SOUTH AFRICAN HERITAGE RESOURCES AGENCY

ANNUAL REPORT

2020 2021

SAHRA

AN AGENCY OF THE DEPARTMENT OF SPORT ARTS AND CULTURE

WHO IS SAHRA?

We present this information about SAHRA in order to create an awareness among the people of our country of their right to conserve what they consider to be valuable heritage resources, the mechanisms for doing this, and to recognise the exciting new possibilities that the Act creates for them.

WHAT WE DO?

SAHRA is mandated to coordinate the identification and management of the national estate. The aims are to introduce an integrated system for the identification, assessment and management of the heritage resources and to enable provincial and local authorities to adopt powers to protect and manage them.

Freedom Park

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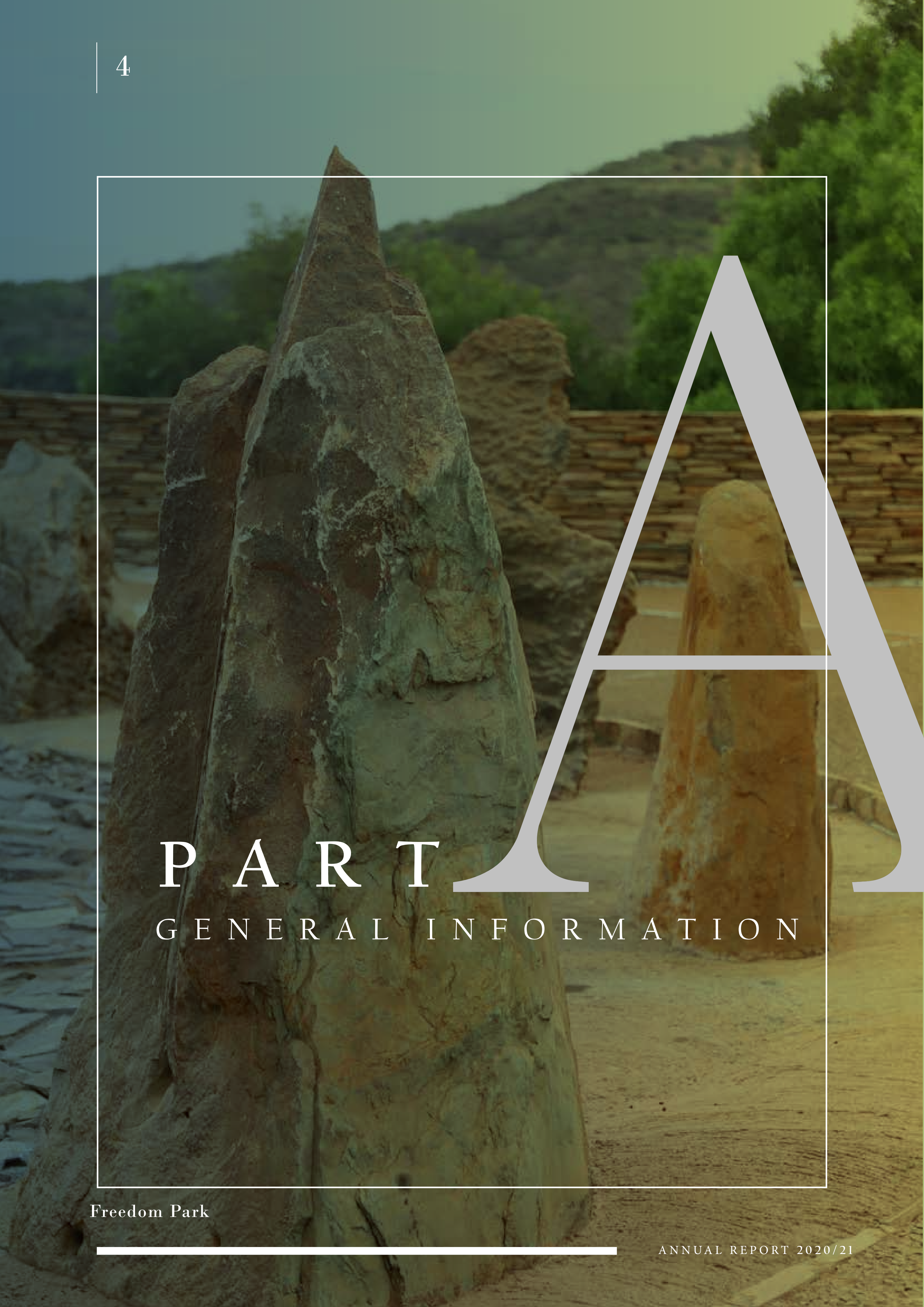


PART A

GENERAL INFORMATION

1. GENERAL INFORMATION

REGISTERED NAME:	South African Heritage Resources Agency (SAHRA)
REGISTRATION NUMBER:	N/A
PHYSICAL ADDRESS:	111 Harrington Street Cape Town 8001
POSTAL ADDRESS:	P.O. Box 4637 Cape Town 8000
TELEPHONE NUMBER:	+27 (0) 21 462 4502
FAX NUMBER:	+27 (0) 21 462 4509
EMAIL ADDRESS:	info@sahra.org.za
WEBSITE ADDRESS:	www.sahra.org.za
EXTERNAL AUDITORS:	Auditor-General
BANKERS:	Absa and Nedbank
COMPANY SECRETARY	Mr Simphiwe Mome

2. LIST OF ABBREVIATIONS/ ACRONYMS AND DEFINITIONS

APM	Archaeology, Palaeontology and Meteorites
APP	Annual Performance Plan
ARC	Auditing Risk Committee
BBBEE	Broad Based Black Economic Empowerment
BDC	Business Development Committee
CEO	Chief Executive Officer
COSO	Committee of Sponsoring Organisation
COVID-19	Coronavirus Disease of 2019
CPUT	Cape Peninsula University of Technology
CRO	Chief Risk Officer
CSC	Corporate Services Committee
DEFF	Department of Environment, Forestry and Fisheries
DPSA	Department of Public Service and Administration
DSAC	Department of Sport Arts and Culture
ERM	Enterprise Risk Management
HRM	Heritage Resources Management
HPU	Heritage Protection Unit
ICT	Information Communication and Technology
MICTSETA	Media, Information and Communication Technologies Sector Education and Training Authority
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MUCH	Maritime & Underwater Cultural Heritage
NHC	National Heritage Council
NHRA	National Heritage Resource Act (Act No. 25 of 1999)
NDP	National Development Plan
NDT	National Department of Tourism
NIU	National Inventory Unit
PFMA	Public Finance Management Act 9 No. 1 of 1999 as amended by Act No. 29 of 1999)
PHRA	Provincial Heritage Resources Authority
PMS	Performance Management System
PSP	Presidential Stimulus Programme
PSRMF	Public Sector Risk Management Framework (PSRMF).
SAHRA	South African Heritage Resource Agency
SAHRIS	South African Heritage Resource Information System
SAMA	South African Museums Association
SANP	South African National Parks
SAPS	South African Police Service
STAB	Scientific and Technical Advisory Body
UCT	University of Cape Town
UNESCO	United Nations Educational Scientific and Cultural Organisation
UP	University of Pretoria
VIBS	Visual Impact Broadcast Solutions
VM	Voortrekker Monument

3. FOREWORD BY THE

CHAIRPERSON OF THE COUNCIL

It gives me great pleasure to introduce the second Annual Report of this Council's term for the period of 2020/21 financial year. The country continues to face economic challenges due to the COVID-19 pandemic and this has adversely affected the livelihoods of many of our people. My heart goes out to our staff and their families who lost their loved ones during these unprecedented times.

The 2020/21 financial year marks the first year of implementation of SAHRA's four long-term outcomes as per the 2020/25 strategic plan approved by Council. The entity managed to achieve 84% of its overall performance targets despite the challenges brought about by the COVID-19 pandemic. This displays how SAHRA continues to deliver on its mandate by demonstrating its capability to adapt and respond to the needs of our country through heritage.

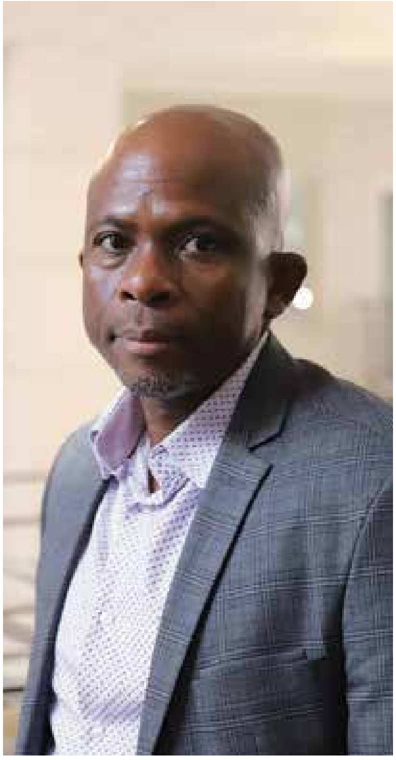
SAHRA's operational and financial performance has asserted the entity's role as a regulatory body, implementing functional corporate governance systems and contributing to the upskilling and sustainable development of skills within the organisation. To this end, SAHRA has been offering its staff development opportunities and has, thus, managed to lower staff turnover rate. The Council is reviewing the organisational structure to ensure alignment to the strategy of the organisation.

The performance management system is also being reviewed to enhance performance and skills development.

It is my great pleasure and honour to proudly announce that SAHRA has received an unqualified audit opinion for the 2020/21 financial year.

Financially, the entity continues to struggle as our budget allocation was cut by the Department of Sport, Arts & Culture (DSAC). To mitigate this set back, SAHRA has embarked on formulating a financial sustainability plan as a means of seeking additional ways of generating its own revenue through its properties and other potential revenue streams. The Business Development Committee (BDC) of Council will advise and assist management with strategies to implement financial sustainability.

Notwithstanding the setbacks brought by the COVID-19 pandemic, SAHRA continued to deliver on its mandate and thus fulfil its responsibilities. SAHRA disseminated knowledge, declared significant heritage resources, and contributed towards economic empowerment by creating job opportunities through its activities. SAHRA successfully contributed towards the Presidential Employment Stimulus Programme (PESP) by achievement of employment targets and receipt of data on monuments and memorials recorded. Council would like to express its gratitude to the Minister



Mr. Moses Temba Makhweyane (Chairperson)

of Sport, Arts and Culture, Mr Nathi Mthethwa, for his confidence and support; to the DSAC for its continued guidance and support; and to the Portfolio Committee for the guidance that continues to shape the performance of the entity.

I must also thank colleagues in the SAHRA Council for their constructive role and participation in deliberations and teamwork. I am grateful and proud to be able to report on the significant changes that we have achieved in this financial year and commend the Council members' commitment to SAHRA. This year was difficult for this Council as the entity was faced with so many challenges, however Council was clear on its role and took the difficult decisions required of it.

Lastly, but not least, the Council's deepest and most sincere thanks and appreciation goes to the executives, managers, and staff of SAHRA for their sterling work in turning around and stabilizing the organization during these uncertain times, an achievement which is reflected in the Auditor-General's Report.

Mr MT Makhweyane
Council Chairperson

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Adv. Lungisa Malgas
(Chief Executive Officer)

It is my great pleasure to present the 2020/21 Annual Report of the South African Heritage Resources Agency (SAHRA). The COVID-19 pandemic has changed our outlook on life, and 2020 has been one of the most challenging years we have faced. As an organisation, this pandemic has given us new perspectives on how we do business and how quickly things can change.

I would like to thank SAHRA's staff for being there for one another and supporting our colleagues who were either affected or lost a loved one during this year. This pandemic has made us value life and appreciate people so much more. We therefore continue to practice social distancing and prioritise the health and safety of people during these COVID-19 times.

This year marked the first year of implementation of SAHRA's four long-term outcomes as per the approved 2020/25 strategic plan. Due to budget cuts and the global pandemic caused by COVID-19, SAHRA had to carry out immediate adjustments to its planned annual and operational targets. Despite this, SAHRA has managed to exhibit solution-based strategies through collaboration and teamwork, which is one of the entity's values. The results of these efforts are evident, as seen in the Auditor-General (AG) report of 2020/21. SAHRA received an unqualified audit opinion and achieved 84% of its performance targets.

Despite the challenges brought by the COVID-19 pandemic, SAHRA continued to deliver on its mandate and thus demonstrated its capability to adapt and respond to the needs of our country through heritage.
SAHRA has a responsibility to promote and regulate heritage by disseminating knowledge at hosted or participatory conferences, workshops, and seminars both at a national and international level. Despite restrictions imposed by the COVID-19 pandemic, SAHRA made use of virtual platforms to disseminate knowledge and, as such, the entity has overperformed.

SAHRA was successful in declaring heritage resources and of significant note were the graves of Harry Gwala, Elda Gwala and Lulu Gwala as national heritage sites. With 2020 being the centenary commemorations of Harry Gwala, this became a priority declaration, of which SAHRA was able to conclude despite the declaration processes often being complex and taking many years. SAHRA continued to monitor the management of the national estate having undertaken 16 additional resource inspections, over and above those which were planned. In this regard SAHRA demonstrated its effectiveness in responding to and working with communities in the management of heritage resources.

SAHRA was responsive to the President's call to create job opportunities for young, unemployed graduates through the Presidential Employment Stimulus Programme (PESP). SAHRA was tasked with the National Audit of Monuments and Memorials (NAMM) - A Prerequisite to Heritage Landscape Transformation Programme, which serves as an intervention to provide an inventory of Monuments & Memorials across the country. The aim of the PESP was to provide 260 employment opportunities to unemployed youth in the wake of the economic downturn caused by Covid-19, with the specific goal of the NAMM to utilise this opportunity for the compilation of the inventory of monuments & memorials.

In both instances the project was

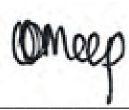
successful through its achievement of employment targets which exceeded the 260 target and receipt of data on monuments and memorials recorded. Furthermore, SAHRA managed to absorb some of these young graduates by providing 12-month contracts and employing some on a permanent basis.

SAHRA remains committed to realizing the potential and talent of its young staff. As such, through the partnerships with CATHSSETA and MICT-SETA, SAHRA received a number of interns for the 2020/21 financial year. Their passion and energy make it very difficult for us to part ways when their internship terms come to an end.

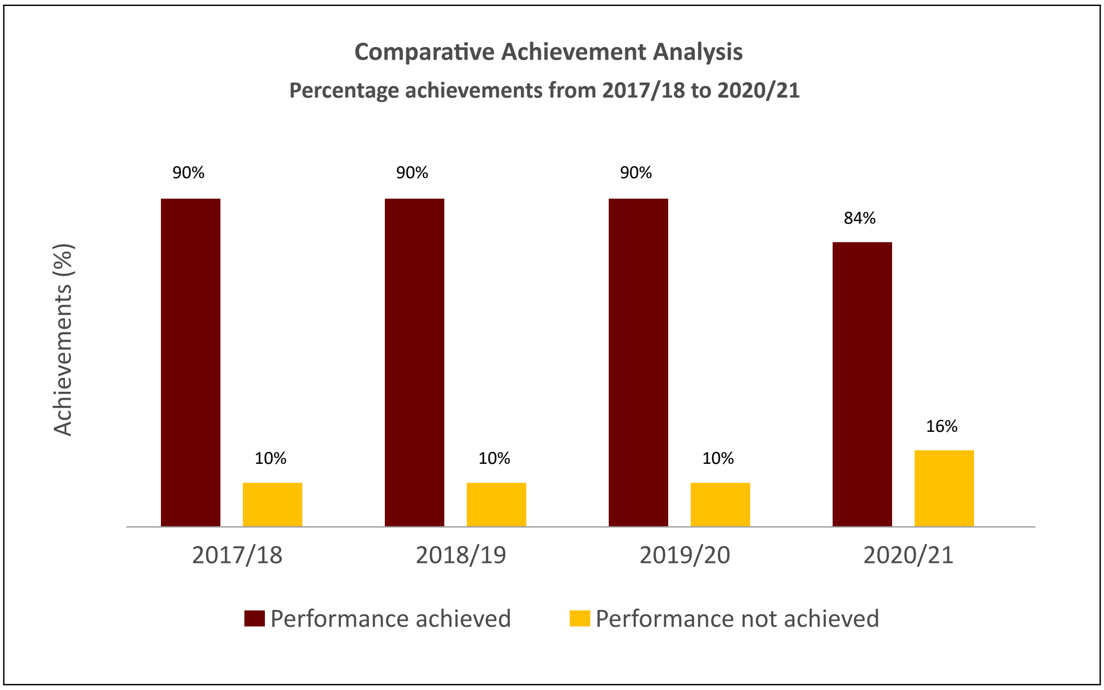
In response, we have, in recent years, made great strides in creating opportunities to absorb some of our interns permanently and extending their contracts. We hope to create further opportunities in the future that will enable our interns to find employment within the organisation or externally. Their employability is a testament to the skill and discipline of the SAHRA mentors and their own capacity and enthusiasm.

Through the rehabilitation, refurbishment, and erection of memorials, properties, and other infrastructure projects, the entity provided opportunities to SMME's and other businesses that often source local labour to complete these projects. In so doing SAHRA contributed towards economic empowerment by offering 26 indirect employment opportunities.

I thank this Council and all its committees for their unwavering support and for holding us responsible and accountable at all times. The Council is focused on making significant changes to restore the SAHRA brand. The amazing SAHRA team has embraced the change and shown resilience through difficult and trying times in this organization especially this year.



Adv. Lungisa Malgas
Chief Executive Officer



CLEAN AUDIT 2017/18 2018/19 2019/2020

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

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

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

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

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

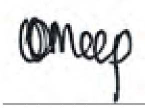
The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

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

Yours faithfully



Adv. Lungisa Malgas
Chief Executive Officer

6. STRATEGIC OVERVIEW

SAHRA is a statutory organisation established by the National Heritage Resources Act, No. 25 of 1999 (NHRA), as the national administrative body responsible for the protection of South Africa's cultural heritage. It is an implementing agency of the Department of Sport, Arts and Culture (DSAC).

SAHRA conducted its last strategic review in October 2019 when developing the 2020-25 Strategic Plan, with an emphasis of pursuing the four long-term outcomes. SAHRA's 2020/21 Annual Report was developed in accordance with the new strategy which was adopted using an outcomes-based approach and it is the first Annual Report based on the current strategic plan.

VISION

SAHRA aims to become:
The agency uniting people through heritage.

MISSION

SAHRA exists in order to fulfil its mandate as:

A regulatory body that co-ordinates and promotes the management of South Africa's heritage resources for community development and social wellbeing – for the benefit of present and future generations.

VALUES AND BEHAVIOURS

In line with by the Batho Pele principles and belief set ''we belong, we care, and we serve'' SAHRA subscribes to the following institutional values and behaviours:

<table>
<tr><th>VALUES</th><th>INTEGRITY AND HONESTY</th><th>ACCOUNTABILITY AND PROFESSIONALISM</th><th>OBJECTIVITY AND CONSISTENCY</th><th>TEAMWORK AND COLLABORATION</th><th>UNITY OF PURPOSE</th></tr>
<tr><td rowspan="4">BEHAVIOURS</td><td>I lead by example</td><td>I own up to my mistakes</td><td rowspan="2">I always seek the facts before acting</td><td>I recognise the best qualities in my colleagues</td><td>I am purposeful and passionate in pursuit of our vision</td></tr>
<tr><td>I declare all conflicts of interest</td><td>I accept the consequences with my actions</td><td>I welcome opportunities to engage with my colleagues</td><td rowspan="2">I am proud to contribute to our success</td></tr>
<tr><td>I do not engage in illegal behaviour</td><td>I honour my work commitments</td><td rowspan="2">I am consistent in my decision-making</td><td>I am considerate of others' priorities and workloads</td></tr>
<tr><td>I communicate with honesty</td><td>I show up on time, everytime</td><td>I give regular, honest and constructive feedback</td><td>Above all else, I live our values</td></tr>
</table>

7. LEGISLATIVE AND OTHER MANDATES

SAHRA is a schedule 3A public entity as defined in the Public Finance Management Act, No. 1 of 1999 (PFMA). It identifies, conserves, protects and promotes our national heritage resources for the greater good of our society and humanity. In doing this, SAHRA contributes to Outcome 14 of the National Development Plan (NDP), social cohesion and nation-building.

The multi-stakeholder, multi-sectoral and multi-layered nature of the heritage sector is reflected in South Africa in the multiplicity of legislation relating to heritage identification, management, and protection. Two of these key pieces of legislation are discussed below.

I. National Heritage Resources Act, 1999, (the NHRA)

The main aim of the National Heritage Resources Act, 1999, (the NHRA) is to *:*

"introduce an integrated and interactive system for the management of the national heritage resources; to promote good government at all levels and empower civil society to nurture and conserve their heritage resources so that they may be bequeathed to future generations".

To this end, section 11 of the NHRA sets out the establishment of SAHRA.

Objectives, functions, powers and duties of SAHRA

Section 12 of the NHRA sets out the objective of SAHRA as follows:

The objective of SAHRA is "to co-ordinate the identification and management of the national estate". More specifically, section 13(1) of the NHRA sets out the functions, powers, and duties of SAHRA as follows:

"(a) establish national principles, standards and policy for the identification, recording and management of the national estate in terms of which heritage resources authorities and other relevant bodies must function with respect to South African heritage resources;

(b) co-ordinate the management of the national estate by all agencies of the State and other bodies and monitor their activities to ensure that they comply with national principles, standards and policy for heritage resources management;

(c) identify, record and manage nationally significant heritage resources, and keep permanent records of such work;

(d) advise, assist and provide professional expertise to any authority responsible for the management of the national estate at provincial or local level, and assist any other body concerned with heritage resources management;

(e) promote and encourage public understanding and enjoyment of the national estate and public interest and involvement in the identification, assessment, recording and management of heritage resources;

(f) promote education and training in fields related to the management of the national estate; and

(g) perform any other functions assigned to it by this Act or as directed by the Minister."


Voortrekker

A Three-tier approach to managing heritage resources

The NHRA further creates a decentralised, three-tier approach to identifying, managing and protecting heritage resources:

- SAHRA is tasked with managing Grade I heritage resources at the national level of Government;
- Grade II heritage resources are the responsibility of Provincial Heritage Resources Authorities (PHRAs) at the provincial level of Government; and
- Grade III heritage resources are managed at the local government level.

This therefore means that national, provincial and local authorities share the responsibility of identifying, managing and protecting heritage resources.

The functions, powers and duties of PHRAs are set out in section 24 of the NHRA and are similar to those of SAHRA with the additional duty to notify SAHRA of the presence of any heritage resource in the province that a PHRA considers as qualifying for protection at the national level.

Training and professional development

Section 5(2) further notes the following to ensure the effective management of heritage resources:

"(a) the skills and capacities of persons and communities involved in heritage resources management must be developed; and

(b) provision must be made for the ongoing education and training of existing and new heritage resources management workers."

Therefore, not only is there a requirement that qualified and competent persons must be appointed to deal with heritage resources, but also that the skills of anyone involved in heritage management must be developed.

II. World Heritage Convention Act, 1999

The World Heritage Convention Act serves to incorporate the World Heritage Convention into South African law and provides for the nomination, identification and management of World Heritage Sites in South Africa. Section 4(1) of the Act further requires that, among others:

- Cultural and national heritage management must be sensitive to the people and their needs and must equitably serve their physical, psychological, developmental, cultural and social interests,
- The participation of all interested and affected parties in the governance of cultural and national heritage must be promoted,
- All people must have the opportunity to develop the understanding, skills and capacity necessary for achieving equitable and effective participation,
- Participation by vulnerable and historically disadvantaged persons must be ensured, and
- Community well-being and empowerment must be promoted through cultural and national heritage education, the raising of cultural and national heritage awareness, the sharing of knowledge and experience and other appropriate means.

Other legislation that relates to heritage resources management, includes but is not limited to:

Other acts and policy papers that relate to the management of heritage resources include:

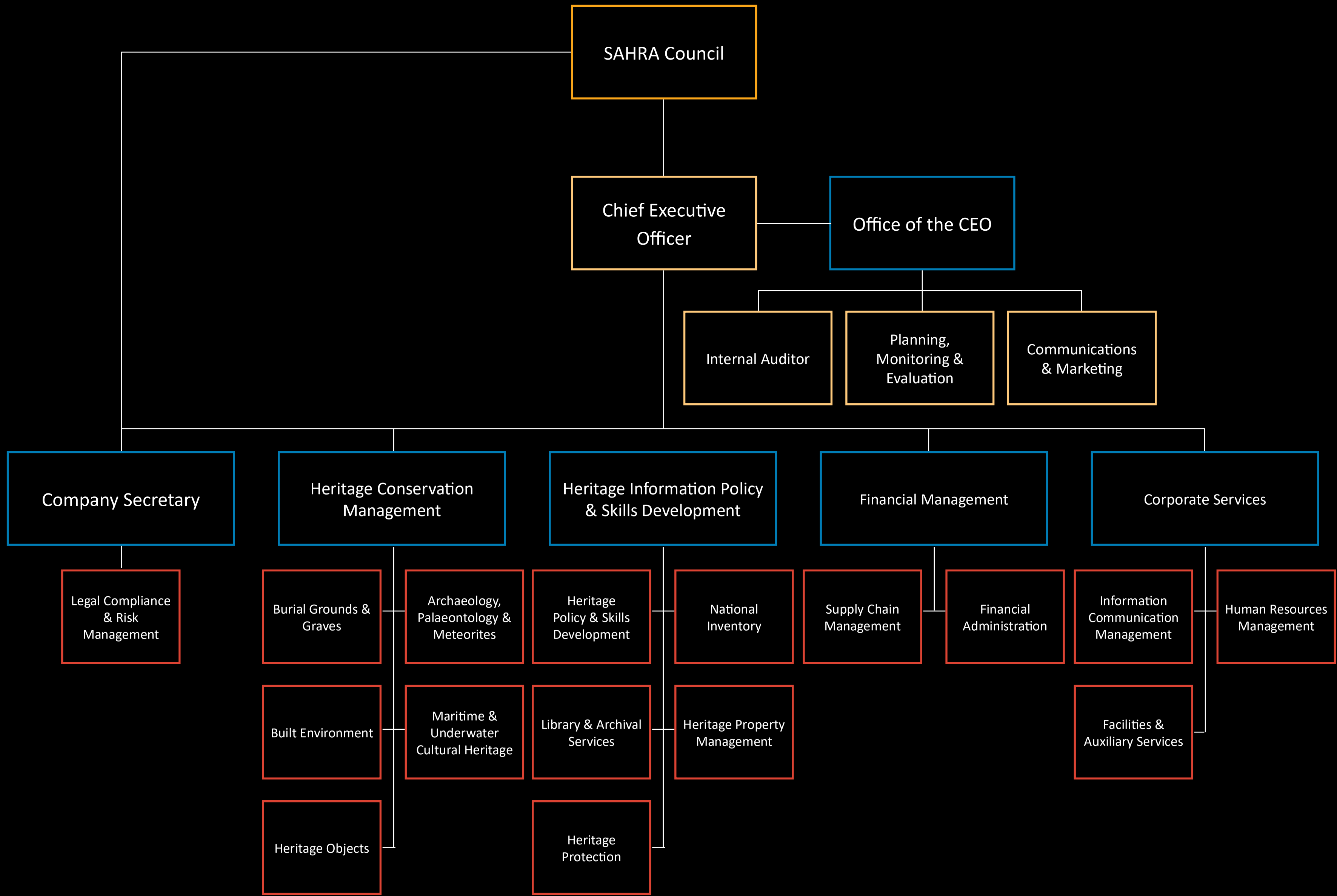
- National Heritage Council Act (Act No. 11 of 1999)
- Cultural Institutions Act (Act No. 119 of 1998)

- South African Geographical Names Council Act (Act No. 18 of 1998)
- National Library of South Africa Act (Act No. 92 of 1998)
- National Environmental Management Act (Act No. 107 of 1998)
- National Environmental Management: Protected Areas Act (Act No. 57 of 2003)
- South African Library for the Blind Act (Act No. 91 of 1998)
- National Film and Video Foundation Act (Act No. 73 of 1997)
- National Arts Council Act (Act No. 56 of 1997)
- Legal Deposit Act (Act No. 54 of 1997)
- National Archives and Record Service of South Africa Act (Act No. 43 of 1996)
- Pan South African Language Board Act (Act No. 59 of 1995)
- Culture Promotion Act (Act No. 35 of 1983)
- Heraldry Act (Act No. 18 of 1962)
- Revised White Paper on Arts, Culture and Heritage, 2013
- National Policy on Living Heritage, 2009

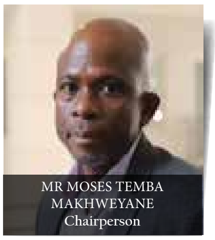
Other relevant legislations and guiding documents include:

- Public Finance Management Act (Act No. 1 of 1999)
- The Annual Division of Revenue Act (Act 1 of 2018)
- Basic Conditions of Employment Act (Act No. 75 of 1997 as amended)
- Employment Equity Act (Act No. 55 of 1998)
- Labour Relations Act (Act No. 66 of 1995)
- Skills Development Act (Act No. 37 of 2008)

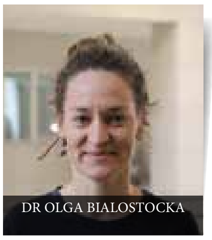
8. ORGANISATIONAL STRUCTURE

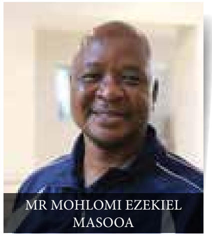


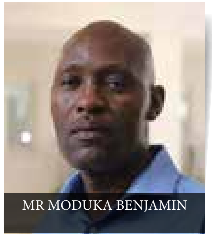
THE SAHRA COUNCIL

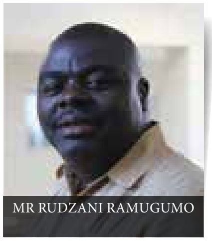

MR MOSES TEMBA MAKHWEYANE
Chairperson

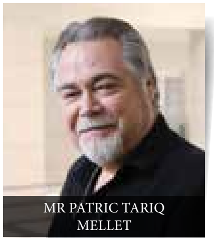

PROF. SUSAN BOUILLON

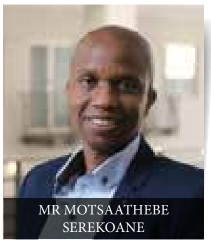

DR OLGA BIALOSTOCKA

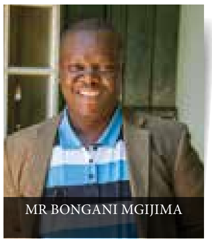

MR MOHLOMI EZEKIEL MASOOA

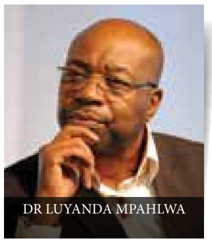

MR MODUKA BENJAMIN


MR RUDZANI RAMUGUMO


MR PATRIC TARIQ MELLET


MR MOTSAATHEBE SEREKOANE


MR BONGANI MGIJIMA

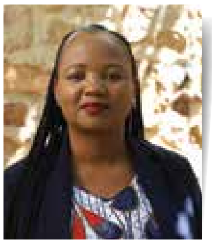

DR LUYANDA MPAHLWA

SAHRA EXECUTIVES


ADV. LUNGISA MALGAS
Chief Executive Officer

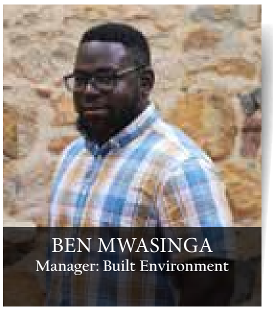

MR SIMPHIWE MOME
Acting Head of Legal & Company Secretary, Legal Advisor


BONGIWE MADOLO
Acting Chief Financial Officer


MS MAMAKOMORENG NKHASI-LESAOANA
Executive Officer: Heritage Information, Policy & Skills Development


NTOMBOZUKO MPHAMBANI
Acting Executive Corporate Services

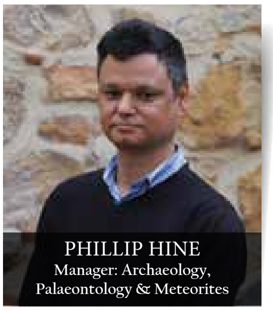
SAHRA MANAGEMENT


BEN MWASINGA
Manager: Built Environment


CLINTON JACKSON
Manager: National Inventory

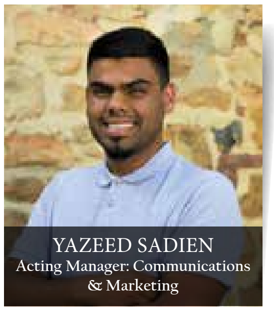

LESA LA GRANGE
Manager: Maritime & Underwater Cultural Heritage


AYANDA MKHIZE
Manager: Supply Chain

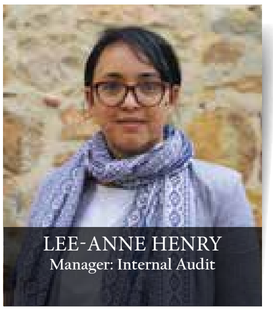

PHILLIP HINE
Manager: Archaeology, Palaeontology & Meteorites


LINDA MABASO
Manager: Information Communication & Technology


KGOPOTSO PHASHA
Manager: Finance

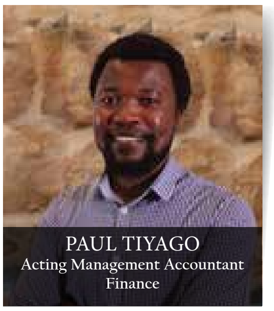

YAZEED SADIEN
Acting Manager: Communications & Marketing

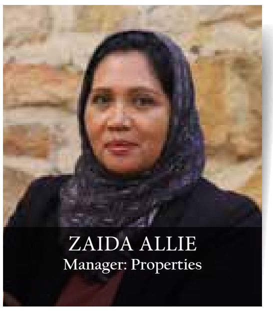

MIMI SEETELO
Manager: Burial Grounds Graves

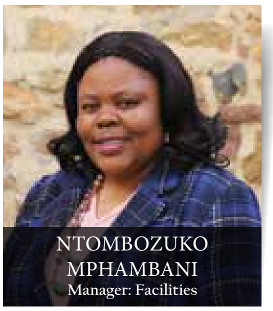

LEE-ANNE HENRY
Manager: Internal Audit


REGINA BREGEDA ISAACS
Manager: Heritage Objects

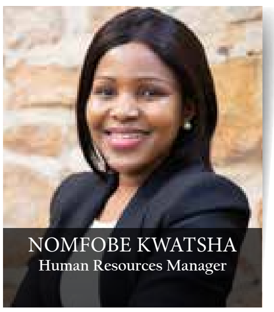

NKOSAZANA QUEENIE MACHETE
Manager: Heritage Protection


PAUL TIYAGO
Acting Management Accountant Finance


ZAIDA ALLIE
Manager: Properties


NTOMBOZUKO MPHAMBANI
Manager: Facilities


SIBONOKUHLE MADLINGOZI
Manager: Strategic Planning Monitoring & Evaluation

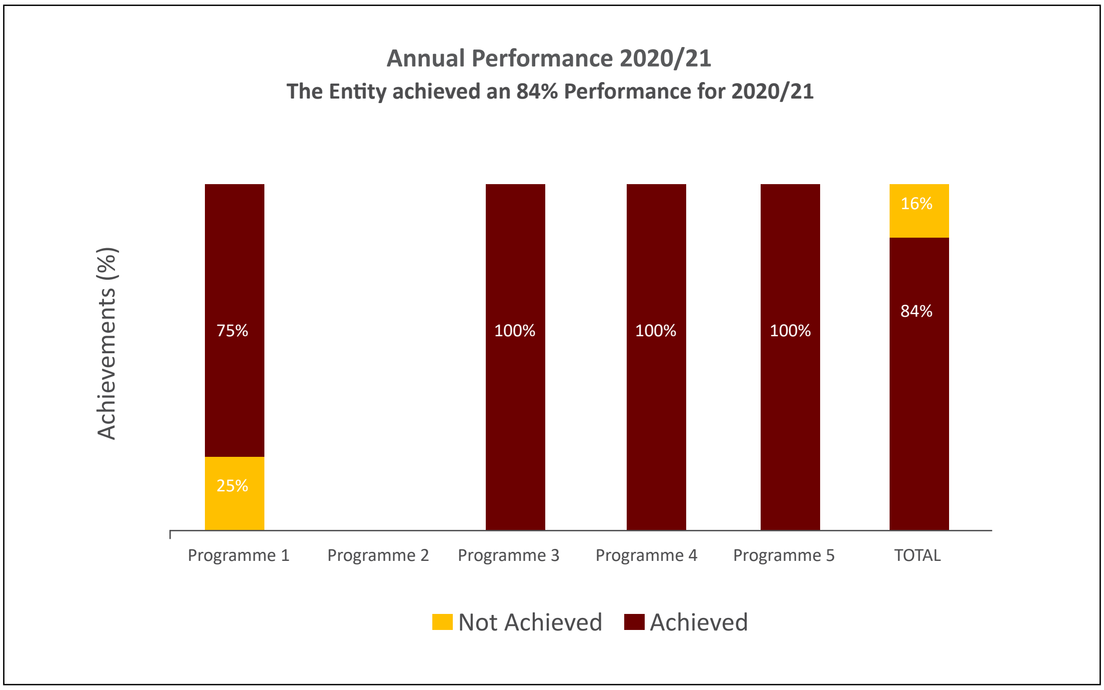

NOMFOBE KWATSHA
Human Resources Manager

PART B

PERFORMANCE INFORMATION

1. SITUATIONAL ANALYSIS

This past year has tested the organisations' ability to adapt and evolve with the Coronavirus Disease of 2019 (COVID-19) Pandemic and even so, SAHRA has managed to continue to co-ordinate and promote the management of South Africa's heritage resources. The Entity managed to deliver 84% (16 out of 19) of its applicable outputs for the 2020/21 financial year.



1.1 Service Delivery Environment

Opportunities

A legislated and partially funded mandate

Legislation is one of the most important instruments Government uses to organise society and protect citizens. It determines, among others, the rights and responsibilities of the individuals and authorities to whom the legislation applies. The fact that SAHRA has a legislated mandate which details the roles and responsibilities of the national, provincial, and local spheres of Government in the management and protection of South Africa's heritage, strengthens SAHRA's mandate in its co-ordination.

Even though SAHRA's budget allocation has reduced over the last year, SAHRA's legislated mandate remains partially funded.

Consistent and stable political leadership

Changes in political leadership impact the political commitment to SAHRA's work. Having a consistent political head creates an opportunity for SAHRA to garner increased political support for its work.

An engaged Council

SAHRA has an engaged Council, and not only is this the first step towards an effective Council, but it is also a requirement if SAHRA is to achieve its outcomes over the next five years. Also, the timing of the appointment of the new Council, which coincides with the five-year strategic planning process, is ideal.

Potential non-government sources of funding

There is potential for SAHRA to attract additional sources of funding (i.e. in addition to the budget allocation from DSAC) through targeted interventions. These range from properly implementing the provisions relating to fines in the NHRA, to collaboration opportunities with the tourism sector and the potential to use SAHRA's properties to generate additional funding.

Beneficial strategic partnerships

In order to effectively implement the NHRA, SAHRA, in its role as a co-ordinator, is required to collaborate with various strategic partners. To this end, SAHRA has established and continues to establish functioning and beneficial strategic partnerships with departments, other bodies (e.g., South African National Parks) and institutions of higher learning (e.g. the University of Cape Town) and the Cape Peninsula University of Technology).

Impending amalgamation

SAHRA's impending amalgamation with National Heritage Council (NHC) presents an opportunity for SAHRA to benefit from the organisation's combined resources and new ideas and approaches from various perspectives.

Fourth industrial revolution

The machine learning and artificial intelligence boom is transforming the technology landscape in South Africa. This presents an opportunity for SAHRA to use these developments in improving efficiencies, lowering costs and transforming processes. SAHRA has been successful in using digital platforms as a means of disseminating information, this shows SAHRAs' agility to transformation.

High youth unemployment rate

The country's high unemployment rate has encouraged SAHRA to collaborate with other organs of state to give internship and employment opportunities to the country's unemployed youth (e.g. SAHRA's partnership with the Media, Information and Communication Technologies Sector Education and Training Authority). SAHRA successfully employed 19 interns during the 2020/21 financial year.

Recognition and appreciation of SAHRA's work by communities

The recognition and appreciation of SAHRA's work by those communities that SAHRA has touched presents an opportunity for SAHRA to foster stronger relationships with those communities and encourage more participation by those communities in the management and protection of their heritage resources.

Threats

Insufficient operational funding

SAHRA relies primarily on the budget allocation received through DSAC to fund its operations. The budget allocated to SAHRA has decreased over the past year which posed a threat on SAHRA's ability to effectively achieve its outcomes.

Competing Government priorities

South Africa's Government faces the challenge of needing to accomplish seemingly endless objectives with decidedly limited resources. Given this challenge, areas such as housing, healthcare, education and social development are prioritised over areas such as the heritage resources sector – not only in terms of funding, but also in terms of focus. This applies across all three levels of Government.

Non-functional strategic partnerships

In order to effectively co-ordinate the identification, management and protection of the country's heritage resources, SAHRA is required to collaborate with a large number of strategic partners – including government departments such as the South African Police Service (SAPS). There are, however, several critical partnerships that remain non-functional which hinders SAHRA's ability to discharge its mandate.

Non-functional PHRAs

In terms of the NHRA, PHRAs are critical role-players in the identification, management and protection of the country's heritage resources. Non-functional PHRAs, therefore, represent a threat to SAHRA's work and seriously hinder its ability to deliver on its mandate. Non-functional PHRAs have remained a challenge to the agency, considering resources spent on assessing section 38 and section 35 applications on behalf of the provinces. Provincial Heritage Authorities continue to comment on development applications without appropriate competency to comment on section 38 applications. The agency agreements with PHRA must be updated to provide clear roles and responsibilities competencies and coordinating comments for section 38 applications.

Lost momentum due to changes in Government

Changes in political principals can negatively impact SAHRA and momentum on important projects is sometimes lost.

Political interference

As stipulated by section 5(1) (d) of the NHRA, political interference in terms of declarations is a threat to SAHRA's work – where SAHRA has its Annual Performance Plan (APP) and operational plan for the year – when SAHRA is required to implement ad hoc projects that were not planned or budgeted for.

Salary-freeze for senior officials

The freezing of salaries at senior levels has increased the risk that experiences government employees will leave the public sector and join private sector.

Shortage of specialist skills

There remains shortage of certain specialist skills in the heritage sector (e.g. Archaeologists and Palaeontologists).

Climate change

Climate change, in the form of increasing temperatures, poses a threat to the protection of certain heritage structures.

West Coast Fossil Park

1.2 Organisational environment

Strengths

Strong financial management internal controls

SAHRA has implemented strong financial management internal controls and this has led to SAHRA achieving "clean audit status" in previous years.

Strong heritage resources management internal controls

SAHRA has also implemented strong internal controls related to its heritage resources management function.

A competent and passionate team

SAHRA has a competent, passionate and energetic team of employees.

Improved ICT governance

While there is room for improvement (e.g. Information and Communications Technology (ICT) infrastructure that needs to be updated), SAHRA has made significant strides in its approach to the implementation of ICT governance.

SAHRIS

The South African Heritage Resources Information System (SAHRIS) is an integrated, online heritage resources management tool developed by SAHRA. SAHRIS has garnered a fair amount of international interest as South Africa is one of the few countries in the world that maintains a centralised database of heritage resources. Despite the challenges associated with the pandemic, SAHRA continued its advocacy for SAHRIS both locally and abroad through training, and conversations with peers in Cyprus concerning lessons learnt by SAHRA in respect to development of heritage systems and managing heritage digitally.

Policies on heritage resources management

SAHRA has finalised six policies relating to heritage resources management.

Weaknesses

Organogram and strategic direction misaligned

It is a commonly accepted principle that organisational structure follows strategy. This means that all aspects of an organisation's structure, from the creation of departments to the designation of reporting relationships, should be made while bearing in mind the organisation's strategic intent. There is a misalignment, however, between SAHRA's existing operational structure and the strategic direction that SAHRA intends to take over the next five years. The finalisation of the organisation structure could not be achieved due the appointed provider not being able to deliver as per the expectation of the organization. SAHRA intends on developing a structure which will be aligned to the organisational strategic intent.

Lack of systems integration

Many of SAHRA's information systems are not integrated, meaning that staff members are required to expend increased effort in performing tasks. Also, a lack of systems integration increases the introduction of errors in the organisational data collected.

Business processes are manual

Many of SAHRA's business and functional processes are not automated.

Ageing ICT infrastructure

While SAHRA's ICT governance is improving, its ICT infrastructure remains old and outdated. This is largely due to a lack of funds to address the issue.

An unclear performance management framework

SAHRA's employee performance management framework is unclear, leading to differing interpretations and inconsistencies in application. The failure in concluding the revised organisational structure resulted in a delay of the development of a new performance management system (PMS). SAHRA hopes to conclude the PMS system in order to improve the organisational capacity.

Poorly developed human resources policies

SAHRA's Human Resource Policies were reviewed by an external service provider. It is expected that these policies will be finally approved and implemented before the end of the 2021/2022 financial year.

Vacant positions

Due to lack of funding, most posts were put in abeyance while only funded posts and natural attrition posts received attention and were advertised. Critical and strategic positions were filled in 2020/2021 financial year with only a small percentage of funded positions awaiting the finalisation of the organisational structure.

Relevant training

SAHRA only managed to meet 78% of the training needs of its employees.

1.3 Key policy developments and legislative changes

There have been no changes to relevant policies or legislation.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2. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

SAHRA's Strategic direction for 2020-25, was updated in accordance to SAHRA's mandate, the National Development Plan vision 2030, international and regional development trends, the country's Constitution, the various sector legislations, policies and planning frameworks. The strategic direction as stipulated in the strategic plan is based on SAHRA's Impact statement and long-term four outcomes, which were developed on an outcomes-based approach.

Impact statement	By 2030, SAHRA commits to foster inclusive participation in the conservation and management of South Africa's diverse heritage and contribute to building a national identity for the country through heritage

The year 2020/21 marks the first year of implementation of the 2020-2025 strategy wherein SAHRA has progressed towards achievement of its outcomes through monitoring of performance as set out in its annual performance plan. Progress towards achievement of the outcomes is reported on below and the performance information related to these outcomes is further expounded upon in section 4- Institutional programme performance information.

Outcome 1: Improved Organisational Capacity (Human and Financial)

In order to achieve improved organisational capacity within SAHRA, mechanisms were put in place to ensure that staff are skilled enough to perform their jobs. These included the relevant training for staff and the setting in motion of the revision of its organisational structure towards fulfilment and implementation of the 2020-2025 strategy. Furthermore, the Entity successfully implemented its individual performance management system. The Entity is in the process of developing a new performance management framework which will lead to the implementation of a new system. This new system will hopefully assist SAHRA in identifying where it can improve as well as recognise and reward good performance.

In an effort to augment budget cut form DSAC the Entity aims to identify partnerships that can financially benefit both core and support business functions.

The diverse portfolio of SAHRA owned properties are assets with potential to support the financial sustainability in the medium to long term. Medium term projects such as restoration for occupation and leasing have benefitted the organisation and in the long term SAHRA hopes to be in partnership with private or public stakeholders through which it will be able to derive sustainable income. Although unable to enter a financially sustainable partnership, SAHRA established a financial sustainability task team to determine mechanisms on how to generate revenue to sustain itself. Whilst not specifically targeted within the 2020/21 APP, the 5-year target for SAHRA is to maintain the staff turnover rate at or below 10%. For the year 2020/21 SAHRA had a staff turnover rate of 7.4%.

Outcome 2: The Relevant Organs of State and Communities Participate Actively in the Identification, Management and Protection of Heritage Resources

In order to ensure that Government's priorities of inclusiveness and active citizenry are addressed in the 5-year strategy, SAHRA made communities a large focus in the participation of the identification, management and protection of heritage resources. More specifically, there has been a focus on creating awareness through disseminating knowledge to communities to encourage active participation in the identification and management of their heritage resources. Despite the implications of the COVID-19 pandemic such as travel restrictions and strict social distancing, the Entity used alternative methods such as digital platforms to engage with the public, external stakeholders, and existing Heritage Resource Management (HRM) partners. SAHRA's virtually hosted events promoted inclusiveness where most targeted participants were women and youth .

To improve its coordination role within critical heritage bodies, SAHRA intended on finalising the strategic coordination strategy with critical stakeholders by having stakeholder groups represented at the strategic coordination plan workshops. However due to the restrictions imposed because of the COVID-19 Pandemic, the strategic workshops were cancelled. SAHRA is still committed to effectively achieve its mandate of identification, management, and protection of heritage resources. It will continue focusing on strengthening its co-ordination role with critical heritage bodies.

Whilst not specifically targeted within the APP, by the end of the strategic term SAHRA intends to have increased the number of applications received on SAHRIS by 5%. SAHRA has initiated a process of upgrade to SAHRIS to ensure its long-term operation and address system usability and data standardisation. The first step in this process is the upgrade of the Content Management System (CMS) on which SAHRIS is build. The updated version of the system is slated for release within the 2021/22 financial year. In terms of monitoring the number of applications lodged on SAHRIS, the 2020/21 financial year did see a drop in the number loaded onto the system. This is attributed to the restrictions imposed during the Covid-19 lockdowns and economic downturn thereafter. However, a 32% increase in the number of pageviews did occur indicating that despite the downturn in application activity, SAHRIS continued to receive visitation during this time.

Outcome 3: A National Estate that is Representative of South Africa's Diverse Heritage

SAHRA's mandate involves the regulation of national heritage by not only increasing the number of heritage resources identified but also by improving the representation of South Africa's diversity in the national estate. There has been focus on ensuring that all SAHRA's regulation-based heritage activities prioritize heritage resources that are representative of previously disadvantage communities. SAHRA has been successful in identifying, grading, and declaring heritage resources that are representative of previously disadvantage communities. For the year 2020/21, 100% of the heritage resources declared were representative of previously disadvantage communities.

Outcome 4: Economic Empowerment, Including Employment Opportunities, for Local Communities Through SAHRA's Activities

There is a deliberate and concerted effort within SAHRA to empower communities economically and create employment opportunities through SAHRA's heritage resources management and protection activities. SAHRA directly contributed to economic empowerment by offering meaningful and decent work through permanent and contract positions. In partnership with the Media, Information and Communication Technologies Sector Education and Training Authority (MICTSETA), SAHRA offered 19 employment opportunities for students to gain experience through internships. Many of these interns have even gained further internal opportunity through contracts, and some have even been provided permanent positions within the Entity. SAHRA also offered 26 indirect employment opportunities through the rehabilitation, refurbishment and erection of memorials, properties, and other infrastructure projects. The Entity provided opportunities to Small Medium and Micro Enterprises (SMMEs) and other businesses that often source local labour to complete these projects. Previously, the Entity did not formally account for its contribution to economic empowerment, however the Entity now formally commits to contributing to this outcome.


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3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1 PROGRAMME 1: ADMINISTRATION AND GOVERNANCE

Outcome: Improved Organisational Capacity (Human and Financial)

Programme 1 aims to build and maintain sound organisational financial and human capacity within SAHRA. This was done through optimising SAHRA's operational and financial performance by implementing functional corporate governance systems and contributing to the upskilling and development of skills. Due to the COVID-19 pandemic the programme achieved only 25% of its output indicators. The 100% implementation of the individual Performance Management System (PMS) remains the programmes' continued success.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

3.1.1. Programme 1 - Revisions to outputs/output indicators/targets

Programme 1: Administration and Governance									
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-July**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved organisational capacity (human and financial)	Development and Implementation of a Performance Management Framework	1.4 % Implementation of the individual performance management framework	100% implementation of individual performance management system	100% implementation of individual performance management system	100% implementation of individual performance management system	100% of 2019/2020 annual/final performance reviews concluded	N/A	N/A	Change in the wording of output indicator from 'framework' to 'system' for consistency across the document

3.1.2. Programme 1 - Actual Achievements

Programme 1: Administration and Governance								
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**	**Reasons for deviations**
Improved organisational capacity (human and financial)	Partnerships that can financially benefit SAHRA	1.1 Number of partnerships that financially benefit SAHRA	New Indicator	New Indicator	1	0	1	Due to the delay of the lockdown SAHRA was unable to enter into a financially benefiting partnership.
	A revised organisational structure that supports the implementation of SAHRA's 2020-2025 strategy	1.2 A revised organisational structure that supports the implementation of SAHRA's 2020-2025 strategy	New Indicator	New Indicator	1 revised organisational structure that supports the implementation of SAHRA's 2020 to 2025 strategy	0	1	Due to the delay of the lockdown during the first quarter, the service providers were only appointed in the 2nd quarter. The presentation meeting by the service provider scheduled to take place in December 2020 to Exco was moved to February 2021, where Exco confirmed its dissatisfaction with the structure as developed by the service provider. The appointed provider was unable to deliver as per the expectation of the organization as a result the non-delivery resulted in the cancellation of the contract.
	Staff training/ development opportunities	1.3 % of training interventions rolled out according to the HR Training Plan	100% of SAHRA staff were trained according to the HR Quarterly training plan	100% of training interventions rolled out according to the HR training plan	100%	78%	22%	Challenges in sourcing out credible training providers were experienced due to COVID-19 and unavailability of the service providers for other training interventions.
	Development and Implementation of a Performance Management Framework	1.4 % Implementation of the individual performance management system	100% implementation of individual performance management system	100% of the individual performance management system was implemented	100% implementation of individual performance management system	100% implementation of individual performance management system	N/A	N/A

Following the successful completion of the new five (5) year strategic plan for the period 2020 to 2025, SAHRA Council approved a review of its organisational structure, job grading and salary structure to improve and sustain performance within the Entity. Due to the lockdown during the first quarter, the service provider was only appointed in the second quarter. The appointed service provider was unable to deliver a revised organisational structure as per the expectation of the organization for 2020/21 and the non-delivery resulted in the cancellation of the contract. Although the implementation of the existing individual performance management system was achieved, the failure in concluding a revised organisational structure resulted in a delay of the development of a new performance management system as these two projects are highly interdependent. Therefore, SAHRA has recommended a new service provider to finalise the organisational structure and a new performance management system.

SAHRA strives to develop and retain its staff by means of offering developmental opportunities and therefore managed to carry out 78% of training interventions to staff across the organisation. Challenges in sourcing out credible training providers were experienced due to the COVID-19 pandemic and unavailability of the service providers for other training interventions. One training was the Supply Chain Management (SCM) course that provided all SAHRA staff the opportunity to improve their skills and knowledge on SCM Practices. Apart from staff retention, SAHRA aims to address the issues of financial sustainability, to achieve its larger mandate. The Entity aims to identify partnerships that can financially benefit both the core and support business functions of the institution.

Strategy to overcome areas of under performance

The progress with the implementation of organisational structure will be concluded in the coming year by ensuring the organisation appoints the correct service provider to deliver on the outcome of improving organisational capacity. A Financial Sustainability Task Team was established which will explore all possible income generation streams.

South African Astronomical Observatory

3.2 PROGRAMME 2: STRATEGIC COORDINATION

Outcome: The relevant organs of state and communities participate actively in the identification, management, and protection of heritage resources

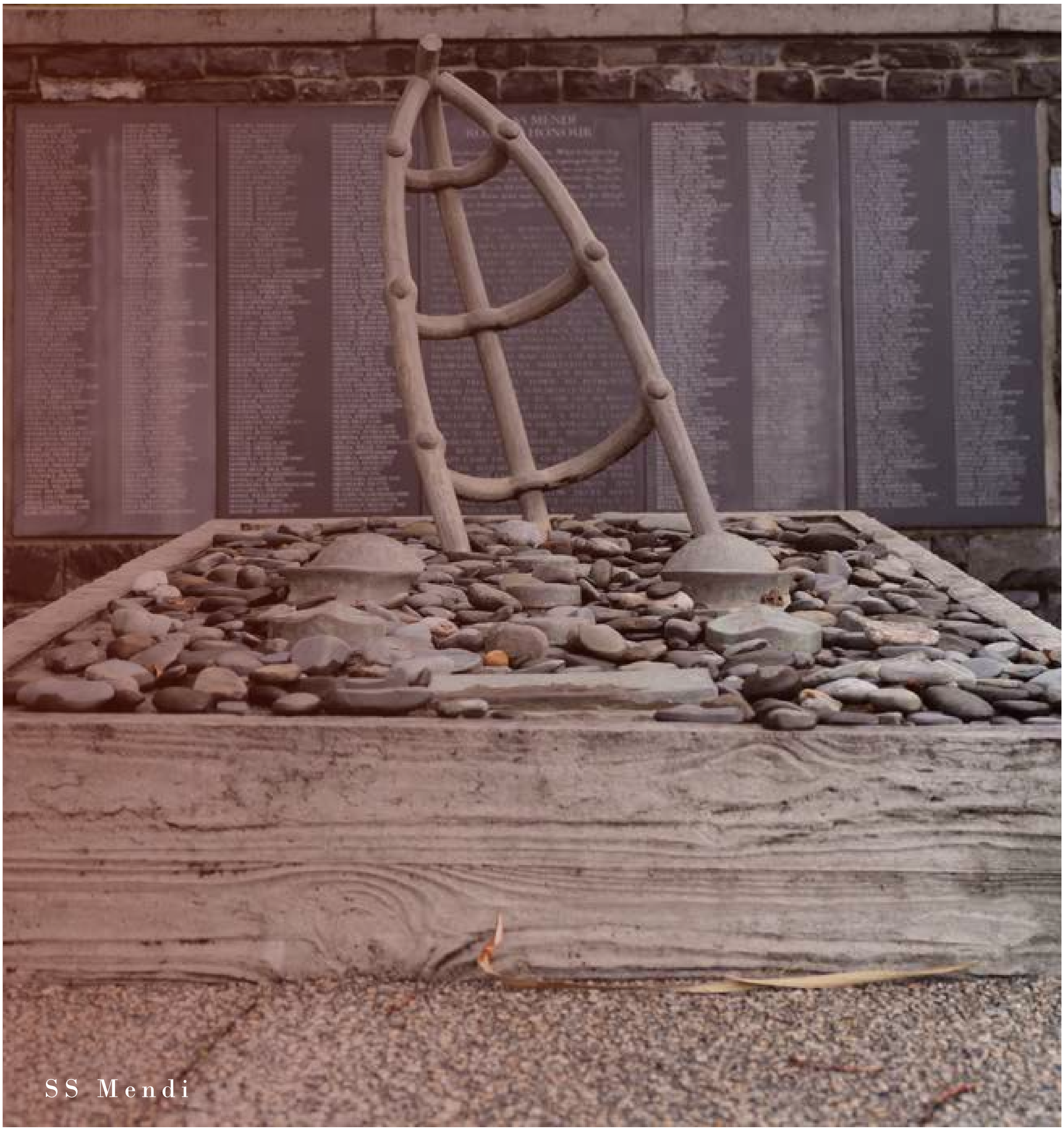
Programme 2 is strategically focused in strengthening existing and newly formed external partnerships in the Heritage Resources Management sector. SAHRA had intended on finalising the strategic coordination strategy with critical stakeholders by having stakeholder groups represented at the strategic coordination plan workshops. Due to the COVID-19 pandemic, the indicator for the 2020/21 year was deleted due to restrictions of large groups meetings, travels, and budget cuts, where such workshops required attendance of over one hundred delegates from around the country.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

3.2.1. Programme 2 - Revisions to outputs/output indicators/ annual targets

Programme 2: Strategic Co-ordination									
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-July**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Strategy development meetings and workshops	2.1 Percentage of critical stakeholder groups represented at "Strategic Coordination Plan" workshops)	N/A	N/A	100% of critical stakeholder groups represented at " Strategic Coordination Plan'' workshops	N/A	N/A	The output indicator was deleted due to restrictions of large group meetings, travel, and budget cuts This meeting would have required attendance of more than 100 delegates from around the country The event would require catering, venue hire, accommodation etc	The output indicator was deleted due to restrictions of large group meetings, travel, and budget cuts This meeting would have required attendance of more than 100 delegates from around the country The event would require catering, venue hire, accommodation etc

In an effort to compensate for the deletion of indicator 2.1, SAHRA committed to formalise agreements with institutions that are identified as strategic. The formalisation of partnership agreements was included as an additional indicator (4.8) under Business Development and Transformation. A significant partnership that was entered into was that between SAHRA and Cape Peninsula University of Technology (CPUT). The purpose of the partnership was to collaborate in the areas of research and consulting related to the Cultural Heritage Buildings. In more efforts to promote the conservation and protection of South Africa's underwater cultural heritage, SAHRA successfully renewed the Mendi Memorial Heritage agreement in January 2021. SAHRA entered into a formal agreement with the East London Museum in February 2021 as well as revising its partnership with Iziko Museums of South Africa. The Entity is aware that to effectively achieve its mandate of identification, management, and protection of heritage resources, it will continue focusing on strengthening its co-ordination role with critical heritage bodies.



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3.3 PROGRAMME 3: PUBLIC ENGAGEMENT

Outcome: The relevant organs of state and communities participate actively in the identification, management, and protection of heritage resources

The purpose of Programme 3 is to enhance and showcase diverse community participation in heritage related engagements. Like many public and private institutions, the Entity had to carry out immediate adjustments to its planned annual and operational targets due to the global pandemic caused by the COVID-19 virus. The 100% achievement of Programme 3 has highlighted the innovative ways in which public engagements have been taking place since the adaptation to the "new normal". Despite the implications of the COVID-19 pandemic such as travel restrictions and strict social distancing, the Entity used alternative methods such as digital platforms to engage with the public, external stakeholders and existing Heritage Resource Management (HRM) partners. The Entity was able to continue to disseminate knowledge and act as a leading heritage resources management regulative body by providing advisory support to stakeholders on the available online platforms.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

3.3.1. Programme 3 - Revisions to outputs/output indicators/ annual targets

Programme 3: Public Engagement									
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-July	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Knowledge dissemination events and activities	3.1 Number of knowledge dissemination events and activities	New Indicator	New Indicator	8	N/A	N/A	N/A	Change in wording for indicator, for consistency across the document
	Diverse representation at SAHRA hosted heritage events	3.2 Percentage of women, youth, people with disabilities and people living in rural areas attending SAHRA hosted events	New Indicator	New Indicator	Minimum % of people in the following groups attending SAHRA hosted events; >50% Women, >60% Youth, =>2% Disabled people >30% Rural	N/A	N/A	N/A	The demographic parameters of this indicator changed to exclude a commitment to reaching 30% people living in rural areas. Unfortunately, due to restrictions on travel and limited access to communications technology in rural areas this indicator was adjusted

3.3.2. Programme 3 - Actual Achievements

Programme 3: Public Engagement								
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-July**	**Deviation from planned target to Actual Achievement 2020/2021**	**Reasons for deviations**
The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Knowledge dissemination events and activities	3.1 Number of knowledge dissemination events	New Indicator	New Indicator	8	13	5	An additional 5 knowledge dissemination events took place due to increased use of digital/social media platforms as alternative means of disseminating information
	Diverse representation at SAHRA hosted heritage events	3.2 Percentage of women, youth, people with disabilities and people living in rural areas attending SAHRA-hosted events	New Indicator	New Indicator	Minimum % of people in the following groups attending SAHRA hosted events; >50% Women, >60% Youth, =>2% Disabled people	> 50% women attended 2 SAHRA hosted events	N/A	N/A
	Engagement with communities when declaring a national heritage resource	3.3 Average number of community engagements/ consultations while declaring a national heritage resource	New Indicator	New Indicator	Minimum 1 engagement/ consultation per national heritage resource declared	Average of 23 engagements/ consultations during declaration of national heritage resources	N/A	N/A
	Engagement with communities when developing HRM policies	3.4 Average number of community engagements/ consultations while developing HRM policies	New Indicator	New Indicator	Minimum 1 engagement/ consultation per HRM policy developed	Average of 3 engagements/ consultations during development of HRM policies	N/A	N/A
	Engagement with communities when rehabilitating and erecting memorials/ monuments	3.5 Average number of community engagements/ consultations while rehabilitating/ erecting memorials/ monuments	New Indicator	New Indicator	Minimum 1 engagement/ consultation per rehabilitated/ erected memorial/ monument	Average 7 engagements/ consultations while rehabilitating/ erecting memorials/ monuments	N/A	N/A

SAHRA has a responsibility to promote and regulate heritage by disseminating knowledge at hosted or participatory conferences, workshops, seminars, and lectures both at a national and international level and in this regard, the Entity overperformed. SAHRA has been giving a variety of ad-hoc lectures and practical training opportunities to university students over the years. Within the Archaeology, Palaeontology and Meteorites (APM) function, SARHA conducted a lecture to the Sol Plaatje University students around conducting Heritage Impact Assessments. The presentation of the lecture had to be done via a virtual platform by means of PowerPoint which was provided to Sol Plaatje University, who uploaded the document to the university's online platform. The Maritime & Underwater Cultural Heritage (MUCH) and National Inventory Unit (NIU) conducted a series of lectures as well as a virtual excursion to a National Heritage Site. These were presented to UCT students in the Archaeology Department.

In celebration of Heritage Month, the Heritage Protection Unit (HPU) presented to the attendees of the 3rd annual commemoration of Chief of the Ndebeles- Chief Mabena event on the mandate of SAHRA, the permit application processes, and the NHRA in general. SAHRA attends the South African Museums Association (SAMA) National Conference annually. This year, SAHRA encouraged State funded bodies to use SAHRIS to inventorise heritage objects that are in their custody and emphasised that it is willing to assist institutions to do so. Additionally, SAHRA published the updated "Summary and Analysis of the Inventory of the National Estate" to reflect recent work in respect to the population of the inventory, and data driven heritage management. The full report is available for download at https://sahris.sahra.org.za/

In September, SAHRA hosted its first virtual seminar, celebrating 20 years of Heritage Resources Management, as well as discussing the issue of "transformation of the heritage landscape" in South Africa. The seminar was planned so that it would fall within heritage month and the aim of the seminar was to address and clarify some pressing issues currently facing not only South Africa, but the global landscape. This seminar was timely as the pandemic was associated with the rise in many social injustices, ranging from racism to gender-based violence as well as the issue of fair and equal representation of our heritage landscape. SAHRA also hosted an insightful event in collaboration with the CPUT based largely on the conservation of National Heritage Sites. The virtual seminar was hosted to create awareness of the working relationship and facilitation between SAHRA and CPUT. The seminar also aimed to generate buy-in from stakeholders in the heritage conservation space ranging from research students, civic society, individuals, and organizations working in the heritage space and generally anyone with a registered interest in heritage conservation. This virtual seminar took place on the Microsoft Teams platform, allowing all members of the public with vested interest in heritage management and conservation to view and take part. The seminar was also broadcasted on You Tube for ease of access for the public. The SAHRA hosted events promoted inclusivity where the majority in attendance were women with more than 50% in attendance.

The third annual collaborative Heritage Month seminar between the University of Pretoria (UP) and SAHRA took place in September via a zoom webinar, reflecting on adapted practices in the heritage and tourism sectors because of the COVID-19 pandemic and resultant lockdowns. The theme of the webinar was 'Pandemic Practises in Heritage Management'. It was emphasized that there is an integrated and important relationship between the heritage and tourism sectors and that cultural heritage is also proven to be a powerful means for coping by providing communities with psychosocial support. Participants of the webinar included representatives from (UP) Museums, NHC, Voortrekker Monument (VM), National Department of Tourism (NDT), South African National Parks (SANP) and Department of Environment, Forestry and Fisheries (DEFF).

SAHRA hosted virtual seminar

Internationally, SAHRA took part in the Scientific and Technical Advisory Body (STAB) to the 2001 United Nations Educational, Scientific, and Cultural Organisation (UNESCO) convention on the Protection of Underwater Cultural Heritage. In March 2021 UNESCO also hosted a virtual regional workshop from Namibia due to COVID-19 pandemic restrictions. SAHRA's involvement in regional and international workshops and policy direction for the management of Maritime & Underwater Cultural Heritage helps to reinforce South Africa's status as a regional leader in the implementation of the 2001 Convention and provides invaluable networking opportunities which benefit the organisation.

During the month of March 2021 SAHRA aligned with the DSAC on this year's Human Rights Digital Campaign. The campaign was shared on SAHRA's internal platforms and social media platforms. The theme for this year's campaign was to celebrate the 150th anniversary of Charlotte Maxeke. Another highlight was the documenting through film the events leading up to the Duncan Village massacre that took place in 1985. The Duncan Village Massacre project was part of a greater initiative undertaken by the DSAC and the aim was to highlight the human rights violations that took place in 1985.

Stakeholder engagements and consultations assist SAHRA to fulfil its mandate with relation to empowering communities to participate in management of heritage resources. The COVID-19 pandemic presented a challenge regarding community engagement during the process of declaring national heritage resource, developing HRM policies and rehabilitating memorials/monuments. SAHRA mitigated this challenge by engaging the communities and stakeholders using letters, virtual meetings, and emails. SARHA will continue to ensure that the relevant organs of state and communities participate actively in the identification, management, and protection of heritage resources.

Freedom Park

3.4 PROGRAMME 4: BUSINESS DEVELOPMENT AND TRANSFORMSTION

Outcome: A national estate that is representative of South Africa's diverse heritage

Programme 4 is aimed at implementing SAHRA's mandate through inclusive identification, conservation, promotion, and management of heritage resources. Programme 4 achieved 100% of the expected outputs for this financial year.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

3.4.1. Programme 4 - Revisions to outputs/output indicators/ annual targets

Programme 4: Business Development and Transformation

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-July	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
A national estate that is representative of South Africa's diverse heritage	Engagements/ consultations with communities when formally protecting heritage resources	4.5 Number of monuments and memorial sites rehabilitated and erected	14	6	6	N/A	N/A	N/A	This target was reduced by 3 rehabilitations/ erections of memorials/ monuments due to budget cuts as well limited access to stakeholders for consultation on these memorials

3.4.2. Programme 4 -Actual Achievements

Programme 4: Business Development and Transformation								
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	Reasons for deviations
A national estate that is representative of South Africa's diverse heritage	Engagements/ consultations with communities when formally protecting heritage resources	4.1 Number of heritage resources assessed for grading	5	5	5	8	3	An additional 3 resources were graded due to receipt of new nominations
		4.2 Number of heritage resources declared	8	24	4	5	1	An additional 1 heritage resource was declared due to receipt of new nominations
		4.3 Number of heritage resources inspected	28	28	15	31	16	An additional 16 resources were inspected/ monitored due to: - Contraventions or complaints of damaged heritage resources -Saving financial resources by combining activities at heritage sites
		4.4 Percentage of received contravention complaints that SAHRA has responded to	New Indicator	New Indicator	100%	100%	N/A	N/A

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	Reasons for deviations
		4.5 Number of monuments and memorial sites rehabilitated and erected	14	6	3	3	N/A	N/A
		4.6 Number of HRM policies, regulations, standards and norms approved by Council	15	6	6	6	N/A	N/A
		4.7 % of heritage resources representative of previously disadvantaged people through heritage activities	New Indicator	New Indicator	80%	100%	20%	100% of the declared heritage resources are representative of the previously disadvantaged
		4.8 Number of formal partnership agreements with identified strategic institutions	4	4	5	6	1	An additional 1 formal partnership agreement was entered into in response to the request from DSAC (PSP Project)

The National Heritage Resources Act 25 of 1999 mandates SAHRA to protect, manage, grade, declare and conserve the national estate. Furthermore, there has been a focus on ensuring that SAHRA's regulation-based heritage activities prioritise heritage resources that are representative of the previously marginalised, or previously under-represented cultural identities. This mandate has been carried out successfully as the Entity overachieved having assessed 8 sites for grading and declared 5 heritage resources. The overachievement was due to the receipt of new nominations. SAHRA declared the Rocklands Community Hall (WC), the Phoenix Settlement (KZN), Sibhudu Cave (KZN), the Grave of Magrieta Jantjies, the Graves of Harry Gwala, Elda Gwala and Lulu Gwala. Based on these declared sites, SAHRA has ensured to achieve 100% representativity of the previously marginalised.

The Rocklands Community Hall, built by the City of Cape Town Council in 1981, was the venue of a historic gathering on 20th August 1983 which saw the establishment of the United Democratic Front (UDF) and signified a turning point in the struggle against Apartheid. Socially, Rocklands Community Hall was built as a multi-amenities facility to provide for the social and recreational needs of the Mitchell's Plains community. Architecturally, Rocklands Hall was one of eight halls built by the City of Cape Town in the Cape Flats between 1970s and 1980s, based on the design by Graham Parker.

The Phoenix Settlement located about 25 kilometres northwest of Durban Central established by Mahatma Ghandi in 1904, was set up as a communal living arrangement that operated on values such as environmental protection, conservation, social and economic justice as well as nonviolent action. Ghandi believed that communal living would form a sound basis for decolonisation and the struggle against social injustice. These principles continue to be honoured through the work that the Phoenix Settlement does.

The Sibhudu cave was occupied approximately in the middle stone age between dates to between 100000 and 38000 years ago. Archaeological findings at Sibhudu cave include, seashell beads, bone tools such as bone arrow heads and plant bedding. The shelter is currently used for spiritual purposes while the forest around it is used for herbal medicines by the local community. The cave has also been nominated as a world heritage site as part of the "Emergence of Modern Humans: The Pleistocene Occupation sites of South Africa".

Magrieta Hlabi Janties was of the last speakers of the near extinct N|uu language. The near extinction of the language is associated with the legacy of colonialism and apartheid. The memorialisation of her grave was therefore significant in that it brought into focus a diminishing community's culture and sense of place. The inscription of the N|uu language on the grave was a milestone in restoring the N|uu language.

The graves of Harry, Elda, and Lulu Gwala were declared as a national heritage site. Harry Gwala was a trade union activist, a member of the South African Congress of Trade Unions (SACTU), South African Communist Party (SACP) and the African National Congress (ANC). Elda, became the main link with the ANC in London and International Défense Aid Fund to assist with legal costs as well as welfare of the families of the detainees, following the imprisonment of her husband. Harrys' daughter Lulu mobilised the release of Harry Gwala and established political partnership with the Release Mandela Campaign. Harry, Elda and Lulu Gwalas' lives intersected with individuals and organisations whose activities have been significant within the history of the nation. Due to 2020 being the centenary commemorations of Harry Gwala there was strong political support behind the declaration of this sites. This became a priority, and the declaration was finalised in December 2020.

Monitoring the management of the national estate is dependent on the support of communities to comply with regulations. SAHRA undertook 31 resource inspections which was an additional 16 resources, over and above the planned 15 inspections. This overachievement was as a result of responding effectively to contravention complaints. Through its Burial Grounds and Graves unit, SAHRA inspected the graves of Dr Moroka and Mr Mapikela amongst others. It was found that the Moroka grave had minor inscription errors as well a pillar that had shifted thus causing cracks at the bottom of the memorial. The grave of Mr Mapikela was found in good condition. SAHRA rehabilitated and erected memorial resources namely the Steve Biko memorial, the Sol Plaatje memorial and the memorial in support of campaign against gender-based violence.

Sterkfontein Caves

The Archaeology, Palaeontology and Meteorites unit of SAHRA conducted an inspection of the West Coast Fossil Park National Heritage site. The inspection revealed that the site was in a satisfactory condition except for a few concerns. These included the 2km unused old railway line some of which has been subject to theft, the condition of the dig sites and the location of a picnic site. The concerns were addressed with the park management and remedial action was recommended. SAHRA conducted the annual site visit of the Mapungubwe National Heritage site in Limpopo Province. Some issues noted during the visit included severe erosion at the Schroda site, erosion on the walkways on top of Mapungubwe Hill and stolen railings at the open excavation new decks installed at the confluence lookouts without permits. SAHRA advised SAN Parks to appoint an archaeologist as soon as possible to investigate the human remains found on the site and to apply for the relevant permits after relevant consultation is conducted.

Within Heritage Properties Management and the Built Environment Unit, sites inspected included the Mandela house and the Castle of Good Hope respectively. The Castle of Good Hope was inspected and was deemed to be in good condition. However, issues of vandalism in particular the removal of fixtures on the wall of the castle were noted and SAHRA recommended that security of the castle needed to be improved as a matter of urgency. Inspection of the Mandela house undertaken was in response to a request from the DSAC. The Mandela house was found to be in a fairly good condition but showed signs of some deterioration. The surrounds were found to be in of need maintenance and recommendations were made by SAHRA to the owner to prioritise maintenance and to ensure that the house and other structures on the property remain in good condition.

The Maritime and Underwater Cultural Heritage resources inspections included various shipwrecks namely the Struisbaai, the Bato wreck, the Sao Jose wreck, and the Maori site. Inspection of the Sao Jose was challenging due to the growth of thick seaweed. It was deemed that the site is vulnerable from a research perspective due to intense floral growth that obscures the wreckage. Further extraction of the wreck by researchers is planned in conjunction and with permission from SAHRA.

The Maori site was inspected to gather data regarding the condition of the shipwreck site. Several features of the wreck such as hull plating, metal pipes and various fixtures and fittings were visible over the whole site with certain structural elements, such as the boilers, still upstanding and identifiable. SAHRA recommended that further visits to the site need to be conducted to fully assess the overall condition of the wreck. SAHRA has been efficient in responding to community and other authorities' requests in respect of contraventions complaints of damaged heritage resources.

SAHRA finalised 6 formal partnerships with identified institutions. SAHRA entered into a partnership with Visual Impact Broadcast Solutions (VIBS) as part of the rebranding campaign of SAHRA. Establishing this partnership and relation was key in trying to effectively implement and execute SAHRA's digital functions given its limited resources. Another significant partnership that was entered into was that between SAHRA and CPUT. The purpose of the partnership was to collaborate in the areas of research and consulting related to the Cultural Heritage Buildings. In more efforts to promote the conservation and protection of South Africa's underwater cultural heritage, SAHRA successfully renewed the Mendi Memorial Heritage agreement in January 2021. SAHRA entered into a formal agreement with the East London Museum in February 2021 as well as revising its partnership with Iziko Museums of South Africa. A notable partnership was that of the Presidential Stimulus Programme (PSP). The Presidential Stimulus Programme was established to mitigate the pre-existing crises of poverty and unemployment that was magnified because of the COVID-19 pandemic. As a beneficiary of the Presidential Stimulus Programme, SAHRA was able to offer employment opportunities in its various units.

SAHRA also managed to successfully assert its role as a regulatory body by identifying, developing, and reviewing 6 HRM policies, regulations, standards, and norms approved by Council. The following HRM policies were approved: Archaeological Permitting Policy, Palaeontology Permitting Policy, Burial Grounds and Graves Permitting Policy, Heritage Objects alienation Policy, Built Environment Permitting Guideline, and SAHRIS User Access policy. SAHRA remains committed to contributing towards a national estate that is representative of South Africa's diverse heritage.

3.5 PROGRAMME 5: ECONOMIC EMPOWERMENT

Outcome: Economic empowerment, including employment opportunities, for local communities through SAHRA's activities

Programme 5 was introduced as a means of SAHRA accounting for its contribution towards economic empowerment. Although SAHRA is not a job creation entity, the Entity identified potential areas in which it could either directly, or indirectly, contribute to economic empowerment. The 100% achievement of the programme is evidence that the Entity has had made a positive contribution.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

3.5.1. Programme 5 - Actual Achievements

Programme 5: Economic Empowerment								
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**	**Reasons for deviations**
Economic empowerment, including employment opportunities for local communities through SAHRA's activities	Increase in the number of employment opportunities created through partnerships with SETAs	5.1 Number of employment opportunities created through internships	New Indicator	New Indicator	5	19	14	An additional 14 employment opportunities were created through internships in partnership with SETAs and internally
	The number of employment opportunities for local communities created, indirectly, through SAHRA's memorials and/or infrastructure projects	5.2 Number of employment opportunities for local communities created, indirectly, through SAHRA's memorials and/or infrastructure projects	New Indicator	New Indicator	10	26	16	An additional 16 employment opportunities for local communities were created through SAHRA's memorials and infrastructure projects

In collaboration with SETA's in particular MICTSETA, SAHRA has offered opportunities for students to gain experience through internships. Many of these interns have even gained further internal opportunity through contracts, and some have even been provided permanent positions within the Entity. The Entity employed 19 interns during the 2020/21 financial year.

SAHRA offered indirect employment opportunities through the rehabilitation, refurbishment, and erection of memorials, properties, and other infrastructure projects. The Entity provided opportunities to SMMEs and other businesses that often source local labour to complete these projects. A total of 26 individuals were employed through the structural maintenance to Old Gaol in Eastern Cape, the supply and installation of security fence to Dam in Western Cape and the rehabilitation of Sol Plaaitjie Memorial in Northern Cape. SAHRA will continue playing a role in contributing towards economic empowerment.

Reporting on the Institutional Response to the COVID-19 Pandemic

SAHRA did not receive any COVID-19 relief packages or interventions but continued instilling internal measures using the operational budget to combat the spread pf the virus within the workplace.

The Presidential declaration of the State of National Disaster due to outbreak of the COVID-19, lead to the Department of Public Service and Administration (DPSA) calling for government departments to ensure that all necessary precautions are in place to mitigate the spread of the pandemic among public servants and the citizens interfacing with government at frontline service delivery points. This was followed by issuing of Circular No 07 of 2020 outlining guidelines for the containment and management of the COVID-19 in the Public Service in line with the Occupational Health and Safety Act of 1993, Regulation 53.

In adherence to the above, SAHRA established a COVID-19 Steering Committee to manage the pandemic within the workplace and ensure that the occupational health and safety protocols were observed by staff and visitors to combat the spread of the virus.

To eliminate the spread of the COVID-19 in the workplace, SAHRA enforced health and safety measures in line with the regulations. These included mounting and regular filling of sanitisers at main entrances and common areas, enforcing of masks, frontline screening and testing the temperatures for staff and visitors and decontamination of all SAHRA premises monthly. SAHRA appointed a Compliance Officer to oversee the COVID-19 Steering Committee duties and enforce compliance. There are posters throughout the premises for awareness and information sharing purposes. Unit managers were encouraged to implement staff rotational schedules to control the number of staff in the workplace. SAHRA adhered to the lockdown level regulations and shares updates within the COVID-19 Steering Committee and the staff through frequent broadcasts.

Robben Island

Linking performance with budgets

The adjusted budget shows that the Entity has spent 69% of its budget in achieving 84% of its predetermined objectives. The expenditure for the period under review is R67,5 million including the project funds and personnel costs. The variance is R31 million attributable to the projects which could not be fully implemented during the financial year. Cost containment measures were strictly adhered to.

	2019/2020				2020/2021		
Programme/activity/ objective	Budget	Actual Expenditure	(Over)/Under Expenditure	Programme	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000		R'000	R'000	R'000	R'000
Programme 1	42 118	39 719	2 399	Programme 1: Administration and Governance	39 514	30 403	9 111
Programme 2	47 459	25 059	22 400	Programme 2: Strategic Coordination	0	0	0
Programme 3	1 676	876	800	Programme 3: Public Engagement	1 655	863	792
Programme 4	0	0	0	Programme 4: Business Development and Transformation	24 747	23 041	1 706
Programme 5	0	0	0	Programme 5: Economic Empowerment	32 700	13 245	19 455
Total	**91 253**	**65 654**	**25 599**	**Total**	**98 616**	**67 552**	**31 064**

4. REVENUE COLLECTION

Sources of revenue	2019/2020 Estimate	2019/2020 Actual Amount Collected	2019/2020 (Over)/ Under Collection	2020/2021 Estimate	2020/2021 Actual Amount Collected	2020/2021 (Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Grant from DAC	58 220	58 315	-	56 061	56 061	-
GRAP 103	4 000	1 500	2 500	-	-	-
Interest	600	1 486	-886	700	223	477
Rent Revenue	2 000	1 072	928	2 200	1 755	445
Permit Fees and Other Income	4 933	5 234	-301	955	1 962	-1 007
Realisation of Deferred Revenue	21 500	3 781	17 719	38 700	13 245	25 455
Total	**91 253**	**71 293**	**19 960**	**98 616**	**73 246**	**25 370**

Funding for the Agency comprises of grants received from the Department of Arts and Culture, project funds and own generated income from rentals with interest earned on investments in deposit accounts. The actual revenue collected, is 91% of non-exchange revenue and 9% exchange revenue, proportionately in current year. Rental income is generated from properties owned by SAHRA. Included in the permit fees and other is an amount of lease income smoothing of R905 as per Generally Recognised Accounting Practice.

SAHRA has successfully delivered on revenue collection by:

- Generating lease agreements and extension agreements for tenants on an annual basis and need basis.
- Retain proper records and related correspondence relating to annual revenue increases.
- Managed debts effectively through regular monitoring, timely rental and permit fees invoicing, and reporting long outstanding debts to relevant committees.
- In the event of breach of a contract, the matter is referred to the Chief Financial Officer within 30 days; letters of demand are issued.

There is also under-collection relating to projects which could not be implemented during the financial year. There are measures in place to finalise all the outstanding projects that were not completed in the previous years. Permit fees were over budgeted. The forecast was based on the assumption that the new permit fees would have been implemented. SAHRA has successfully implemented a debt management policy and consistently applies the policy to keep measures on target. All accounts over 30 days were also handed over to legal services. Impact on under-collection did not have an impact on SAHRA's service delivery. However, this negatively affected SAHRA's cashflow trend and budget targets. The overcollection of interest is largely attributable to the project funds that were transferred by DSAC and also due to favourable interest rate fluctuations for cash held in financial institutions.

Union Buildings

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 COMMITTEE

There were no meetings held with the Portfolio Committee in the 2020/21 financial year.

3. THE ACCOUNTING AUTHORITY/ THE COUNCIL

Responsibilities and Duties of The Council

The primary role of the Council is to provide leadership to the Executive of the Entity in discharging the responsibilities assigned to it under its establishment statute (NHRA), the DSAC policies, other relevant legislation, and approved codes of good practice in governance and business behaviour.

Council members of SAHRA are valued as professionals on the basis of their individual expertise, and they are not to represent the sole interest of their companies or institutions. The functions below should be read with the governance manual developed by the DSAC.

Function of the Council

Functions as outlined in section 14 read with section 16 and other relevant provisions of the NHRA, PFMA and other relevant legislations shall include the following:

- Run the affairs of SAHRA in line with the NHRA, the PFMA, DSAC priorities, Medium Term Strategic Framework (MTSF), Medium Term Expenditure Framework (MTEF), the National Development Plan (NDP) and other relevant government strategies and policies.
- Setting broad strategy for the SAHRA to meet its objectives and performance targets.
- Ensure proper preparation of and approval of Strategic and Annual Performance Plans, compliance reports, key procedures, and policies.
- Approve decisions related to strategic initiatives such as commercial ventures, significant acquisitions, internal restructures, and disposals.
- Approve the annual budget of the SAHRA.
- Ensure that SAHRA follows corporate planning provided by the Minister of Sport, Arts & Culture and National Treasury.
- Set SAHRA's values and standards of conduct and ensuring that these are adhered to, in the interest of stakeholders, employees, customers, suppliers and communities in which it operates and generally safeguarding the reputation of SAHRA.

- Provide leadership of SAHRA within a framework of prudent and effective controls which enable risk to be assessed and managed.
- Set the direction, strategies and financial objectives and ensure that the necessary resources are available for SAHRA to meet its mandate and obligations.
- Always act in the best interest of SAHRA

Council Charter

The Council Charter that sets out the roles, responsibilities, membership and other key governance information is reviewed at least annually. The Council Charter was accordingly reviewed and approved by Council on the 29 June 2020.

Composition of the Council

Name	Designation (in terms of the Public entity Board structure)	Date appointed	Date End of Term	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr Moses Makhweyane	Chairperson	1 August 2019	31 July 2022	Law		None	21
Prof Susan Bouillon	Council Member	1 August 2019	31 July 2022	Law		Corporate Services Committee (CSC) and a member of the Audit and Risk Committee (ARC).	39
Dr Luyanda Mpahlwa	Council Member	1 August 2019	31 July 2022	Architecture		Business Development Committee (BDC) (Chairperson) & Corporate Services Committee (CSC)	30
Mr Benjamin Moduka	Council Member	1 August 2019	31 July 2022	Heritage Resource Management		Business Development Committee (BDC)	14
Dr Olga Biolostocka	Council Member	1 August 2019	31 July 2022	Archaeology and Development Studies		Heritage Management Committee (HRM) & Business Development Committee (BDC)	10
Mr Tarriq Patrick Mellet	Council Member	1 August 2019	31 July 2022	Historian		Corporate Services Committee (CSC)	31
Mr Rudzani Ramugumo	Council Member	1 August 2019	31 July 2022	Law		Heritage Resources Management Committee (HRM)	18
Mr Bongani Mgijima	Council Member	1 August 2019	31 July 2022	Museums and Heritage Studies, Philosophy and Public Administration		Heritage Resources Management Committee (HRM)	15

Name	Designation (in terms of the Public entity Board structure)	Date appointed	Date End of Term	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g.: Audit committee/ Ministerial task team)	No. of Meetings attended
Mr Mohlomi Masooa	Council Member	1 August 2019	31 July 2022	History		Corporate Services Committee (CSC) & Business Development Committee (BDC)	43
Mr Motsaathebe Serekoane	Council Member	1 August 2019	31 July 2022	Lecturer in Medical Anthropology		Heritage Resources Management Committee (HRM) (Chairperson)	24

Committees of Council

Committee	No. of meetings held	No. of members	Name of members
Corporate Services Committee (CSC)	14	4	1. Prof Susan Bouillon 2. Mr Mohlomi Masooa 3. Mr Tariq Patrick Mallet 4. Dr Luyanda Mpahlwa
Business Development Committee (BDC)	4	4	1. Dr Luyanda Mpahlwa 2. Dr Olga Bialostocka 3. Mr Benjamin Moduka 4. Mr Mohlomi Masooa
Heritage Resources Management Committee (HRM)	6	4	1. Mr Motsaathebe Serekoane 2. Dr Olga Bialostocka 3. Mr Bongani Mgijima 4. Mr Patrick Tariq Mellet (resigned from the Committee 27 August 2020).
Audit & Risk Committee (ARC)	8	4	1. Mrs Vuyokazi Menye (term ended 29 January 2021) 2. Mr James Khotso Sello (appointed as a chairperson from the 29 March 2021) 3. Mr Isaac Dhlomo 4. Prof Susan Bouillon 5. Mrs Reyhana Gani (appointed as a Deputy Chairperson from 29 March 2021)

Remuneration of Council members

- Members are remunirated per meeting attended.
- Members who are employed by the State are not remunerated.
- Travel, accommodation, and meals are paid to members who attend meetings.
- The Chairperson and Chairperson of each subcommittee receive a cell phone allowance.

Remuneration of Council members

Name		Total Remuneration
1.	Mr Moses Makhweyane	R157 205
2.	Prof Susan Bouillon	R211 567
3.	Dr Olga Bialostocka (public sector)	R0.00
4.	Mr Bongani Mgijima	R74 703
5.	Mr Motsaathebe Serekoane	R137 115
6.	Mr Benjamin Moduka (public sector)	R0.00
7.	Dr Luyanda Mpahlwa	R174 861
8.	Mr Patric Tariq Mellet	R165 843
9.	Mr Rudzani Ramugumo	R83 337
10.	Mr Mohlomi Masooa	R213 841

SAHRA's Council and its Committees are remunerated in line with the maximum rates prescribed by the Minister of Finance for Non-Official members. It has to be noted that Committee members who are employees at any level of government including state owned institutions and agencies are not entitled to or paid any additional remuneration.

Constitution Hill

4. RISK MANAGEMENT

The Company Secretary and Head of Legal is the Chief Risk Officer (CRO) for SAHRA and takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the Public Sector Risk Management Framework (PSRMF).

SAHRA's Risk Management Policy is based on the Enterprise Risk Management Framework published by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission and updated with the requirements of the PSRMF. The SAHRA ERM Policy provides a proactive, systematic and integrated approach to risk management.

A comprehensive analysis of key risks based on SAHRA's objectives is undertaken annually to inform the operational and strategic risks which are further entrenched into the operational processes of the Entity. Risk registers are compiled by management under the guidance of an internal audit and monitored accordingly by the Audit and Risk Management Committee and Council. In the quest by SAHRA to improve risk management processes, a full review of the strategic risks is performed by management to ensure that risks are aligned to the strategic objectives of the Entity.

The risk management process is put in place by management to improve the identification and management of risks, amongst others:

- Ongoing risk assessments and review of risk management activities that includes the review of strategic risk registers on a quarterly basis by the Audit and Risk Committee and Council;
- Facilitating/attending risk training workshops;
- Facilitating and co-ordinating the development of risk registers at strategic and operational levels and aligned to the Entity's strategic objectives;
- Entrenching risk management as a standard agenda item in committee and unit meetings across the organisation; and
- Review of the ERM Policy to reflect the current risk assessment methodology.

The Internal Audit Unit's three-year rolling plan and annual risk-based plan is based on the updated Entity's Strategic and Operational Risks identified.

Castle of Goodhope

5. INTERNAL AUDIT

The Internal Audit Unit reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.2.

The Internal Audit Unit provides management with independent, objective assurance and consulting services designed to add value and to persistently improve the operations of the Entity. Internal Audit assists the Entity to accomplish its objectives by bringing a systematic, disciplined approach by evaluating and improving the effectiveness of risk management, control, and governance processes.

The following key activities are performed in this regard:

- A valuable contribution is made by the Internal Audit Unit in improving the risk management processes through its input and co-ordination in embedding the key risk management processes within the Entity;
- Assisting the Entity in maintaning adequate controls by evaluating those controls to determine their adequacy and effectiveness, and by developing recommendations for enhancement; and
- Assessing and making appropriate recommendations for enhancing or improving the governance processes in achieving the Entity's objectives.

The functions of the Internal Audit Unit are executed by a co-sourced arrangement between the in-house Internal Audit Manager and SNG Grant Thornton, an independent assurance, tax and advisory firm, which was appointed for a period of three years to provide SAHRA with comprehensive internal audit services. Internal Audit has carried out its activities in accordance with its Internal Audit Charter which is reviewed annually and approved by the Chairpersons of the Audit and Risk Committee and Council.

The following audits were conducted as per the 2020/21 risk-based Internal Audit Plan:

- Fraud Prevention Communication sessions and induction.
- Review of Non-Financial Performance Information.
- Covid 19 Steering Commitee - Compliance.
- Review of the Annual Financial Statements.
- Website Vulnerability Assessment.
- Direct Assistance AG - Asset and Employee verifications.
- POPIA Gap analysis.
- ICT Internal and External Vulnerability Assessment.
- Human Resources Payroll and Leave Review.
- SMART Review of the Annual Performance Plan.
- ICT General Controls Follow-up Review.
- Asset Management Review.

6. AUDIT AND RISK COMMITEE

The Audit and Risk Committee is established as an oversight body, providing independent oversight in evaluating the adequacy and efficacy of risk management, control and governance processes in the Entity, which include oversight and responsibilities relating to amongst others, the:

- Internal Audit Unit;
- Internal Control and Financial Control;
- External Audit (Auditor-General of South Africa - AGSA);
- Financial reporting and Accounting practices;
- Annual Financial Statements and Accounting policies;
- Performance Management Systems;
- Risk Management processes and Fraud Prevention;
- Compliance with laws and regulations.

The table below discloses relevant information on the Audit and Risk Committee members.

Name	Qualifications	Internal or External	Date appointed	Date Resigned/ Term-ended	No. of Meetings attended
Ms Vuyokazi Menye	BSc in Computer Science and currently finishing a Master's in Business Administration	External	24-06-2017	29-01-2021	6 Meetings
Ms Reyhana Gani	Chartered Accountant	External	Previous term ended on 31-07-2019 and reappointed from 21-01-2020	N/A	11 Meetings
Mr James Khotso	IT & Audit	External	26-09-2019	N/A	11 Meetings
Mr Isaac Dhlomo	Computer Systems Engineering, Information Technology and Computing	External	26-09-2019	N/A	9 Meetings
Prof Susan Bouillon	Law	Internal -Council Representative	28-10-2019	N/A	11 Meetings

7. COMPLIANCE WITH LAWS AND REGULATIONS

The South African Heritage Resources Agency complies with the relevant legislations and regulatory frameworks applicable. These include but are not limited to the NHRA, the PFMA, Treasury regulations, Practice Notes and the King Code of Corporate Governance.

8. FRAUD AND CORRUPTION

SAHRA has adopted the Fraud Prevention Strategy which confirms the Entity's zero tolerance stance towards fraud and corruption. Various channels for reporting allegations of fraud and corruption exist, which includes, amongst others, the SAHRA Fraud hotline email address fraud@sahra.org.za; which one can also access via SAHRA's website.

The Fraud Prevention process is managed by the Internal Audit unit within SAHRA and all allegations received through the various reporting channels is recorded in a Fraud Register which is used as a tool to monitor and report on progress made. These cases are reported quarterly to the Audit and Risk Committee.

None of the cases received in the financial year through the fraud prevention channels', were related to fraud. Cases related to complaints which was redirected to the applicable business units to address. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the representative to whom they report the matter(s) to.

The following measures were put in place to create awareness of fraud and corruption in the workplace:

- Fraud Prevention Communication sessions and induction.
- Branding the Entity with banners and posters.
- Fraud Prevention email communications.
- Awareness raised on SAHRA's social media platforms.

The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, the representative to whom they report the matter to is obligated to keep their identities confidential if so requested in line with the Entity's Whistle-Blowing policy.

West Coast Fossil Park

9. MINIMISING CONFLICT OF INTEREST

The Entity has implemented a process where all new employees complete a conflict-of-interest form at the point of signing the employment contract. The signing of these forms is updated thereafter on an annual basis, and a Conflict-of-Interest Register is kept. Attendance registers of all formal meetings within the Entity has a standard Declaration of Interest column that needs to be completed by all attendees.

The current Fraud Prevention Strategy of the Entity highlights that any conflict of interest by any official within the Entity should be disclosed. Declaration of interest forms are sent out by the Human Resources unit, at least annually to all employees to declare any business and personal relationships /interests relating to the Entity.

All members of Council and sub-committees are required to declare any conflict of interests at appointment as well as at every meeting. Operational units, such as certain Human Resources and Supply Chain Management meetings entails having to declare any conflict of interests based on its nature, prior to the commencement of meetings. No cases of conflict were identified in the Entity during this reporting period by Internal Audit or External Audit.

10. CODE OF CONDUCT

The code of conduct is provided to all new employees at the point of joining the Entity. All employees are then made to commit through signing the code that they are aware of it. SAHRA's bid adjudication and evaluation committees are also appointed in writing by the CEO and provided with the code of conduct upon appointment.

11. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

SAHRA continues with its Occupational Health and Safety system implementation by conducting training for all Safety Representatives including first aiders and fire marshals. The OHS Act has also been displayed in the open areas for ease of access by staff, contractors and visitors. SAHRA has a very active Occupational Health and Safety Committee that often make constructive suggestions in addressing health and safety issues in the office environment. The Committee reviews SAHRA's health and safety practices on a quarterly basis in accordance with an industry-accepted checklist. Regular maintenance of the buildings, systems and equipment is carried out to ensure safety of the staff and assets.

SAHRA has an active Covid 19 Steering Committee that meets regularly in line with regulations set out by National Government. This Committee is comprised of largely the OHS Committee representatives and key management and employees from various business units and office locations of SAHRA. The Committee has appointed an independent compliance officer as well as assigned members to specific portfolios to ensure monitoring of compliance and adherence to periodic updates to regulations in line with the fluctuating alert levels as pronounced by the President of South Africa.

12. COMPANY SECRETARY

SAHRA's Company Secretary who is also the Head of Legal is well versed in good Corporate Governance, SAHRA's legislation which is the NHRA and its Regulations and any other related piece of legislation. The Company Secretary among other things performs the following duties in ensuring proper governance:

- Advise Council on the implementation of corporate governance programs.
- Maintains a direct line of communication to the Council Chairperson.
- Provides direct support to Council and guides Executive Management on issues related to Council.
- Provides a central source of guidance and advice to Council, on matters of good corporate governance, legal obligations, and ethical conduct, as well as providing administrative support to the Council and its Committees.
- Provides guidance and advice to Council on how to discharge their responsibilities in the best interest of SAHRA.
- The Company Secretary ensures that the procedure for the appointment of Council is properly carried out and assists in the proper induction, orientation and development of Council, including assessing the specific training needs of Council and Executive Management in their fiduciary and other responsibilities.

13. SOCIAL RESPONSIBILITY

The Entity participated in promoting heritage as a choice of career by appointing 19 heritage-related interns.

As the national body responsible for heritage management, the South African Heritage Resources Agency (SAHRA) was tasked with a country-wide survey, locations of monuments & locations of monuments & memorials, with the view to further assess their significance.

This project was made possible through the Presidential Employment Stimulus Programme (PESP) which has allowed SAHRA to provide short term employment to 270 individuals over the course of the project. This project has seen the deployment of staff to identify and record monuments and memorials throughout all 9 provinces.

14. AUDIT COMMITTEE REPORT

We are pleased to present our report for the South African Heritage Resources Agency (SAHRA) for the financial year ended 31 March 2021.

The audit committee plays an important role in ensuring that SAHRA functions according to good governance, accounting, and audit standards. It also monitors the adoption of appropriate risk management arrangements.

Objectives of the Internal Audit

Improves governance, risk management and control processes.

Key Activities of the Internal Audit

- Review the Three-Year Risk-based Rolling Strategic Internal Audit Plan and develop an Annual Operational Plan for approval by the Audit Committee;
- Review the Internal Audit Charter and Audit Committee Charter for consideration and approval by the Audit Committee, and the Council;
- Drives the implementation of the Combined Assurance Plan with the aim of improving the system risk management and the betterment of the internal controls;

- Implement the Internal Audit Annual Operational Plan anchored by the Audit Communication Protocol, communicate the results of the audit, conduct follow-up audit to monitor implementation of the auditors' recommendations;
- Continue to build and maintain Customer Relations (regular contact with auditee throughout the audit engagements including customer surveys to assess quality of service and effecting audit improvement measures as deemed appropriate).

Work done by Internal Audit

- Developed for approval by the Internal Audit Steering and Audit Committee a thematic Annual Calendar of risk, governance, and internal control activities.
- Reviewed the Rolling Three-Year Risk-Based Strategic Plan 2020-2023 and developed an Annual Operational Plan 2020-21 which were approved by the Audit Committee.
- Implemented the Annual Operational Plan 2020-21.

Objectives of the Audit Committee

Provide oversight services to the SAHRA on the adequacy and effectiveness of governance, risk management, the system of internal control, and the audit process. There are currently four independent members for the ARC, and one vacant position to be advertised and filled. (Refer to Section C: Governance section of annual report under Committees of council – for the meetings attendance by the ARC).

Key activities of the Audit Committee

- In the meetings of the ARC, among other matters, we have fulfilled our responsibilities with the following key activities: Review quarterly performance information reports, and in addition the annual report before approval by the Accounting Officer for submission to the AGSA.
- Review the Financial Statements, Budget vs Expenditure reports, and monitor the register of unauthorised, fruitless, and wasteful, and irregular expenditure.
- Monitor the activities of the Internal Audit in conformance with the IIA Standards.
- Monitor measures instituted by the Risk Management Committee to enhance Risk, Business Continuity, Internal Controls and Ethics management within SAHRA.
- Monitor the implementation of the Information Management and Technology plans and the measures put in place to accelerate modernisation and enhance cybersecurity.
- Consider and approve the AGSA Audit Strategy and recommend the Engagement letter to the Accounting Officer and Council for approval. Also monitored the extent of cooperation between AGSA and Interna Audit as part of the combined assurance plan.
- Monitor the implementation of the Legal Services and Compliance plans.
- Monitor the implementation by management of the AGSA and Internal Audit Recommendations intervention plan.
- Consider and approve the Internal Audit's evaluation report by an independent Quality Assurance provider and is monitoring the implementation of the recommendations.

Summary of the work done by the Audit Committee

In relation to Risk Management:

- The committee considered the quarterly reports prepared by the Chief Risk Officer for ARC consideration and endorsement.
- Monitored the implementation of the Combined Assurance including Risk Appetite and Tolerance Threshold as part of the early warning system.

In relation to the work of the Executive Management

- **Financial Management and Reporting** – quarterly Interim Financial Statement, Annual Financial Statements, Expenditure report, including a register of unauthorised, fruitless, and wasteful and irregular expenditure.
- **Performance Planning and Reporting** – Annual Performance Plan, Annual Report, Quarterly Reports (that include catch-up plans for targets missed).
- **Legal Matters** – The CEO's quarterly business reports includes the status of all legal matters, including compliance with laws and regulations.

In relation to the work of the Internal Audit:

- Recommended the Audit Committee Charter for approval by the Council.
- Considered and ratified quarterly progress reports against approved Annual Plan.
- Considered and approved the detailed internal audit engagement reports on the work performed.
- Considered Internal Audit assessment of the implementation by management of previous audit recommendations of Internal Audit and AG and the progress thereof – including report on the combined assurance plan.
- We are in the process of the external Quality Assurance Review procurement of the service provider and report from the Institute of Internal Auditors on the Internal Audit's compliance with the IIA Standards will be published by the end of the financial year.
- Received, considered, and approved the revised Internal Audit Charter, Three-Year Rolling Risk-based Plan 2020-2023, and Annual Operational Plan 2020/21.
- Monitored and follow-up on the quarterly review and the Management Report findings.

In relation to the work of the AG:

- Received, considered, and approved the Audit Strategy, recommended the Engagement Letter to the Council for approval, for the 2020/21 financial year audit.
- Periodic review and tracking of Audit Action plans.

Fraud Prevention and Whistleblowing:

- Received, considered, and escalated the anonymous letters to the council which in turn informed the principal. This has led to the investigations into allegations and possible maladministration which were levelled against senior officials. The investigation process was still ongoing at the date of the audit report. These engagements are conducted by various independent parties to SAHRA could have an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, and we have reviewed the changes in accounting policies and practices.

The Effectiveness of Internal Control

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

The following internal audit reports were presented to the committee during the year under review:

- Review of quarterly Non-Financial Performance Information.

- Review of quarterly Covid 19 Compliance
- Review of the Annual Financial Statements
- Website Vulnerability Assessment
- POPIA Gap analysis
- ICT Internal and External Vulnerability Assessment
- Human Resources Payroll and Leave Review
- ICT General Controls Follow-up Review
- Asset Management Review

In-Year Management and Monthly/Quarterly Report

SAHRA has complied with the National Treasury regulation 29.3.1 by submitting quarterly performance reports to the Council. During the year under review, the committee considered the SAHRA Interim Financial Statements and Expenditure against Budget (including corrective measures), and Quarterly Performance Reports and the associated corrections recommended to Council for approval.

Internal Control

We have noted the internal control deficiencies reported to the Committee by the AG and Internal audit and will be closely monitoring the action plans and follow-up reviews closely in the year ahead.

Evaluation of Financial Statements

The Audit and Risk Committee has reviewed and discussed the audited financial statements (including additional reporting requirements) prepared by the Entity with management which is included in this Annual Report.

We have also assessed review by key assurance providers including the SAHRA executive, internal audit, and the external auditors. We are satisfied that the reports in all material respects, reflect the state of affairs for the financial year under review.

Overall Audit Outcome

SAHRA has obtained an Unqualified outcome for the 2020/2021 financial year.

The Committee congratulates the SAHRA team and all governance structures, which includes both the management and its valuable employees for remaining committed and maintaining a high standard of work despite a challenging year during an international pandemic.

Auditor's Report

The Audit Committee reviewed the SAHRA's implementation plan of the AGSA recommendations and progress raised in the prior financial year and is satisfied that the matters have been adequately resolved.

The AGSA was independent throughout the financial year and there were no limitations brought to bear on the mandate of the AGSA.

The Audit Committee concurs and accepts the conclusions of the AGSA on the Annual Financial Statements (AFS) and Annual Performance Report and is of the opinion that the audited AFS and performance report be accepted and read together with the report of the AGSA.

We thank the AG audit team for their workmanship, professionalism and putting the SAHRA team to task and for the invaluable lessons learned by all with this year's external audit.

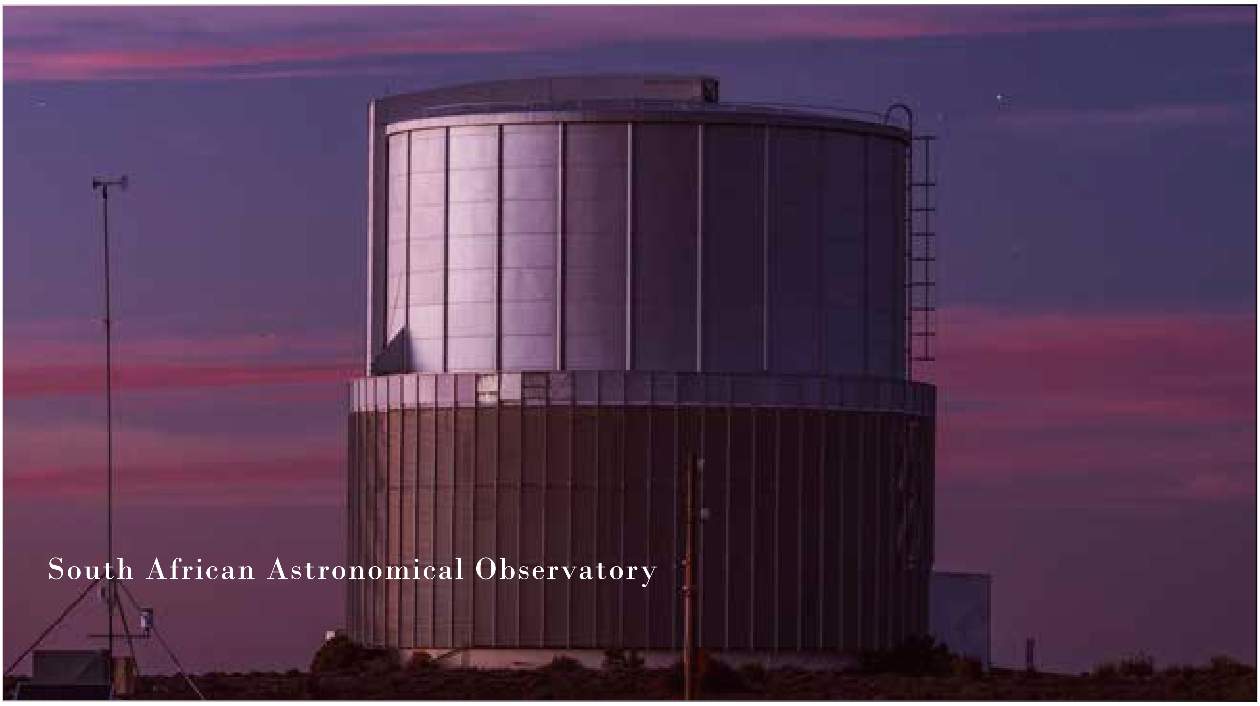
Mr. Khotso J. Sello

Chairperson of the Audit and Risk Committee

21 October 2021

15. B-BBEE COMPLIANCE PERFORMANCE INFORMATION (TBC with final report)

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
Criteria	**Response : Yes/No**	**Discussion (include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	SAHRA does not issue licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	YES	SAHRA has not yet developed enterprise and supplier development (ESD) strategy/policy, we implement Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its regulations.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	SAHRA is not in the business associated with the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	SAHRA does not have development criteria in place to into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	SAHRA does not award incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment.


South African Astronomical Observatory

South African Astronomical Observatory

PART D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

There is a strong link between organisational performance and talent management. Employees' skills and capabilities set one organisation apart from others, which necessitates the proper investment in talent and management thereof. Talent acquisition forms the human capital of the organisation and having a well-planned strategy, talent management process and path to attract, hire, deploy, develop, reward and train employees is indispensable for SAHRA to survive in the current war for talent, thus SHARA has developed talent management strategy and philosophy in order to ensure that talent is well managed in that the organisation developed an aggressive strategy, to identify and attract previously high performing employees in the critical skills category. The focus is directed at developing, retaining, and optimising the appropriate talent requirements as identified in the workforce plan to ensure a sustainable organisation.

Employee performance management framework

The 2020/2021 performance cycle was successfully completed in that 100% implementation of the individual performance management system was achieved.

Employee wellness programmes

SAHRA promotes the quality of work life and ensures the Entity's 's compliance to the Occupational Health & Safety Act (OHSA) and the creation of a conducive environment for all SAHRA employees, through the Health and Wellness initiatives. The Employee Health and Wellness programme is a comprehensive employee health and wellness promotion program that focuses on the most crucial needs of the organisation as a way of improving the overall wellbeing of employees. Employee Health and Wellness activities were implemented throughout the year, with some of the wellness programmes conducted virtually due to COVID restrictions. SAHRA staff's physical and psychological health was maintained without disruption. The Entity successfully appointed a wellness service provider rendering health, occupational health and safety that has a holistic approach and aims to ensure sustainable health education, care and management to all employees.

Policy development

SAHRA's Human Resource Policies were reviewed by an external service provider. It is expected that these policies will be finally approved and implemented before the end of the 2021/2022 financial year.

Highlight achievements

SAHRA successfully recruited and placed 260 Presidential Stimulus Candidates throughout South Africa and successfully reported on employment equity. SAHRA also achieved 100% implementation of the individual performance management system and maintained the annual turnover rate below 10%.

Challenges faced by the Public Entity.

The Agency has been severely impacted by the global COVID-19 pandemic. Governments have implemented various measures to reduce and curtail the spread of the virus. The Agency is fully supportive of these measures and has a COVID steering committee appointed to ensure the safety of our employees and stakeholders. The impact of the virus, including its socio-economic effects, has materially weakened the financial performance of the Government and its agencies, thus resulting in budget cuts causing a serious financial strain within the Entity.

SAHRA cannot fully implement the required initiatives to strengthen its governance structure and operational capacity due to funding restrictions. The annual target for training interventions rolled out according to the HR Training Plan is 100%. The HR Unit experienced great challenges in procuring suitable services providers due to the impact of COVID-19. However, despite the challenges faced the HR unit it has managed to achieve 78%.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel Cost by programme/ activity/ objective

Programme/activity/objective	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)
Office of the CEO	5887			17	346
Finance	7596			14	542
Corporate Services	7376			42	175
Heritage Conservation Management	12554			32	392
Heritage Info, Policy and Skills Development	6431			16	401

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	5695	14,3%	4	1424
Senior Management	16306	41%	16	1019
Professional qualified	8322	21%	36	231
Skilled	7177	18%	27	265
Semi-skilled	1415	3,5%	5	283
Unskilled	748	2,3%	6	124
TOTAL	**39663**	**100%**	**94**	**3346**

Performance Rewards

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

Training Costs

Programme//activity/objective	Total Expenditure for the Entity (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
CEO	5887	15640		2	7820
FINANCE	7596	14643		2	7321
CORPORATE	7376	41860		8	5232
HCM	12554	17940		5	3588
HIPSD	6431	24435		9	2715
TOTAL					**26676**

Employment and vacancies

Programme//activity/objective	2020/2021 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
CEO	17	10	4	6	
FINANCE	14	16	14	2	14.28%
CORPORATE	42	25	20	5	25%
HCM	32	25	25	0	0%
HIPSD	16	20	19	1	5.2%

Programme//activity/objective	2020/2021 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Top Management	4	6	4	2	33,3%
Senior Management	17	18	16	2	11.11%
Professional qualified	36	36	36	0	0%
Skilled	27	26	27	0	0%
Semi-skilled	7	7	5	2	28.55%
Unskilled	7	7	6	1	14.28%
TOTAL	**98**	**92**	**94**	**5**	**5.43%**

The impasse between SAHRA and the service provider appointed to review the organisational structure had a direct impact on the filling of the senior management positions and highly skilled supervision roles. The filling of these positions was critically depended on the finalisation of the organisational structure. SAHRA talent management strategy and philosophy are to ensure that talent is well managed in that the unit developed an aggressive strategy, to identify and attract previously high performing employees in the critical skills category.

HR continually assesses the viability of staff retention in order to avoid situations where the loss of the employee would negatively impact on the achievement of a particular operational unit and the Entity's outcomes.

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	12	4	2	16
Professional qualified	17	2	0	20
Skilled	27	3	5	42
Semi-skilled	7	3	2	5
Unskilled	7	0	0	7
TOTAL	**85**	**12**	**9**	**94**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	None	
Resignation	7	
Dismissal	None	
Retirement	None	
Ill health	None	
Expiry of contract	None	
Other		
TOTAL	**7**	

All funded and critical posts that were vacant due to natural attrition were advertised and replacements were appointed, except those posts that were to be redefined in the process of organisational structure.

Labour Relations: Misconduct and disciplinary action

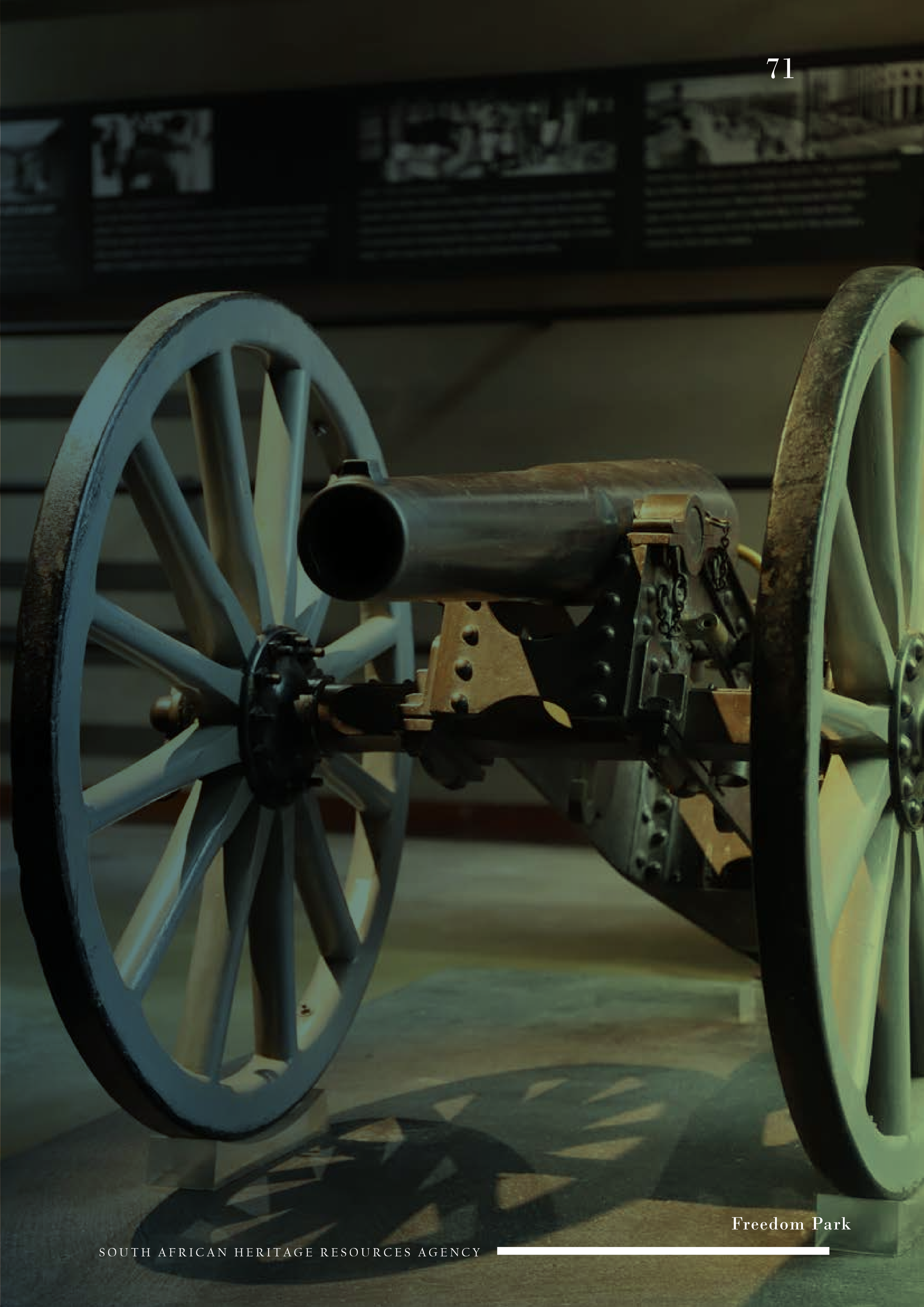
Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	0

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management								
Senior Management	2	1	0	0	0	0	0	0
Professional qualified	3	4	0	1	1	0	2	1
Skilled	7	12	5	4	0	1	2	4
Semi-skilled	3	3	1	3	0	0	0	0
Unskilled	3	0	0	3	0	0	0	0
TOTAL	**18**	**20**	**6**	**11**	**1**	**1**	**4**	**5**

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management								
Senior Management	2	3	0	0	0	0	0	0
Professional qualified	6	4	4	3	0	1	1	1
Skilled	19	20	0	2	1	1	0	1
Semi-skilled	5	2	1	0	0	1	0	6
Unskilled	3	3	0	1	0	0	0	0
TOTAL	35	30	5	6	1	3	1	8

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	2
Unskilled	0	0	0	0
TOTAL	0	0	0	2



PART E

FINANCIAL INFORMATION

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Identify, develop, conserve, protect, promote and manage the national heritage estate of South Africa.
Accounting Authority	Bialostocka, O (Dr) Bouillon, S (Prof) Makhweyane, M T Masooa, ME Mellet, PT Mgijima, B Moduka, B Mphahlwa, L (Dr) Ramugumo, RS Serekoane, JM
Business address	111 Harrington Street Cape Town 8001
Postal address	P.O. Box 4637 Cape Town 8000
Bankers	ABSA Bank Limited Nedbank Limited

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE SOUTH AFRICAN HERITAGE RESOURCES AGENCY

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the South African Heritage Resources Agency set out on pages 81 to 148, which comprise the statement of financial position as at 31 March 2021, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African Heritage Resources Agency as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognized Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (ACT No. 1, 1999) (PFMA).

Basis for opinion

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

Emphasis on matters

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


Voortrekker

Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2021.

Impairments Receivables from exchange transactions

8. As disclosed in the note 3 to the financial statements, the public entity has provided for the impairment of trade and other receivables from exchange transactions amounting to R2 609 812 (2019-20: R1 829 445).

Irregular expenditure

9. As disclosed in note 29 to the financial statements, the public entity incurred irregular expenditure of R3 420 145 in the current year, as it did not follow proper procurement processes.

Responsibilities of the accounting authority for the financial statements

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

11. In preparing financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

12. 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 as material if, individually or aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

13. 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

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the public entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance

management and reporting framework, as defined in the general notice, for the following selected programme presented in the public entity's annal performance report for the year ended 31 March 2021:

Programme	Pages in the anual performance report
Programme 4 - Business Development and Transformation	38-39

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consisted 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.

18. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

Programme 4 - Business Development and Transformation

Other matter

19. I draw attention to the matter below

Achievement of planned targets

20. Refer to the annual performance report on pages 38 to 39 for information on the achievement of planned targets for the year and management's explanations provided for the under or over achievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

22. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and annual reports

23. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1)(a) and (b) of the PFMA. Material misstatements of non-current assets, liabilities, revenue, expenditure, and disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently.

Procurement and contract management

24. Some of the construction contracts were awarded to contractors were that did not qualify for the contract in accordance with section 18(1) of the CIDB Act and Construction Industry Development Board Regulations 17 and 25(7A).

25. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids but it was practical to invite competitive bids, as required by Treasury Regulation 16A6.1 and paragraph 3.4.1 of Practice Note 8 of 2007/2008.

Other information

26. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

27. My opinion on the financial statements and findings on 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.

28. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Internal controls and deficiencies

30. 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. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

31. Management processes implemented for the review of the financial statements were not adequate as material misstatements and disclosure deficiencies were not detected and corrected and during the preparation and finalization of the financial statements.

32. Management failed to prevent the occurrence of irregular expenditure due to the incorrect application of the supply chain management policy. A contract was awarded to contractors that did not qualify for the contract in accordance with section 18(1) of the CIDB Act and Construction Industry Development Board Regulations 17 and 25(7A) and some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids.

Other reports

33. I draw attention to the following engagements conducted by various parties that could have an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

34. Investigations into allegations and possible maladministration were levelled against a senior official. The investigation process was still ongoing at the date of the audit report.

Auditor General

Cape Town

15 October 2021

AU TOR-GENER
SOUTH AFRICA

Annexure – Auditor- general’s responsibility for the audit

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

Financial statements

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

- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public’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 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 South African Heritage Resources Agency to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention to 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 financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However future events or conditions may cause a public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and the content of the financial statements, including the disclosure, 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.

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999) to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the members of the Accounting Authority to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the financial year 2020 2021 and the results of the entity`s operations and cash flows for that period. The external auditors are engaged to express an independent opinion on the financial statements and were given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members of the Accountig Authority acknowledge that they are ultimately responsible for the system of internal financial controls established by the entity and places considerable importance on maintaining a strong control environment. To these responsibilities, the Accounting Authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The members have reviewed the entity's cash flow forecast for the year ending 31 March 2022 and, in the light of this review and the current financial position, have every reason to believe that SAHRA will be a going concern in the year ahead and has continued to adopt the going concern basis in preparing the financial statements.

The Accounting Authority is primarily responsible for the financial affairs of the entity.

The financial statements set out on pages 81 - 148, which have been prepared on the going concern basis, were approved by the Accounting Authority on 30 July 2021 and were signed on its behalf by:

Mr MT Makhweyane
Council Chairperson

ACCOUNTING AUTHORITY'S REPORT

The members of the Accounting Authority submit their report for the year ended 31 March 2021.

1. REVIEW OF ACTIVITIES

1.1 Main business and operations

SAHRA is established in terms of Section 11 of the National Heritage Resources Act No.25 of 1999 (NHRA). The Act outlines an integrated interactive system for the management of the national heritage resources of South Africa.

There is a three tier system for heritage resources management, in which national level functions are the responsibility of SAHRA, provincial level functions are the responsibility of Provincial Heritage Resources Authorities and local level functions are the responsibility of local authorities.

As the implementing Agency of the Department of Sport, Arts and Culture, SAHRA plays a critical role in the identification, conservation, protection and promotion of our heritage resources for the present and future generations. Heritage resources are formally protected through a notice in the Government Gazette.

Our business and operations includes amongst other things to promote and encourage public understanding and enjoyment of the national estate and public interest and involvement in the identification, assessment, recording and management of heritage resources; promote education and training in fields related to the management of the national estate.

Oversight on the business is provided through a Council which is appointed by the Minister. The Council is constituted by representatives from Provincial Heritage Resources Authorities in the nine Provinces and 6 other members appointed by the Minister.

1.2 Going concern

We draw attention to the fact that at 31 March 2021, the entity had an accumulated surplus of R96 914 732 and a positive total net assets value of R140 841 411.

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

During December 2019 Corona virus (COVID 19) was discovered in Wuhan, China, that virus spread across the world and the world health organisation declared the virus a pandemic on 11 March 2020. In March 2020 the South African president declared a national state of disaster and imposed travel restrictions in an attempt to curb the spread of the virus. From 27 March 2020 president imposed the lockdown in South Africa which negatively affected all economic sectors in the country. The COVID 19 Pandemic does not impact the Going Concern of South African Heritage Resources Agency.

1.3 Subsequent events

During the audit process the Accounting Authority became aware of a fire broke out on 09 June 2021 at Dal Josafat farms Non Pareille Cellar, a property owned by SAHRA in Paarl. The fire has had a devastating impact on the condition of the existing barn. The effect of this, as an event that occurred after year end but before the audit report is signed is indicative of a condition that arose after the reporting period 31 March 2021 therefore a non adjusting event and will be disclosed under note 35 to the Financial Statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

Figures in Rand	Note(s)	2021	2020 Restated*
Assets			
Current Assets			
Operating lease asset	8	828 167	885 104
Receivables from exchange transactions	3	469 910	456 222
Prepayments		359 560	-
Cash and cash equivalents	4	64 920 355	49 100 302
		66 577 992	**50 441 628**
Non-Current Assets			
Property, plant and equipment	5	23 984 980	21 328 424
Intangible assets	7	728 204	771 975
Heritage assets	6	52 642 097	36 399 463
Receivables from exchange transactions	3	-	163 071
Operating lease asset	8	22 712 595	21 858 029
		100 067 876	**80 520 962**
Total Assets		**166 645 868**	**130 962 590**
Liabilities			
Current Liabilities			
Finance lease obligation	9	505 213	432 601
Operating lease liability	8	61 454	55 001
Payables from exchange transactions	10	7 025 814	4 343 077
Employee benefit obligation	12	268 712	305 000
Unspent conditional grants and receipts	13	15 531 042	5 855 341
		23 392 235	**10 991 020**
Non-Current Liabilities			
Other financial liabilities	11	154 012	233 610
Finance lease obligation	9	376 574	823 988
Operating lease liability	8	83 762	131 361
Employee benefit obligation	12	1 797 874	2 997 000
		2 412 222	**4 185 959**
Total Liabilities		**25 804 457**	**15 176 979**
Net Assets		**140 841 411**	**115 785 611**
Reserves			
Revaluation reserve	34	43 926 679	26 040 888
Accumulated surplus		96 914 732	89 744 723
Total Net Assets		**140 841 411**	**115 785 611**

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2021	2020 Restated*
Revenue			
Revenue from exchange transactions			
Permit fees		21 199	26 607
Rental income		1 754 557	1 907 115
Other income	16	222 927	275 262
Interest received - investment	21	1 941 481	3 226 523
Total revenue from exchange transactions		**3 940 164**	**5 435 507**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants and subsidies	15	56 061 000	58 315 000
Trust Fund - Interest received		116 094	170 486
Public contributions and donations	14	85 270	255 523
Other grants	14	13 044 115	121 972
Total revenue from non-exchange transactions		**69 306 479**	**58 862 981**
Total revenue	14	**73 246 643**	**64 298 488**
Expenditure			
Salaries and benefits	20	(44 941 200)	(39 834 250)
Depreciation and amortization		(1 494 971)	(1 228 931)
Finance costs	18	(109 624)	(44 013)
Bad debts expense	17	(780 367)	(472 246)
Repairs and Maintenance		(1 907 741)	(2 959 510)
General expenses	19	(18 318 204)	(21 664 245)
Total expenditure		**(67 552 107)**	**(66 203 195)**
Operating surplus		**5 694 536**	**(1 904 707)**
Actuarial gains		1 338 177	747 139
Gain from disposal of assets		137 296	-
Surplus for the year		**7 170 009**	**(1 157 568)**

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Revaluation reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	25 530 604	90 051 674	115 582 278
Adjustments			
Correction of errors	510 284	850 614	1 360 898
Balance at 01 April 2019 as restated*	**26 040 888**	**90 902 288**	**116 943 176**
Changes in net assets			
Surplus for the year	-	(822 955)	(822 955)
Total changes	-	(822 955)	(822 955)
Opening balance as previously reported	26 040 888	90 079 337	116 120 225
Adjustments			
Correction of errors	-	(334 614)	(334 614)
Restated* Balance at 01 April 2020 as restated*	**26 040 888**	**89 744 723**	**115 785 611**
Changes in net assets			
Revaluation of assets	17 885 791	-	17 885 791
Net income (losses) recognised directly in net assets	17 885 791		17 885 791
Surplus for the year	-	7 170 009	7 170 009
Total recognised income and expenses for the year	17 885 791	7 170 009	25 055 800
Total changes	17 885 791	7 170 009	25 055 800
Balance at 31 March 2020	**43 926 679**	**96 914 732**	**140 841 411**
Note(s)	34		

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2021	2020 Restated*
Cash flows from operating activities			
Receipts			
Grants		69 105 115	58 436 972
Interest income		2 057 575	3 226 523
Other cash receipts		996 147	5 920 291
		72 158 837	**67 583 786**
Payments			
Employee costs		(43 862 979)	(40 761 335)
Suppliers		(9 584 477)	(24 407 414)
Finance costs		(109 624)	(44 013)
		(53 557 080)	(65 212 762)
Net cash flows from operating activities	23	**18 601 757**	**2 371 024**
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(923 774)	(695 703)
Proceeds from sale of property, plant and equipment	5	279 981	-
Heritage Property - Land improvements		(1 671 025)	-
Purchase of intangible assets	7	-	(8 110)
Purchases of heritage assets	6	(12 485)	-
Net cash flows from investing activities		**(2 327 303)**	**(703 813)**
Cash flows from financing activities			
Net movement on other financial liabilities		(79 598)	(165 029)
Net movement Finance lease obligation		(374 802)	-
Net cash flows from financing activities		**(454 400)**	**(165 029)**
Net increase in cash and cash equivalents		15 820 054	1 502 182
Cash and cash equivalents at the beginning of the year		49 100 302	47 598 120
Cash and cash equivalents at the end of the year	4	**64 920 356**	**49 100 302**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Permit Fees	50 000	-	**50 000**	21 199	**(28 801)**	33.1.1
Rental of facilities and equipment	2 200 000	-	**2 200 000**	1 754 557	**(445 443)**	33.1.2
Other Income	905 000	-	**905 000**	222 927	**(682 073)**	33.1.3
Interest received - investment	700 000	-	**700 000**	1 941 481	**1 241 481**	33.1.4
Total revenue from exchange transactions	**3 855 000**	**-**	**3 855 000**	**3 940 164**	**85 164**	
Revenue from non-exchange transactions						
Realisation of Deferred revenue	4 500 000	34 200 000	**38 700 000**	-	**(38 700 000)**	33.1.5 & 33.2.1
Transfer revenue						
Government grants & subsidies	60 868 000	(4 807 000)	**56 061 000**	56 061 000	**-**	33.1.6 & 33.2.2
Trust Funds	**-**	-	-	116 094	**116 094**	33.1.6.2
Public Contributions and Donations	-	-	-	85 270	**85 270**	32.1.6
Other Grant Revenue	-	-	-	13 044 115	**13 044 115**	33.1.6.1
Total revenue from non-exchange transactions	**65 368 000**	**29 393 000**	**94 761 000**	**69 306 479**	**(25 454 521)**	
Total revenue	**69 223 000**	**29 393 000**	**98 616 000**	**73 246 643**	**(25 369 357)**	
Expenditure						
Personnel	(47 604 000)	2 807 000	**(44 797 000)**	(44 941 200)	**(144 200)**	33.1.7 & 33.2.3
Depreciation and amortization	(3 060 000)	-	**(3 060 000)**	(1 494 971)	**1 565 029**	33.1.9
Finance costs	-	-	-	(109 624)	**(109 624)**	33.1.10
Debt Impairment	-	-	-	(780 367)	**(780 367)**	33.1.8
Repairs and maintenance	(2 808 000)	(34 200 000)	**(37 008 000)**	(1 907 741)	**35 100 259**	33.1.11
General expenses	(15 221 000)	2 000 000	**(13 221 000)**	(18 318 204)	**(5 097 204)**	33.1.12 & 33.2.5
Total expenditure	**(68 693 000)**	**(29 393 000)**	**(98 086 000)**	**(67 552 107)**	**30 533 893**	
Operating Surplus	**530 000**	**-**	**530 000**	**5 694 536**	**5 164 536**	
Actuarial gains	-	-	-	1 338 177	**(1 338 177)**	33.1.13

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Gain/(losses) from disposal of assets	(371 000)	**-**	**(371 000)**	137 296	**508 296**	33.1.14
Adjustment to fair values of financial asssets	(159 000)	-	**(159 000)**	-	**159 000**	
Surplus for the year	-	-	-	**7 170 009**	**7 170 009**	

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

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

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

All monetary information and figures presented in these financial statements are stated in South African Rand rounding to the nearest rand

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

1.1 Significant judgements and sources of estimation uncertainty

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

Trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated first on individually significant debtors and then apply a portfolio approach to the remaining debtors, based on historical loss ratios, adjusted for national and industry specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to balances in the portfolio.

Impairment testing

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors such as inflation and interest.

Provisions

Provisions were raised and management determined an estimate based on the information available.

Useful lives of property, plant and equipment and other assets

The entity's management determines the estimated useful lives and related depreciation / amortisation charges for property, plant and equipment and other assets. This estimate is based on the pattern in which an asset's future economic benefits or service potential are expected to be consumed by the entity. Management assumes that website has an indefinite useful life.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The entity determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. The most appropriate discount rate that reflects the time value of money is with reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On receivables, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables' carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Finance lease or operating lease

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

1.2 Property, plant and equipment

Property, plant and equipment are tangible non current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

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

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

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non exchange transaction, its cost is its fair value as at date of acquisition.

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

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

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

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

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for Land which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

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

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

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

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	75 years
Plant and machinery	Straight line	5-15 years
Furniture and fixtures	Straight line	5-15 years
Motor vehicles	Straight line	5-10 years
IT equipment	Straight line	3-17 years
Leasehold improvements	Straight line	3 years
Vessels-Deck equipment, rib, winches, cranes and anchors	Straight line	12 years
Vessels-Propulsion system, engine, gearbox and propellers	Straight line	20 years
Vessels-Research and patrol hull	Straight line	20 years
Library books	Straight line	10 years
Leased assets	Straight line	3 years

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

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

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

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

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

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

1.3 Intangible assets

An intangible asset is an identifiable non monetary asset without physical substance.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

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

Where an intangible asset is acquired through a non exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date. Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless:

(a) there is a commitment by a third party to acquire the asset at the end of Issued its useful life; or
(b) there is an active market for the asset and:

(i) residual value can be determined by reference to that market; and

(ii) it is probable that such a market will exist at the end of the asset's useful life.Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

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

Item	Useful life
Computer software, other	(2-10) years
Intangible assets under development	Indefinite

Intangible assets are derecognised:

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

The gain or loss from the derecognition of an intangible asset is determined as the difference between the net proceeds, if any, and the carrying amount of the intangible asset. Such difference is recognised in surplus or deficit when the intangible asset is derecognised.

1.4 Heritage assets

The principal issues in accounting for heritage assets are the recognition of the assets. The National Heritage Resource Act 25, of 1999 describes Heritage Assets as follows: "Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations." The National Heritage Resource Act 25, of 1999 state the following regarding the national estate:

(1) For the purposes of this Act, those heritage resources of South Africa which are of cultural significance or other special value for the present community and for future generations must be considered part of the national estate and fall within the sphere of operations of heritage resources authorities.

(2) Without limiting the generality of subsection (1) the national estate may include but not limited to:

(a) places, buildings, structures and equipment, books, records, documents of cultural significance;

SAHRA has adopted the following criteria in accessioning heritage assets:

(i) an item is important in the course, or pattern, of cultural or natural history;

(ii) an item has strong or special association with the life or works of a person, or group of persons, of importance in cultural or natural history;

(iii) an item is important in demonstrating aesthetic characteristics and/or a high degree of creative or technical achievement;

(iv) an item has strong or special association with a particular community or cultural group for social, cultural or spiritual reasons;

(v) an item has potential to yield information that will contribute to an understanding of cultural or natural history

(vi) an item possesses uncommon, rare or endangered aspects of cultural or natural history;

(vii) an item is important in demonstrating the principal characteristics of a class of cultural or natural places; or cultural or natural environments.

Classification of Heritage Assets

Assets valued have been categorised under the following headings:

a) Arts and Artifacts including Objects and Artwork
b) Library Books Heritage
c) Building and Monuments

If library books meet the definition of heritage assets, they are accounted for in accordance with GRAP 103 on Heritage assets. Examples of such items include:

i) The books are scarce copies from various sources and limited copies are available.
ii) No publishers are willing to reproduce these books
iii) The books will only be available for research purposes.
iv) The general public will not be allowed to take them out; they can only be viewed in the library.
v) The books will be held for an indefinite period, unless destroyed by circumstances beyond human control.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

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

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

Recognition

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

If the entity holds assets that might be regarded as heritage assets but which, on initial recognition, do not meet the recognition criteria of a heritage asset because it cannot be reliably measured, information on such a heritage asset is disclosed in the notes 6 Heritage assets.

Initial measurement

For the purpose of initial measurement for the adoption of GRAP 103, the fair value of the subject assets has been applied to determine deemed costs in accordance with Directive 7 Application of Deemed Costs. Directive 7 is used to determine the cost of assets that were acquired prior to the measurement date outlined in paragraph .04, and only if information about the historical cost of those assets is not available. Measurement 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.

Dual purpose assets (used for service delivery and preserved and defined as a heritage asset) can only be classified as a heritage asset when a significant portion of the asset meets the definition of a heritage asset.

Valuation of heritage assets and library books

The method of valuation employed was the fair value approach. Fair value measurement is defined as, the fair value of the assets herein described if exposed for sale in a second hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. The fair value was ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.43). The sale would be "arm's length" with no undue pressure on purchaser or seller. In determining the value of the library books, influences such as market climate, sensitivity to exchange rate variances, sales history and condition of the asset play an important role, however if the fair value cannot readily be ascertained by reference to quoted prices in an active and liquid market; then plausible value can be applied by an experienced valuation professional.

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. GRAP 103 provides the following methods of valuation with regard to the valuation of heritage assets:

a) In the case of specialised heritage buildings and other man made heritage structures, such as monuments, SAHRA has used the market costs and replacement cost approach to determine fair values.
   i) 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 103.43).
   ii) 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.

Subsequent measurement

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

Heritage assets owned by the entity are revalued every three to five years.

Impairment

The entity assesses at each reporting date whether there is an indication that a heritage asset may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Useful lives of Heritage Assets have been assessed as follows:

Item	Average useful life
Buildings	Indefinite
Art and artefacts	Indefinite
Library books	Indefinite

Derecognition

The entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition 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 heritage asset is derecognised.

1.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

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

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions (excluding rental debtors)	Financial asset measured at amortised cost
Receivables from exchange transactions (rental debtors)	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grant and receipt	Financial liability measured at amortised cost
Other financial liabilities	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability, other than those subsequently measured at fair value, initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures all other financial assets and financial liabilities initially at its fair value.

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at amortised cost.

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction directly for impairment or uncollectability in the case of a financial asset.

Fair value measurement considerations

Short term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Reclassification

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

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

Gains and losses

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

Impairment and uncollectibility of financial assets

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

For amounts due to the entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

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

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

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset or

- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
    - derecognises the asset; and
    - recognises separately any rights and obligations created or retained in the transfer.

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

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

Financial liabilities

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

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

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

Presentation

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

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

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

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

1.6 Leases

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

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

Finance leases lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Operating leases lessor

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

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

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight line basis.

Any contingent rents are recognised separately as revenue in the period in which they are received.

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.

The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis over the lease term.

Any contingent rents are recognised separately as an expense in the period in which they are incurred.

1.7 Impairment of cash-generating assets

Cash generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon. A cash generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

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

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as cash generating assets or non cash generating assets, are as follows:

Identification

When the carrying amount of a cash generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a cash generating intangible asset with an indefinite useful life or a cash generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

Recognition and measurement (individual asset)

If the recoverable amount of a cash generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash generating asset is adjusted in future periods to allocate the cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash generating asset is adjusted in future periods to allocate the cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.8 Impairment of non-cash-generating assets

Cash generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non cash generating assets are assets other than cash generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non cash generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Identification

When the carrying amount of a non cash generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non cash generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non cash generating intangible asset with an indefinite useful life or a non cash generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non cash generating assets is the present value of the assets' remaining service potential.

The present value of the remaining service potential of a non cash generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non cash generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Recognition and measurement

If the recoverable service amount of a non cash generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non cash generating asset is adjusted in future periods to allocate the non cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non cash generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non cash generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non cash generating asset is recognised immediately in surplus or deficit.
After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non cash generating asset is adjusted in future periods to allocate the non cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.9 Employee benefits

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

Termination benefits are employee benefits payable as a result of either:

- an Entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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

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

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

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

Other post retirement obligations

The entity provides post retirement health care benefits upon retirement to some retirees.

The entitlement to post retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The entity also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post employment benefit obligations.

Post employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
- those changes were enacted before the reporting date; or
- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.10 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

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

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

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

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

Provisions are not recognised for future operating expenditure.

If the entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Entity.

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events but is not recognised because:
  - it is not probably that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 25.

1.11 Revenue from exchange transactions

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

Measurement

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

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and; or
- the amount of the revenue can be measured reliably.

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

1.12 Revenue from non-exchange transactions

Non exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

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

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

Recognition

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

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

Measurement

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

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

Gifts and donations, including goods in-kind

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

1.13 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.14 Fruitless and wasteful expenditure

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

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

1.15 Irregular expenditure

Irregular expenditure as defined in section 1 of the Public Finance Management Act means expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

(a) this Act; or
(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act.

1.16 Budget information

The approved budget is prepared on a accrual basis.

The approved budget covers the 12 months ending 31 March 2021.

The annual financial statements and the budget are on the same basis of accounting therefore a reconciliation with the budgeted amounts for the reporting period have not been included in the Statement of comparison of budget and actual amounts.

1.17 Related parties

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

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

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

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

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

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

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

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements.

1.18 Commitments

Items are classified as commitments where the entity commits itself to future transactions that will normally result in the outflow of resources.

Capital commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- approved and not contracted for;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

Mapungubwe

NOTES TO THE FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

21. Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2021 or later periods:

GRAP 104 (amended): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The effective date of the amendment is not yet set by the Minister of Finance.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

IGRAP 20: Accounting for Adjustments to Revenue

As per the background to this Interpretation of the Standards of GRAP, there are a number of legislative and regulatory processes that govern how entities levy, charge or calculate revenue, in the public sector. Adjustments to revenue already recognised in terms of legislation or similar means arise from the completion of an internal review process within the entity, and/or the outcome of an external appeal or objection process undertaken in terms of legislation or similar means. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process can either result in a change in an accounting estimate, or a correction of an error.

As per the scope, this Interpretation of the Standards of GRAP clarifies the accounting for adjustments to exchange and non exchange revenue charged in terms of legislation or similar means, and interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal or objection process. Changes to the measurement of receivables and payables, other than those changes arising from applying this Interpretation, are dealt with in accordance with the applicable Standards of GRAP. The principles in this Interpretation may be applied, by analogy, to the accounting for adjustments to exchange or non exchange revenue that arises from contractual arrangements where the fact patterns are similar to those in the Interpretation.

The interpretation sets out the issues and relating consensus with accounting for adjustments to revenue.

The effective date of the interpretation is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 1 (amended): Presentation of Financial Statements

Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1.

Summary of amendments are:

Materiality and aggregation

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

Statement of financial position and statement of financial performance

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

Notes structure

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

Disclosure of accounting policies

Remove guidance and examples with regards to the identification of significant accounting policies that were perceived as being potentially unhelpful.

An entity applies judgement based on past experience and current facts and circumstances.

The effective date of this amendment is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 34: Separate Financial Statements

The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.

It furthermore covers Definitions, Preparation of separate financial statements, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 35: Consolidated Financial Statements

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

To meet this objective, the Standard:

- requires an entity (the controlling entity) that controls one or more other entities (controlled entities) to present consolidated financial statements;
- defines the principle of control, and establishes control as the basis for consolidation;
- sets out how to apply the principle of control to identify whether an entity controls another entity and therefore must consolidate that entity;
- sets out the accounting requirements for the preparation of consolidated financial statements; and
- defines an investment entity and sets out an exception to consolidating particular controlled entities of an investment entity.

It furthermore covers Definitions, Control, Accounting requirements, Investment entities: Fair value requirement, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 36: Investments in Associates and Joint Ventures

The objective of this Standard is to prescribe the accounting for investments in associates and joint ventures and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

It furthermore covers Definitions, Significant influence, Equity method, Application of the equity method, Separate financial statements, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 37: Joint Arrangements

The objective of this Standard is to establish principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements).

To meet this objective, the Standard defines joint control and requires an entity that is a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations and to account for those rights and obligations in accordance with that type of joint arrangement.

It furthermore covers Definitions, Joint arrangements, Financial statements and parties to a joint arrangement, Separate financial statements, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 38: Disclosure of Interests in Other Entities

The objective of this Standard is to require an entity to disclose information that enables users of its financial statements to evaluate:

- the nature of, and risks associated with, its interests in controlled entities, unconsolidated controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and
- the effects of those interests on its financial position, financial performance and cash flows.

It furthermore covers Definitions, Disclosing information about interests in other entities, Significant judgements and assumptions, Investment entity status, Interests in controlled entities, Interests in joint arrangements and associates, Interests in structured entities that are not consolidated, Non qualitative ownership interests, Controlling interests acquired with the intention of disposal, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

GRAP 110 (as amended 2016): Living and Non living Resources

The objective of this Standard is to prescribe the:

- recognition, measurement, presentation and disclosure requirements for living resources; and
- disclosure requirements for non living resources

It furthermore covers Definitions, Recognition, Measurement, Depreciation, Impairment, Compensation for impairment, Transfers, Derecognition, Disclosure, Transitional provisions and Effective date.

The subsequent amendments to the Standard of GRAP on Living and Non living Resources resulted from editorial changes to the original text and inconsistencies in measurement requirements in GRAP 23 and other asset related Standards of GRAP in relation to the treatment of transaction costs. Other changes resulted from changes made to IPSAS 17 on Property, Plant and Equipment (IPSAS 17) as a result of the IPSASB's Improvements to IPSASs 2014 issued in January 2015 and Improvements to IPSASs 2015 issued in March 2016.

The most significant changes to the Standard are:

- General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non exchange transactions to be in line with the principle in GRAP 23; and To clarify the measurement principle when assets may be acquired in exchange for a non monetary asset or assets, or a combination of monetary and non monetary assets
- IPSASB amendments: To clarify the revaluation methodology of the carrying amount and accumulated depreciation when a living resource is revalued; To clarify acceptable methods of depreciating assets; and To define a bearer plant and include bearer plants within the scope of GRAP 17 or GRAP 110, while the produce growing on bearer plants will remain within the scope of GRAP 27.

The effective date of the standard is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue

The amendments to this Interpretation of the Standard of GRAP clarifies that the entity should also consider other factors in assessing the probability of future economic benefits or service potential to the entity. Entities are also uncertain of the extent to which factors, other than the uncertainty about the collectability of revenue, should be considered when determining the probability of the inflow of future economic benefits or service potential on initial recognition of revenue. For example, in providing certain goods or services, or when charging non exchange revenue, the amount of revenue charged may be reduced or otherwise modified under certain circumstances. These circumstances include, for example, where the entity grants early settlement discounts, rebates or similar reductions based on the satisfaction of certain criteria, or as a result of adjustments to revenue already recognised following the outcome of any review, appeal or objection process.

The consensus is that on initial recognition of revenue, an entity considers the revenue it is entitled to, following its obligation to collect all revenue due to it in terms of legislation or similar means. In addition, an entity considers other factors that will impact the probable inflow of future economic benefits or service potential, based on past experience and current facts and circumstances that exist on initial recognition.

An entity applies judgement based on past experience and current facts and circumstances.

The effective date of the amendment is for years beginning on or after 01 April 2020.

It is unlikely that the standard will have a material impact on the entity`s financial statements.

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Figures in Rand	2021	2020
Trade receivables	270 609	82 551
Deposits	163 071	163 071
Sundry receivables	36 230	373 671
	469 910	**619 293**
Reconciliation of receivables from exchange transactions		
Trade receivables	2 513 429	1 911 996
Sundry Receivables	403 222	373 671
Deposits	163 071	163 071
Less impairment allowances	(2 609 812)	(1 829 445)
	469 910	**619 293**

No trade and other receivables were pledged as security.

Credit quality of trade and other receivables

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

Trade and other receivables past due but not impaired

Trade and other receivables that are more than 30 days outstanding are considered past due. All receivables are individually assessed for impairment.

The entity has assessed these balances for recoverability and believes that they are still of good credit quality. The ageing of amounts past due but not impaired is as follows:

30 days	24 648	8
60 days	156 644	8
90 days	24 648	8
More than 90 days	96 369	789

Trade and other receivables impaired

As of 31 March 2021, trade and other receivables of R 2 916 650(2020: R 1 911 475 were impaired and provided for.

The amount of the impairment allowance was R(2 609 812) as of 31 March 2021 [2020: R (1 829 040)].

The ageing of these receivables is as follows:

30 days	33 411	65 411
60 days	32 011	41 796
90 days	32 211	68 882
More than 90 days	2 819 018	1 735 476

Reconciliation of allowance for impairment of trade and other receivables

Opening balance	1 829 445	1 357 605
Provision for impairment	780 367	471 840
	2 609 812	**1 829 445**

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:		
Cash on hand	968	6 500
Bank balances	27 679 009	13 095 295
Short-term deposits	37 240 378	35 998 507
	64 920 355	**49 100 302**

Charlotte Maxeke

5. PROPERTY, PLANT AND EQUIPMENT

Figures in Rand	2021 Cost / Valuation	2021 Accumulated depreciation and accumulated impairment	2021 Carrying value	2020 Cost / Valuation	2020 Accumulated depreciation and accumulated impairment	2020 Carrying value
Land	3 000 000	-	3 000 000	2 300 000	-	2 300 000
Buildings	17 000 000	-	17 000 000	15 400 000	(821 334)	14 578 666
Leasehold property	1 631 500	(1 243 596)	387 904	1 631 500	(1 044 645)	586 855
Plant and equipment	2 338 743	(1 675 037)	663 706	2 338 743	(1 510 477)	828 266
Furniture and fixtures	2 453 918	(1 839 874)	614 044	2 271 402	(1 662 603)	608 799
Motor vehicles	1 753 158	(1 123 509)	629 649	1 753 158	(1 015 722)	737 436
IT equipment	3 680 265	(3 017 252)	663 013	3 031 603	(2 998 189)	33 414
Vessels	-	-	-	611 080	(397 954)	213 126
Library books	572 586	(424 631)	147 955	571 938	(367 437)	204 501
Leased Assets	1 466 414	(641 697)	824 717	1 391 478	(154 609)	1 236 869
Non Current Assets held for sale	53 992	-	53 992	492	-	492
Total	33 950 576	(9 965 596)	23 984 980	31 301 394	(9 972 970)	21 328 424


Constitution Hill

Reconciliation of property, plant and equipment 2021

Figures in Rand	Opening balance	Additions	Disposals	Transfers	Revaluations	Depreciation	Change in estimate	Total
Land	2 300 000	-	-	-	700 000	-	-	**3 000 000**
Buildings	14 578 666	-	-	-	2 626 667	(205 333)	-	**17 000 000**
Leasehold property	586 855	-	-	-	-	(198 951)	-	**387 904**
Plant and equipment	828 266	-	-	-	-	(169 939)	5 379	**663 706**
Furniture and fixtures	608 799	182 515	-	-	-	(178 921)	1 651	**614 044**
Motor vehicles	737 436	-	-	-	-	(107 787)	-	**629 649**
IT equipment	33 414	665 675	(3 699)	-	-	(36 168)	3 791	**663 013**
Vessels	213 126	-	(138 987)	(53 500)	-	(20 639)	-	**-**
Library books	204 501	648	-	-	-	(57 194)	-	**147 955**
Leased Assets	1 236 869	74 936	-	-	-	(487 088)	-	**824 717**
Non Current Assets held for sale	492	-	-	53 500	-	-	-	**53 992**
	21 328 424	**923 774**	**(142 686)**	**-**	**3 326 667**	**(1 462 020)**	**10 821**	**23 984 980**

Reconciliation of property, plant and equipment 2020

	Opening balance	Additions	Depreciation	Change in estimate	Total
Land	2 300 000	-	-	-	2 300 000
Buildings	14 784 000	-	(205 334)	-	14 578 666
Leasehold property	785 806	-	(198 951)	-	586 855
Plant and equipment	708 737	335 780	(216 251)	-	828 266
Furniture and fixtures	526 977	194 412	(253 801)	141 211	608 799
Motor vehicles	724 231	112 000	(98 795)	-	737 436
IT equipment	89 082	53 511	(109 179)	-	33 414
Vessels	241 068	-	(27 942)	-	213 126
Library books	261 695	-	(57 194)	-	204 501
Leased Assets	-	1 391 478	(154 609)	-	1 236 869
Non Current Assets held for sale	492	-	-	-	492
	20 422 088	**2 087 181**	**(1 322 056)**	**141 211**	**21 328 424**

Revaluations

The land and buildings included in the property, plant and equipment is 109/111 Harrington Street which is a declared provincial heritage site in Government Notice No. 2517, as published in Government Gazette 12814 of 2 November 1990. The Building was formerly known as Granite Lodge and it is now used as the head office of the South African Heritage Resources Agency.

Revaluation of land and buildings

The land and buildings were revalued as at 31 March 2021 by an independent valuer. The method of valuation employed was the income approach method. Although the value is determined by capitalization, the basis of information is researched and analysed by utilizing the comparison. For the purpose of this valuation a capitalization rate (caps rate) of 9,5% was applied.

Repairs and Maintenance to property, plant and equipment

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

Building	151 141	361 842
IT equipment	39 777	153 519
Motor vehicles	42 333	695
Plant and equipment	80 563	3 181
	313 814	**519 237**

6. HERITAGE ASSETS

	2021			2020		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art and artifacts	247 273	-	247 273	123 440	-	123 440
Library books	1 723 023	-	1 723 023	1 710 538	-	1 710 538
Land and buildings	50 671 801	-	50 671 801	34 565 485	-	34 565 485
Total	**52 642 097**	**-**	**52 642 097**	**36 399 463**	**-**	**36 399 463**

Reconciliation of heritage assets 2021

	Opening balance	Additions	Revaluation increase/ (decrease)	Total
Art and artifacts	123 440	-	123 833	247 273
Library books	1 710 538	12 485	-	1 723 023
Land and buildings	34 565 485	1 671 025	14 435 291	50 671 801
	36 399 463	**1 683 510**	**14 559 124**	**52 642 097**

Reconciliation of heritage assets 2020

	Opening balance	Additions	Total
Art and artifacts	123 440	-	123 440
Library books	1 675 015	35 523	1 710 538
Land and buildings	34 565 484	-	34 565 485
	36 363 939	**35 523**	**36 399 463**

Library books

Management define the fair value measurement as, the fair value of the assets herein described if exposed for sale in a second hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. Library books were revalued as at 31 March 2021 by an independed valuer. The current market related auction were determined via online research results, both locally and internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.

Art and artefacts

Management define the fair value measurement as, the fair value of the assets herein described if exposed for sale in a second hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. The art and artefacts were revalued as at 31 March 2021 by an independed valuer. The current market related auction were determined via online research results, both locally and internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.

Land and buildings

The land and buildings were revalued as at 31 March 2021 by an independent valuer. The method of valuation employed was the replacement cost approach for buildings and the market approach for land.

There is a Notarial Deed in Restraint of free Aliebation for the Old Ford, Durban which seems to suggest that the Deed shall operate in favour of the City of Durban/eThekwini Municipality (and shall be enforceable by the City of Durban/eThekwini Municipality in the event of any breach of the conditions hereof) as a Restraint in perpetuity of Free Alienation and that the various land parcels shall not be subdivided and shall not be alienated, transferred, leased, mortgaged or otherwise dealt with the one separate from the other. The property is thus worth NIL to the South African Heritage Resources Agency.

Land and buildings

Figures in Rand	2021	2020
Land and Buildings		
Woustersen Wessel Vault, Green Point	730 000	710 000
Van Riebeeck`s Hedge, Bishopscourt	2 200 000	1 900 000
Hugo Family Vault, Simon's Town	240 000	130 000
Kleinbosch Cemetery, Dal Josafat	30 000	10 000
Groenberg School, Wellington	1 200 000	1 010 000
Erf 56, Tulbagh	670 000	450 000
Erf 225, Tulbagh	710 000	470 000
The Lookout, Uitenhage	200 000	160 000
Old Congregation Church, Cradock	1 210 000	1 000 000
Old Residency, King Williamstown`s Town	1 200 000	1 100 000
Garden of Remembrance, Aliwal North	1 250 000	940 000
Burgher Monuments, Boomplaats	57 000	18 000
Union Masonic Temple, Kimberley	311 000	260 000
Moorddrift Monument, Potgietersrus	23 000	11 000
Old English Fort, Marabastad	102 000	27 000
Verduin Ruins, Soutpansberg District	20 300	4 800
Powder Magazine, Potchesfstroom	60 000	40 000
Old Fort and Cementery, Potchefstroom	200 000	120 000
Site of Dr. David Livingstone's House, Marico District	6 000	3 400
Blarney Cottage, Richmond	367 000	270 000
Birth Place of General Louis Botha, Greytown	60 000	30 000
Spioenkop Battlefield, Ladysmith	1 000 000	550 000
Elandslaagte Memorial, Ladysmith	29 000	22 500
Piet Retief's Grave, Ulundi	146 000	98 500
Mapoch's Caves, Roossenekal	975 500	670 000
Krugerhof, Waterval-Boven	320 000	260 000
Fisherman Cottage	3 525 000	1 200 000
Welcome Cottage	3 900 000	1 900 000
Mooimeisiesfontein	970 000	610 000
Dal Josafat Farms	14 400 000	11 690 000
Valkenburg	5 500 000	1 300 000
Het Posthys, Muizenburg	4 900 000	4 200 000
Onderdal School, Wellington	2 000 000	940 000
Old Gaol, Grahamstown	2 160 000	1 950 000
	50 671 800	**34 055 200**

Repairs and maintenance other heritage

	2021	2020
SAHRA Heritage Assets	1 284 858	884 075
Other Memorials	309 068	1 556 198
	1 593 926	**2 440 273**

7. INTANGIBLE ASSETS

	2021			2020		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	771 078	(529 549)	241 529	771 078	(485 778)	285 300
Website - SAHRIS	486 675	-	486 675	486 675	-	486 675
Total	**1 257 753**	**(529 549)**	**728 204**	**1 257 753**	**(485 778)**	**771 975**

Reconciliation of intangible assets 2021

	Opening balance	Amortisation	Total
Computer software	285 300	(43 771)	241 529
Website - SAHRIS	486 675	-	486 675
	771 975	**(43 771)**	**728 204**

Reconciliation of intangible assets 2020

Reconciliation of intangible assets - 2019	Opening balance	Additions	Amortisation	Total
Computer software	325 275	8 110	(48 085)	285 300
Website - SAHRIS	486 675	-	-	486 675
	811 950	**8 110**	**(48 085)**	**771 975**

Intangible assets with indefinite lives: SAHRIS is responsible for the management of the inventory of the National Estate and is an integrated and interactive system for the management of the national heritage resources. SAHRIS will be recognised into perpetuity as long as the requirements for it stipulated in NHRA remain in place. The impairment will be tested on an annual.

Additional disclosure to support the indefinite useful life assessment relating to the website

Depreciated replacement cost approach.The present value of the remaining service potential of a non cash generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The factors considered in determining the useful life as indefinate were based on the stability of the industry in which the asset operates and changes in the market demand for the products or services output from the asset where by the Heritage Sector is considered stable and being a National Entity no flatuation exist as the entity is mandated with the National Estate.

8. OPERATING LEASE ASSET / LIABILITY

Figures in Rand	2021	2020
Operating lease asset		
Non-current assets	22 712 595	21 858 029
Current assets	828 167	885 104
	23 540 762	**22 743 133**
Operating leases as lessor (income)		
Minimum lease payments due		
Within 1 year	145 196	131 996
In 2nd to 5th year inclusive	741 240	673 854
Later than 5 years	61 256 374	61 468 955
	62 142 810	**62 274 805**

Operating lease income represents rentals received by the entity from buildings owned.

Leases have terms between 1 and 65 years, with the option to extend for a further period. The rentals escalate at a rate of 10% per year on average.

Operating lease liability		
Current operating lease	61 454	55 001
Non current operating lease liability	83 762	131 361
	145 216	**186 362**
Operating lease liability		
Minimum lease payments due		
Within 1 year	1 126 843	1 874 114
In 2nd to 5th year inclusive	690 524	1 817 366
	1 817 367	**3 691 480**

The minimum operating lease payments comprise of the:

Reginal offices rental payable by the entity for the renting at its regional offices. The leases were negotiated for a period of 60 months, with the option to renew. The rentals escalate at a rate of 8% per annum.

Printers rental payable by the entity for the renting of printers for a period of 36 months. There is no escalation on the lease.

Head Office rental payable by the entity for the renting of its Head Office space in 79 Roeland Street. The lease was negotiated for a period of 36 months with the option to renew. The rentals escalate at a rate of 8% per annum.

9. FINANCE LEASE OBLIGATION

Minimum lease payments due		
Within 1 year	562 231	534 336
In 2nd to 5th year inclusive	391 093	890 560
	953 324	1 424 896
less: future finance charges	(71 538)	(168 307)
Present value of minimum lease payments	**881 786**	**1 256 589**

Present value of minimum lease payments due		
Within 1 year	505 213	432 601
In 2nd to 5th year inclusive	376 574	823 988
	881 787	**1 256 589**

Non current liabilities	376 574	823 988
Current liabilities	505 213	432 601
	881 787	**1 256 589**

It is entity policy to lease certain equipment under finance leases.

The average lease term was 2 3 years and the average effective borrowing rate was 10% (2020: 10%) being the prescribed interest rate.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The Finance Lease relates to two rental of laptops non cancellation lease contracts from ROCARM commencing 01 December 2019 till 30 November 2022 for the first contract and additional amendment which includes rental of a further two more laptops on the same term and the first commencing 01 July 2020 and ending on the 30 June 2023.

10. PAYABLES FROM EXCHANGE TRANSACTIONS

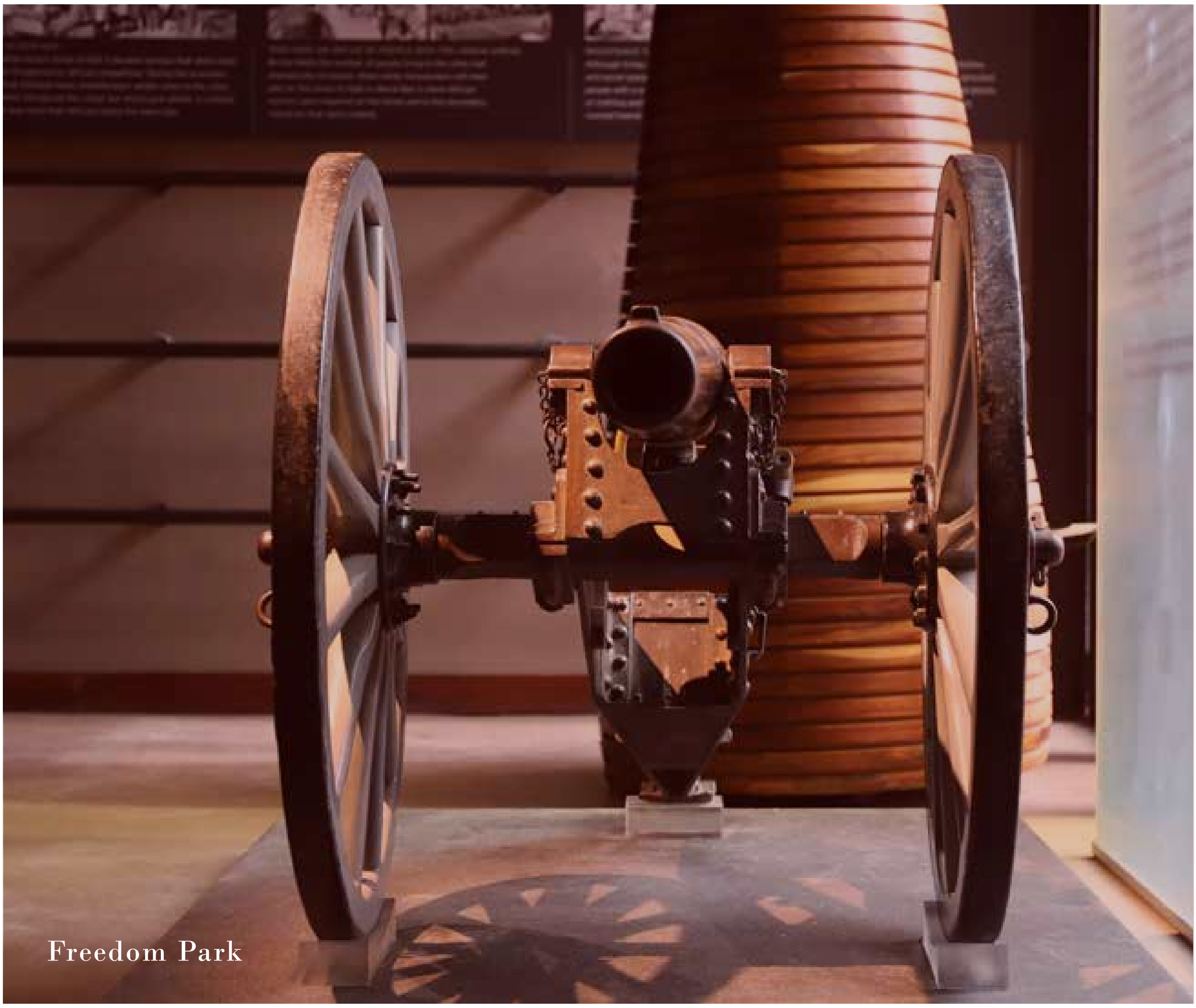
Trade payables	1 282 852	578 797
Sundry payables	855 419	295 508
Accrued leave pay	2 650 186	1 691 167
Accrual for 13th cheque	834 112	817 673
Deposits received	50 728	50 728
Accruals	1 339 580	896 267
Provision for performance bonus	12 937	12 937
	7 025 814	**4 343 077**

11. OTHER FINANCIAL LIABILITIES

Financial liabilities measured at amortised cost

Trust liabilities	154 012	233 610

Trust liabilities reflect monies held in trust accounts to be used for a specific purpose or project such as the maintenance of a specified asset as such its restricted cash.


Freedom Park

12. EMPLOYEE MEDICAL BENEFIT OBLIGATIONS

Figures in Rand	2021	2020
Post retirement health care benefit		
The amounts recognised in the statement of financial position are as follows:		
Changes in the present value of the defined benefit obligation		
Opening accrued liability	3 302 000	3 844 981
Current service cost	-	52 378
Current interest cost	366 000	368 355
Medical contributions subsidies for continuation pensioners	(263 237)	(216 575)
Actuarial (gain)/loss	(1 338 177)	(747 139)
	2 066 586	**3 302 000**
Carrying value		
Non current employee benefit obligation	(1 797 874)	(2 997 000)
Short term employee benefit obligation	(268 712)	(305 000)
	(2 066 586)	**(3 302 000)**
Reconciliation of the opening accrued liability to the current valuation:		
Opening balance	3 302 000	3 844 981
Net Change in Accrued Liability	(1 235 414)	(542 981)
	2 066 586	**3 302 000**
Net expense recognised in the Statement of Financial Performance		
Current service cost	-	52 378
Interest cost	366 000	368 355
Actuarial (gains) losses	(1 338 177)	(747 139)
	(972 177)	**(326 406)**
Medical contributions subsidies for continued pensioners:		
Medical contributions	(263 237)	(216 575)
Net Change in Accrued Liability		
Net expense recognised in the income statement	(972 177)	(326 406)
Medical contributions	(263 237)	(216 575)
	(1 235 414)	**(542 981)**

In accordance with the requirements of GRAP 25, the Projected Unit Credit method has been applied. The assumption underlying the funding method is that the employer’s post etirement medical scheme costs in respect of an employee should be fully recognised by the time that the employee reaches fully accrued age. The valuation has been made with reference Actuarial Society of South Africa (ASSA) guidelines, in particular, the Advisory Practice Note 207, and is consistent with the requirements of GRAP25.

Key assumptions used:

Assumptions used at the reporting date:

Figures in Rand	2021	2020
Discount rates used	11,02%	11,48%
Health care cost inflation	9,52%	9,08%
Real discount rate	2,50%	2,20%
Actual return on reimbursement rights	100,00%	100,00%

Salaries

Salary inflation is only applicable to those members who participate on plan options which are income based. Therefore, only the health care cost inflation assumption is applicable to this membership group. In the event that there were any members participating on income based plan options, we would assume no bracket creep i.e. that salary inflation keeps pace with the income brackets. This implicitly implies that the contributions keep in line with health care cost inflation.

The basis on which the discount rate has been determined is as follows:

Discount rate

We used the nominal and real zero curves as at 31 March 2021 supplied by the JSE to determine our discount rates and CPI assumptions at each relevant time period. GRAP 25 defines the determination of the investment return assumption to be used as the rate that can be determined by reference to market yields (at the balance sheet date) on government bonds. The currency and term of the government bonds should be consistent with the currency and estimated term of the obligation. The discount rate was therefore set as the yield of the Nominal Zero Bond Curve sourced from the JSE as at 31 March 2021.

Health care cost inflation

The medical aid inflation rate was set with reference to the past relationship between CPI and medical aid contribution rate Inflation. We have derived the underlying future rate of consumer price index inflation (CPI inflation) from the relationship between the Nominal Zero Bond Curve and the Real Zero Bond Curve as at the same date of 31 March 2021. The healthcare cost inflation rate was then assumed to be at a premium of 2.50% of the CPI.

Other asssumptions

The average retirement age for all active employees was assumed to be 63 years. This assumption implicitly allows for ill health and early retirements. The normal retirement age (NRA) for all active employees was assumed to be 65 years.

Mortality before retirement has been based on the SA 85 90 mortality tables. These are the most commonly used tables in the industry. Mortality post employment (for pensioners) has been based on the PA (90) ultimate mortality tables. No explicit assumption was made about additional mortality or health care costs due to AIDS.

Assumed that the marital status of members who are currently married will remain the same up to retirement. It was also assumed that 90% of all single employees would be married at retirement with no dependent children. Where necessary it was assumed that female spouses would be four years younger than their male spouses at retirement and vice versa.

Other assumptions

The increase in the net discount rate is inversely related to the accrued obligation. As a result, the decrease in the discount rate resulted in an increase in the accrued liability and Medical contribution increases as at 1 January 2021 was higher than the expected increase. This resulted in an increase in the accrued liability

Assumed healthcare cost trend rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trend rates would have the following effects.

Figures in Rand	2021	2020
	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	45 156	39 087
Effect on defined benefit obligation	164 829	147 660

Amounts for the current and previous four years are as follows:

	2021	2020	2019	2018	2017
Defined benefit obligation	2 066 586	3 302 000	3 844 981	4 084 873	5 136 855

13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Unspent conditional grants and receipts		
Unspent grants	15 531 042	5 855 341
Movement during the year		
Balance at the beginning of the year	5 855 341	5 706 567
Condition met and transferred to revenue	(5 383 198)	(54 320)
Additions during the year	14 945 000	-
Income recognition during the year	113 899	203 094
	15 531 042	**5 855 341**
Reconciliation of unspent conditional grants and receipts		
13.1 Makapans		
Balance unspent at the begginning of the year	2 181 273	2 102 652
Conditions met and transferred to revenue	(960)	(53 246)
Interest earned	73 593	131 867
	2 253 906	**2 181 273**
Reconcilation of unspend conditional grants and receipts		
13.2 Makgabeng		
Balance unspent at the beginning of the year	1 193 315	1 124 611
Conditions met and transferred to revenue	(960)	(955)
Interest earned	38 860	69 659
	1 231 215	**1 193 315**
Reconciliation of unspent conditional grants and receipts		
13.3 Dutch Projects		
Balance unspent at the beginning of the year	284 844	283 395
Conditions met and transferred to revenue	(117)	(119)
Interest earned	1 445	1 568
	286 172	**284 844**

Figures in Rand	2020	2019
Reconciliation of unspent conditional grants and receipts		
13.4 Tourism Interpretive signage in the Iconic National Heritage Site in South Africa		
Balance unspent at the beginning of the year	195 910	195 910
Reconciliation of unspent conditional grants and receipts		
13.5 Fire Detection		
Balance unspent at the beginning of the year	2 000 000	2 000 000
Reconciliation of unspent conditional grants and receipts		
13.6 Presidential Employment Stimulus Package	10 000 000	-
Condition met and transferred to revenue	(5 381 278)	-
	4 618 722	-
Reconciliation of unspent conditional grants and receipts		
13.7 Acquisition/ upgrading of SAHRA Head Office	4 945 000	-

13.1 Makapans

Makapans Valley Development
(Agreement signed in 28 August 2003, no required completion date noted).

The grant agreement indicates that money paid to SAHRA must be used for the specific purpose.
The National Lottery Distribution Trust Fund (NLDTF) has the right to withhold or reclaim the funds from the entity if the money is not used in the manner agreed.
Unspent funds at end of the project is to be paid back to the NLDTF.

13.2 Makgabeng

Write the history of Makgabeng and survey, research and document heritage resources in Makgabeng
(Agreement signed in 11 June 2003, no required completion date noted).

Under the agreement, the money paid to SAHRA must be used for the specific purpose.
The National Lottery Distribution Trust Fund (NLDTF) has the right to withhold or reclaim the funds from the entity if the money is not used in the manner agreed.
Unspent funds at end of the project is to be paid back to the NLDTF.

13.3 Dutch Projects

The project is between SAHRA and Cultural Heritage Agency to gather information about historical Dutch shipwrecks within South Africa territorial waters that have been subject to human intervention, principally non archeological salvage and treasure hunting in nature. (Project plan signed on 23 November 2015)

Under the agreement, the money paid to SAHRA must be used for the specific purpose. Kingdom of the Netherlands has the right to demand repayment if the money is not used for its intended purpose

13.4 Tourism interpretive signage in the iconic National Heritage sites in South Africa

The project is between SAHRA and Department of Tourism for the design, production and installation of tourism interpretive signage in select national heritage sites in South Africa towards improving the quality of product offering for an increased and enhanced visitor experience. (Project plan signed on 29 November 2016)

Under the agreement, the money paid to SAHRA must be used for the specific purpose. Department of Tourism has the right to demand repayment if the money is not used for its intended purpose.

13.5 Fire Detection

The project is between SAHRA and Department of Sport, Arts and Culture for the upgrade of fire detection alarm and sprinkler system as approved by the Director General on 02 March 2018.

Under the agreement, the money paid to SAHRA must be used for the specific purpose.

13.6 Presidential Employment Stimulus Package

The project is between SAHRA and Department of Sport, Arts and Culture for the Presidential Employment Stimulus Program (PESP) as approved by the Director General on 23 October 2020. Under the agreement the money paid to SAHRA must be used for specific purpose.

13.7 Acquisition/ upgrading of SAHRA Head Office

The project is between SAHRA and Department of Sport, Arts and Culture for the Acquisition /upgrading of of SAHRA head office as approved by the Director General on 31 July 2020. Under the agreement the money paid to SAHRA must be used for specific purpose.


Freedom Park

14. REVENUE

Figures in Rand	2021	2020
Permit fees	21 199	26 607
Rental of facilities and equipment	1 754 557	1 907 115
Other income	222 927	275 262
Interest received - investment	1 941 481	3 226 523
Transfer payments	56 061 000	58 315 000
Permit fees	116 094	170 486
Public contributions and donations	85 270	255 523-
Other grant revenue	13 044 115	121 972
	73 246 643	**64 298 488**

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

Permit fees	21 199	26 607
Rental income	1 754 557	1 907 115
Other income	222 927	275 262
Interest received - investment	1 941 481	3 226 523
	3 940 164	**5 435 507**

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

Transfer revenue

Government grants and subsidies (Department of Sport, Art and Culture)	56 061 000	58 315 000
Project Income - other	116 094	170 486
Public contributions and Donations	85 270	255 523
Other grant revenue	13 044 115	121 972
	69 306 479	**58 862 981**

Robben Island

15. GOVERNMENT GRANTS AND SUBSIDIES

Figures in Rand	2021	2020
Government grants and subsidies (Department of Sport, Arts and Culture)	56 061 000	58 315 000

16. OTHER INCOME

Figures in Rand	2021	2020
Other income (includes claims and refunds)	222 927	275 262

17. DEBT IMPAIRMENT

Figures in Rand	2021	2020
Contributions to debt impairment provision	780 367	472 246

18. FINANCE COSTS

Figures in Rand	2021	2020
Finance costs	109 624	44 013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19. GENERAL EXPENSES

Figures in Rand	2021	2020
Advertising	587 773	206 009
Auditors remuneration	1 838 457	2 394 293
Bank charges	56 858	59 144
Cleaning	481 241	215 537
Computer expenses	817 748	759 671
Consulting and professional fees	3 701 699	2 925 249
Lease rentals on operating lease	2 409 241	2 481 997
Catering and refreshments	84 538	366 305
Insurance	477 461	455 621
Publications	258	28 328
Motor vehicle expenses	133 546	140 417
Postage and courier	22 915	16 445
Printing and stationery	174 635	424 877
Security	1 202 551	756 665
Staff welfare	42 916	111 714
Staff membership fees	19 205	138 944
Telephone and fax	1 249 620	1 427 847
Travel expenditure	976 280	5 338 303
Consumables	105 258	7 950
Water and electricity	1 352 810	1 161 269
Uniforms	23 911	22 296
Donations expense	80 000	220 000
Council Fees	1 450 403	855 527
Staff bursaries	9 900	46 108
Conference costs	-	211 291
Workshops	357 807	475 155
Administrative expenses	-	33 170
Internal audit	661 173	384 113
	18 318 204	**21 664 245**

20. SALARIES AND BENEFITS

Figures in Rand	2021	2020
Acting allowances	1 130 433	1 410 828
Basic	34 246 223	28 215 502
13th cheque	1 661 123	1 642 685
Housing benefits and allowances	754 867	681 600
Leave pay charge	1 099 339	759 255
Performance bonus	-	1 198 843
Long-service awards	5 000	8 000
Medical aid - company contributions	1 270 184	1 206 591
Post- retirement health care benefits	366 000	420 733
Provident fund	3 548 277	3 470 911
Relocation and removal costs	66 157	-
SDL	266 323	346 298
Travel, motor car, accommodation, subsistence and other allowances	264 255	248 127
UIF	179 404	132 261
WCA	83 615	92 616
	44 941 200	**39 834 250**

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Executive committee remuneration - 2021	Annual Remuneration	Leave Paid Out	Long Service Award	13th Cheque	Allowances	Total
L.Malgas Chief Executive Officer 01.03.2020 Term 2020 12 months	1 780 514	-	-	-	24 000	1 804 514
K. Nkhasi-Lesaoana Executive Officer: Heritage Information Policy and Skills Development Employment date: 01.12.2017 Term 2020: 12 months Acting Executive Officer: Heritage Conservation Management Employment date: 01.03.2020 Term 2020: 12 months	1 134 004	-	-	85 175	233 454	1 452 633
S. Mome Company Secretary Employment date:01.08.2020 Term 2020 7 months	1 011 325	-	-	-	90 100	1 101 425
K. Sekhabisa Chief Finance Officer Employment date: 01.08.2017 Term 2020: 12 months	1 486 890	-	-	-	175 962	1 662 852
B. Madolo Acting Chief Finance Officer date:15.10.2020 Term for 2020: 5 months	798 249	-	-	62 751	104 508	965 508
N. Mphambani Acting Executive Officer: Corporate Services Employment date:09.10.2020 Term for 2020: 5 months	722 676	-	-	-	140 777	863 453
	6 933 658	**-**	**-**	**147 926**	**768 801**	**7 850 385**

Executive committee remuneration - 2020	Annual Remuneration	Leave Paid Out	Long Service Award	13th Cheque	Allowances	Total
L.Malgas Company Secretary Employment date: 01.03.2018 Termination 29.02.2020 Re employment as CEO 01.03.2020 Term 2019: 12 months	1 266 929	-	-	-	520 129	1 787 058
K. Nkhasi-Lesaoana Officer: Heritage Information Policy and Skills Development Employment date: 01.12.2017 Term 2019: 12 months	1 138 430	-	-	85 175	203 522	1 427 127
S. Mome Acting Company Secretary Employment date: 01.03.2018 Term 2019: 12 months	753 179	-	-	-	296 186	1 049 365
K Sekhabisa Chief Finance Officer Employment date: 01.08.2017 Term 2019: 12 months	1 424 005	-	-	-	368 152	1 792 157
D. Sibayi Executive Officer: Heritage Conservation Management Employment date:01.08.1998 Term for 2019: 12 months	1 014 489	268 281	-	115 333	99 907	1 498 010
M. Krieg Executive Officer: Corporate Services Employment date:01.11.2015 Term for 2019: 12 months	330 715	41 588-	-	-	3 000	375 303
	5 927 747	**309 869**	**-**	**200 508**	**1 490 896**	**7 929 020**

Figures in Rand	2021	2020
Council: Fees		
Makhweyane, M.T Mr (Chairperson	157 205	160 846
Bialostocka O (Dr)	-	-
Mellet PT. Mr	165 843	78 591
Mpahlwa L. (Dr)	174 861	73 440
Serekoane JM. Mr	137 115	68 777
Moduka B. Mr	-	-
Bouillon, S. (Prof)	211 567	144 923
Guma, PM (Dr)	-	16 839
Saule, N. (Prof)	-	20 727
Bredekamp , H.C (Prof)	-	26 611
Masooa, ME Mr	213 841	16 410
Ramugumo, R Mr	83 337	29 790
Gani, R. Ms	-	8 634
Houston, G. (Dr)	-	16 839
Mgijima B. Mr	74 703	4 317
Semane, T. Ms	-	4 317
Malan A (Dr)	-	50 517
Lithole, D. Mr*	-	-
Sharfman, J. Dr	-	12 522
	1 218 472	**734 100**

* No remuneration for the year under review because the member works for the public sector.

** Term ended

Audit and Risk Committee - Fees		
Semane, T. Ms	-	11 664
Gani, R. Ms	42 768	19 440
Ramuedzisi, D. Mr	-	7 776
Menye, V. Ms (Chairperson)	72 247	56 648
Bouillon, S (Prof)	42 768	7 776
Sello, K Mr (Chairperson)	74 148	17 323
Dhlomo, I*	-	-
	231 931	**120 627**

* No remunerated for the year under review because the member works for the public sector

** Term ended

*** Member`s term terminated during the year.

21. INTEREST RECEIVED INVESTMENT

Figures in Rand	2021	2020
Interest revenue		
Interest received - investment	1 941 481	3 226 523

22. AUDITORS' REMUNERATION

Figures in Rand	2020	2019
Audit fees	1 838 457	2 394 293

23. CASH GENERATED FROM OPERATIONS

Figures in Rand	2020	2019
(Deficit) / surplus	7 170 009	(822 955)
Adjustments for:		
Depreciation and amortisation	1 494 971	1 177 873
Provision for doubtful debts	780 367	472 246
Movements in operating lease asset and accruals	(838 775)	(767 167)
Movements in retirement benefit assets and liabilities	(1 235 414)	(542 981)
Gain from disposal of assets	(137 296)	-
Library Books	-	(35 523)
Changes in working capital:		
Receivables from exchange transactions	149 383	(138 621)
Movement in provision for doubtful debts	(780 367)	(472 246)
Other receivables from non-exchange transactions	-	5 000 000
Prepayments	(359 560)	-
Payables from exchange transactions	2 682 738	(1 648 376)
Unspent conditional grants and receipts	9 675 701	148 774
	18 601 757	**2 371 024**

24. COMMITMENTS FOR EXPENDITURES

Figures in Rand	2021	2020
Authorised expenditure		
Already contracted for but not provided for		
• approved and contracted	2 513 484	7 433 766
Total operational commitments		
Operational expenditure	2 513 484	7 433 766

The following are commitments for a period longer than a year:

The entity appointed VOX to provide VOIP System for a period of 24 months.
The entity appointed Bokwe's Security Services to provide physical security services at SAHRA Head Office for a period of 36 months.
The entity appointed SKG Properties to provide office space for Pretoria satellite office for a period of 5 years.
The entity appointed SizweNtsalubaGobodo to provide Co sourced Internal Audit Services for a period of 36 months.
The entity appointed First Technology (Pty) Ltd to provide Microsoft Office Licences for a period of 24 months.
The entity appointed South African Electronic Tracking Systems Ltd for the supply and installation of tracking devices in all SAHRA vehicles for a period of 3 years.
The entity appointed Fidelity ADT (Pty) Ltd for the installation and alarm mornitoring at the Pretoria Office for a period of 36 months.
The entity appointed Smart Guard Monitoring (Trac Tech) (Pty) Ltd for biometric time and attendance telephone support for a period of 36 months.
The entity appointed Delta Facilities Management for the supply of hygiene equipment and maitenance for a period of 24 months.
The entity appointed Ignite (Division of Internet Solutions) to provide ICT Infrustructure Hosting for a period of 24 Months.
The entity appointed Telkom SA to provide 3G data for a period of 24 months.
The entity appointed South African Post Office to provide courier services for a period of 36 months.
The entity appointed J.J. Oosthuizen t/a Struisbaai House for administering of rental and debt collections from tenants occupying the properties owned by SAHRA.
The entity appointed BC Cleaning Solutions to provide decontamination services for a period of 24 months.
The entity appointed Yonwabile Mzantsi Cleaning & Trolley Porters to provide cleaning services at SAHRA Head Office for a period of 24 months.

The following are commitments for period longer than a year

The entity apponted Career Junction to provide online recruitment for a period of 36 months.
The entity appointed Fidelity Service Group to provide armed response at the Head Office for a period of 36 months.
The entity appointed Pureau Fresh Water Company to supply purified water for 36 months.
The entity appointed University of Cape Town to provide operational support (Sea Going) for a period of 18 months.
The entity appointed BC Security Solutions (Pty) Ltd to provide Farm Perimeter Patrols at Daljosafat Farm for a period of 24 Months
The entity appointed Infuno Distributors to supply and deliver office consumables for a period of 24 months

The following are contractual commitments for as and when needed basis and do not form part of the commitments balance:

The entity appointed V&A Cleaners for the removal of dumped materials at Daljosafat Farm for a period of 24 months.
The entity appointed BC Cleaning Solutions to provide decontamination services for a period of 24 months .
The entity appointed Club Travel to provide Travel Management Services for a period of 36 months
The entity appointed TSM Consulting to provide skills and psychometric assessment for a period of 36 Months.

Included in the commitment balance is eighteen (18) open purchase orders amounting to R232 813 which goods or services are not yet delivered and for which will be paid in the future.

The expenditure will be financed from Government Grants.

25. CONTINGENCIES

The entity has requested permission to retain accumulated surpluses of R41 998 030 (2020: R39 373 088 for which approval is awaited from National Treasury per National Treasury Instruction 12 of 2020/2021 .

A possible obligation exist due to a matter brought before the High Court by Midnight Storm Investments against the Minister of Department of Sport, Arts and Culture where SAHRA has been listed as the fourth defendant on a matter relating to the expropriation of a property by Midnight Storm Investment. The matter has not been finalised at year end.


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26. RELATED PARTIES

Figures in Rand	2021	2020
Related party transactions		
Unspent Conditional grants and receipts		
Makapans (National Lottery fund)	2 253 907	2 233 574
Makgabeng (National Lottery fund)	1 231 215	1 193 314
Fire detection (The Department of Sport, Arts and Culture)	2 000 000	2 000 000
Interpretive signage Iconic Nations Heritage Sites (Depatment of Tourism)	195 910	195 910
Presidential Employment Stimulus Package	4 618 722	-
SAHRA office accomodation	4 945 000	-
Department of Sport, Arts and Culture	-	
Operation Grant received	56 061 000	58 315 000
Presidential Employment Stimulus Package	5 381 278	-
Special Investigation Unit	6 000 000	-
Online Mapping	600 000	-
SAPS Fire arms project	600 000	-
SETA	-	
CATHSSETA Discretionary Grant	87 476	155 402
MICTSETA	375 360	-
Iziko		
Digitization project of SAHRA	-	5 262
Security for the Arab Priest painting	-	121 596
		-

Relationships

Department of Sport, Arts and Culture

Controlling Department of the agency:

The Department of Sport, Arts and Culture is in debt to South African Heritage amount to R 116 000 relating to the project undertaken by South African Heritage on the Chief Tyali project in the Eastern Cape. The procurement of the service provider was done through the quotation process. An agreement between the Department of Sport, Arts and Culture and South African Heritage Resources Agency was entered into and had provision for refund of the project costs.

Agency of the department of Trade and Industry
National Lottery Fund

Department of Tourism
Project funder

National Treasury
Funding of Investigation.

Cathsetta and MICTSETA
Discretionary Grant and Mandatory Grant.

Iziko
Digitization project for SAHRA and security for the Arab priest painting.

Management
The members of council and the Executive committee as disclosed under Note 20 are related parties.

Fire Detection
The project is between SAHRA and Department of Sport, Arts and Culture for the upgrade of fire detection alarm and sprinkler system as approved by the Director General on 02 March 2018. Under the agreement, the money paid to SAHRA must be used for the specific purpose.

27. PRIOR PERIOD ERRORS

27.1 Trade and other payables

During the 2021 financial period it was identified that General expenditure of the 2019/20 financial period was not recognised due to limited information at the time and resulted in the understatement of the general expenditure by R420 809 and understatement of Trade and other payables of R 419 189 and Operating lease liability of R1 620 respectively. This was as a result of an understatement of expenditure related to the Legal fees relating to services received of R 418 689, R500 relating to membership fees and R1620 relating to operating lease expenditure . The prior period was adjusted retrospectively. The effect of the error on the individual line items in the financial statements is the increase of the Trade and other payable amount of R 419 189 and operating lease liability of R1620 and a corresponding increase in the General expenditure of R 420 809.

27.2 Receivables from exchange transactions

During the 2021 financial period it was identified that the the balance of Trade and other receivebles from exchange transactions was incorrectly disclosed due to limited information at the time and resulted in the understatement fo the Trade and other receivables balance by an amount OF R 6 679 and the overstatement of Salaries and Benefits by R 6 679. This was a result of the understatement relating to a Sundry debtor not recognised arising from a post retirement medical benefit of a former employee. The error was adjusted retrospectively. The effect of the error on the individual line items in the financial statements is the increase of the Trade and other receivables balance by R 6 679 and a corresponding decrease of the Salaries and benefit amount by R 6 679.

27.3 Depreciation

During the 2021 financial period it was identified that the balance of depreciation was incorrectly disclosed because management did not assess the useful lives for motor vehicles as required by GRAP 17 in 2017/2018 financial year. The effect of the non assessment of useful live resulted in the the vehicle being fully depreciated in 2019/2020 financial year.

The effect of the error was the overstatement of depreciation and the understatement carrying amount of Property plant and equipment in the 2018/2019 financial year and depreciation in the 2019/2020 financial year by amounts of R11 999 and R35 995 respectively. The error was adjusted restrospectively. The effect of the error correction on the individual line items in the financial statements is the increase in depreciation by R11 999 and increase in accumulated depreciation in 2019/2020 financial year and the increase in retained earning and Property, plant and equipment by R35 995 in 2018/2019 financial year.

27.4 Cashflow statement

During the 2021 financial period it was identified that the classification of Trust funds on the cashflow statement was incorrectly classified under cashflow from operating activity while the movement was cashflow from financing activity. The impact of the error was the understatement of cashflows from operating activity by R157 759 and the understatement of cashflows from financing activities by R157 759. The prior period was adjusted retrospectively. The effect on the individual line items in the financials statement is the increase in the cashflow from operating activity and the decrease in cashflow from financing activity by the amount of R157 759.

During the 2021 financial period it was also identified that the finance lease relating to the lease on laptops was not recognised. The impact of the error on the cashflow statements was the understatement of the finance cost by an amount of R43 224 and overstatement of cashflow to suppliers by R43 224. The prior period was adjusted retrospectively. The effect on the individual line items in the financials statement is the corresponding adjustment on the cashflow statements whereby the finance cost increased by R43 224 and the cashout flows from suppliers decreased by R43 224.

27.5 Other Financial Liabilities

During the 2021 financial period it was identified through the Grap 23 assessment that the classification of Other financial liabilities relating to Trust fund did not satisfy recognition criteria of other financial liabilties and were incorrectly classified as other financial liabilities from the 2018/19 financial year and 2019/20 financial year. The effect of the error was the overstatement of other financial liabilities by R208 709 and the understatement of interest income from trust funds of R195 983 for the 2018/19 financial year and R12 726 in the 2019/20 financial year. The prior period was adjusted retrospectively. The effect on the individual line items in the financials statement is the decrease in the other financial liabilities and the increase in the accumulated surplus of R195 983 and revenue from non exchange transaction Trust funds interest of R12 726.

27.6 Public contributions and donation

During the 2021 financial period it was identified that revenue from expediture on the Genadendaal trust relating to the 2019/20 financial period was not recognised. The effect of the error was the understatement of non exchange revenue line on Public contributions and donations by an amount of R220 000 and the understatement of donatons expenditure under general expses by R220 000. The prior period was adjusted retrospectively. The effect on the individual line items in the financials statement is the increase in the Public contributions and donations by R220 000 and the increase in the donations expense by R 220 000.

27.7 Operating lease Asset

During the 2021 financial period it was identified that the lease agreement for one tenant was not smoothed as per GRAP. The impact of the error was the overstatement of revenue for the 2019/20 by R17 783 and understament of the accumulated surpluses for the 2018/19 by R 69 542 and corresponding the understatement of operating lease asset by R51 759. The prior period was adjusted retrospectively. The effect on the individual line items in the financials statement is the increase in operating lease asset by R51 759 and decrease of revenue by R17 783.

27.8 Finance Lease Asset

During the 2021 financial period it was identified that leased laptops were not recognised as a finance lease with a cost amount of R1 391 478 and resulted in the understatement fo the Leased Assets balance by an amount of R1 391 478 and the understatement of Finance Lease iability by R1 391 478. The error was adjusted retrospectively. The effect of the error correction on the individual line items in the financial statements is the increase of the Lease Assets balance by R1 391 478 and a corresponding increase of the Finance Lease amount by R1 391 478.

The effect of recognising the Finanace lease assets resulted in the increase in depreciation and an increase in accumulated depreciation.The effect of the error was the understatement of depreciation and understatement of accumulated depreciation in the 2019/2020 financial year by R154 609. The error was adjusted restrospectively. The effect of the error correction on the individual line items in the financial statements is the increase in depreciation by R154 6091 and a corresponding increase in accumulated depreciation by R154 609.

The further effect of the error was as follow: understatement of the finance cost by R43 224, overstatement of finance lease liability by R134 888 and an overstatement of the operating lease expenditure by R178 112 in the 2019/20 fiancial year. The error was adjusted retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the increase in finance cost by R43 224, decrease in the finance lease liability by R134 888 and the corresponding decrease in the operating lease expenditure by R178 112.

The further impact of the error correction was a corresponding adjustment on the cashflow statements where the finance cost increase by R43 224 and the cash outflow from suppliers decreased by R43 224 in the 2019/20 financial year.

27.9 Investment property

During the 2021 financial period it was identified that some SAHRA properties were incorreclty classified as Investment properties however it was identified that the revenue genereted from renting the properties was incidental to the operating costly to maintain and preserve the assets.The effect of the error was the overstatement of investmenmt property and understatement of Heritage assets by R23 790 000.The error was adjusted restrospectively.The effect of the error correction on the individual line items in the financial statements is the decrease of the investment properties by the carrying amount of R 23 052 503 and increase of the Heritage assets by R 23 790 000 and decrease in accumulated depreciation by R 737 496.

27.10 Salaries and Benefits

During the 2021 financial period it was identified that the medical benefits were overstated by an amount of R 216 575 which was a result of misclassification against basic pay. The effect of the error was the overstatement of medical benefits and the understatement of basic pay. The error was adjusted retrospectively. The effect of the correction of the individual line items in the financial statement is the decrease of medical benefits by R 216 575 and the increase of basic pay by R 216 575.

27.11 Accounting Policy Financial Instruments

Receivables from exchange transactions (Rental debtors) were classified in the accounting policy on Financial Instruments we categorised as Financial asset measured at cost instead of Financial asset measured at amortised cost.The error has been corrected on the accounting policy.

27.12 Revaluation surplus

During the 2021 financial period it was identified that the revaluation surplus opening balance was understated by an amount of R 510 284 which was a result of an arithmetic error on the revaluation reports of 2016. The effect of the error was the understatement of revaluation surplus and understatement of the Heritage assets by R 510 284. The error was adjusted retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the increase of revaluation surplus by R 510 284 and increase in the balance of Heritage assets by R 510 284.

27.13 Repairs and maintenance

During the 2021 financial period it was identified that expenditure relating to memorial refurbishments was incorrectly classified as Heritage promotion under general expenditure and not repairs and maintenance. This resulted in the understatement of repairs and maintenance by R1 556 198 and overstatement of general expenditure by R1 566 198 for the 2019/20 financial year. The error was adjusted retrospectively. The effect of correcting the error on the individual line items in the financial statements is the increase of the repairs and maintenance by R1 556 198 and a corresponding decrease of the general expenditure by R1 556 198.

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27.14 Operating lease liability

During the 2021 financial period it was identified that there was incorrect classification between current and non current operating lease liability amounts.This error resulted in the overstatement of current operating liability amount by R38 649 and understatement of the non current operating lease liability by R38 649 in the 2019/20 financial year. The error was adjusted retrospectively. The effect of correcting the error on the individual line items in the financial statements is the decrease of current operating liability amount by R38 649 and a corresponding increase of non current operating liability amount by R38 649.

Statement of financial performance for the year ended 31 March 2020

	Balance as previously reported	Prior period error	Restated balance
Rental Income	1 924 898	(17 783)	1 907 115
Public contribution and donations	35 523	220 000	255 523
Trust fund interest	157 759	12 726	170 485
Depreciation	(1 177 873)	(51 058)	(1 228 931)
General expenditure	(22 758 489)	1 094 244	(21 664 245)
Finance Cost	(789)	(43 224)	(44 013)
Salaries and benefits	(39 840 929)	6 679	(39 834 250)
Repairs and Maintenance	(1 403 312)	(1 556 198)	(2 959 510)
		(334 614)	

Statement of Financial Position as at 31 March 2020			
Current Assets			
Receivables from exchange transactions	(449 543)	(6 679)	(456 222)
Property, plant and equiment	(20 139 550)	(1 188 874)	(21 328 424)
Operating Lease asset current	(841 367)	(43 737)	(885 104)
Operating Lease asset non current	(21 850 007)	(8 022)	(21 858 029)
Investment property	(23 053 505)	23 052 505	(1 000)
Heritage assets	(12 099 178)	(24 300 285)	(36 399 463)
Other financial liabilities	442 319	(208 709)	233 610
Operating lease liability current	93 650	(38 649)	55 001
Operating lease liability non current	91 095	40 266	131 361
Finance lease obligation current	-	432 601	432 601
Finance lease obligation Non current	-	823 988	823 988
Trade and other payables	3 923 767	419 310	4 343 077
		(1 026 285)	
Net assets			
Accumulated surplus(2019)	90 051 675	850 614	90 902 289
Revaluation reserve	25 530 604	510 284	26 040 888
		1 360 898	

28. RISK MANAGEMENT

Financial risk management

The entity's activities expose it to a variety of financial risks including liquidity risk, credit risk and market risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, ensuring the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

The entity's risk to liquidity is the risk that funds are not available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities. The entity manages cash flows, budgets and monthly management accounts.

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

At 31 March 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	7 025 816	-	-	-
Unspent conditional grants and receipts	15 531 042	-	-	-

At 31 March 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	4 343 077	-	-	-
Unspent conditional grants and receipts	5 855 341	-	-	-

Credit risk

Credit risk is mitigated by the fact that the entity only deposits cash surpluses with major banks of high credit standing. The maximum exposure to credit risk at the reporting date is the bank balances as disclosed in the Statement Financial Position. The table below shows the credit rating and balances of the banks used by the entity.

Credit risk is mitigated through management's assessment of the credit quality of debtors, taking into account their financial position, payment history and the perceived perception of the payment profile.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2021	2020
Trade and other receivables before impairement	2 513 429	1 911 996
Deposits	163 071	163 071
Cash and cash equivalents	64 920 355	49 100 302

The balance for Cash and cash equivalents includes actual cash on hand balance in 2021 of R968 and in 2020 a balance of R6 500.

Market risk

Interest rate risk

The entity’s interest rate risk arises from short term deposits. Short term deposits issued at variable rates expose the entity to cash flow interest rate risk. On the other hand, short term deposits issued at fixed rates expose the entity to fair value interest rate risk. During 2021 and 2020, the entity’s deposits and bank balances at fixed rate were denominated in the Rand.

Figures in Rand	2021	2020
Banks		
ABSA (Baa2)	42 575 145	27 534 399
Nedbank (Baa2)	13 797 155	13 331 759
Reserve Bank	8 548 055	8 227 644
	64 920 355	**49 093 802**

29. FRUITLESS AND WASTEFUL EXPENDITURE

Figures in Rand	2021	2020
Opening balance as previously reported	43	1 083
Current year	135 447	789
Written off by the Acccounting Authority	(2 474)	(1 829)
	133 016	**43**
Analysis of expenditure awaiting write off per age classification		
Current year	132 973	43
Prior Year	43	-
	133 016	**43**
Details of current year fruitless and wasteful expenditure		
Interest on overdue accounts	4 106	789
Cost order and Sheriff’s Fees to reverse attachment of SAHRA assets	131 341	-
	135 447	**789**
Analysis of expenditure written off per age classification		
Current year	2 474	747
Prior year	-	1 083
	2 474	**1 830**

Details

Fruitless and wasteful expenditure amounting to R133 015 is awaiting write off; R2 474 incurred in the current year was written off by the Council in the current year. R131 341 (97%) of fruitless and wasteful expenditure incurred in the current year relate to payment of legal costs wherein SAHRA’s assets were attached by the Sheriff on the 15th of January 2021 at SAHRA’s Pretoria Satellite Office.

The aforesaid matter relates to a memorial that was installed by SAHRA to honour the grave of the historical King Mgombhani (also known as chief Mokopane) which was unveiled on the property more commonly known as "Vier en Twintig Riviere, in the District of Mokopane, Limpopo Province on 24 September 2005. Even though the monument was erected, the property was not declared a heritage site and it is protected by the Provincial Heritage Authority in line with section 37 read with section 30 of the National Heritage Resources Act No 25 of 1999. This does not fall within SAHRA's authority.

During 2018, Gorelemou PA requested information regarding declaration of the site from SAHRA, which by virtue of the above SAHRA did not have but SAHRA was not aware of this at the time. When the request was not met, Gorelemou PA instituted legal proceedings against SAHRA wherein it sought to force access to information in this matter, which is not a National Heritage Site. This was due to the failure to provide the information.

R4 106 (3%) of fruitless and wasteful expenditure incurred in the current year relate to late payment penalty charges on payment of services. The investigation by the supply chain management unit revealed that this interest is due to late submission of invoice through the Post Office. This caused delays in finance unit receiving invoices for. Finance is currently negotiating with all Municipalities to rather email invoices to ensure that invoices are received and paid in time.

As a result of a full investigation by Supply Chain Management Unit, recovery of the amounts is not possible and the process of writting off these amounts is underway.

30. IRREGULAR EXPENDITURE

Opening balance as previously reported	49 360 461	49 722 315
Add: Irregular Expenditure current year	3 420 145	421 371
Less: Irregular Expenditure Condoned	**52 780 606**	**50 143 686**
	-	(783 225)
Closing balance	**52 780 606**	**49 360 461**

Analysis of expenditure awaiting write off per age

Current year	3 420 145	178 124
Prior year	49 360 461	49 182 337
	52 780 606	**49 360 461**

Details of irregular expenditure

R1 262 983 (37%) of the Irregular Expenditure incurred in the current year relate to award made to DM Attorneys for legal services in excess of R500 000 by means of three written price quotations instead of advertising the bid in the Government Gazette. This method of procurement is inconsistent with those prescribed in terms of National Treasury Practice Note 8 of 2007/2008.

R486 137 (14%) of the Irregular Expenditure incurred in the current year relate to award made to Telkom SA for the provision of cell phone and data bundles for SAHRA stimulus project who did not score the highest points. Objective criteria was also not used to justify that reasonable grounds existed not to select the quotation with the highest points.

R1 671 025 (49%) of the Irregular Expenditure incurred in the current year relate to award made to Uzuzwile General Trading.The institution awarded a construction contract to a contractor who is registered at a grade lower than the required grade and the margin with which the tenderer exceeded his tender value range was considered unreasonable (i.e. more than 15%).

Preference points not stipulated in the RFQ	-	243 247
Awards to suppliers who are not tax compliant	-	178 124
The points scored by a bidd9er in respect of the level of B BBEE contribution were incorrectly calculated and the wrong quotation was accepted	486 137	-
SCM Process not followed	1 262 983	-
CIDB grading not followed	1 671 025	-
	3 420 145	**421 371**

Investigations

The irregular expenditure of R49 million that relates to the contract awarded to the service provider in 2015 for the rehabilitation of Delville Wood memorial in France was condoned by the previous council. The Minister of Sport, Arts and Culture subsequently requested the current Accounting Authority to commission an investigation of the irregular expenditure relating to this contract and the Chief Executive Officer has since been dismissed.

On the 12 July 2019, the President of the Republic South Africa issued a proclamation in terms of which the Special Investigation Unit was issued with authority to investigate the procurement of services by or on behalf of SAHRA and payments made in respect of the thereof in a manner that was not fair, transparent, equitable, competitive and costs effective and contrary to applicable legislation, manuals, guidelines, practice notes, circulars or instructions issued by the National Treasury or manuals, policies, prescripts, instructions, or practices of SAHRA.

31. CHANGE IN ESTIMATE

Property, plant and equipment

Plant and equipment

A review of useful economic lives of plant and equipment was performed during the year and management decided that due to the current condition of these assets, the useful life be re assessed from the initial 5 years to the total useful life of 10 years as at 1 April 2020. This resulted in a reduced depreciation charge of R5 379 for the year which is expected to recur over the remaining life of these assets a total of 9 tangible assets were identified which their useful lives were revised.

Depreciation: Plant and equipment

According to initial estimated useful life:	R6 601
According to re-assessed useful life:	R1 222
Decrease in depreciation:	R5 379

The impact of this on the future periods is as follows:

Decrease in depreciation:	R5 379

Increase in accumulated surplus of R5 379.

Furniture and fixtures

A review of useful economic lives of furniture and fixtures was performed during the year and management decided that due to the current condition of these assets, the useful life be re assessed from the initial 5 and 15 years to the total useful life of 10 and 20years respectively as at 1 April 2020. This resulted in a reduced depreciation charge of R390 for the year which is expected to recur over the remaining life of these assets a total of 71 tangible assests were identified which their useful lives were revised.

Depreciation: Furniture and fixtures	
According to initial estimated useful life:	R2 041
According to re-assessed useful life:	R390
Decrease in depreciation:	R1 651

The impact of this on the future periods is as follows:

Decrease in depreciation:	R1 651

Increase in accumulated surplus of R1 651.

IT Equipment

A review of useful economic lives of IT Equipment was performed during the year and management decided that due to the current condition of these assets, the useful life be re assessed from the initial 3 years to the total useful life of 6 years as at 1 April 2020. This resulted in a reduced depreciation charge of R3 791 for the year which is expected to recur over the remaining life of these assets a total of 27 tangible assests were identified which their useful lives were revised.

Depreciation: IT Equipment	
According to initial estimated useful life:	R5 405
According to re-assessed useful life:	R1 614
Decrease in depreciation:	R3 791

The impact of this on the future periods is as follows:

Decrease in depreciation:	R3 791

Increase in accumulated surplus of R3 791.

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32. FINANCIAL INSTRUMENTS DISCLOSURE

Categories of financial instruments

2021

Financial assets	**At amortised cost**	**Total**
Receivables from exchange transactions (excluding rental debtors)	220 918	220 918
Receivables from exchange transactions (rental debtors)	270 609	270 609
Cash and cash equivalents	64 920 355	64 920 355
	65 411 882	**65 411 882**

Financial liabilities	**At amortised cost**	**Total**
Other financial liabilities	154 012	154 012
Trade and other payables from exchange transactions	7 025 816	7 025 816
Unspent conditional grants	15 531 042	15 531 042
Finance lease obligation	881 878	881 878
	23 592 748	**23 592 748**

2020

Financial assets	**At amortised cost**	**Total**
Receivables from exchange transactions (excluding rental debtors)	536 742	536 742
Receivables from exchange transactions (rental debtors)	82 551	82 551
Cash and cash equivalents	49 100 302	49 100 302
	49 719 595	**49 719 595**

Financial liabilities	**At amortised cost**	**Total**
Other financial liabilities	233 610	233 610
Trade and other payables from exchange transactions	4 343 077	4 343 077
Unspent conditional grants	5 855 341	5 855 341
Finance lease obligation	1 256 589	1 256 589
	11 688 617	**11 688 617**

33. BUDGET DIFFERENCES

33.1. Differences between budget and actual amounts basis of preparation and presentation

33.1.1 The variance is a result of lower number of permit being applied for as compare to the prior year.

33.1.2 The variance is as a result of less rental income collected from the investment properties and is attributed to the project of Property maximisation which was not completed in the current year as forecasted during the budget process.Furthermore the variance is also a result of lease straighlining. The lease straightlining has been accounted for under rental facilities and equipment.

33.1.3 The variance is as a result of other income which was received which comprises of less receipts and independent events which are influenced by external factors such as insurance refunds and administration fees for services rendered.

33.1.4 The variance is as a result of flactuations of the balances on the bank account from which interest income is derived as well as the prevailing interest rates as deternimed by the Reserve Bank.

33.1.5 The variance on the realisation of deferred transfers has its basis on the actual approved budget. During the budgeting process approval is requested to utilise balances forming part of previously recognised revenue balances of prior periods. This then forms part of the overall budget of the entity. The variance is a resultt of no actual transfers occuring as the funds are already in SAHRA`s records being the revenue receipts recognised prior.The corresponding expenditure on this realisation of deferred trasfer has been budgeted for under repairs and maintanance.

33.1.6 The variance is as a result of budget cuts in respect of goods and services and cost of employees.

33.1.6.1 Other grant revenue relates to receipts for grants which occured during the year whose underlying detail did not exists at the time of budget prepararion, these include the Presidential Emploement Stimulus Parkage (PESP), grant on SIU investigations, fire arms and online mapping.

33.1.6.2 The variance relates to the recognition of non exchange revenue for trust accounts being interest earned on their bank accounts.

33.1.7 The variance is as a result of budget cuts which were implemented through the Department of Sports Arts and Culture. Included in the actual expenditure is spending toward the grant which was received after the budget process and this relates to payments towards the Presidential Economic Stimulus Package.

33.1.8 The variance is as a result of the debt impairment movement as a result of negative debtor recoverability During the budget period it had been anticipated that the collections would improve.

33.1.9 The variance noted on depreciation and armotization is attributable to the decrease in the acquisation plans of assets mainly as a result of the budget cuts.

33.1.10 The variance is as a result of interest incurred on municipal account which was not budgeted for and is attributable to delaya as well as strikes at the National Post office which resulted in delays in receipt of invoices.

33.1.11 The variance noted on the repairs and maintenance line item was as a result of budgeting for the restoration of SAHRA`s properties under the property maximisation program and well as the refurbishment of memorials upon which a further budget adjustment had been made. The restoration and refurbishment projects were earmarked for the 2020/21 financial year but could not be performed due to the impact of Covid on the execution process which did not complete at year end, the restoration will continue into the 2021/2022 financial year.

33.1.12 The actual spending on general expenses exceeded the budgeted amount. The underlying reason for the variance is mostly based on the expenditure relating to the additional grants received toward year end which did not form part of the budgeting process. This expenditure relates to spending towards the Presidential Economic Stimulus Package (Conditional grant) as well as expenditure on the SIU grant also did not form part of the budgeting process.

33.1.13 Acturial gains were noted under actuals and relates to the valuation of the post retirement medical benefits.

33.1.14 The gains from disposal relates to the disposal of the vessel which forms part of the Property and Equipment.

33.2. Changes from the approved budget to the final budget

Explanation on variances between budgeted amounts and final budget amount.

33.2.1 The variance is as a result of additional request (to DSAC) against the earmarked projects of renovations of the properties and the rehabilitation of the burial ground and graves specifically the ones at Delvillw wood France. This information was not available at the initial budget process and therefore the adjustment on the budget.

33.2.2 The variance is as a result of budget cuts for both salaries and benefits as well as for goods and services.

33.2.3 The variance is as a result of the expenditure budget cuts for salaries and benefits.

33.2.4 The variance is as a result of the further request against the realisation of deferred transfers upon which the entity revised its budget to make provision for the repairs, renovations and refurbishments of properties and well as burial gound and graves in France (Delville wood) and locally.

33.2.5 The variance is as a result of the budget cuts to the goods and service.

34. REVALUATION RESERVE

Opening balance	26 040 888	26 040 888
Change during the year	17 885 791	-
	43 926 679	**26 040 888**

35. EVENTS AFTER THE REPORTING DATE

During the audit process the Accounting Authority became aware of a fire that broke out on 09 June 2021 at Dal Josafat farm Non Pareille Cellar (The Barn), a property owned by SAHRA in Paarl. The fire has had a devastating impact on the condition of the existing barn

- **Nature of the event**

  General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non exchange transactions to be in line with the principle in GRAP 23; and To clarify the measurement principle when assets may be acquired in exchange for a non monetary asset or assets, or a combination of monetary and non monetary assets.

- **Estimation of its financial effect**

  The carrying amount of the burnt down building is R 288 153 as at 31 March 2021.

Freedom Park

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