting on the activities of the Ncome Museum which is an undeclared institution that is attached to the uMsunduzi Museum. The year under review has been especially challenging due to the impact of the Covid-19 pandemic. There are matters though that inspire and restores one's sense of hope, that our cultural institutions in the reporting period continued to play a significant role in South African society by making a meaningful contribution to cultural and heritage preservation, restoration, promotion, research, education and collecting. The Museums worked hard and diligently to achieve and deliver against the identified institutional outcomes as identified in the Strategic Plan.

During the reporting period, the cultural institutions ensured that priority is given to our core mandate of research, exhibitions and education by setting out numerous programmes which are aligned with the Government and the National Department of Sport, Arts and Culture's programmes, such as, the National Development Plan, and the Medium-Term Strategic Framework. Our activities are in line with the Department of Sport, Arts and Culture's Outcome 14 targets: "Nation Building and Social Cohesion" and the Mzansi's Golden Economy Programme. Given the environmental and financial challenges which were exacerbated by budget cuts implemented during the reporting period, great effort was made to ensure that the entity continued to make significant progress. Some of the highlights during the reporting period included the organising and hosting of online virtual exhibitions and public engagements including the 8th Courageous Conversations Conference. A range of webinars and commemorative events were also delivered by the museums.

Our cultural institutions recognise that arts, culture and heritage contribute significantly to economic growth and social development hence they will seek to strengthen relations and partnerships with various stakeholders which include heritage institutions, universities and different layers of government as well as the community structures.

As mentioned above, the financial challenges did not deter cultural institutions in the reporting period of 2020/21 financial year from hosting a number of activities in line with their core functions. However, the financial position of the institution is extremely concerning.

On behalf of the Council, I thank the Department of Sports, Arts and Culture for the support and guidance given to the two Museums. We also appreciate support of the Local Municipalities and the KwaZulu-Natal Department of Arts and Culture and other partners who supported the projects we had planned.

Dr M.R. Mchunu
Chairperson: uMsunduzi Museum
31 July 2021

4. DIRECTOR'S OVERVIEW

It is a pleasure to report on the activities of the uMsunduzi Museum and the undeclared cultural institution of Ncome for the financial year which ended on 31 March 2021. This report will indicate that the cultural institution continued to deliver a number of activities using the objectives as set out in the Annual Performance Plan and the Strategic Plan. These documents were both revised during the reporting period due anticipated impact of the Covid-19 pandemic. The documents are aligned to key objectives set out by the Department of Sport, Arts and Culture (DSAC) and Government's Programmes.

During the reporting period, the cultural institution continued to work on the refurbishment and maintenance projects related to uMsunduzi and Ncome Museums however although tenders were advertised no bidders were suitably responsive. It is anticipated that awards will however be made in the current financial year once SCM processes have been completed.

During the 2020 -21 financial year the cultural institution successfully hosted a number of activities in line with their core functions under extremely difficult conditions associated with the pandemic and exacerbated by financial cuts and existing constraints. The museum however responded to these challenges and delivered a number of programmes including the 8th Courageous Conversations Conference and other commemorative events and exhibitions by utilising online and social media platforms.

Partnership programmes with various departments and organisations contributed to the success of programmes related to our public engagements and the commemoration of Heritage Day and Human Rights Day.

The Cultural Institutions in collaboration with the Department of Sport, Arts and Culture, KZN Department of Arts and Culture, KwaZulu-Natal Museum and Municipalities, promoted arts and culture in the Province of KwaZulu-Natal. The Cultural Institutions hosted and funded a number of projects and programmes which were in line with the Museum's Strategic and Annual Performance plans. A number of outreach programmes in new areas have been conducted during the reporting period. The long-term goals for the museums, is to continue to actively preserve and, promote the nation's cultural heritage to benefit nation building and social upliftment. Through their facilities the museums must be able to generate income for the long-term sustainability.

We would like to thank the Department of Sport, Arts and Culture for the support and guidance given to the cultural institutions. We also appreciate the support the two museums received from the KwaZulu-Natal Department of Sport, Arts and Culture and Local Municipalities.

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Dr M. Ngubane
Director: uMsunduzi Museum
31 July 2021

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by 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 GRAP standards applicable to the public entity.

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

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

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

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

Yours faithfully

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Director	**Chairperson of the Board**
Dr M Ngubane	**Dr M R Mchunu**
31 July 2021	**31 July 2021**

6. STRATEGIC OVERVIEW

6.1. Vision

Creative and empowered socially cohesive South African communities that appreciate our diverse cultural heritage.

6.2. Mission

To contribute towards creative and empowered socially cohesive South African communities through preserving, promoting and presenting our cultural heritage.

6.3. Values

The values of the uMsunduzi Museum are associated with the institution's commitment to service excellence by putting people first and by ascribing to the Batho Pele principles and the philosophy of uBuntu.

Our values:

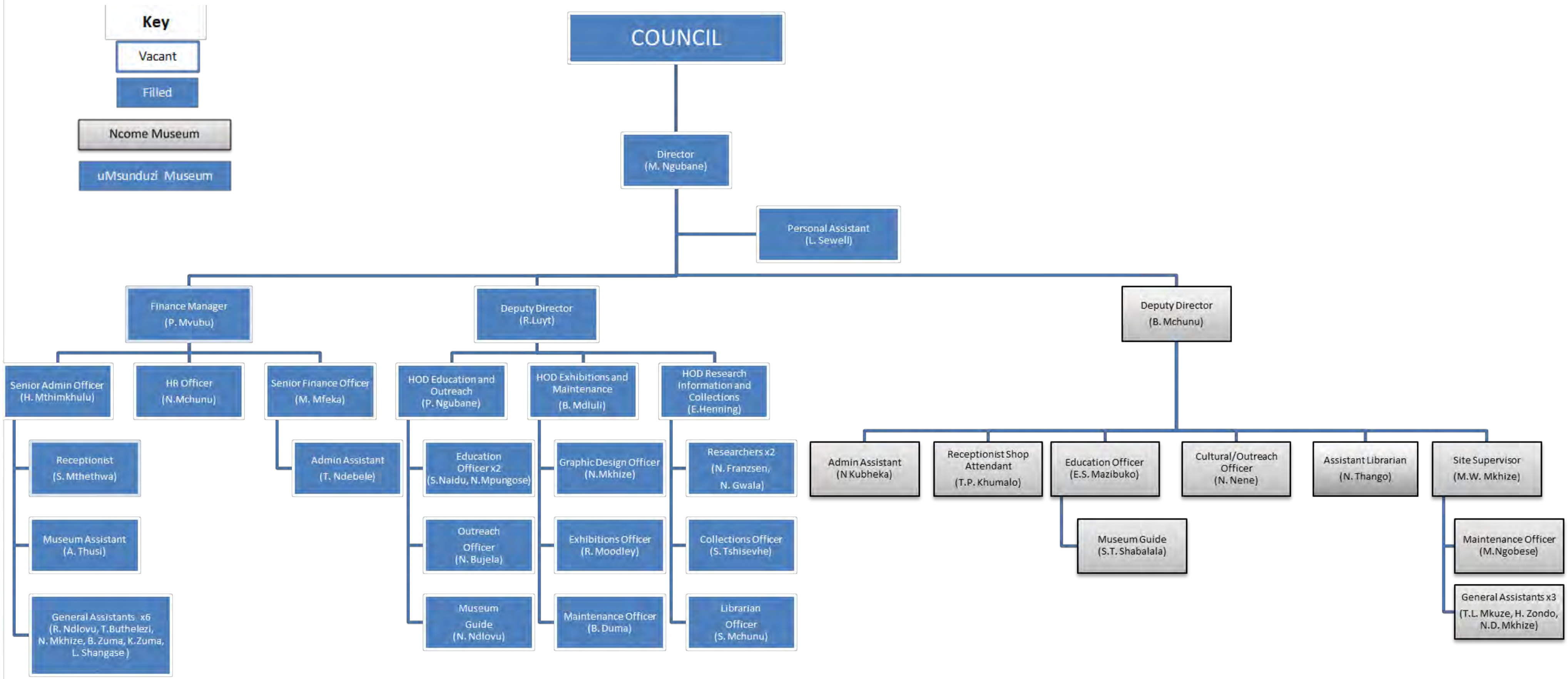
- **Integrity** – We can be relied on to consistently undertake our duties honestly and ethically.
- **Excellence** – We are committed to achieving our performance goals and for delivering work and services of high quality.
- **Accountability** – We will be accountable for all our undertakings and for the use and safe guarding of the assets in our care.
- **Socially responsive** – We will offer a museum service which is responsive to our stakeholders and communities.

7. LEGISLATIVE AND OTHER MANDATES

- The Public Entity falls under Schedule 3A in terms of the PFMA.
- Cultural Institutions Act 119 of 1998 as amended.
- Public Finance Management Act 1 of 1999 as amended.
- Treasury Regulations.
- Labour Relations Amendment Act127 of 1998.
- Basic Conditions of Employment Amendment Act 11 of 2002.
- Employment Equity Act 55 of 1998.
- The Policy of Preferential Procurement Framework Act 5 of 2000.
- National Heritage Resources Act 25 of 1999.
- KwaZulu-Natal Heritage Act 4 of 2008.

8. ORGANISATIONAL STRUCTURE

uMsunduzi and Ncome Museums Organogram 2021



PART B

PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa performed the necessary audit procedures on the performance information to provide limited assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to Management. Refer to the Auditor's Report on pages 85 to 88, published as Part E: Financial Information of this report.

2. SITUATIONAL ANALYSIS

2.1. Service Delivery Environment

During the reporting period the Museums in collaboration with the Department of Sport, Arts and Culture, provincial departments and Lotto Distribution Fund fulfilled their mandate to promote and preserve heritage and culture in South Africa albeit within the context of the Covid-19 pandemic. A nationwide state of disaster was declared and a lockdown commenced on 27 March 2020. Alert level 4 was implemented from 1 May 2020, and level 3 from 1 June 2020. In response to the pandemic the uMsunduzi and Ncome Museums were closed to the public from 19 March 2020 and reopened to the public on 7 September 2020 following the easing of restrictions. As a result of the pandemic the public entity was advised to review and revise the Strategic Plan (2020-2025) and the Annual Performance Plan (2020-2021). This was done and the new plans were implemented. Accordingly, once re-opened the museums implemented Covid-19 protocols which included implementing social distancing measures and therefore delivered a number of programmes at the museums, off-site and online. The 8th Courageous Conversations Conference was delivered using Facebook and Youtube.

2.2. Organisational Environment

The recruitment process for a Finance Manager, initiated during the previous financial year culminated in the permanent appointment of the Acting Finance Manage on 1 November 2020. The significant financial constraints faced by the entity were exacerbated by the reduction in the grant allocation due to Covid-19 and as a result no salary increases were able to be implemented during the reporting period. The financial challenges facing the entity impact severely on the recruitment and retention of staff, as well as the upkeep of the museums and the delivery of programmes. Service delivery and continuity in the Museums will be affected if this problem is not addressed.

2.3. Key policy developments and legislative changes

Apart from the impact of the Covid-19 regulations there have been no changes in policies and legislation that affected the operations of the Museums during the reporting period.

3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Impact Statement: A transforming society of informed participative and socially cohesive citizens

Due to the Covid-19 Pandemic both the Strategic Plan and the Annual Performance Plan were revised and restabled in Parliament on 20 July 2020. Although constrained as a result of the pandemic the uMsunduzi Museum and Ncome Museum in collaboration with the Department of Sport, Arts and Culture, KZN Department of Arts and Culture and Municipalities, promoted arts and culture in the Province of KwaZulu-Natal. The Museum hosted and funded a number of projects and programmes that were in line with the Museum's Strategic and Annual Performance plans as reflected in this report and continued to utilise the 'mobile museum' funded by Lotto as a platform for delivering programmes. The Museum's programmes responded to the institutions mandate and contributed towards the intended impact of building a transforming society of informed, participatory and socially conscious citizens as aligned with the following outcomes:

Outcome 1: Effective and efficient administration

During the reporting period an unqualified audit report was received and 4 policies of the Museum were reviewed and approved. The valuation and stock take of the collection commenced and was completed during the first quarter of 2021-2022. Strict asset management, accountability, and effective and efficient deployment of resources were maintained. This is a clear reflection of a commitment to compliant and responsible governance in line with the MTSF priority of a capable, ethical and developmental state.

Outcome 2: Efficient resource management for maximum reach and impact

Tourism KwaZulu-Natal was engaged by Ncome Museum in order to establish a strategic partnership. In spite of the pandemic inroads were however made in a bid to forge strategic partnerships. Initial contact was made and negotiations activated with Tourism KwaZulu Natal (TKZN). At the time of reporting, partnership negotiations with TKZN were at an advanced stage. This will contribute significantly in ensuring delivery of interventions that would lead to economic empowerment and socio-economic mobility for the youth in particular, making it possible for meaningful transformation and social cohesion to occur. The forging of these synergistic relationships will help bolster our developmental interventions, which is part of our mandate as articulated in MTSF priority 1: Building a capable and developmental state. Four more strategic partnerships will be forged during the MTEF period in order to achieve the five-year strategic target.

Outcome 3: Improved accessibility to information and knowledge

At uMsunduzi Museum 670 visitors were recorded and at Ncome Museum 943 visitors were recorded. The total number of visitors recorded was therefore 1613. A total of 8 temporary or travelling exhibitions were hosted (on-site or electronically) or installed (7 uMsunduzi, 1 Ncome). 5 temporary exhibitions were produced. 5 Research projects for exhibitions or publications were completed. 52 articles were made accessible. 9 Publications which included Ulwazi vol 5 and 6, and Msunduzi Journal vol 9 and vol 10 were designed produced and made accessible. 1 educational / research resource was designed and produced. The museums organised 5 public engagements (3 uMsunduzi, 2 Ncome) which were held online or on-site. These engagements were associated with Library Week, Book Week and included the 8th Courageous Conversations Conference. 1 existing publication was also translated into two indigenous languages and produced and the Museum's libraries increased their collections and improved access to information by purchasing 57 books (29 uMsunduzi, 28 Ncome).

The interaction we have had on various platforms with diverse audiences has ensured that we contribute towards capacity building through access to information and knowledge. Sufficient platforms, including face-to-face, virtual and print avenues, have been created and maintained. This broadening and intensification of interfacing platforms for knowledge and information sharing will help towards achieving social transformation and cohesion which aligns with priority 6 of the MTSF. Our information dissemination and knowledge sharing endeavours are aligned with capacity building through education and skills development priority of MTSF priority 3.

Outcome 4: Improved audience awareness, engagement and participation in museum programmes and projects

11 outreach programmes were delivered in new areas (7 uMsunduzi, 4 Ncome) thereby expanding the footprint of the museum programmes by delivering programmes in areas not normally visited by the museum. The expansion in terms of audiences and geographic areas reached has meant that more people are exposed to our programmes and they are empowered through information and knowledge they receive. This stands us in good stead to build on these newly activated areas in future years thus incrementally improving our reach and impact in terms of MTSF priority 3: Education, skills and health.

Outcome 5: Better understanding of the museum content and objects by communities from diverse backgrounds

33 presentations (17 uMsunduzi, 16 Ncome) were delivered online or on-site to various communities in uMgungundlovu and Umzinyathi districts.

The unavailability of schools for the most part of the year due to Covid-19 lockdown necessitated that we amend our strategic outcome to be more all-encompassing in terms of target audiences. The outcome was amended from “better understanding and delivery of the curriculum by teachers and learners from diverse backgrounds” to reflect a broader interaction with communities from diverse backgrounds. As a result of this broadening of scope, we were able to reach a wide spectrum of audiences thus exposing a wider and more diverse range of audiences to our programmes. Our interventions have facilitated access to education and skills in clear resonance with priority 3 of the MTSF.

Outcome 6: Economically and socially transforming, diverse and cohesive communities

7 commemorative events were held online or on-site (2 uMsunduzi, 5 Ncome) and included events to commemorate Heritage Day. The event at uMsunduzi Museum also offered a platform for participants to engage on issues associated with the rising scourge of Gender Based Violence. Webinars were also held relating to Reconciliation Day and Human Rights Day. A total of 10 skills workshops were held (8 uMsunduzi, 2 Ncome) and 2 people were afforded work exposure opportunities through learnerships/ intenships/ traineeships / in service training at Ncome Museum.

The skills workshops and commemorative events we delivered contributed in promoting appreciation of the diversity of our heritage. The skills gained through workshops as well as exposure and knowledge acquired through commemorative events are critical ingredients for socio-economic empowerment and transformation. The theme for the webinar associated with Reconciliation Day was “Interrogating pathways to substantive reconciliation and social cohesion in South Africa from Binaries to Intersectionality to Layering (Imbrications).” This dialogue aligned to priority 6 offered an opportunity for engagement on issues pertaining to social cohesion and reconciliation and also aligns as do the Human Rights Day programmes to MTSF priority 7 a better Africa and World.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

uMsunduzi and Ncome Museum Programmes

Programme 1: Administration

Purpose: The purpose of this programme is to provide core support, including purchasing, administrative, financial and human resources to the user departments of the museum to ensure that these departments effectively execute their responsibilities. Amongst the interventions of this programme is the review of policies and the effective utilisation of various other avenues to acquire and develop human resource and human capital such as internships, learnerships and traineeships. All these interventions should translate into better service rendered to our patrons and growth of our audience base.

Institutional outcomes:

Outcome 1:	**Effective and efficient administration**
Outcome 2:	**Efficient resource management for maximum reach and impact**
Outcome 3:	**Improved accessibility to information and knowledge**
Outcome 6:	**Economically and socially transforming, diverse and cohesive communities**

Programme 2: Business Development

Purpose: The purpose of this programme is to develop, preserve and promote the museum's collections as a lasting resource reflecting our national heritage, national identity and the museum's institutional identity. At the centre of this programme is research aimed at knowledge production especially in a manner that contemporaneously draws meaningful parallels between the past and the present and provokes meaningful and substantive engagements with heritage and history. The programme seeks to ensure open access to information and to make available information resources for the benefit of the general public whom we serve.

Institutional outcomes: **Outcome 3:** **Improved accessibility to information and knowledge**

Programme 3: Public Engagement

Purpose: The Public Engagement Programme comprises two sub-programmes, sub-programme 1: Exhibitions and Maintenance and sub-programme 2: Education and Outreach. These sub-programmes are primarily associated with the interface between the Museum's audiences and the museum whether it be through delivering programmes or by designing and producing information bearing media such as publications and exhibitions.

Sub-programme 1: Exhibitions

Purpose: This programme exists primarily to expose the public to museum content with a view to educate and inform and also open up opportunities for co-curation, co-creation and joint meaning-making between the museum and its various audiences. The exhibitions also provide an avenue and a platform to publicise museum offerings and to register the museum raison d'être in the minds of various audiences. Exhibitions are great triggers of meaningful engagements leading to production of new knowledge and contributing to appreciation of diverse perspectives.

Institutional outcomes: **Outcome 3:** **Improved accessibility to information and knowledge**

Sub-programme 2: Education and Outreach

Purpose: The programme aims to provide general education to the public on a range of collections in the museum and the roles that these objects play in the promotion of the country's heritage. It also facilitates knowledge acquisition through educational programmes tailored to specific audiences. Furthermore, the programme aims to use museum content and objects to reinforce learning and facilitate curriculum assimilation in schools. It also serves as a platform for development of useful art, craft and herbal skills which could potentially enable participants to engage in, or access gainful economic activities for our audiences.

Institutional outcomes:

Outcome 3: Improved accessibility to information and knowledge
Outcome 4: Improved audience awareness, engagement and participation in museum programmes and projects
Outcome 5: Better understanding of museum content and objects by communities from diverse backgrounds
Outcome 6: Economically and socially, transforming, diverse and cohesive communities

5. PERFORMANCE INFORMATION BY PROGRAMME: UMSUNDUZI MUSEUM

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

5.1 UMSUNDUZI MUSEUM - PROGRAMME 1: ADMINISTRATION

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Improved accessibility to information and knowledge	Visitors engaging with the museum and its programmes	Number of visitors recorded	20 770 visitors uMsunduzi: 10741 Ncome: 10029	26794 visitors uMsunduzi: 8541 Ncome:18253	uMsunduzi: 10800 visitors recorded	0	10800 less visitors	The impact of Covid-19 resulted in a lockdown and the temporary closure of the museum to visitors	The target was revised due to Covid 19 and associated restrictions

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020 /2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reason for deviations
Effective and efficient administration	Unqualified Audit Report	Unqualified Audit Report	4 Quarterly Reports and 1 Annual Report	4 Quarterly Reports and 1 Annual Report	Unqualified Audit Report	Unqualified Audit Report	N/A	N/A
Effective and efficient administration	Policies of the Museum reviewed and approved	Number of policies of the Museum reviewed and approved	New indicator	New indicator	8 policies of the Museum reviewed and approved	4 policies reviewed and approved	4 less policies	Insufficient policies were reviewed due to the council prioritising other important matters
Effective and efficient administration	Collections accounted for and valued in compliance with GRAP 103	Number of collection valuations and stock takes	Stock check of 50 items in storage and 50 items on exhibition was conducted. 1 report produced. A stock check of library holdings was also done and an associated report produced	Museum collections stock take spot check of items on exhibition and in storage was undertaken, (52 items were checked in the collection and 48 on exhibition)	1 collection valuation and stock take (uMsunduzi and Ncome)	Stock taking and valuation process in progress	Valuation and full stock take not completed by 31 March 2021	Valuation and stock take could not be completed on time as service provider was appointed later than expected and tasks took longer than anticipated.
Improved accessibility to information and knowledge	Visitors engaging with the museum and its programmes	Number of visitors recorded	20 770 visitors uMsunduzi: 10741 Ncome: 10029	26794 visitors uMsunduzi: 8541 Ncome:18253	uMsunduzi: 3000 visitors recorded	670 visitors	2330 less visitors	The impact of Covid-19 has drastically affected the number of people visiting the Museum
Economically and socially transforming diverse and	People with work experience	Number of people afforded work exposure opportunities	New indicator	New indicator	uMsunduzi: 1 person afforded work exposure opportunities	1 person	N/A	N/A

cohesive communities		through learnerships / internships / traineeships / in-service training			through learnerships / internships / traineeships / in-service training			

5.2 UMSUNDUZI MUSEUM - PROGRAMME 2: BUSINESS DEVELOPMENT

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021 until date of re-tabling**	**Deviation from planned target to actual achievement 2020/2021**	**Reason for deviations**	**Reasons for revisions to the Outputs / Output Indicators / Annual Targets**
Improved accessibility to information and knowledge	Public engagements held	Number of public engagements held	5 public engagements. (uMsunduzi: - Nelson Mandela Centenary Lecture - Nelson Mandela Centenary Walk – Traditional Healing in the 21st Century Lecture -6th Courageous Conversations Conference – Ncome: Talk)	3 public engagements uMsunduzi: 2 Ncome: 1	uMsunduzi: 5 public engagements held	Planning meetings held	Planning meetings were held but no engagements were delivered	Due to Covid-19 restrictions no public engagements could be delivered during lockdown. The APP was retabled on 20 July 2020	Revisions were made to the APP due to the impact of Covid-19 pandemic restrictions which impacted on gatherings

Improved accessibility to information and knowledge	Publications translated into an indigenous language	Number of existing publications translated into an indigenous language and produced	New indicator	New indicator	uMsunduzi : 1 existing publications translated into an indigenous language and produced	2 existing publications were translated from English into Zulu	The publications were not produced	Due to Covid-19 only translations were done, and not the production of the publication. The APP was retabled on 20 July 2020	Revisions were made to the APP due to the impact of Covid-19 pandemic restrictions

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020 /2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reason for deviations
Improved accessibility to information and knowledge	Research projects for exhibitions or publications completed	Number of research projects for exhibitions or publications completed	1 Research project – text completed for the upgrade to Tapestry of Cultures exhibition 1 Research project – text completed for a publication on the history of Edendale	Text was compiled	uMsunduzi: 2 research projects for exhibitions or publications completed	5	1 additional project was delivered and 2 projects from the previous financial year were completed	The target was exceeded as due to the impact of COVID-19 it was anticipated that fewer visitors will come to the museum. In order to expose the public, to our collections and heritage an additional project was undertaken for an online exhibition. 2 other research projects that were not completed during 2019-2020 were completed during 2020-2021)
Improved accessibility to information and knowledge	Articles made accessible	Number of articles made accessible	New indicator	New indicator	10 articles made accessible	52	42 Additional articles were made accessible	The target was exceeded as more articles than anticipated were received and therefore published, and due to the COVID-19 pandemic 1 printed volume of Ulwazi and 1 printed volume of the Journal was deliverd in the reporting

								period
Improved accessibility to information and knowledge	Public engagements held online or on-site	Number of public engagements held online or on-site	5 public engagements (uMsunduzi: - Nelson Mandela Centenary Lecture - Nelson Mandela Centenary Walk – Traditional Healing in the 21st Century Lecture - 6th Courageous Conversations Conference – Ncome: Talk)	3 public engagements uMsunduzi: 2 Ncome: 1	uMsunduzi: 3 public engagements held online or on-site	3	N/A	N/A
Improved accessibility to information and knowledge	Library materials purchased	Number of library materials purchased	68 materials acquired uMsunduzi: Purchased 23 Donated:31 Collected: 1 Ncome Purchased: 11 Donated: 2	32 materials acquired (uMsunduzi and Ncome)	uMsunduzi: 28 library materials purchased	29	One additional book purchased	The target was exceeded as one additional book ordered previously was delivered in quarter 1

5.3 UMSUNDUZI MUSEUM - PROGRAMME 3: PUBLIC ENGAGEMENT

SUB-PROGRAMME 1: EXHIBITIONS

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Improved accessibility to information and knowledge	Educational / research resources produced	Number of educational / research resources designed and produced	New indicator	New indicator	2 educational / research resources designed and produced	0	2 not designed and produced	The target was planned for the fourth quarter and due to Covid-19 the APP was revised. Therefore, no exhibitions were produced prior to retabling of the APP	The target was revised due to the impact of Covid-19 pandemic restrictions
Improved accessibility to information and knowledge	Temporary or travelling exhibitions hosted or installed	Number of temporary or travelling exhibitions hosted or installed	6 temporary exhibitions and 2 displays: - Nelson Mandela Exhibition hosted - Human Rights Trust exhibition hosted 4 x travelling exhibitions (installed at Eastwood Library x2, Richmond Library, Woodlands Library)	7 temporary exhibitions (uMsunduzi and Ncome)	6 temporary or travelling exhibitions hosted or installed	0	6 not hosted or installed	The target was planned for the third and fourth quarters, and due to Covid -19 the APP was revised. Covid-19 restrictions furthermore resulted in no exhibitions being hosted or installed prior to re-tabling of the APP	The target was revised as it was anticipated that due to the impact of Covid- 19 pandemic the demand for temporary or travelling exhibitions would be reduced

			2 x displays were also done (for Africa Day at KZN Legislature and for Crafters Open Day at uMsunduzi Museum)						
Improved accessibility to information and knowledge	Exhibitions produced	Number of temporary exhibitions produced	New indicator	New indicator	2 temporary exhibitions produced	0	2 not produced	The target was planned for the fourth quarter and due to Covid-19 the APP was revised. Therefore, no exhibitions were produced prior to retabling of the APP	The target was revised due to the impact of Covid-19 pandemic

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020 /2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reason for deviations**
Improved accessibility to information and knowledge	Publications produced and made accessible	Number of publications designed, produced and made accessible	Total: 22 publications: - Nelson Mandela Walk poster - Mandela Lecture Invitation - Mandela Lecture Programme - uMsunduzi Museum Library Brochure - Making	Total 19 publications produced. 6 publications were designed.	3 publications designed, produced and made accessible	9	6 additional publications designed, produced and made accessible	The target was exceeded as 2 volumes of the Journal and Ulwazi developed during the previous year were delivered in the current year and as both vol 10 of the Journal and volume 6 of Ulwazi were produced more quickly than anticipated and also published online more publications than

			Connections through Collections Brochure - Brochure for Mobile Museum - Youth Day Programme - Youth Day Poster - Mandela Day Programme - Traditional Healing Invitation - Traditional Healing Programme - Heritage Day Programme - Annual Report - Tapestry of Cultures Brochure - Conference Invitation - Conference Programme - Ulwazi - Museum Journal - Annual Performance Plan - Women's Day Programme - Human Rights Day Invite - Human Rights Day Programme					anticipated were produced. The Edendale publication designed in the previous year was also printed and delivered in in the reporting period. Due to Covid 19 Pandemic both the Annual Performance Plan as well as the Strat Plan also needed to be revised.

Improved accessibility to information and knowledge	Publications translated into an indigenous language	Number of existing publications translated into an indigenous language and produced	New indicator	New indicator	uMsunduzi : 1 existing publication translated into an indigenous language and produced	1 publication was translated into two indigenous languages and produced and another publication was translated	An additional publication was translated	The target was exceeded as there was sufficient capacity and funds to translate another publication thereby allowing for more time for design and production
Improved accessibility to information and knowledge	Educational / research resources produced	Number of educational / research resources designed and produced	New indicator	New indicator	1 educational / research resource designed and produced	1	N/A	N/A
Improved accessibility to information and knowledge	Temporary or travelling exhibitions hosted (on-site or electronically) or installed	Number of temporary or travelling exhibitions hosted (on-site or electronically) or installed	6 temporary exhibitions and 2 displays: - Nelson Mandela Exhibition hosted - Human Rights Trust exhibition hosted 4 x travelling exhibitions (installed at Eastwood Library x2, Richmond Library, Woodlands Library) 2 x displays were also done (for Africa Day at KZN	7 temporary exhibitions (uMsunduzi and Ncome)	3 temporary or travelling exhibitions hosted (on-site or electronically) or installed	7	4 additional temporary or travelling exhibitions hosted (on-site or electronically) or installed	The target was exceeded due to the hosting of an exhibition at the request of an organisation celebrating the arrival of the 1860 Indian indentured workers. As a result of an initiative by the museum to provide the public with access to our collections and heritage in the face of Covid-19 by making 3 additional exhibitions available online

			Legislature and for Crafters Open Day at uMsunduzi Museum)					
Improved accessibility to information and knowledge	Exhibitions produced	Number of permanent exhibitions produced	Exhibition was completed at Ncome Museum Exhibition, “Music as an Art Form – Building a Divided Nation” 98% complete An exhibition was installed in Boshoff Street windows	“Tapestry of Cultures Connecting Cultures“ exhibition concept developed, various components installed and design of graphics panels undertaken	N/A	1	“Tapestry of Cultures Connecting Cultures“ exhibition from the previous financial year was completed	The exhibition associated with the target from the previous year needed to be completed
Improved accessibility to information and knowledge	Exhibitions produced	Number of temporary exhibitions produced	New Indicator	New Indicator	1 temporary exhibition produced	5	4 additional online exhibitions were produced.	The target was exceeded as in response to Covid-19 additional opportunities were identified to improve the museums offerings by exposing the public to our heritage and collections through online exhibitions. This included the Living Heritage exhibition - produced for Ncome Museum, The Pietermaritzburg Heritage Sites exhibition – to supplement existing exhibitions at uMsunduzi Museum, “Weaving through cultures” and Azibuye Emasisweni”

UMSUNDUZI MUSEUM - PROGRAMME 3: PUBLIC ENGAGEMENT (CONTINUED)

SUB-PROGRAMME 2: EDUCATION AND OUTREACH

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Better understanding and delivery of the curriculum by teachers and learners from diverse backgrounds	Caps aligned educational programmes presented	Number of presentations of educational programmes	122 presented (31 Ncome; 91 uMsunduzi)	149 presented (uMsunduzi and Ncome)	uMsunduzi: 105 presentations of educational programmes	0	105 not held	Due to Covid-19 restrictions no programmes could be delivered during lockdown prior to the retabling of the APP	Revisions were made to the APP due to the Covid-19 pandemic which impacted on the accessibility of the audience
	Teacher's workshop	Number of teacher's workshops held	2 workshops organised. (1 Ncome, 1 uMsunduzi)	2 workshops organised (uMsunduzi and Ncome)	uMsunduzi: 1 teacher's workshops held	0	1 not held	Due to Covid-19 restrictions no workshops could be delivered during lockdown. The APP was retabled on 20 July 2020	Annual performance plan revised due to impact of Covid-19
	Survey of teachers and learners conducted	Percentage of surveyed teachers and learners reporting a better understanding of the curriculum	New indicator	New indicator	70% of surveyed teachers and learners reporting a better understanding of the curriculum	0%	100% of target not achieved	Due to Covid-19 restrictions no programmes and surveys could be conducted during lockdown. The APP was retabled on 20 July 2020	Revisions were made to the APP due to the Covid-19 pandemic which impacted on the accessibility of the audience

Improved audience awareness, engagement and participation in museum programmes and projects	Outreach programmes delivered in new areas	Number of outreach programmes delivered in new areas	New indicator	New indicator	5 outreach programmes delivered in new areas	0	5 not held	Due to Covid-19 restrictions no outreach programmes could be conducted during lockdown. The APP was retabled on 20 July 2020	The target was revised due to Covid-19 and associated restrictions
Improved accessibility to information and knowledge	Holiday programmes	Number of holiday programmes held	4 programmes organised (2 Ncome; 2 uMsunduzi)	3 programmes Organised (uMsunduzi and Ncome)	uMsunduzi: 1 holiday programme held	0	1 not held	Due to Covid-19 restrictions no programmes could be delivered as anticipated. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience
Economically and socially, transforming, diverse and cohesive communities	Art/Craft/ herbal workshops	Number of skills workshops held	16 workshops facilitated (12 uMsunduzi; 4 Ncome) A crafter's closing/award event was also held at uMsunduzi	18 workshops facilitated. (uMsunduzi and Ncome)	uMsunduzi: 12 skills workshops held	0	12 not held	APP was retabled on 20 July 2020. Due to Covid-19 restrictions no programmes could be delivered as anticipated during the first quarter	The target was revised due to Covid 19 and associated restrictions
	Survey of skills development workshop beneficiaries	Percentage of skills development workshop beneficiaries reporting improved access to economic opportunities	New indicator	New indicator	50% reporting improved access to economic opportunities	0%	100% of target not achieved	Due to Covid-19 restrictions no workshops and surveys could be conducted as anticipated. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience

	Commemorative events	Number of commemorative events held	19 uMsunduzi: 8 International Museums Day; Youth Day; Mandela Day; Women's Day; Heritage Day; Wellness Day; Human Rights Day; Crafters Open Day. Ncome: 11 International Museums Day; Youth Day; Freedom Day (Youth Parliament); Mandela Day; Women's Day; Reconciliation Day; World Aids Day; Human Rights Day (2 events)	14 commemorative day events held (uMsunduzi and Ncome)	uMsunduzi: 5 commemorative events held	0	5 not held	Due to Covid-19 restrictions no commemorative events could be conducted during lockdown. The APP was retabled on 20 July 2020	Revisions were made to the APP due to the impact of Covid-19 on gatherings
	Attendance of commemorative day events by diverse population groups	Percentage of commemorative day events reflective of attendance by diverse population groups	New indicator	New indicator	70 % of commemorative day events reflective of inclusive attendance by all population groups: _ Black African _ Coloured _ White _ Indian _ Male	0%	100% of target not achieved	Due to Covid-19 restrictions no commemorative events could be conducted during lockdown and therefore attendance was not measured. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience

					_ Female _ Youth _ Adults				

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020 /2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reason for deviations
Better understanding of the museum content and objects by communities from diverse backgrounds	Presentations	Number of presentations delivered online or on site	122 presented (31 Ncome; 91 uMsunduzi)	149 presented	uMsunduzi: 6 presentations delivered online or on-site	17	11 additional presentations delivered	The target was exceeded because additional presentations were able to be delivered once restrictions associated with Covid-19 had been eased.
Improved audience awareness, engagement and participation in museum programmes and projects	Outreach programmes delivered in new areas	Number of outreach programmes delivered in new areas	New indicator	New indicator	2 outreach programmes delivered in new areas	7	5 additional outreach programmes	The target was exceeded as in addition to the two planned outreach programmes the museum was also invited to participate in programmes delivered by partners in new areas
Economically and socially transforming, diverse and cohesive communities	Art/craft/ herbal workshops	Number of skills workshops held	16 workshops facilitated. (12 uMsunduzi, 4 Ncome) A crafter's closing/award event was also held at uMsunduzi	18 workshops facilitated	uMsunduzi: 4 skills workshops held	8	4 additional workshops held	The target was exceeded because additional workshops were able to be held in quarter 2 once covid-19 restrictions had been eased – some existing group members and some in

								new areas were therefore available when approached
	Commemorative events held online or on-site	Number of commemorative events held online or on-site	19 uMsunduzi: 8 International Museums Day; Youth Day; Mandela Day; Women's Day; Heritage Day; Wellness Day; Human Rights Day; Crafters Open Day. Ncome: 11 International Museums Day; Youth Day;Freedom Day (Youth Parliament); Mandela Day; Women's Day; Reconciliation Day; World Aids Day; Human Rights Day (2 events); Events: Heritage Month Mini Comrades Marathon and School Debate	14 Commemorative Day events held	uMsunduzi: 1 commemorative events held online or on-site	2	1 additional commemorative event held	The target was exceeded due to the hosting of the Heritage Day dialogue which was held as result of a request from an NGO to hold a dialogue on gender-based violence. The hosting of an on-site event was made possible due to easing of COVID-19 restrictions

5.4 NCOME MUSEUM - PROGRAMME 1: ADMINISTRATION

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021 <u>until date of re-tabling</u>**	**Deviation from planned target to actual achievement 2020/2021**	**Reason for deviations**	**Reasons for revisions to the Outputs / Output Indicators / Annual Targets**
Improved accessibility to information and knowledge	Visitors engaging with the museum and its programmes	Number of visitors recorded	10029	26794 visitors uMsunduzi: 8541 Ncome: 18253	10100 visitors recorded	0 visitors recorded	10100 visitors not recorded	The adverse effects of Covid 19, resulted in fewer and smaller events and gatherings. The museum was also closed to visitors during the first 2 quarters of the year and due to the pandemic people were reluctant to visit the museum.	The target was revised due to Covid 19 and associated restrictions

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020 /2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reason for deviations**
Efficient resource management for maximum reach and impact	Strategic partnerships	Number of strategic partnerships forged	New indicator	New indicator	Ncome: 1 strategic partnership forged	Negotiations in progress with 1 partner (TKZN)	Partnership agreement not formalized	Internal processes on the part of TKZN have been slow

								(due to impact of Covid). This has delayed the finalisation of their decision concerning our proposed partnership.
Economically and socially transforming, diverse and cohesive communities	People with work experience	Number of people afforded work exposure opportunities through learnerships/internships/ traineeships/in-service training	New indicator	New indicator	Ncome: 2 people afforded work exposure opportunities through learnerships/ Internships/traineeships/ In-service training	2	N/A	N/A
Improved accessibility to information and knowledge	Visitors engaging with the museum and its programmes	Number of visitors recorded	10029	26794 visitors uMsunduzi: 8541 Ncome: 18253	Ncome: 3000 visitors recorded	943	2057 less visitors	The adverse effects of Covid 19, resulted in fewer and smaller events and gatherings. The museum was also closed to visitors during the first 2 quarters of the year and due to the pandemic people were reluctant to visit the museum.

5.5 NCOME MUSEUM - PROGRAMME 2: BUSINESS DEVELOPMENT

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Improved accessibility to information and knowledge	Public engagements held	Number of public engagements held	5 public engagements. (uMsunduzi – Nelson Mandela Centenary Lecture – Nelson Mandela Centenary Walk – Traditional Healing in the 21st Century Lecture- 6th Courageous Conversations Conference – Ncome : Talk)	3 public engagements uMsunduzi: 2 Ncome: 1	Ncome: 2 public engagements held	0	2 not held	No public engagements were planned for the period prior to retabling of the APP	The indicator was revised due to Covid 19 and associated restrictions

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020 /2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reason for deviations
Improved accessibility to information and knowledge	Library materials purchased	Number of library materials purchased	68 materials acquired uMsunduzi: Purchased: 23 Donated: 31 Collected: Ncome: Purchased: 11 Donated: 2	uMsunduzi and Ncome: 32 materials acquired	28 library materials purchased	28	N/A	N/A
Improved accessibility to information and knowledge	Public engagements held online or on-site	Number of public engagements held online or on-site	5 public engagements. (uMsunduzi – Nelson Mandela Centenary Lecture – Nelson Mandela Centenary Walk – Traditional Healing in the 21st Century Lecture- 6th Courageous	3 public engagements uMsunduzi: 2 Ncome: 1	2 public engagements held online or on-site	2	N/A	N/A

			Conversations Conference – Ncome : Talk)					

5.6 NCOME MUSEUM - PROGRAMME 3: PUBLIC ENGAGEMENT

SUB PROGRAMME: EXHIBITIONS

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020/2021**	**Actual Achievement 2020/2021 <u>until date of re-tabling</u>**	**Deviation from planned target to actual achievement 2020/2021**	**Reason for deviations**	**Reasons for revisions to the Outputs / Output Indicators / Annual Targets**
Improved accessibility to information and knowledge	Temporary or travelling exhibition hosted or installed	Number of temporary or travelling exhibitions hosted or installed	6 temporary exhibitions and two displays: Nelson Mandela exhibition hosted – Human Rights Trust exhibition hosted 4x travelling exhibitions (installed at: Eastwood Library x2, Rishmond Library, Woodlands Library)	7 temporary exhibitions (uMsunduzi and Ncome)	Ncome: 1 temporary or travelling exhibitions hosted or installed	0	1 not hosted or installed	No exhibitions were planned for the period prior to retabling of the APP	The indicator was revised due to Covid 19 and associated restrictions

			2x displays were also done for Africa Day at KZN Legislature and for Crafters Open Day at uMsunduzi Museum)						

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020 /2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reason for deviations**
Improved accessibility to information and knowledge	Temporary or travelling exhibition hosted (online or electronically) or installed	Number of temporary or travelling exhibitions hosted (on-site or electronically or installed)	6 temporary exhibitions and two displays: Nelson Mandela exhibition hosted – Human Rights Trust exhibition hosted 4x travelling exhibitions (installed at: Eastwood Library x2, Richmond Library,	7 temporary exhibitions (uMsunduzi and Ncome)	1 temporary or travelling exhibition hosted (on-site or electronically) or installed	1	N/A	N/A

			Woodlands Library) 2x displays were also done for Africa Day at KZN Legislature and for Crafters Open Day at uMsunduzi Museum)					

NCOME MUSEUM - PROGRAMME 3: PUBLIC ENGAGEMENT (CONTINUED)

SUB-PROGRAMME 2: EDUCATION AND OUTREACH

Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revisions to the Outputs / Output Indicators / Annual Targets
Better understanding and delivery of the curriculum by teachers and learners from diverse backgrounds	Caps aligned educational programmes presented	Number of presentations of educational programmes	122 presented (31 Ncome; 91 uMsunduzi)	149 presented	Ncome: 30 presentations of educational programmes	0	30 not presented	Due to Covid-19 restrictions no programmes could be delivered during lockdown. The APP was retabled on 20 July 2020.	Revisions were made to the APP due to the Covid-19 pandemic which impacted on the accessibility of the audience

Better understanding and delivery of the curriculum by teachers and learners from diverse backgrounds	Teacher's workshop	Number of teacher's workshops held	2 workshops organised (1 Ncome, 1 uMsunduzi)	2 workshops organised.	Plan and organise 1 teachers workshops (1 uMsunduzi; 1 Ncome)	0	1 not held	Due to Covid-19 restrictions no workshops could be delivered during lockdown. The APP was retabled on 20 July 2020.	Annual performance plan revised due to impact of Covid 19
Better understanding and delivery of the curriculum by teachers and learners from diverse backgrounds	Survey of teachers and learners conducted	Percentage of surveyed teachers and learners reporting a better understanding of the curriculum	New indicator	New indicator	70% of surveyed teachers and learners reporting a better understanding of the curriculum	0%	100% of the target not achieved	Due to Covid-19 restrictions no programmes and surveys could be conducted during lockdown. The APP was retabled on 20 July 2020.	Revisions were made to the APP due to the Covid-19 pandemic which impacted on the accessibility of the audience
Improved audience awareness, engagement and participation in museum programmes and projects	Outreach programmes delivered in new areas	Number of outreach programmes delivered in new areas	New indicator	New indicator	10 outreach programmes delivered in new areas	0	10 not delivered	Due to Covid-19 restrictions no outreach programmes could be conducted during lockdown. The APP was retabled on 20 July 2020	The target was revised due to Covid 19 and associated restrictions

Improved accessibility to information and knowledge	Holiday programmes	Number of holiday programmes held	4 programmes organised. (2 Ncome; 2 Msunduzi)	3 programmes organised. (uMsunduzi and Ncome)	Ncome: 1 holiday programmes held	0	1 not held	Due to Covid-19 restrictions no programmes could be delivered as anticipated. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience
Economically and socially transforming diverse and cohesive communities	Art/craft/ herbal workshops	Number of skills workshops held	16 workshops facilitated. (12 uMsunduzi, 4 Ncome) A crafter's closing/award event was also held at uMsunduzi	18 workshops facilitated. (uMsunduzi and Ncome)	Ncome: 5 skills workshops held	0	5 not held	No workshops were planned for the period prior to retabling of the APP due to Covid-19	The target was revised due to Covid 19 and associated restrictions
Economically and socially transforming diverse and cohesive communities	Survey of skills development workshop beneficiaries	Percentage of skills development workshop beneficiaries reporting improved access to economic opportunities	New indicator	New indicator	50% reporting improved access to economic opportunities	0%	100% of the target not achieved	Due to Covid-19 restrictions no workshops and surveys could be conducted as anticipated. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience
Economically and socially transforming diverse and cohesive communities	Commemor ative events	Number of commemorative events held	19 uMsunduzi: 8 International Museums Day; Youth Day; Mandela Day; Women's Day; Heritage Day; Wellness Day; Human	14 Commemor ative Day events held. (uMsunduzi and Ncome)	Ncome: 6 commemorative events held	0	6 not held	Due to Covid-19 restrictions no commemorative events could be conducted during lockdown. The APP was retabled on 20 July 2020	Revisions were made to the APP due to the impact of Covid-19 on gatherings

			Rights Day; Crafters Open Day. Ncome: 11 International Museums Day; Youth Day;Freedom Day (Youth Parliament); Mandela Day; Women's Day; Reconciliation Day; World Aids Day; Human Rights Day (2 events); Events: Heritage Month Mini Comrades Marathon and School Debate						
Economically and socially transforming diverse and cohesive communities	Attendance of commem orative day events by diverse population groups	Percentage of commemorativ e events reflective of attendance by diverse population groups	New indicator	New indicator	70 % of commemorati ve day events reflective of inclusive attendance by all population groups: _ Black African _ Coloured _ White _ Indian _ Male _ Female	0%	100% of the target not achieved	Due to Covid-19 restrictions no commemorative events could be conducted during lockdown and therefore attendance was not measured. The APP was retabled on 20 July 2020	Annual performance plan was revised due to impact of Covid 19 which impacted on the accessibility of the audience

					_ Youth _ Adults				

Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Annual Target 2020 /2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reason for deviations**
Better understanding of the museum content and objects by communities from diverse backgrounds	Presentations	Number of presentations delivered online or on-site	122 presented (31 Ncome; 91 uMsunduzi)	149 presented (uMsunduzi and Ncome)	15 presentations delivered online or on-site	16	1 additional presentation done	The target was exceeded as 1 additional presentation was requested by a school
Improved audience awareness, engagement and participation in museum programmes and projects	Outreach programmes delivered in new areas	Number of outreach programmes delivered in new areas	New indicator	New indicator	4 outreach programmes delivered in new areas	4	N/A	N/A
Economically and socially transforming, diverse and cohesive communities	Art/craft/herbal workshops	Number of skills workshops held	16 workshops facilitated (12 uMsunduzi, 4 Ncome) A crafters closing/award event was also held at uMsunduzi.	18 workshops facilitated (uMsunduzi and Ncome)	2 skills workshops held	2	N/A	N/A

Economically and socially transforming, diverse and cohesive communities	Commemorative events held online or on-site	Number of commemorative events held online or on-site	19 uMsunduzi: 8 International Museums Day; Youth Day; Mandela Day; Women's Day; Heritage Day; Wellness Day; Human Rights Day; Crafters Open Day. Ncome: 11 International Museums Day; Youth Day;Freedom Day (Youth Parliament); Mandela Day; Women's Day; Reconciliation Day; World Aids Day; Human Rights Day (2 events); Events: Heritage Month Mini Comrades Marathon and School Debate	14 Commemorative Day events held (uMsunduzi and Ncome)	5 commemorative events held online or on-site	5	N/A	N/A

Strategy to overcome areas of under performance

There were no significant deviations related to the achievement of annual performance targets, however the impact of the Corona-19 pandemic did affect performance. There is however no need to make any structural adjustment.

In order to address the challenges posed by the Corona-19 virus the entity will also in the forthcoming year remain relevant by offering online programmes especially in those instances where it is not suitable to organise on-site public engagements.

Reporting on Institutional Response to the Covid-19 Pandemic

In response to the Covid-19 pandemic the entity implemented various measures aimed at reducing risk to staff and members of the public while at the same time delivering programmes relevant to the museums mandate and in line with the revised Strategic Plan. No Covid-19 relief funding was allocated to the entity, however the museums responded to the pandemic by hosting various programmes online which included an online lecture series during August 2020 linked to traditional healing and Covid-19. The impact of Covid-19 as related to Human Rights was also a theme of the Human Rights Commemorative event hosted at uMsunduzi Museum in March 2021.

Changes to planned targets

The 2020-2025 Strategic Plan and the 2020-2021 Annual Performance Plan were revised as a result of the impacts and challenges posed by the Covid 19 pandemic. The revised plans were tabled in Parliament on 20 July 2020.

Linking performance with budgets

	2020/2021			2019/2020		
Sub- Programme	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**
Administration	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Compensation of employees	5,947	5,950	-3	6,273	6,242	31
Goods and services	5,599	6,188	-589	7,572	8,165	-593
Total	**11,546**	**12,138**	**-592**	**13,845**	**14,407**	**-562**

	2020/2021			2019/2020		
Sub-Programme	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**
Public Engagement	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Compensation of employees	4,169	4,169	0	3,983	3,983	0
Goods and services	423	293	130	566	396	170
Total	**4,592**	**4,462**	**130**	**4,549**	**4,379**	**170**

	2020/2021			2019/2020		
Sub- Programme	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**
Business development	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Compensation of employees	3,549	3,549	0	3,198	3,174	24
Goods and services	505	411	94	298	261	37
Total	**4,054**	**3,960**	**94**	**3,496**	**3,435**	**61**

	2020/2021			2019/2020		
Sub- Programme	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Budget**	**Actual Expenditure**	**(Over)/Under Expenditure**
Total by Expense Items	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Compensation of employees	13,665	13,668	-3	13,454	13,399	55
Goods and services	6,527	6,892	-365	8,436	8,822	-386
Total	**20,192**	**20,560**	**-368**	**21,890**	**22,221**	**-331**

6. SUMMARY OF FINANCIAL INFORMATION

6.1 Revenue collection

	2020/2021			2019/2020		
Sources of revenue	**Estimate**	**Actual Amount Collected**	**(Over)/Under Collection**	**Estimate**	**Actual Amount Collected**	**(Over)/Under Collection**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Entrance fees	3	2	-1	25	17	-8
Rent	150	59	-91	235	246	11
Curio shop	8	8	0	34	29	-5
Donations Received	1	50	49	2	194	192
Parking fees	160	149	-11	187	176	-11
Investment income	140	653	513	850	979	129
Other income	8	5	-3	13	14	1
Internet income	2	1	-1	0	0	0
Grant subsidy	18,931	18,931	0	19,794	19,794	0
Deferred income	0	6	6	0	327	327

Other grants (Municipal charges)	0	0	0	0	0	0
Fair value adjustments to Assets	0	0	0	0	0	0
Sale of assets	0	0	0	0	0	0
Transfer from Reserves	789	0	-789	750	0	-750
Total	**20,192**	**19,864**	**-328**	**21,890**	**21,776**	**-114**
Other gains / (Losses)	0	8	8	0	1,045	1,045

6.2 Capital investment

uMsunduzi Museum consists of a number of old buildings that require increased and ongoing maintenance. The tender to refurbish uMsunduzi Museum buildings advertised in August 2020 and was cancelled as no acceptable bids were received. The tender for maintenance work at Ncome Museum was advertised during 2020; this tender was also cancelled as no acceptable bids were received. Tenders will be readvertised during 2021/22 once specifications have been revised. The initial refurbishment tender called for a Multidisciplinary team of consultants. This team will now be appointed per discipline and it is anticipated that they will be appointed by December 2021 to undertake the uMsunduzi Museum refurbishment project and that the Maintenance works at Ncome Museum will also be completed during the third quarter of 2021/22.

Infrastructure projects	**2020/2021**			**2019/2020**		
	Budget R'000	**Actual Expenditure** R'000	**(Over)/Under Expenditure** R'000	**Budget** R'000	**Actual Expenditure** R'000	**(Over)/Under Expenditure** R'000
Restoration and upgrading of all buildings at the Complex and security upgrade	**0**	**0**	**0**	132	132	132
General Maintenance	**343**	**0**	**-343**	171	171	171
Total	**343**	**0**	**-343**	303	303	303

PART C

GOVERNANCE

1. INTRODUCTION

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

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

2. PORTFOLIO COMMITTEES

N/A

3. EXECUTIVE AUTHORITY

Four quarterly reports, the Annual Performance Plan and the Strategic Plan were submitted to the DSAC. Both the Annual Performance Plan and Strategic Plan were revised and submitted to DSAC on 16 July 2020 and subsequently tabled in Parliament in July 2020.

Quarterly Reports:

- Quarter one submitted on 28 August 2020.
- Quarter two submitted on 03 November 2020.
- Quarter three submitted on 30 January 2021
- Quarter four submitted on 30 April 2021.

4. THE ACCOUNTING AUTHORITY / COUNCIL

Introduction

The Council is appointed in terms of the Cultural Institutions Act, and provides an oversight supervision of the institution.

The term of the previous Council ended on 30 November 2020, and the term of the new Council commenced with effect from 1 December 2020.

The role of the Council is as follows:

1.1.1 To formulate policies.
1.1.2 To hold, preserve and safeguard all movable and immovable property of whatever kind placed in the care of or loaned or belonging to the declared institution concerned.
1.1.3 To receive, hold, preserve and safeguard all specimens, collections or other movable property placed under its care and management under section 10(1).
1.1.4 To raise funds for the institution.
1.1.5 To manage and control the moneys received by the declared institution and to utilise those moneys for defraying expenses in connection with the performance of its functions.
1.1.6 To keep a proper record of the property of the declared institution, to submit to the Director-General any returns required by him or her in regard thereto and to cause proper books of account to be kept.
1.1.7 To determine, subject to the Act and with the approval of the Minister, the objects of the declared institution.

Council Charter

Operations of the Council are regulated by the Cultural Institutions Act 119 of 1998. The Council Charter was reviewed and approved by Council on 17 January 2020.

COMPOSITION OF THE COUNCIL

Council Members 01 April 2020 to 30 November 2020

Name	Designation (in terms of the Public Entity – Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task teams	No of meetings attended
Dr M.J Ndlovu	Chairperson	1/12/2017	N/A	PhD	Human Resources	KZN Fashion Council	Finance and HR Committee Core Function Committee	3 3
Mr T.I Nemaheni	Member	1/12/2017	N/A	Masters	Heritage	N/A	Finance and HR Committee Core Function Committee	3 3
Dr T Ngoma	Member	1/12/2017	N/A	PhD	Governance	Artscape	Finance and HR Committee	2
Ms S.V Mabilane	Member	1/12/2017	N/A	B.Tech Acc	Finance	Luthuli Museum Council National Heritage Council Ehlanzeni TVET College Council Defence Force Service Commission	Audit and Risk Committee Core Functions Committee	3 3
Mr Z Gumede	Member	1/12/2017	N/A	B.Com Hon B (B&A)	Finance	Durban Marine Theme Park SOE (Pty) Ltd Durban University of Technology South African Association of Marine and Biological Research Enterprise Ilembe Development Agency Lufefe Investment Holdings	Finance and HR Committee Audit and Risk Committee	3 3

Mr J Nel	Member	1/12/2017	N/A	Honours	Heritage	N/A	Core Function Committee	3
Adv R.R Dehal	Member	1/12/2017	N/A	LLB	Law	N/A	N/A	N/A

Council Members 01 December 2020 to 31 March 2021

Name	Designation (in terms of the Public Entity – Board structure)	Date appointed	Date resigned	Qualifications	Area of expertise	Board Directorships (List the entities)	Other Committees or Task teams	No of meetings attended
Dr M.R Mchunu	Chairperson	1/12/2020	N/A	PhD	Heritage	Luthuli Museum	N/A	N/A
Mrs Z Dlamini	Deputy Chairperson	1/12/2020	N/A	Bachelor of Management Leadership Post Graduate Diploma in Management Practice	Finance	Zululand District Municipality	Finance Committee	2
Mr T Sithole	Member	1/12/2020	N/A	BSc Engineering Masters in Engineering (Asset Management)	Project Management	N/A	Finance Committee Human Resources Committee	2 1
Ms C Fani	Member	1/12/2020	N/A	BBA Hons	Governance	Western Cape Cultural Commission Western Cape Gambling Board Western Cape Liquor Tribunal	Audit and Risk Committee Core Functions Committee	1 1

Mr B Dube	Member	1/12/2020	N/A	B.Tech - Business Management Master of Philosophy in Development Finance	Leadership Governance	CATHSETA	Human Resources Committee Core Functions Committee	1 1
Adv S Magaqa	Member	1/12/2020	N/A	LLB	Law	KZN Museum	Human Resources Committee CORE Functions Committee	1 1
Mr K Govender	Member	1/12/2020	N/A	Chartered Accountant (SAICA) B.Com Honours	Finance	Gauteng Gambling Board Makkinktech (Pty) Ltd	Finance Committee Audit and Risk Committee	2 1
Mr B Daniels	Member	1/12/2020	N/A	MBA	I.T	N/A	Finance Committee	1

COMMITTEES

1 April 2020 to 30 November 2020

Committee	No. of meetings held	No. of members	Name of members
Finance and Human Resources Committee	3	4	Mr Z Gumede (Chairperson) Dr M.J Ndlovu (Ex-Officio) Mr T Nemaheni Dr G Mazibuko

Audit and Risk Committee	3	5	Mr M Gwala (Chairperson) Mrs S.G Mthembu Ms Z Khanyile Ms S.V Mabilane Mr Z.S Gumede
Core Functions Committee	3	4	Mr J Nel (Chairperson) Dr M.J Ndlovu (Ex-Officio) Mr T Nemaheni Ms S.V Mabilane

1 DECEMBER 2020 TO 31 MARCH 2021

Committee	No. of meetings held	No. of members	Name of members
Finance Committee	2	4	Mr B Daniels (Chairperson) Mr K Govender Mr T Sithole Mrs Z Dlamini
Human Resources Committee	1	3	Mr T Sithole (Chairperson) Mr T Dube Adv S Magaqa
Audit and Risk Committee	1	4	Mr M Gwala (Chairperson) Mrs G.S Mthembu Ms C Fani Mr K Govender
Core Functions Committee	1	3	Adv S Magaqa Ms C Fani Mr T Dube

Remuneration of Council members

Council members are paid as per National Treasury directive: Adjustment of the remuneration levels: service benefits packages for office bearers of certain statutory and other Institutions issued in each financial year. Council members are paid a meeting fee as per sub-category D1 of the said directive. Council remuneration per each attendance was as follows:

Chairperson’s meeting fee for the year ended 31 March 2021 was R2, 109

Vice Chairperson’s meeting fee for the year ended 31 March 2021 was R1, 917

Member’s meeting fee for the year ended 31 March 2021 was R1, 742

Period (01 April 2020 - 30 November 2020)

Name	Remuneration (meeting fee) R’ 000	Other allowances R’000	Other re-imbursements R’000	Total R’ 000
Dr M.J. Ndlovu (Chairperson)	61	0	2	**63**
Mr Z Gumede	43	0	3	**46**
Mr T I Nemaheni	35	0	0	**35**
Ms S.V Mabilane	30	0	0	**30**
Dr T Ngoma	11	0	0	**11**
Subtotal	**180**	**0**	**5**	**185**

Period (01 December 2020 – 31 March 2021)

Name	Remuneration (meeting fee) R' 000	Other allowances R'000	Other re-imbursements R'000	Total R' 000
Dr M R Mchunu (Chairperson)	56	0	0	**56**
Ms Z Dlamini (Deputy chairperson)	23	0	0	**23**
Mr T Sithole	39	0	0	**39**
Mr S Magaqa	40	0	0	**40**
Ms C Fani	17	0	0	**17**
Mr B Daniels	32	0	0	**32**
Mr T Dube	24	0	0	**24**
Mr K Govender	19	0	0	**19**
Subtotal	**250**	**0**	**0**	**250**
Total	**430**	**0**	**5**	**435**

5. RISK MANAGEMENT

The entity has a Risk Management Policy and has updated the risk management register to effectively manage risks.
The system of risk management is monitored by the Audit Committee. Risks are grouped into categories, namely:

i) Financial
ii) Service delivery
iii) Human Resources
iv) Fraud
v) Strategic
vi) Security

An Operational Risk Management Register is also reviewed by management and a Fraud Risk Management Register was developed during the financial year under review.

6. INTERNAL CONTROL UNIT

Due to the size of the Museums, it does not have an internal control unit; however, this task is outsourced to an audit firm. Its tasks are explained below. The administration unit continues to implement relevant internal controls and undertakes continuous assessment of accounting and appropriate internal controls.

7. INTERNAL AUDIT AND AUDIT COMMITTEES

- Key activities and objectives of the Internal Audit firm is to assess the effectiveness of the areas listed below:
  i) Acquisitions and procurement policy
  ii) Payroll
  iii) Bank, creditors and payroll reconciliations
  iv) Subsistence and travel allowances
  v) Investment register
  vi) Performance information
  vii) Accuracy of the financial information submitted to the DSAC and to Council
  viii) Advise and monitor risk management processes

- Key activities and objectives of the Audit committee are:
  i) To provide assurance that the Museums comply with relevant laws and regulations

ii) To provide assurance on the effective delivery of quality service in an efficient, transparent and economical manner
iii) To review the work performed by the Internal Audit firm
iv) To recommend and review accounting policies
v) To provide assurance on the accuracy of financial information submitted to Council
vi) To advise Council on the current status of the finances and make recommendations, where necessary
vii) To review the AFS submitted to the Auditor-General for statutory audit
viii) To review risk management

The tables below disclose relevant information on the audit committee members:

COMMITTEES: AUDIT AND RISK

01 APRIL 2020 TO 31 December 2020

Name	Qualification	Internal or External	If internal, position in the public entity	Date appointed	Date resigned	No of meetings attended
Mr M Gwala (Chairperson)	B.Tech	External	N/A	07/02/2018	N/A	3
Ms S.V Mabilane (Deputy Chairperson)	B.Tech	Internal	Council member	01 /12/2017	N/A	3
Mrs S Mthembu	LLB	External	N/A	12/022020	N/A	1
Ms Z Khanyile	MBA	External	N/A	07/02/2018	N/A	1
Mr Z Gumede	B.Com Hon B (B&A)	Internal	Council member	01/12/2017	N/A	3

01 DECEMBER 2020 TO 31 MARCH 2021

Name	Qualification	Internal or External	If internal, position in the public entity	Date appointed	Date resigned	No of meetings attended
Mr M Gwala (Chairperson)	B.Tech	External	N/A	01/12/2020	N/A	1
Mrs S Mthembu	LLB	External	N/A	01/12/2020	N/A	1
Mr K Govender	B.Com	Internal	Council Member	01/12/2020	N/A	1
Ms C Fani	BBA Hons	Internal	Council Member	01/12/2020	N/A	1

Remuneration of Audit Committee Members

Chairperson’s meeting fee for the year ended 31 March 2021 was R4 317

Member’s meeting fee for the year 31 March 2021 was R2 619

	Member's fee R000	**Travel Reimbursement R000**	**Total R000**
Mr M K Gwala	37	0	**37**
Ms Z Khanyile	3	0	**3**
Ms S T Mthembu	6	0	**6**
Total	**46**	**0**	**46**

8. COMPLIANCE WITH LAWS AND REGULATIONS

The Museums have tried to comply with National Treasury prescripts and regulations with specific reference to supply chain management and annual financial statements specimen. Their officials have attended some of the conferences organised by the DSAC and National Treasury.

9. FRAUD AND CORRUPTION

- The public entity's Fraud Prevention Policy was reviewed and approved by Council on 12 March 2020
- The importance of reporting untoward, fraudulent and corrupt activities to relevant officials and to the fraud hotline number was emphasised during the year by prominently displaying relevant posters on the institutions notice boards.
- A Fraud Risk Register was developed during the reporting period.

10. MINIMISING CONFLICT OF INTEREST

All staff, more in particular the supply chain management unit have completed declaration of business interest forms and furthermore internal controls are prevalent to detect frequent usage of service providers, albeit inadequate due to lack of segregation of duties in the unit.

11. CODE OF CONDUCT

The Museums implement the Code of Conduct policy which enforces good behavioural attributes of staff.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

There were no significant incidents during the year.

13. COMPANY / BOARD SECRETARY

N/A

14. SOCIAL RESPONSIBILITY

The Museums have contributed in a variety of ways:

- National days have been commemorated and, on those occasions, whether online or on-site community participation has been encouraged.
- To grow heritage awareness and increase traditional craft and other skills the Museums offers a variety of skills workshops during the year.
- To contribute to the development of the youth, relevant educational programmes are offered to learners.
- uMsunduzi Museum partnered with the Hindu Muslim Society for Mandela Day provided food parcels to the community in Cinderella Park in an attempt to alleviate economic hardship which was exacerbated by the Covid-19 Pandemic. Ncome Museum also distributed food parcels to local community members as a contribution related to Mandela Day.

15. REPORT OF THE AUDIT AND RISK COMMITTEE OF UMSUNDUZI MUSEUM

OVERVIEW

INTRODUCTION

It is with great pleasure to present the Audit and Risk Committee report on the activities for the financial year ended 31 March 2021.

BACKGROUND

It should be noted that this current Audit and Risk committee joined lately and found the work being done by the previous Audit and Risk committee. As this current committee we extend our appreciation for the good work performed during its tenure.

The committee's key role is to assist management and council in carrying out its responsibilities as they relate to the Museum.

This report provides comments on the terms of reference, composition of the committee, meetings proceedings, remuneration of committee members, committees' responsibilities and duties, audit committee performance, effectiveness of the internal controls, assessment of in-year (quarterly basis), assessment of the financial statement, performance management and reported performance against pre-determined objectives, regulatory compliance, significant matters, Internal audit, oversight of risk governance, liquidity and going concern, and the conclusion.

TERMS OF REFERENCE

The committee's operation is guided by a detailed terms of reference that is informed by the Companies Act, 2008 (as amended) and King iv and approved by the council. We further report that we have conducted our affairs in compliance with our terms of reference and discharged all our responsibilities as contained therein and as required by the Companies Act, 2008, as amended and PFMA.

RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

We report that we have complied with our responsibilities arising from Section 51 of the PFMA which state that "(1) The Accounting Authority for a public entity (a) must ensure that the public entity has and maintains (I) effective, efficient and transparent systems of financial and risk management and internal control; (ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77.

COMPOSITION OF THE COMMITTEE

The committee is appointed by council and it consists of at least three external members including the chairperson and two council members plus one non-voting council member

The Head of Internal Audit (Audit Partner if outsourced), the Chief Financial Officer and invitee from the Auditor General/ External Auditors have standing invitation.

MEETINGS ATTENDANCE

The committee met at least four times in the fiscal year as per its approved committee terms of reference. During the financial year four meetings were held, consisting of four quarterly meetings and one special meeting. Information on the committee is presented on pages 63-65 of this annual report.

REMUNERATION

The remuneration of the committee is contained in this annual report under item 7 on pages 64-65 of this annual report.

EFFECTIVENESS OF THE INTERNAL CONTROLS

The committee is pleased to state that the internal control system applied by the Museum is efficient and effective. The risk management is effective, efficient and transparency. The Museum followed King IV Report on Corporate Governance. This is evidenced by the clean audit that the Museum has achieved in the year under review.

RISK MANAGEMENT AND LEGAL REQUIREMENTS

The Museum has monitored and reported on the strategic and operational risk identified during the risk assessment.

The committee considered the progress reports provided by management, and the auditors regarding compliance with legal and regulatory requirements.

INTERNAL CONTROLS

Internal Audit (BCA) provides the Audit and Risk Committee and management with assurance that the internal controls are adequate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

The system of internal control employed by the museum to financial and risk management is adequately designed and operating effectively. However, some weaknesses were identified in internal control system during the audit which required management's attention for improvement in order to ensure that the Museum achieves its objectives and that the risk of fraud and corruption is minimised.

INTERNAL AUDIT

We have engaged with the Internal Audit to ensure that the function is executed effectively and objectively (from management). We are satisfied with the content and quality of quarterly reports prepared and issued by the internal auditors of the Museum during the year under review.

We reviewed the in-year quarterly reports submitted in terms of the Public Finance Management Act (PFMA) together with internal audit comments thereon and noted the improvement in the content and quality of the reports prepared and submitted by management. The Internal Audit followed-up on internal and external audit findings, and review of Annual Financial Statement.

ASSESSMENT AND EVALUATION OF FINANCIAL STATEMENTS

The Audit and Risk Committee jointly with Finance Committee have evaluated the annual financial statements for the year ended 31 March 2021 prior to submission to the Office of the Auditor General and were satisfied that it complied in all material respects with the requirements of the Act and have recommended them for adoption by the Council.

The review that was conducted by the committee and Finance Committee is a high-level review after the Internal Audit has performed the detail review of the transactions.

The Internal Audit provided assurance report to the joint committees that they have audited financial statements and there were no financial misstatements identified and errors noted have been corrected.

Examined the annual financial statements and other financial information made public, prior to their approval by the Council;

Considered the appropriateness of accounting policies and any changes made.

Following the review by the committees of the annual financial statements of the Museum for the year ended 31 March 2021, the committees are of the view that, in all material respects, it complies with the relevant provisions of the Companies Act and South African Statements of Generally Recognised Accounting Practice and fairly presents the financial position at that date and the results of its operations and cash flows for the year.

Having achieved its objectives for the financial year, the committees recommended the annual financial statements for the year ended 31 March 2021 for the approval by the council.

PERFORMANCE MANAGEMENT AND REPORTED PERFORMANCE AGAINST PRE-DETERMINED OBJECTIVES

The year under review had its own challenges brought about the Covid-19 pandemic which compelled the Museum to revise its targets. Further that the budget cut by the executive authority has also impacted on the financial resources required for the operations of the Museum.

While noting that the year was not a smooth one, the committee is pleased to report that it has reviewed the information on predetermined objectives and found that the Museum has achieved its pre-determined objectives as revised. There were no reviews of significant judgements resulting from the audit including the on interim financial statements as prepared by the Museum. In the premise, the committee occurred with the Auditor-General's conclusions on the annual financial statements.

LIQUIDITY AND GOING CONCERN

The committee has considered and assessed the Museum's liquidity and going concern status in the preparation of the AFS. Upon the review of the Museum's cash flow forecast and the net assets, the committee was satisfied that the Museum is a going concern as also confirmed by the Internal Audit's review that the annual financial statements were prepared on the going concern basis. However, it would not be comforting if the executive authority decides to cut the budget further.

REGULATORY COMPLIANCE

The committee exercises oversight on compliance with accounting standards, financial reporting requirements and legal statutory compliance. A formal process is in place ensuring compliance with laws, regulations and policies which was comforting to find that even disclosure of conflicts of interest, risk management processes and delegation of authority are in place and adhered to.

PREVALENCE OF FRAUD, CORRUPTION, UNETHICAL BEHAVIOUR AND IRREGULARITIES

As the Committee, we have no evidence suggesting that fraud, corruption and unethical behaviour has occurred in the period under review. Therefore, we wish to encourage management to continuously ensure that the system of internal controls is adequate and effective to ensure that the risk of fraud, corruption and unethical behaviour is minimised if not eradicated, and where it occurs, it is identified and investigated promptly. During these times of COVID-19 pandemic which dictates and compels businesses to change the way they trade therefore making technology the leader of businesses survival, it would be prudent that issues of fraud and corruption are closely managed as they can easily occur. COVID-19 pandemic is a top risk that presented what can be called ''the new normal'' with employees operating technology off site with limited physical supervision. Cyber security is becoming even more preciously relevant during these technological and digital world.

AUDITOR'S REPORT

''We have reviewed the public 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 concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

CONCLUSION

On behalf of the committee, I would like to thank the Museum employees, the former Audit and Risk Committee, Internal Audit for the hard work that resulted in the Museum obtaining a clean audit. We thank the council for the good leadership provided throughout the period under review.

Yours sincerely

On behalf of the Audit and Risk Committee

ADV. MOTLATJO RALEFATANE

Chairperson of the Audit and Risk Committee
uMsunduzi Museum
31 July 2021

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Sphere of Government / Public Entity / Organ of State 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?	Yes	Suppliers doing business with the Museum are subjected to a vetting process i.e. each supplier must be registered on the CSD and must be up to date.
Developing and implementing a preferential procurement policy	Yes	The Museum maintains a Supply Chain Management policy that is in line with the National Treasury Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	The Museum has been involved in offering bursaries and internships to the employees.

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Overview of Human Resources (HR) matters at the Museum

The museums have conducted a number of organizational developmental interventions during the reporting period.

1. Formal workshops and training attended:

Workshops/training attended	Managers	Staff
Hon Degree	-	1
Certificate	-	1
SCM Workshop	4	10
Tour Guiding		1
Computer Training Workshop	-	1
Bachelor of Education Degree	-	1
Total	**4**	**15**

Set HR priorities for the year under review and the impact of these priorities

A human resources operational plan was further developed and implemented by the entity during the reporting period.

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

The museum appointed a Finance Manager during the reporting period thereby filling the post of CFO which was vacated during the previous financial year. Due to the budget cuts associated with the Covid-19 pandemic staff were not able to receive planned cost of living salary increases. Salary packages remain a constraint with regard to retaining and recruiting personnel.

Employee performance management framework

During the reporting period, performance reviews were done as planned. Due to Covid 19 budget cuts staff did not receive a performance bonus. Performance related leave will however still be granted to qualifying staff.

Employee wellness programmes

In collaboration with health institutions the entity organised a Wellness Day at Ncome Museum during December 2020. A Covid – 19 workshop was held for staff in July 2020 at uMsunduzi Museum.

Policy development

The entity reviewed/developed the following policies which were approved by the Council for implementation:

- Stakeholder Engagement Policy
- Stakeholder Engagement Framework
- Community Engagement Policy
- IT Policy

Challenges faced by the Museums

During the reporting period the entity continued to face financial constraints resulting in challenges associated with the recruitment of employees to fill vacant senior level posts. Consequently, this has affected the human capital resources.

Future HR plans / goals

The entity plans to perform job grading for all posts when funds are available as well as develop policies and review policies that are due for review and table them for approval by Council.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel cost by programme: permanent staff

Programme	Total Expenditure for the Museum (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Administration	20,560	5,865	28.53%	22	267
Public Engagement		4,138	20.13%	12	345
Business Development		3,540	17.22%	8	442
Total	**20,560**	**13,543**	**65.88%**	**42**	**351**

Personnel cost by programme: temporary staff and internship

Programme	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Administration	20,560	85	0.41%	14	6
Public Engagement		31	0.15%	3	10
Business development		9	0.04%	4	2
Total	**20,560**	**125**	**0.60%**	**21**	**6**
Total compensation of employees		**13,668**	**66.48%**	**63**	**357**

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	Personnel expenditure by salary band	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	**13,543**	3,230	23.85%	4	807
Senior Management		1,848	13.65%	3	616
Professional qualified		1,667	12.31%	4	417
Skilled		5,109	37.72%	20	255
Semi-skilled		1,689	12.47%	11	154
Total	**13,543**	**13,543**	**100%**	**42**	**322**

Performance rewards

Programme	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	0	0%
Senior Management	0	0	0%
Professional qualified	0	0	0%
Skilled	0	0	0%
Semi-skilled	0	0	0%
Total	**0**	**0**	**0%**

Training costs

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Average training cost per employee
Administration	13,543	46	0.33%	9	5
Public Engagement		25	0.18%	7	4
Business Development		9	0.07%	3	3
Total	**13,543**	**80**	**0.58%**	**19**	**4**

Employment and vacancies

Programme/activity/objective	2019/2020 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Admin	21	22	22	0	0%
Public Engagement	12	12	12	0	0%
Business Development	7	8	8	0	0%
Total	**40**	**42**	**42**	**0**	**0%**

Employment and vacancies (continued)

Programme/activity/objective	2019/2020 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Top Management	3	4	4	0	0
Senior Management	3	3	3	0	0
Professional qualified	4	4	4	0	0
Skilled	19	20	20	0	0
Semi-skilled	11	11	11	0	0
Unskilled	0	0	0	0	0
Total	**40**	**42**	**42**	**0**	**0%**

The CFO resigned in 2019 after which a temporary Acting Finance Manager was appointed. In August 2020 a permanent appointment was made following a recruitment process.

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	3	1	0	4
Senior Management	3	0	0	3
Professional qualified	4	0	0	4
Skilled	19	1	0	20
Semi-skilled	11	0	0	11
Unskilled	0	0	0	0
Total	**40**	**2**	**0**	**42**

Reasons for staff leaving

Reason	**Number**	**% of total no. of staff leaving**
Death	1	100%
Resignation	0	0
Dismissal	0	0
Retirement	0	0
Ill health	0	0
Expiry of contract	0	0
Other	0	0
Total	**1**	**100%**

Only one vacancy arose during the reporting period as a result of the death an employee. The post was subsequently filled.

- The museum hired casual staff on a contract basis and also hired interns on a contract basis to address workload capacity.

Labour Relations: Misconduct and disciplinary action

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

Equity Target and Employment Equity Status

The vacancy associated with the resignation of a female in a top management position resulted in a variation between targets.

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	2	0	0	0	0	1	1
Senior Management	1	1	0	0	0	0	0	0
Professional qualified	1	0	0	0	0	0	0	0
Skilled	7	8	0	0	1	1	0	0
Semi-skilled	6	6	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**18**	**17**	**0**	**0**	**1**	**1**	**1**	**1**

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	1	2	0	0	0	0	1	1
Professional qualified	2	2	0	0	0	0	1	1
Skilled	10	9	2	2	0	0	0	0
Semi-skilled	5	5	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**18**	**19**	**2**	**2**	**0**	**0**	**2**	**2**

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	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	**0**	**0**	**0**	**0**

Other Human Resource Statistics

Job Evaluation

Number of posts evaluated	**Outcome**	**Narrative**
0	-	-

Utilization of Leave

Item	**Number of Staff**	**Percentage**
Number of staff with less than 5 days to take leave	0	0%
Number of staff with more than 5 days to take leave	37	88.10%
Number of staff not eligible to take accrued leave	5	11.90%
Total	42	100%

PART E

FINANCIAL INFORMATION

1. Report of the Auditor-General to Parliament on uMsunduzi Museum

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the uMsunduzi Museum set out on pages 91 to 148, which comprise the statement of financial position as at 31 March 2021 statement of financial performance and other comprehensive income, statement of changes in net cash flow, as well as the 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 uMsunduzi Museum as at 31 March 2021 and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa,1999(Act No.1 of 1999) (PFMA).

Basis of 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 museum 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.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, the accounting authority is responsible for assessing the museum'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 museum or to cease operations, or has no realistic alternative but to do so.

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

8. 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.

9. 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

10. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25) (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 the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the museum'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 museum 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.

12. 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 programme 3: public engagement on pages 26 to 48 presented in the annual performance report of the museum for the year ended 31 March 2021.

13. 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.

14. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programme.

Other matter

15. I draw attention to the matter below.

Achievement of planned targets

16. The annual performance report on pages 16 to 52 contains information on the achievement of planned targets for the year and management's explanations provided for the under/over achievements of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

17. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the museum's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

18. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

19. 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 the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

20. 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.

21. 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 presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

22. The other information I obtained prior to the date of this auditor's report is the directors report and chairperson's foreword, and the report of the audit committee is expected to be made available to me after 31 July 2021.

23. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

24. When I do receive and read the report of the audit committee, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

25. 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.

26. I did not identify any significant deficiencies in internal control.

Auditor General

Pietermaritzburg

30 July 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-General’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the museum’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 museum’s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 uMsunduzi 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 a museum to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

uMsunduzi Museum

Annual Financial Statements

for the year ended 31 March 2021

UMSUNDUZI MUSEUM

ANNUAL FINANCIAL STATEMENTS
31 March 2021

CONTENTS	**PAGE**

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 31 March 2021, set out on pages 91 to 148 were approved by the Museum Council and are signed on its behalf by:

DR M. R. Mchunu
Chairperson of the Council

UMSUNDUZI MUSEUM

ANNUAL FINANCIAL STATEMENTS
31 March 2021

Council Members

Director for the period	Dr M Ngubane (01 April 2020 - 31 March 2021)
Council Members for the period	(01 December 2020 - 31 March 2021) Dr M R Mchunu (Chairperson) Ms Z Dlamini (Deputy chairperson) Mr T Sithole Mr B Daniels Ms C Fani Mr T Dube Mr K Govender
Audit committee	(01 December 2020 - 31 March 2021) Mr M Gwala (Chairperson) Ms S Mthembu
Secretary of Council	Ms Lestelle Sewell (01 April 2020 - 31 March 2021)
Bankers	ABSA Bank
Auditors	Auditor General
Registered office	P O Box 998, Pietermaritzburg, 3200 uMsunduzi Museum Building 351 Langalibalele Street, Pietermaritzburg, 3201

UMSUNDUZI MUSEUM

STATEMENT OF FINANCIAL POSITION
at 31 March 2021

	Notes	2021 R	Restated 2020 R
ASSETS			
Non-current assets		**12 407 094**	11 043 526
Plant and equipment	2	**3 018 704**	3 473 360
Intangibles	3	**48 804**	13 936
Heritage Assets	23	**9 339 586**	7 556 230
Current assets		**19 498 546**	19 733 569
Accounts receivable and prepaid expenses	4	**33 318**	27 559
Inventory	5	**91 440**	88 471
Cash and cash equivalents	6	**19 373 788**	19 617 539
Total assets		**31 905 640**	30 777 095
FUNDS AND LIABILITIES			
Funds		**15 306 134**	14 251 718
Accumulated surplus	35	**6 485 242**	7 172 765
Revaluation reserve	36	**8 820 892**	7 078 953
Current liabilities		**16 599 506**	16 525 377
Accounts payable and advance deposits	7	**470 697**	502 356
Leave pay Provision	8	**847 077**	761 965
Bonus and performance awards accrual	9	**397 719**	370 776
Deferred income	10	**14 884 013**	14 890 280
Total funds and liabilities		**31 905 640**	30 777 095

UMSUNDUZI MUSEUM

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2021

	Notes	**2021**	2020
REVENUE	**Notes**	**R**	R
Revenue from Non-Exchange Transactions		**18 987 336**	20 315 358
Government Grant and Subsidies	11	**18 937 267**	20 121 277
Public Contributions and Donations	28	**50 069**	194 081
Revenue from Exchange transactions		**876 355**	1 460 734
Sale of Goods & Rendering of Services	29	164 246	235 822
Rental of Facilities and Equipment	30	58 845	245 880
Interest Earned - External Investments	31	653 264	979 032
TOTAL REVENUE		19 863 691	21 776 092
EXPENDITURE		(20 559 638)	(22 220 599)
Employee Related Costs	13	**(13 667 825)**	(13 399 493)
Repairs and Maintenance	33	**(105 926)**	(474 989)
Depreciation and Amortisation Expense	2-3	**(946 830)**	(790 386)
General Expenses	32	**(5 839 057)**	(7 536 178)
Bad Debts	34	**0**	(19 553)
TOTAL EXPENSES		**(20 559 638)**	(22 220 599)
OTHER GAINS / (LOSSES)		**8 425**	1 045 286
Change in Accounting Estimate	27	8 425	1 045 286
TOTAL (DEFICIT) / SURPLUS FOR THE PERIOD		**(687 522)**	600 778

UMSUNDUZI MUSEUM

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2021

		Restated	Restated	
		REVALUATION SURPLUS	**ACUMULATED SURPLUS**	**TOTAL**
		R	**R**	**R**
Restated balance at 31 March 2019	36	**6 584 754**	**6 541 151**	**13 125 905**
Surplus for the year		**-**	**600 778**	**600 778**
Correction of prior year error		**494 200**	**30 835**	**525 035**
Balance at 31 March 2020		**7 078 954**	**7 172 764**	**14 251 718**
(Deficit) for the year	35	-	**(687 522)**	**(687 522)**
Increase in the Revaluation reserve		**1 741 938**	-	**1 741 938**
Balance at 31 March 2021		**8 820 892**	**6 485 242**	**15 306 134**

UMSUNDUZI MUSEUM

CASH FLOW STATEMENT

for the year ended 31 March 2021

	Note	2021	2020
		R	R
Net cash retained in/(utilised by)/ operating activities			
Receipts			
Transfers and subsidies		**18 931 000**	19 794 000
Sale of goods and services		**224 293**	483 328
		19 155 293	20 277 328
Payments			
Cash paid to suppliers and employees		**(19 533 689)**	(18 423 909)
		(378 396)	1 853 419
Interest received		**653 264**	979 032
Cash generated/(utilised) by operating activities	A	**274 868**	2 832 451
Cash flow from investing activities		-	-
Additions to property, plant, equipment and intangibles		**(518 616)**	(718 112)
Net increase / (decrease) in cash and cash equivalents		**(243 749)**	2 114 339
Cash and cash equivalents at the beginning of the year		**19 617 538**	17 503 200
Cash and cash equivalents at the end of the year	B	**19 373 789**	19 617 539

UMSUNDUZI MUSEUM

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31 March 2021

Note A
Reconciliation of surplus to cash flows from operations

	2021	2020
(Deficit) / Surplus for the year	**(687 522)**	600 778
Adjustments for:		
Donations in kind	**(48 867)**	(192 455)
Cost of sales		
Depreciation and Amortisation	**946 830**	790 386
Interest received	**0**	0
De-recognition of heritage assets	**7450**	0
Increase in leave pay provision	**85 113**	49 936
Reversal of accumulated depreciation	**(8 425)**	(1 045 286)
Increase in bonus accrual	**26 943**	10 249
Operating deficit before working capital changes	321 522	213608
Working capital changes		
(Increase)/Decrease in trade and other receivables	**(5 759)**	45 501
(Increase)/Decrease in inventory	**(2 969)**	5 085
(Decrease)/Increase in deferred income	**(6 267)**	2 922 722
(Decrease)/Increase in trade and other payables	**(31 659)**	(354 465)
Cash generated from /(utilized by) operations	**274 868**	2 832 451

Note B
Cash and cash equivalents

Nedbank Money Market	**419 570**	414 895
ABSA 32 Day Notice	**828 745**	817 291
ABSA Call Account	**710 104**	1 514 553
Cash on hand	**2 500**	2 500
ABSA Current Account	**340 689**	732 533
ABSA Savings Account	**225**	1 033
ABSA Liquidity Plus	**17 071 956**	16 134 734
	19 373 789	19 617 539

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with section 55(1)(b) of the Public Finance Management Act, (Act No.1 of 1999 as amended by Act No. 29 of 1999).

Assets, liabilities, revenues and expenses have not been offset except where offsetting is required or permitted by a Standard of GRAP. The accounting policies are applied consistently with those used to present the previous year's financial statements, unless explicitly or otherwise stated.

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for financial instruments that have been measured at fair value. They are presented in South African Rand, rounded to the nearest R1. Standards of GRAP approved by the Accounting Standards Board and applicable to the Cultural Institution.

It is the responsibility of Management to prepare the Annual Financial Statements and it is our view they fairly present the entities Financial Position, Financial Performance and its Cashflows for the period that has just ended.

GRAP 1 Presentation of financial statements
GRAP 2 Cash flow statements
GRAP 3 Accounting policies, changes in accounting estimates and errors
GRAP 6 Consolidated financial statements and accounting for controlled entities
GRAP 9 Revenue from exchange transactions
GRAP 12 Inventories
GRAP 13 Leases
GRAP 14 Events after the reporting date
GRAP 17 Property, plant and equipment
GRAP 19 Provisions, contingent liabilities and contingent assets
GRAP 23 Revenue from Non-exchange Transactions
GRAP 24 Presentation of Budget Information
GRAP 25 Employee Benefits

1. ACCOUNTING POLICIES (continued)

1.1 Basis of preparation (continued)

GRAP 31 Intangible Assets
GRAP 100 Non-current Assets Held for Sale and Discontinued Operations
GRAP 103 Heritage Assets (See Note 26)
GRAP 104 Financial Instruments
GRAP 105 Transfer of Functions Between Entities Under Common Control
GRAP 20 Related Party Disclosures

GRAP standards approved but not yet effective:

GRAP 32 Service Concession Arrangements: Grantor
GRAP 108 Statutory Receivables
GRAP 109 Accounting by Principals and Agents

Management is in a process of reviewing these requirements of the standard to assess the impact of the standard on the entity.

The following statements of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board are issued but not applicable to the Cultural Institution:

GRAP 4 The effects of changes in foreign exchange rates
GRAP 5 Borrowings
GRAP 7 Accounting for investment in associates
GRAP 8 Financial reporting of interests in joint ventures
GRAP 10 Financial Reporting in Hyperinflationary Economies
GRAP 11 Construction Contracts
GRAP 16 Investment Property
GRAP 27 Agriculture
GRAP 21 Impairment of Non-cash-generating Assets
GRAP 26 Impairment of Cash-generating Assets
GRAP 18 Segment Reporting
GRAP 106 Transfer of Functions between Entities Not Under Common Control
GRAP 107 Mergers

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.1 Basis of preparation (continued)

Going concern

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

The Cultural Institution derives its revenue from the National Department of Sports, Arts and Culture, however the Cultural Institution has other sources of income, mainly Parking fees, Entrance Fees, Rentals of Office facilities which are insignificant in nature, these income streams amounts to 1 -2% of the total Revenue. The impact of COVID-19 will have immaterial effect on the going concern principle. The Cultural Institution will still meet its obligations and commitments as they fall due. The going concern principle will be severely affected if the Department of Sport, Arts and Culture stop funding the Cultural Institution and there is no current indication it will do so in the foreseeable future.

1.2 Property, plant and equipment and intangible assets

1.2.1 Initial recognition

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

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

1.2.2 Subsequent measurement

Property, plant and equipment are subsequently stated using the cost model i.e at historical cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is written off on a diminishing balance method using rates deemed to be suitable for writing off the property, plant and equipment over their expected economic life to their estimated residual value. The Management of the Cultural Institution assesses /review the depreciation method, residual value, useful life and carrying value of assets annually and revisions are made when it is considered necessary. Property, plant and equipment is impaired, derecognised or disposed of when it is probable they are no longer in use for the purpose it was originally acquired for, either they are redundant, obsolete, damaged beyond repairs or generally not in use. Assets should be componentised and depreciated separately if parts of an asset have significantly different estimated useful lives.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.2.3 Depreciation

Assets are depreciated over the following periods, according to the diminishing balance method:

Equipment	2 - 10	years
Computer equipment	3 - 10	years
Furniture and fittings	2 - 10	years
Huts and structures	15	years
Motor Vehicles:		
Passenger Cars	5	years
Light delivery vehicles	4	years
Library Books	10 - 15	years
Audio Visual	7 - 10	years

1.2.4 Intangible Assets

Intangible assets are shown at cost less accumulated depreciation and any impairment losses.
The management of the Cultural Institution assesses the carrying value of each intangible asset annually for impairment and impairment loss is recognised if the asset is determined to be impaired. Intangible assets relates to licences to software to be used by the Cultural Institution for more than a year and are derecognised or disposed of when it is probable they are no longer in use for the purpose it was acquired for.
The amortization is calculated on the straight line method to write-off the cost of intangible assets over their estimated useful lives as follows:

Software	2	years

Useful lives and residual values of property, plant and equipment

The estimated useful lives as translated into depreciation rates are detailed in property, plant and equipment policy note in the annual financial statements. These rates and the residual values of the assets are reviewed annually taking cognisance of the forecast commercial and economic realities and through benchmark accounting treatment in industry. The amortisation period method for an intangible asset with finite useful life shall be reviewed at least each reporting date. It the expected useful life of the asset is different from previous estimates the amortisation period shall be changed accordingly. If there has been a change in expected pattern of consumption of the future economic benefits or service potential embodied in asset, the amortisation method shall be changed to reflect the changed pattern. Such changes shall be accounted for as changes in accounting estimates.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.3 Heritage Assets

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

1.3.1 Recognition

(a) 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 where cost or fair value of the asset can be reliably measured.

(b) The entity will assess the degree of certainty attached to the flow of future service potential or economic benefits.

(c) If the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because of the need to analyse the proposed collection items to determine if they conform to the set collection criteria through evaluation and research.

(d) For recognition of heritage assets, the asset needs to be controlled by the entity as a result of past events. Such events may include: Purchase, donation, bequeath, loan or transfer.

1.3.2 Measurement

(a) The value of assets have been determined using either cost or fair value.

1.3.3 Directive 7 - Use of deemed cost for heritage assets upon initial recognition and adoption of a standard.

The following terms are used in this directive with the meanings specified:

(a) Acquisition cost: When an entity initially recognises assets such as items of property, plant and equipment, investment properties, intangible assets and heritage assets using the Standards of GRAP, it measures those assets using either cost (if the asset is acquired in an exchange transaction) or at fair value (if the asset is acquired in a non-exchange transaction). This cost or fair value on initial acquisition of an asset is the acquisition cost.

(b) Deemed cost: Deemed cost is a surrogate value for the cost or fair value of an asset at its initial acquisition, and is determined by reference to the fair value of the asset at the date of adopting the Standards of GRAP measurement date).

1. ACCOUNTING POLICIES (continued)

1.3 Heritage Assets (continued)

(c) Measurement date (for purposes of this Directive): Measurement date is the date that an entity adopts the Standards of GRAP and is the beginning of the earliest period for which an entity presents full comparative information, in its first financial statements prepared using Standards of GRAP.

For the purposes of this directive, the measurement of assets at fair value on the adoption of the Standards of GRAP, does not constitute:

(a) a revaluation in accordance with the Standards of GRAP on Property, Plant and Equipment, Intangible Assets or Heritage Assets; or
(b) the application of the fair value model in the Standard of GRAP on Investment Property.

Subsequent depreciation, if applicable, is based on that deemed cost and starts from the measurement date.

Initial entries using deemed cost.
When an entity initially measures assets using the deemed cost approach in this Directive, it recognises the effect:

(a) as an adjustment to the opening balance of accumulated surpluses or deficits in the opening statement of financial position prepared using Standards of GRAP; or
(b) in revaluation surplus if an entity adopts the revaluation model in the Standards of GRAP on Property, Plant and Equipment, Intangible Assets or Heritage Assets.

1.3.4 Valuation of Heritage Assets

The existence of published price quotations in an active market is the best evidence of the fair value, such as the quoted price from recent auctions published in local newspapers; however if the fair value cannot readily be ascertained by reference to quoted prices in an active and liquid market; the fair value of a heritage asset can be determined from market-based evidence arrived at by appraisal. An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. The fair value will be ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.46).

The valuation of heritage assets was performed by a member of the valuation profession.

1. ACCOUNTING POLICIES (continued)

1.3.4 Valuation of heritage assets

(a) Valuation techniques

Where the fair value of an asset cannot be determined, and where no evidence is available to determine the market value in an active market of a heritage asset; a valuation technique may be used to determine its fair value. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, and reference to the current fair value of other heritage assets that have substantially similar characteristics in similar circumstances and locations, adjusted for any specific differences in circumstances. If there is a valuation technique commonly used by market participants to price such an asset, and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity may use that technique in determining the fair value (GRAP 103.47).

(b) Inability to value

Where no value can be placed on an item, it will not be recognised, but information should be disclosed about such items and the reason why such items cannot be valued (GRAP 103.17). Where the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because it cannot be reliably measured, relevant and useful information about it shall is disclosed in the notes to the financial statements. These items are controlled in the asset register.

(c) Valuing an entire collection

In determining the fair value of a collection, the entity has considered where appropriate, whether the entire collection has a higher value than the sum of the values of the individual items making up that collection. Under such circumstances, the carrying value of the entire collection may need to be reassessed, when a group of individual heritage assets constitutes a collection. If items are removed from the collection, the value of the collection may also need to be reassessed. (GRAP 103.45)

1.3.5 Heritage assets on loan to other institutions

The financial statement shall also disclose information on heritage assets that are borrowed from, or on loan to other entities.

1. ACCOUNTING POLICIES (continued)

1.3.6 Retrospective application

The entity adopted the accounting standard on 1 April 2012, the entity has taken advantage of the transitional period of three (3) years to fully implement GRAP 103 in terms of Directive 2. The three year period in which entities were not required to measure heritage assets for reporting periods beginning on or after a date within three years following the date of initial adoption of the Standard of GRAP on Heritage assets has ended.

Where entities have not yet determined the deemed cost of those assets within the scope of Directive 7, they should consider GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors, and consider whether this change in accounting policy can be applied retrospectively from this date, or whether it is impracticable to do so.

GRAP 3 states that: “When it is impracticable to determine the period-specific effects of changing an accounting policy on comparative information for one or more prior periods presented, the entity shall apply the new accounting policy to the carrying amounts of assets and liabilities as at the beginning of the earliest period for which retrospective application is practicable….”

It may be impracticable to determine the deemed cost retrospectively if, for example, the following circumstances exist:

(a) Relevant data may not have been collected in the prior period and cannot be obtained by alternative means that allows for retrospective application.

(b) The entity is required to make significant estimates and assumptions about conditions that existed at a point in time in the past and cannot do so objectively without using hind-sight.

1.3.7 Subsequent measurement

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

1.3.8 Heritage assets revaluation

Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. The entity make use of an accounting policy based on the revaluation model and shall apply the policy to an entire class of heritage assets. Increases or decreases resulting from revaluations and from impairment losses recognised or reversed directly in net assets in accordance with the Standards of GRAP on Impairment of Non-cash-generating assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.3.9 Impairment

At each reporting date, the entity assesses whether there is an indication that it may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

1.3.10 Transfers

(a) Transfers from heritage assets are made when, and only when, the particular asset no longer meets the definition of a heritage asset.

(b) Transfers to heritage assets are made when, and only when, the particular asset meets the definition of a heritage asset.

1.3.11 De-recognition

The carrying amount of a heritage asset is de-recognised:

(a) on disposal, or

(b) when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the de-recognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is de-recognised.

1.4 Inventory

Inventory is initially recorded at historical cost and is valued at the lower of cost or estimated net realisable value, using first-in, first-out method of valuation.

1.5 Investments

Investments with banks and institutions including money market are reflected at amortised cost.
In the case of the investment in Collective Investments, the book value of the investment at 31 March 2021 represents the market value of the investment as at that date.

1. ACCOUNTING POLICIES (continued)

1.6 Financial Instruments
Financial instruments are initially measured at fair value.
Subsequent to initial recognition these instruments are measured as set out below:

Trade and other receivables

Trade and other receivables are subsequently measured at amortised cost (cost less provision for doubtful debts). Receivables are written off when considered irrecoverable.

Trade and other payables
Trade and other payables are measured at cost

Cash and cash equivalents
Cash and cash equivalents are measured at fair value

Listed Investments

Listed investments are accounted for as available-for-sale financial instruments, recorded at fair value with any gains or losses arising from a change in the fair value of a financial asset measured at fair value being recognised in surplus or deficit.

1.7 Revenue from non-exchange transactions

Revenue from non-exchange transactions arises when an entity receives value from another entity without directly giving approximately equal value in exchange. An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition. This revenue will be measured at the amount of increase in net assets recognised by the entity.
An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as a revenue, except to the extent that a liability is recognised for the same flow. As an 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 will reduce the carrying amount of the liability recognised as an amount equal to that reduction.

NOTES TO THE FINANCIAL STATEMENTS (continued
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.8 Revenue

Grants

Revenue related to operational expenditure is recognised as revenue when it is probable that the transfer payment will be received and the amount can be estimated reliably, unless an obligation exists to use the transferred resources in a certain way or return the resources to the transferor. Where it is a requirement to only use the resources in a certain way with no corresponding requirement to return those resources, then no obligation exists and the revenue is recognised. Where an obligation exists, the resource is recognised as deferred revenue until the obligations are met and then recognised as revenue.

1.9 Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably.

1.10 Revenue from Exchange Transactions

Revenue from Exchange Transactions is recognized when it is probable that future economic benefits will flow to the entity, and its benefits can be measured reliably. Revenue from the sale of goods and services is recognized when significant risks and rewards of ownership of the goods have been transferred to the purchaser.

Revenue from letting out of parking space and facilities is recognized when the service has taken place.

1.11 Gifts and Donations

Donations are recognised as income as and when the cash is received. Donations are disclosed on at net basis.

Gifts and Donations, including goods in kind are recognized as Assets and Revenue when it is probable that the future economic benefits or service potential will flow to the Cultural Institution and the fair-value of these Assets can be measured reliably.

1.12 Interest

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.13 Irregular and fruitless and wasteful expenditure

Irregular and fruitless and wasteful expenditure is charged against income in the period in which it is incurred.

1.14 Provisions

Provisions are recognised where the institution has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle 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.

1.15 Retirement benefits

The Cultural Institution operates a defined benefit plan together with a defined contribution plan, the assets of which are generally held in separate trustee – administered funds. The plans are funded by payments from the entity and members. Payments to these retirement plans are charged to the statement of financial performance in the year to which they relate.

1.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Cultural Institution's accounting policies, which are described in note 1, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.
Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies
The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.
Key sources of estimation uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
Useful lives of plant, furniture and equipment and intangibles
The Cultural Institution reviews the estimated useful lives of property, plant and equipment and intangibles at the end of each annual reporting period.

1. ACCOUNTING POLICIES (continued)

1.17 Comparative figures

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

1.18 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in transit, deposits held on call with banks and investments in money markets instruments, all of which are available for use by the Cultural Institution unless otherwise stated.

1.19 Budget information

The approved budget is prepared on accrual basis and presented by economic classification linked to performance outcome. The approved budget covers the fiscal period from 01 April 2020 to 31 March 2021. The financial statements and the budget are prepared on the same basis of accounting.

1.20 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 control of the Minister of Arts and Culture are considered to be related parties.
Management are those responsible for planning, directing and controlling the activities of the entity, including those charged with governance of the entity in accordance with the legislation, in instances where they are required to perform such functions. Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.
Only transactions with related parties not at arm’s length or not in the ordinary course of business are disclosed.

1.21 Contingencies

Contingent liabilities are disclosed if there is a possible or present obligation that may, but probably will not,require an outflow of resources. The entity discloses for each class of contingent at the reporting date, a brief description of the nature of the contingent liability.

When 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 the 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.

Contingencies are disclosed in note 27.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.22 Leases

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

Finance lease-lessee

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

Finance leases are recognised as assets and liabilities in the statement of financial position. Finance lease is stated at historical less accumulated depreciation and any impairment losses.

2. Plant and equipment

	Library Books R	Equipment R	Computer Equipment R	Furniture & Fittings R	Motor Vehicles R	Total R
Year ended 31 March 2021						
Opening carrying amount	298 740	1 392 801	477 312	629 747	674 760	3 473 360
Gross carrying amount	659 126	4 700 768	1 047 277	1 777 023	1 428 646	9 612 840
Accumulated depreciation	(360 386)	(3 307 967)	(569 964)	(1 147 276)	(753 887)	(6 139 480)
Additions	-	340 202	118 826	16 946	0	475 974
Accum dep (Reversal)	0	8 325	100	0	0	8 425
Depreciation	(76 186)	(404 936)	(89 470)	(165 374)	(203 090)	(939 056)
Closing carrying amount	222 554	1 336 392	506 768	481 319	471 670	3 018 703
Gross carrying amount	659 126	5 040 970	1 166 103	1 793 969	1 428 646	10 088 814
Accumulated depreciation	(436 572)	(3 704 578)	(659 334)	(1 312 650)	(956 977)	(7 070 111)

No assets have been pledged as security.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

2. Plant and equipment (continued)

2.1 Repairs and Maintenance Expenditure

Repairs and maintenance comprises of general maintenance of R105 926. Included in the cost of repairs and maintenance were repairs relating to Equipment and fumigation of storage for library books, and collection.

	2021	2020
	R	R
Repairs to Equipment	-	11 162
Fumigation of conservation centre and Library	25 560	9600
	25 560	20 762

	Library Books	Equipment	Computer Equipment	Furniture & Fittings	Motor Vehicles	Total
	R	R	R	R	R	R
Year ended 31 March 2020						
Opening carrying amount	352 956	796 672	443 986	403 782	505 538	2 502 934
Gross carrying amount	659 126	4 502 730	962 028	1 742 448	1 044 316	8 910 648
Accumulated depreciation	(306 170)	(3 706 058)	(518 041)	(1 338 666)	(538 779)	(6 407 714)
Additions	-	198 038	85 249	34 575	384 330	702 192
Accum dep (Reversal)	0	691 644	-	353 642		1 045 286
Depreciation	(54 216)	(293 553)	(51 923)	(162 252)	(215 108)	(777 052)
Closing carrying amount	298 740	1 392 801	477 312	629 747	674 760	3 473 360
Gross carrying amount	659 126	4 700 768	1 047 277	1 777 023	1 428 646	9 612 840
Accumulated depreciation	(360 386)	(3 307 967)	(569 964)	(1 147 276)	(753 887)	(6 139 480)

No assets have been pledged as security.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

	2021	2020
3. Intangibles	**R**	R
Net carrying amount at the beginning of the year	13 936	11 350
Gross carrying amount	137 457	121 537
Accumulated amortisation	(123 521)	(110 187)
Amortisation	(7 775)	(13 334)
Additions	42 642	15 920
Net carrying amount at the end of the year	48 803	13 936
Gross carrying amount	180 099	137 457
Accumulated amortisation	(131 296)	(123 521)

The amortisation charge is included with the depreciation charge in Note 2 for disclosure purposes in the Statement of Financial Performance.

4. Accounts receivable and prepaid expenses

Sundry debtors	33 318	46 837
Provision for doubtful debts	0	(19 278)
	33 318	27 559

5. Inventory

Comprised of goods for sale	**91 440**	**88 471**

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

	2021 R	2020 R
6. Cash and cash equivalents		
Nedbank Money Market	**419 570**	414 895
ABSA 32 Day Notice	**828 745**	817 291
ABSA Call Account	**710 104**	1 514 553
Cash on hand	**2 500**	2 500
ABSA Current Account	**340 689**	732 533
ABSA Savings Account	**225**	1 033
ABSA Liquidity Plus	**17 071 956**	16 134 734
	19 373 789	19 617 539
7. Accounts payable and advance deposits		
Accounts payable	**376 387**	392 746
Advance deposits	**94 310**	109 610
	470 697	502 356
8. Leave pay Provision		
Balance at 01 April 2020	**761 965**	712 029
Increase / (Decrease)	**85 113**	49 936
Balance at the end of the year	**847 077**	761 965

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

	2021 R	2020 R
9. Bonus and performance awards accrual		
Bonus Accrual		
Balance at 01 April 2020	**353 176**	340 527
Increase / (Decrease)	**26 943**	12 649
Balance at the end of the year	**380 119**	353 176
Performance awards accrual		
Balance at 01 April 2020	**17 600**	20 000
Increase / (Decrease)	**0**	(2 400)
Balance at the end of the year	**17 600**	17 600
Total bonus and performance awards accrual	**397 719**	370 776

10. Deferred income: Grants	**Ncome R**	**uMsunduzi R**	**Total R**
Transformation grants			
Year ended 31 March 2021			
Unexpended at the beginning of the year	1 147	-	1 147
Expended	-	-	-
Unexpended at 31 March 2021	**1 147**	-	**1 147**
Year ended 31 March 2020			
Unexpended at the beginning of the year	1 147	-	1 147
Expended	-	-	-
Unexpended at the end of the year	1 147	-	1 147

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

10. Deferred income: Grants (continued)

National lottery grant	Ncome R	uMsunduzi R	Total R
Year ended 31 March 2021			
National Lottery 1 Unexpended at beginning of the year	111 248	255 341	366 589
National Lottery 2 Unexpended at beginning of the year		577 228	577 228
Balance at 1 April 2020	111 248	832 569	943 817
Expended (National Lottery 1)	0	(6 267)	(6 267)
Expended (National Lottery 2)	0	0	0
Balance at 31 March 2021	**111 248**	**826 302**	**937 550**
National Lottery 1	111 248	249 075	360 322
National Lottery 2	0	577 228	577 228
Year ended 31 March 2020			
National Lottery 1 Unexpended at beginning of the year	111 248	255 341	366 589
National Lottery 2 Unexpended at beginning of the year		601 656	601 656
Balance at 1 April 2019	111 248	856 997	968 245
Expended (National Lottery 2)	-	(24 428)	(24 428)
Balance at the end of the year	111 248	832 569	943 817

A total of R 1 700 000 was confirmed and approved to be received from National Lottery Distribution fund in lieu of mobile museums for National Lottery2. The first tranch of R 1 020 000 was received in the 2015/2016 financial year and the balance of R 680 000 will be received in the following financial years. In 2021 the expenditure amounted to nil (2020: R 24 428).The closing balance at 31 March 2021 was R 937 550 (2020: R 943 817). The R 1 700 000 was approved in 2015/2016.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

10. Deferred income: Grants (continued)

Department of Arts & Culture grant	**Ncome R**	**uMsunduzi R**	**Total R**
Year ended 31 March 2021			
Unexpended at beginning of the year	-	13 945 316	13 945 316
Unexpended balance at 31 March 2021	-	**13 945 316**	**13 945 316**
Year ended 31 March 2020			
Unexpended at beginning of the year	-	10 998 165	10 998 165
Received	-	3 250 000	3 250 000
Expended	-	(302 849)	(302 849)
Unexpended balance at the end of the year	-	13 945 316	13 945 316

R 10 000 000 was approved by the Departments of Arts and Culture for the upgrade and refurbishment of all buildings at uMsunduzi Museum for the 2015/16 financial year. In 2017/2018 financial year an additional R 1000 000 was received form DAC for the restoration of buildings and Security upgrade. In the financial year 2020/2021 nil amount was received (2020: R3 250 000)

Total deferred income	**14 884 013**

11. Revenue from non-exchange transactions

	2021 R	2020 R
Operating grant	18 931 000	19 794 000
National lottery grant funds expended	6 267	24 428
Department of Arts & Culture grant funds expended	**-**	302 849
	18 937 267	20 121 277

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

12. Related Parties

12.1 Gross remuneration for Council Members
(Non-Executive Directors)

	2021			2020		
	Members Fees	Travel	**Total**	Members Fees	Travel	Total
Dr GB Mazibuko	0	0	**0**	4 076	724	4 800
Mr M Thango	0	0	**0**	0	0	-
Dr MJ Ndlovu	60 898	2 149	**63 047**	82 251	11 545	93 796
Mr ZS Gumede	42 898	2 712	**45 610**	62 183	20 493	82 676
Mr T Nemaheni	34 840	0	**34 840**	31 356	28 317	59 673
Adv R R Dehal	0	0	**0**	4 218	1 193	5 411
Ms SV Mabilane	29 614	0	**29 614**	42 670	17 309	59 979
Mr Johan Nel	0	0	**0**	21 156	3 221	24 377
Dr T Ngoma	11 106	0	**11 106**	6 088	0	6 088
Mr S Magaqa	40 284	0	**40 284**	0	0	0
Dr MR Mchunu	55 576	0	**55 576**	0	0	0
Mr T Sithole	39 122	0	**39 122**	0	0	0
Mr BA Daniels	32 010	0	**32 010**	0	0	0
Mr TB Dube	24 388	0	**24 388**	0	0	0
Ms Z Dlamini	22 654	0	**22 654**	0	0	0
Ms C Fani	17 420	0	**17 420**	0	0	0
Mr K Govender	19 162	0	**19 162**	0	0	0
	429 972	4 861	**434 833**	253 998	82 802	336 800

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

12. Related Parties (continued)

12.2 Gross Remuneration for Audit Committee Members

	2021			2020		
	Members Fees	Travel	**Total**	Members Fees	Travel	Total
Mr MK Gwala	36 696	0	**36 696**	56 933	0	56 933
Ms Z Khanyile	3 272	0	**3 272**	19 664	4 235	23 899
Ms ST Mthembu	5 892	0	**5 892**	2 619	6 259	8878
Mr ZS Gumede	0	0	**0**	0	0	-
Ms SV Mabilane	0	0	**0**	0	0	-
	45 860	-	**45 860**	79 216	10 494	89 710

12.3 Directors' and Senior Managers' emoluments

	2021	2020
	R	R
Mr Mlungisi Ngubane (Director)		
(01 Apr 2020 – 31 Mar 2021)		
Basic salary	**736 499**	736 499
Housing subsidy	**10 524**	10 524
13th Cheque Annual Bonus	**61 375**	61 375
Performance Bonus	**0**	0
Travel allowance	**174 463**	173 193
Group funeral cover	**412**	412
Pension	**119 681**	119 681
UIF	**1 785**	1 785
Medical Aid	**18 000**	18 000
	1 122 739	1 121 468

12. Related Parties (continued)

	2021 R	2020 R
Mr Robert Osler Luyt (Deputy Director)		
(01 Apr 2020 – 31 Mar 2021)		
Basic salary	**486 299**	486 299
Housing allowance	**4 200**	4 200
13th Cheque Annual Bonus	**40 525**	40 525
Performance bonus	**0**	0
Travel allowance	**66 120**	65 128
Group funeral cover	**412**	412
Pension	**79 023**	79 23
UIF	**1 785**	1 785
Medical Aid	**18 000**	18 000
	696 364	695 371
Mr Bhekamachunu Mchunu (Deputy Director: Ncome Museum Manager)		
01 April 2020 – 31 Mar 2021)		
Basic salary	**457 790**	305 193
Housing allowance	**4 200**	2 800
13th Cheque Annual Bonus	**38 149**	9 537
Performance Bonus	**0**	0
Travel allowance	**129 061**	51 110
Group funeral cover	**412**	274
Pension	**74 391**	49 594
UIF	**1 785**	1 190
Medical Aid	**18 000**	10 500
	723 788	430 199

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

12. Related Parties (continued)

	2021	2020
	R	R
Ms Thenjiwe Christinia Khumalo (Chief Financial Officer)		
(01 Apr 2019 – 13 December 2019)		
Basic salary	**0**	327 362
Housing subsidy	**0**	7 893
13th Cheque Annual Bonus	**0**	58 319
Leave pay	**0**	36 542
Group funeral cover	**0**	309
Pension	**0**	50 543
UIF	**0**	1 338
Medical Aid	**0**	12 000
	0	494 306
Mr Phumlani Sibusiso Mvubu (Finance Manager)		
(01 November 2020 - 31 March 2021), 01 April 2020 - 31 October 2020 (Acting Finance Manager)		
Basic salary	**466 550**	38 879
Housing allowance	**1 750**	0
13th Cheque Annual Bonus	**0**	0
Performance Bonus	**0**	0
Group funeral cover	**172**	0
Pension	**31 589**	0
UIF	**1 785**	149
Medical Aid	**0**	0
	501 846	39028
Total	**3 044 737**	2 780 372

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

12. Related Parties (continued)

12.4 National Department of Arts & Culture

Operating grants received for the financial year ending 31 March 2021 amounted to :R 18 931 000 (2020 : R 19 794 000). The original grant allocated to the Cultural Institution was R20 882 000, however due to OVID19, it was later cut by the Department of Sport, Arts and culture by R1 951 000 to contribute to COVID19 Relief Fund. This necessitated the re alignment of priorities to compensate for reduction in revenue. The baseline grant allocation for 2021/2022 will amount to R22 544 000, however due to prevailing pandemic situation, the baseline allocation may be further reduced.

12.5 Department of Public Works

The department is the legal owner of land and buildings occupied by the Cultural Institution through the National Department of Sport, Arts & Culture. The Museum is not leasing land and buildings. The Department of Works is responsible for unplanned maintenance above R100 000. Amounts greater than R100 000 are spent in situations of extreme urgency.
The Municipal charges are paid into the Public Works account. The Municipal charges for the year amounted to R1 310 693 (2020: R1 341 472)
12.6 Council

The Council has been appointed by the Minister of Arts and Culture to oversee and ensure corporate governance. Council has four subcommittees, namely Risk & Audit, Human Resources, Finance and Core Functions Committees and that guide and assist Management.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

13. Employee related costs

	2021 R	2020 R
Basic Salaries	**9 689 232**	9 418 750
13th Cheque bonuses	**770 249**	751 342
Housing Subsidy	**63 412**	77 444
Performance bonuses	**0**	13 000
Long service awards	**9 000**	9 000
Housing Allowance	**144 550**	134 050
Acting allowances	**0**	33 405
Travel allowance	**369 644**	289 431
Leave Pay	**0**	39 650
Group Funeral cover	**16 773**	16 293
Pension	**1 652 329**	1 603 661
UIF	**69 242**	68 139
Medical Aid	**573 520**	556 807
	13 357 949	13 010 971
Medical Aid (Pensioners)	**36 000**	36 000
R Luyt- Medical Aid	**0**	1 500
	13 393 949	13 048 471
Debt net off against staff expenditure	**0**	(24 051)
Mr Ntuli - Leave/Bonus Payable	**16 596**	0
	13 410 545	13 024 420
Casual Wages	**124 699**	274 536
	13 535 244	13 298 956

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

	2021	2020
	R	R
13. Employee related costs		
Other Employee Related Costs		
Performance cash incentives	**0**	-2 400
Workmen compensation	**20 527**	40 352
Leave Expenditure	**85 112**	49 936
Bonus provision	**26 942**	12 649
	132 581	100 537
Total Compensation of employees	**13 667 825**	13 399 493
Number of employees	**42**	40

14.Financial instruments

14.1 Overview

The Cultural Institution has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

This note presents information about the Cultural Institution's exposure to each of the above risks, the Cultural Institution's objectives, policies and processes for measuring and managing risk, and the Cultural Institution's management of capital. Further quantitative disclosures are included throughout these financial statements.

In terms of Treasury Regulations 27.2.1, issued in terms of the PFMA, the accounting authority (Council) must ensure that a risk assessment is conducted regularly to identify emerging risks in the entity. The Council has established an Audit Committee which is responsible for monitoring the Cultural Institution's risk management policies.

The Cultural Institution's risk management policies are established to identify and analyse the risks faced by the Cultural Institution, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Cultural Institution's activities.

The audit committee oversees how management monitors compliance with the Cultural Institution's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Cultural Institution.

The Audit Committee is assisted in its oversight role at operations level by Internal Audit.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

14. Financial instruments (continued)

14.2 Credit risk

Credit risk is the risk of financial loss to the Cultural Institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Cultural Institution's receivables from customers.

14.2.1 Trade and other receivables

The Cultural Institution has no significant exposure to credit risk. The credit risk applicable to the Cultural Institution at 31 March 2021 amounted to: R33 318 (2020:R27 559).
Other receivables relates to expenses paid in advance.
The Cultural Institution policy is to monitor its exposure to credit risk on a monthly basis.
At year end, the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

14.2.2 Investments

The Cultural Institution limits its exposure to credit risk by investing only in liquid securities and only with approved banks and financial institutions.

14.3 Liquidity risk

Liquidity risk is the risk that the Cultural Institution will not be able to meet its financial obligations as they fall due. The Cultural Institution's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meets its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Cultural Institution's reputation.
An assessment is made of the payments due in advance. Monies are transferred to the current account to meet the bi-monthly obligations. Any surpluses are invested on a Call Account.
It is the policy of the Cultural Institution not to borrow monies.
There are thus no credit facilities available.
The cash available at 31 March 2021 was R 19 373 789 (2020:R 19 617 539)

14. Financial instruments (continued)

14.4 Market risk

Market risk is the risk that changes in market prices, such as the interest rates will affect the Cultural Institution’s income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.
The Cultural Institution policy is to invest surplus cash. Optimal rates and policies are received from various institutions.
The Cultural Institution is exposed to fluctuating market prices inherent in the trading of listed investments. The fair value of traded instruments is based on the market prices of those instruments.
The exposure of the Cultural Institution to these investments at 31 March 2021 amounted to R NIL (2020: R NIL).

14.4.1 Currency risk

The Cultural Institution does not engage in foreign currency transactions and is thus not exposed to this risk. The institution uses South African rand as a reporting currency.

14.4.2 Interest rate risk

It is the policy of The Cultural Institution not to borrow monies. There are thus no credit facilities available. There is therefore no risk relating to changes in the interest rate.

14.5 Fair values

The fair values of financial assets and liabilities are the same as the carrying values reflected in the statement of financial position.

14.6 Trade and other payables and advance deposits

Trade and other payables and advance deposits 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.

14.7 Prepayments

Prepayments for goods and services which are to be provided in the future years are recognised as prepayments. Prepayments are recorded in accounts receivable and prepaid expense.

15. Tax exemption

The Public Cultural Institution is exempt from taxation in terms Section 10 (1) (cA) (I) of the Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

16. Lease agreements

16.1 Operating Lease - Museum as lessee
At the reporting date the Cultural Institution had two outstanding commitments under non-cancellable operating leases relating to photocopiers.
At 31 March 2021 the total commitment was R 63,048 (2020 R 145,78).

Photocopier

2021	Not later than one year	Later than one year not later than five years	Total
Rental photocopier - uMsunduzi and Ncome Museum	63 048	0	63 048

2020	Not later than one year	Later than one year not later than five years	Total
Rental photocopier - uMsunduzi and Ncome Museum	94 572	51 226	145 798

The operating lease relates to two photocopying machines leased from Konica Minolta, Pietermaritzburg.

Two new photocopiers for uMsunduzi and Ncome Museums were acquired on 01 November 2019 from Konica Minolta, Pietermaritzburg and will expire on 31 November 202

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

17. Post retirement obligations

17.1 Pension fund

	No of employees	Employer's contribution	Employees contribution	Monetary Value R
2021				
Defined Benefits Scheme	12	20,0%	7,5%	486 665
Defined Contribution Scheme	30	15,0%	7,5%	1 165 664
Total	**42**			**1 652 329**
2020				
Defined Benefits Scheme	12	20,0%	7,5%	486 665
Defined Contribution Scheme	28	15,0%	7,5%	1 116 995
Total	40			1 603 661

The Cultural Institution falls under multi-employer plan both as defined and contribution plan.
The Actuary of the Museums Pension Fund calculates the applicable proportion share of liability of each participating employer per end of each financial year apart from a statutory valuation done in every three years and concluded that according to the March 2018 valuation report the fund was 100% funded. Under this plan it is difficult for entities to apply defined benefit accounting since the plan does not distinguish the liabilities and assets for each Institution participating in the plan. If a deficit is recognised in a particular year for defined benefit plan, an applicable share of shortfall is shared by each participating employer to an extent that a proportional share is charged to the statement of financial performance with a corresponding credit to the statement of financial position. The Cultural Institution only recognises a liability for any unpaid contributions at year end and discloses the applicable contribution expense for the year.
The Cultural Institution’s updated liability as at 31 March 2021 is R nil. (2020: R nil).

17.2 Post retirements medical benefits

No written policy for post - retirement medical benefits exists, although the Cultural Institution is contributing 66 % of the total medical cost for each retired employee to a maximum of R1 000 per month effective from 01 April 2010, subject to review as it deems necessary. There is no contractual liability to pay these medical costs, hence a provision cannot be determined. Furthermore, the Council took a resolution that future retired staff members will not be subsidized with medical aid. The Current medical aid to three pensioners is paid out of goodwill.

18. Subsequent events

The COVID-19 virus will have an impact on the Cultural Institutions income streams going into the future. All other sources of income will be affected. Revenue from other sources of income, mainly parking fees, entrance fees and rentals of facilities will be reduced substantially for at least a year. Depending on the extent of COVID-19, the Department may further cut the operating grant anticipated to be received in the 2021/2022 financial year.

COVID-19 is a non-adjusting event and its impact on the revenue and operation cannot be quantified. This is a unique event globally and there is no record of past events incurred to simulate an expected outcome.

19. Bonuses and performance awards

Bonuses relate to 13th cheque payable on the birthday date of staff, however performance bonuses relate to performance of staff in executing their duties deemed to be competent and commendable.

Management calculates the nominal monetary amount is deemed to be appropriate.

20. Conditional grants

Government grants whose primary condition is that the Cultural Institution should purchase, construct, or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position.
When a related asset is recognised revenue equivalent to the amount of the asset is also recognised.
Where a liability is required to be recognised it is measured in accordance with the requirements of para .55 of GRAP 23, and the amount of the increase in net assets, if any, is 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.
These grants were given to the Cultural Institution to transform its identity, in as far as collection, exhibitions, training, etc. so that the Cultural Institution represents the cultural groups in KwaZulu-Natal. Refer to note 11.
The grant received from National Lottery and Distribution Trust Fund (NLDTF) is currently being expended. Refer to note 11. The second tranche and final payment for R1 206 952 was deposited in the financial year 2011/12. The total grant agreement amounted to R3 017 380. An amount of R 1 020 000 was received on the 17 December 2015 from the National Lottery and Distribution Fund for the purposes of Mobile Museum. The National lottery grant was allocated to finance the Cultural Institution’s Research, Exhibition and Educational projects.

21. Revenue from non-exchange transactions

Included in the 2020/2021 income is R6 267 (2020: R327 277) to compensate for grant funds expended during the year.

The 2020/2021 income is to compensate the following expenditure during the year:	R
Capital expenditure	-
Operating expenditure	6 267
	6 267

22. Irregular expenditure

	2021	2020
	R	R
Opening balance*	2 867 669	2 052 450
Irregular expenditure identified current year	-	815 219
Condoned by Authority	-	-
*Irregular expenditure awaiting condonement by National Treasury	2 867 669	2 867 669

*: The entity is awaiting condonation from National Treasury.

Incidents		
Declaration of interest not provided by service providers		849 622
Expired contracts still in use		654 939
BBBEE not submitted		76 562
Reason for deviation not meet sole or Emergency (2016/2017)		169 794
Quotations not obtained (2017/2018)		13 176
Contracts granted to non tax compliant suppliers		789 750
Amount by which the Budget has been Exceeded		313 826
	-	2 867 669

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

23. Heritage assets

The Cultural Institution's heritage assets include amongst others photographs, textiles, artwork and ethnographic items.
These assets have not been recorded in the asset register but they are recorded and controlled in a register which has been reconciled with the heritage assets on hand.

	2021			2020		
	Cost/ Valuation	**Accumulated impairment loss**	**Carrying Value**	**Cost/ Valuation**	**Accumulated impairment loss**	**Carrying Value**
Arts and artefacts	7 925 842	-	7 925 842	6 544 376	-	6 544 376
Audio and visual	26 642	-	26 642	17 237	-	17 237
Historical Papers	99 032	-	99 032	96 752	-	96 752
Library Books	1 174 435	-	1 174 435	789 700	-	789 700
Photographic	113 635	-	113 635	108 165	-	108 165
	9 339 586	-	**9 339 586**	7 556 230	-	7 556 230

Reconciliation of Heritage Assets - 2021

	Opening balance Restated	**Additions**	**Revaluation increase / decrease**	**De-recognition**	**Total**
Arts and artefacts	6 544 376	45 391	1 343 125	**-7050**	7 925 842
Audio and visual	17 237	50	9 355	0	26 642
Historical Papers	96 752	1 180	1 100	0	99 032
Library Books	789 700	1 846	382 889	0	1 174 435
Photographic	108 165	400	5 470	-400	113 635
	7 556 230	48 867	1 741 939	-7450	9 339 586

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

23. Heritage assets (continued)

Reconciliation of Heritage Assets - 2020

	Opening balance	Prior period error	Additions	Revaluation increase/decrease	Total
Arts and artefacts	5 942 772	487 354	114 250	-	6 544 376
Audio and visual	16 592	-	645	-	17 237
Historical Papers	19 712	990	76 050	-	96 752
Library Books	787 283	2 417	0	-	789 700
Photographic	72 380	34 275	1 510	-	108 165
	6 838 739	525 036	192 455	-	7 556 230

The Entity is restricted from disposing of Heritage assets in accordance with the provisions of the National Heritage Act and had no contractual commitments for the acquisition, maintenance and restoration of Heritage assets at year end.
No assets have been pledged as security.

Expenditure incurred to repair and maintain heritage assets in the current period amounted to nil (2020: R 9 600).

UMSUNDUZI MUSEUM

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
for the year ended 31 March 2021

24.Budget differences

Statement of Comparison of Actual and Budget amounts

	Notes	Actual	Original budget	Adjustments	Difference between Final budget and actual	Final budget	Variance
		R	R	R	R	R	%
Revenue from exchange transactions							
Curio shop sales	1	**7 730**	41 594	- 33 594	- 270	8 000	-3,49%
Entrance fees	2	**2 329**	34 000	- 30 500	- 1 171	3 500	-50,28%
Interest Income	3	**653 264**	202 000	- 62 000	513 264	140 000	78,57%
Internet income	4	**1 001**	5 000	- 2 500	- 1 499	2 500	-149,75%
Other income	5	**4 703**	8 000	-	- 3 297	8 000	-70,10%
Parking income	6	**148 483**	188 000	- 28 000	- 11 517	160 000	-7,76%
Transfer from reserves		**-**	401 509	387 491	- 789 000	789 000	0,00%
Rent received	7	**58 845**	484 000	- 334 000	- 91 155	150 000	-154,91%
Revenue from Non-exchange transactions							
Transfers received	8	**18 937 267**	20 882 000	- 1 951 000	6 267	18 931 000	0,03%
Donations received	9	**50 069**	1 014	- 500	49 555	514	98,97%
Total Revenue		19 863 691	22 247 117	- 2 054 603	- 328 823	20 192 514	-1,66%

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

24. Budget differences (continued)

	Notes	Actual R	Original budget R	Adjustments R	Difference between Final budget and actual R	Final budget R	Variance %
Total Expenditure		20 559 637	22 247 117	- 1 930 603	224 759	20 192 514	1,11%
Employee related costs							
Staff expenditure	10	**13 410 545**	14 206 169	-681 374	114 250	13 524 795	0,84%
Casual wages	11	**124 699**	234 000	-94 000	15 301	140 000	10,93%
Provision for Performance awards		**0**	20 000	-20 000	0	0	0,00%
Workmen compensation		**20 527**	12 000	0	-8 527	12 000	-71,06%
Leave pay provision		**85 112**	10000	-10 000	-85 112	0	0,00%
Bonus provision		**26 942**	0	0	-26 942	0	0,00%
		13 667 825	14 482 169	- 805 374	8 970	13 676 795	-59,28%
Repair and Maintenance							
General repair and maintenance	12	**105 926**	182 000	-72 000	4 074	110 000	3,70%
Refurbishment of buildings Capital works	12	**-**	-	0	0	-	0,00%
		105 926	182 000	- 72 000	4 074	110 000	3,70%
Depreciation and amortisation	13	**946 830**	4 948			4948	0,00%
Bad debts	14	**-**	0		-	0	0,00%
		14 720 581	**14 669 117**	**(877 374)**	**13 044**	**13 791 743**	**0,09%**
Other Gains / (Losses)							
Change in accounting estimate		**8 425**	-	-	-8 425	0	100,00%
Other General expenses		**5 839 057**	**7 104 000**	**(1 053 229)**	**211 715**	**6 050 771**	3,50%
Total surplus / (Deficit) for the period		**- 687 523**	**-**	**- 124 000**	**- 562 006**	**-**	81,74%

UMSUNDUZI MUSEUM

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

24. Budget differences (continued)
Other general expenses include the following:

		Actual	Original budget	Adjustments	Difference between Final budget and actual	Final budget	Variance
Accounting fees	15	**52 462**	60 000	0	7 538	60 000	12,56%
Advertising and marketing	16	**7 041**	155 000	-108 000	39 959	47 000	85,02%
Advisory and administration fees		**-**	-	0	0	-	0,00%
Audit committee expenses	17	**53 250**	78 000	-8 000	16 750	70 000	23,93%
Auditors' remuneration	18	**735 495**	720 000	16 000	505	736 000	0,07%
Bank charges	19	**51 187**	98 000	-20 000	26 813	78 000	34,38%
Cleaning materials	20	**104 429**	56 000	44 638	-3 791	100 638	-3,77%
Computer expenses	21	**92 852**	127 500	-8 000	26 648	119 500	22,30%
IT Upgrade	22	**15 105**	40 000	85 000	109 895	125 000	87,92%
Cost of sales		**5 115**	31 000	-17 000	8 885	14 000	63,46%
Conferences	23	**-**	125 000	-121 000	4 000	4 000	100,00%
Conference: courageous conversation	24	**-**	30 000	-30 000	0	-	0,00%
Conservation and collection		**2 000**	45 000	-42 000	1 000	3 000	33,33%
Education and outreach	25	**56 130**	272 000	-180 000	35 870	92 000	38,99%
Entertainment / Refreshments		**22 324**	17 000	0	-5 324	17 000	-31,32%
Equipment expenses (less than capital threshold)		**48 441**	7 000	5 000	-36 441	12 000	-303,67%
Exhibition openings		**0**	14 000	1 000	15 000	15 000	100,00%
Functions (Living Heritage)	26	**3 000**	140 000	-115 000	22 000	25 000	88,00%
Furniture (less than capital threshold)		**4 883**	5 000	0	117	5 000	2,34%
Lecture		**0**	40 000	-40 000	0	-	0,00%
Honoraria	27	**429 973**	279 000	-5 000	-155 973	274 000	-56,92%
Human resource fee		**0**	8 000	-7 000	1 000	1 000	100,00%
Insurance	28	**247 812**	248 800	0	988	248 800	0,40%
Interior décor and display	28,1	**15 900**	146 000	15 000	145 100	161 000	90,12%
Internal audit function	29	**102 718**	240 000	0	137 282	240 000	57,20%
Legal expenses	30	**5 175**	30 000	0	24 825	30 000	82,75%
Library books		**11 361**	12 000	0	639	12 000	5,33%
LIBRARY WEEK		**4 728**	28 000	9 000	32 272	37 000	87,22%

UMSUNDUZI MUSEUM

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

		Actual	Original budget	Adjustments	Difference between Final budget and actual	Final budget	Variance
Municipal charges	31	**1 310 693**	931 000	0	-379 693	931 000	-40,78%
National Lottery Fund:Activity 1-pamphlets				0	0		
National Lottery Fund:Activity 2-Phamphlets-VM				0	0		
National Lottery Fund:Activity 4-collections marketing brochures				0	0		
National Lottery Fund:Activity 7-paint for exhibitions				0	0		
National Lottery Fund:Activity 7-images for exhibitions				0	0		
National Lottery Fund:Activity 7-printing				0	0		
National Lottery Fund:Activity 7-banners for exhibitions				0	0		
National Lottery Fund:Activity 7-consumables (sponge rollers)				0	0		
National Lottery Fund:Activity 7-collection of cultural Items for displays				0	0		
National Lottery Fund:Activity 4-		1 266		0	-1 266		
National Lottery Fund:Activity 3-		5 000		0	-5 000		
National Lottery Fund:Activity 7-pamphlets Ncome				0	0		
National Lottery Fund:Mobile Van Rubberization				0	0		
National Lottery Fund:Mobile Van Branding				0	0		
National Lottery Fund:Mobile Discovery unit				0	0		
National Lottery Fund:Accommodation				0	0		
National Lottery Fund:Mobile Van Printing				0	0		
National Lottery Fund:Travel/Fuel				0	0		
National Lottery Fund: Mobile - Equipment				0	0		
National Lottery Fund: Mobile - Community workshops				0	0		
Ncome furniture (DSAC sponsored projects)				0	0		
Ncome Appliances (DSAC sponsored projects)				0	0		
Ncome Crockery & Cutlery (DSAC sponsored projects)				0	0		
Ncome Accessories (DSAC sponsored projects)				0	0		
Ncome labour (DSAC sponsored projects)		**31 463**		0	-31 463		
Ncome Marketing (DSAC sponsored projects)				0	0		

UMSUNDUZI MUSEUM

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

		Actual	Original budget	Adjustments	Difference between Final budget and actual	Final budget	Variance
Ncome Cleaning Material (DSAC sponsored projects)				0	0		
Ncome Maintenance of facilities (DSAC sponsored projects)				0	0		
Blood river bridge maintenance costs-DSAC		**300 000**	300 000	0	0	300 000	0,00%
Photographic		**-**	200	0	200	200	100,00%
Photocopier rental	32	**123 268**	169 000	-2 000	43 732	167 000	26,19%
Postage		**9 089**	6 000	9 000	5 911	15 000	39,41%
Printing and stationery	33	**108 616**	102 000	0	-6 616	102 000	-6,49%
Security	34	**819 910**	828 000	-12 000	-3 910	816 000	-0,48%
Staff training	35	**79 959**	140 000	-24 000	36 041	116 000	31,07%
Subscriptions		**56 294**	60 000	-7 867	-4 161	52 133	-7,98%
Subsistence allowance		**19 678**	40 000	-18 500	1 822	21 500	8,47%
Sundries		**8 110**	7 500	2 500	1 890	10 000	18,90%
Tools		**1 596**	7 000	0	5 404	7 000	77,20%
Signage		**20**	87 000	-67 000	19 980	20 000	99,90%
Telephone and fax (less recoveries)	36	**199 497**	205 000	0	5 503	205 000	2,68%
Travel and accommodation (Council costs)	37	**8 148**	313 000	-283 000	21 852	30 000	72,84%
Tools of trade (Council costs)		**60 360**	60 000	500	140	60 500	0,23%
Travel and motor vehicle expenses	38	**219 007**	681 000	-451 000	10 993	230 000	4,78%
Translation costs		**3 840**	20 000	-20 000	-3 840	-	0,00%
Uniforms		**46 599**	85 000	0	38 401	85 000	45,18%
Valuation of asset costs		**355 262**	10 000	345 500	238	355 500	0,07%
		5 839 057	**7 104 000**	**- 1 053 229**	**211 715**	**6 050 771**	**3,50%**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

	Actual	Original budget	Adjustments	Difference between Final budget and actual	Final budget	Variance
Assets Capitalized						
Computer Equipment	118 826	100 000	15 000	-3 826	115 000	-3,33%
Office Equipment	340 202	74 000	106 000	-160 202	180 000	-89,00%
Software/ Intangibles	42 642	0	10 000	-32 642	10 000	-326,42%
Furniture	16 946	60 000	-15 000	28 054	45 000	62,34%
Vehicles	0	240 000	-240 000	0	0	0,00%
Total Assets Capitalized	518 616	474 000	-124 000	-168 616	350 000	-48,18%

Actual Operating Expenditure Versus Budget

Budget variance explanation
Revenue
Budget information notes

1. Curio shop sales
Income from Curio shop declined for the period under review, due to fewer tourists as a result of COVID19 lockdown regulations.

2. Entrance fees
Fewer tourists visited the Cultural Institution for the period as a result of COVID19 regulations.

3. Interest income
Grants received are transferred to a call account to generate interest, furthermore Capital Works grant is invested in the Call account when the project is yet to start or in progress.

4. Internet income
Due to fewer students making use of the facility and COVID19 regulations.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

Revenue (continued)

5. Other income
Other income received from customers was also affected due to COVID19.

6. Parking income
Rentals for parking had a slightly decline due in part of Covid-19 as facilities were closed in April and May for public.

7. Rent Received
This relates to letting out of the facilities to the public, Rent received was severely affected because of COVID19 regulations. Movement of people is constrained.

8. Transfers Received
Grants received was reduced by the Department by R1 951 000 because of COVID19.

9. Donations Received
This relates to donation of heritage assets in kind (R48 867), cash donation (R1 202)

Expenditure

10. Staff expenditure
One staff member passed on during the year in August 2020vand was only replaced later in February 2021.

11. Casual labour
Less expenditure incurred than expected and curtailing on some other work.

12. Repair and Maintenance
Expenditure in line with projections.

13. Depreciation and amortization
Non cash item was not included the budget, if included it will result in budget deficit which is not allowed as per PFMA.

14. Bad debts
No provision for doubtful debts.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

Expenditure (continued)

15. Accounting fees
Expenditure in line with projections.

16. Advertising and Marketing
Expenditure was curtailed and re prioritized.

17. Audit Committee expenses
Audit committee term expired in November 2020 and extended in February 2021, however less costs were incurred than anticipated.

18. Auditor’s remuneration
Expenditure incurred was in line with the projection.

19. Bank charges
Bank charges were slightly lower than projected budget.

20. Cleaning materials
Slightly higher than projected budget due to COVID19, more sanitizers bought and other related consumables.

21. Computer expenses
Less expenditure due in part to COVID19, as some staff were working at home and fewer staff in the workplace mainly in April and May.

22. I T Upgrade
Bulk of expenditure was capitalized.

23. Conferences
Cancelled due to COVID19.

24. Courageous Conference
Cancelled due to COVID19.

25. Education and outreach
Less expenditure incurred than expected mainly due to fewer events conducted because the Country was in lockdown for the better part.

26. Functions (Living Heritage)
Commemorative events at Ncome Museum site was cancelled due to COVID19.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (continued)
for the year ended 31 March 2021

Expenditure (continued)

27. Honoraria
More meetings than expected.

28. Insurance
Expenditure incurred was in line with the projection.

28.1 Interior décor and display
Expenditure amounting to R130 000 was capitalized, panels and showcases and equipment was purchased.

29. Internal audit function
They were in line with the projections.

30. Legal expenses
It was anticipated more fees will be incurred due to investigation that was happening in Ncome Museum and other unforeseen legal costs.

31. Municipal charges
Less grant received for Municipal charges.

32. Photocopier Rental
Less expenditure incurred than expected.

33. Printing and stationery
Slightly higher than anticipated, due in part to printing of APP and other related printing costs.

34. Security
They were in line with the projections.

35. Staff training
Less expenditure incurred than expected, due in part most training done online.

36. Telephone
They were in line with projections.

37. Travel and accommodation (Council costs)
Less expenditure incurred than expected, due in part of COVID19, all meetings were held via Zoom or Microsoft teams.

38. Travel and motor expenses
They were in line with projections.

UMSUNDUZI MUSEUM

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

25. Contingent liabilities

The Cultural Institution is requested each financial year by National Treasury to make a motivation for retention of and reconciliation of surpluses at the end of each financial year. The Cultural Institution has therefore disclosed surpluses by way of a note, awaiting National Treasury approval at the end of the financial year. The surplus of the Cultural Institution at 31 March 2021 amounted to R 6 485 242 (2020: R7 172 764).

26. Correction of Prior Period Error

	Amount before error correction	Prior period error	Restated amount
The Net effect of prior period error(s) relating to the Statement of Financial Performance are as follows:			
	R	R	R
The Net effect of prior period error(s) relating to the Statement of Financial Position are as follows:			
Heritage Assets			
Carrying Cost	6 838 739	525 036	7 363 775
Net effect on Statement of Financial Position	**6 838 739**	**525 036**	**7 363 775**
In Net Assets are as follows			
Revaluation Reserve			
Carrying Value	6 584 753	494 200	7 078 953
Net effect on Statement of Financial Position	**6 584 753**	**494 200**	**7 078 953**
The Net effect of prior period error(s) relating to the Statement of changes in Net Assets are as follows:			
Accumulated Surplus / (Deficit)			
Carrying Value	6 541 150	30 835	**6 571 985**
Net effect on Statement of Changes in Net Assets	**6 541 150**	**30 835**	**6 571 985**

Heritage assets to the value of R525 036 donated in kind to the Cultural Institution relating to prior years have been restated in the 2019/2020 financial year period. These Heritage Assets were received in prior years but only evaluated by an independent evaluator in 2019/2020 financial year period.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

27. Change in Accounting Estimate

At the end of the Financial Year under review, the Cultural Institution assessed the useful life of fully depreciated assets of certain assets. This resulted in a net increase of R 8 425.

	2021 R	2020 R
Net effect on Statement of financial performance		
Increase in sale of goods and rendering of services		
Other Income	8 425	1 045 286
Net effect on statement of financial position		
Increase in assets		
Property, Plant and Equipment - Furniture and Fittings	0	353 642
Property, Plant and Equipment - Equipment	8 325	691 644
Property, Plant and Equipment - Computer equipment	100	0

28. Public Contributions and Donations

The Cultural Institution received donations of heritage assets from numerous individuals and communities other than donations in cash from visitors. These Heritage assets donations are recorded as Donation Income.

Name of Organisation	Nature of Gifts, Donations or Sponsorships	2021 R	Re-Stated 2020 R
Received in cash			
Tourist/visitors	Museum Operations	1 202	1 626
FAK	Purchasing of Cabinet for Museum collection	-	-
Received in kind			
Communities/ Individuals	Artefacts/ Historical Papers	48 867	192 455
Total		50 069	194 081

Assets donated in kind in the current year amounted R48 867 (2020: R192 455).

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

29. Sale of Goods & Rendering of Services

		2021 R	2020 R
Parking income		148 483	175 908
Entrance fees		2 329	16 827
Curio Shop sale	29,1	7 730	28 722
Other income		4 703	11 953
Internet fees		1 001	2 412
		164 246	**235 822**

29,1 Sales	7 730	28 721
Cost of sales	(5 115)	(25 957)
Inventory at the beginning of the year	88 471	93 556
Purchases	8 084	20 872
Inventory at the end of the year	(91 440)	(88 471)
	2 615	2 764

30. Rental of Facilities and Equipment

Rent received		
	58 845	245 880

31. Interest Earned - External Investments

Interest received		
	653 264	979 032

32. General Expenses

Included in General Expenses are the following:

	2021 R	2020 R
Accounting fees	52 462	85 684
Advertising and marketing	7 041	67 181
Advisory and administration fees	-	484
Audit committee expenses	53 250	96 346
Auditors' remuneration	735 495	710 849
Bank charges	51 187	81 205
Cleaning materials	104 429	59 512
Computer expenses	92 852	145 052
Cost of sales	5 115	25 957
IT Upgrade	15 105	73 471
Conferences	-	22 553
Conference: courageous conversation	-	202 335
Conservation and collection	2 000	6 618
Education and outreach	56 130	214 017
Entertainment / Refreshments	22 324	14 769
Equipment expenses (less than capital threshold)	48 441	33 006
EXHIBITION	0	0
Functions (Living Heritage)	3 000	148 878
Furniture (less than capital threshold)	4 883	23 392
Lecture	0	31 163
Honoraria	429 973	253 998
Human resource fee	0	0
Insurance	247 812	249 427
Interior décor and display	15 900	27 570
Internal audit function	102 718	342 954
Legal expenses	5 175	101 855
Library books	11 361	16 143
Library week /events	4 728	0
Municipal charges	1 310 693	1 341 472
National Lottery Fund:Activity 1-pamphlets	0	0

	2021 **R**	2020 R
National Lottery Fund:Activity 2-Phamphlets-VM	0	0
National Lottery Fund:Activity 4-	1 266	0
National Lottery Fund:Activity 7-paint for exhibitions	0	0
National Lottery Fund Activity 7-images for exhibitions	0	0
National Lottery Fund:Activity 7-printing	0	0
National Lottery Fund:Activity 7-banners for exhibitions	0	0
National Lottery Fund:Activity 7-consumables (sponge rollers)	0	0
National Lottery Fund:Activity 7-collection of cultural Items for displays	0	0
National Lottery Fund:Activity 7-pamphlets Ncome	0	0
National Lottery Fund:Activity 3-	5 000	
National Lottery Fund: Mobile Van Rubbezation	0	0
National Lottery Fund:Mobile Van Branding	0	0
National Lottery Fund:Mobile Discovery unit	0	4 433
National Lottery Fund:Accomodation	0	0
National Lottery Fund:Mobile Van Printing	0	0
National Lottery Fund:Travel/Fuel	0	0
National Lottery Fund: Mobile - Equipment	0	799
National Lottery Fund: Mobile - Community workshops	0	802
Ncome furniture (DSAC sponsored projects)	0	16 800
Ncome Appliances (DSAC sponsored projects)	0	0
Ncome Crockery &Cultery (DSAC sponsored projects)	0	0
Ncome Accessories (DSAC sponsored projects)	0	999
Ncome labour (DSAC sponsored projects)	31 463	54 468
Ncome Marketing(DSAC sponsored projects)	0	0
Ncome Cleaning Material (DSAC sponsored projects)	-	7 066
Ncome Maintenance of facilities (DSAC sponsored projects)	-	18 231
Blood river bridge maintanance Costs-DSAC	300 000	285 000
Photographic	0	0
Photocopier rental	123 268	152 398
Postage	9 089	6 849

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2021

	2021 R	2020 R
Printing and stationery	108 616	122 292
Security	819 910	889 761
Staff training	79 959	53 120
Subscriptions	56 294	36 203
Subsistence allowance	19 678	35 595
Sundries	8 110	9 058
Tools	1 596	7 266
Signage	20	2 053
Telephone and fax (less recoveries)	199 497	191 528
Travel and accommodation (Council costs)	8 148	296 804
Tools of trade (Council costs)	60 360	60 194
Travel and motor vehicle expenses	219 007	832 149
Translation costs	3 840	0
Uniforms	46 599	46 977
Valuation of asset costs	355 262	29 442
	5 839 057	7 536 178

33. Repair and Maintenance

	2021 R	2020 R
Repair and Maintenance	**105 926**	474 989

34. Bad debts

	2021 R	2020 R
Bad debts	**0**	19 553

35. Accumulated Surpluses

Accumulated surpluses are the result of the accumulation of annual operating income, less additions to capital projects and physical assets. Accumulated surpluses are used to fund capital projects and the Cultural Institution's programmes identified by Management. However an approval is always sought from National Treasury to retain accumulated surpluses supported by a motivation. Accumulated surplus for the year amounted to R6 485 242 (2020: R7 172 764)

36. Revaluation Reserve

Revaluation reserve is a non cash reserve created to reflect the true value of Heritage assets when the market value of certain category of asset changes. Its purpose is to reflect the real and fair value of Heritage assets. Any increase or impairment loss on Heritage assets is reflected and adjusted in the Revaluation reserve. Revaluation reserve for the year amounted to R8 820 892 (2020: R7 078 954)

an agency of the
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