ANNUAL REPORT FOR THE PERIOD 1 APRIL 2021 TO 31 MARCH 2022

AMAZWI
SOUTH AFRICAN MUSEUM OF LITERATURE

an agency of the
Department of Arts and Culture

AMAZWI SOUTH AFRICAN MUSEUM OF LITERATURE
ANNUAL REPORT 2021/22

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Amazwi South African Museum of Literature

Annual Report for the period 1 April 2021 to 31 March 2022

ACRONYMS AND ABBREVIATIONS

Amazwi	Amazwi South African Museum of Literature
DSAC	Department of Sport, Arts and Culture
DSRAC	Department of Sport, Recreation, Arts and Culture (Eastern Cape)
DPME	Department of Planning, Monitoring and Evaluation
NT	National Treasury
NDP	National Development Plan
PESP	Presidential Employment Stimulus Programme
B-BBEE	Broad-based Black Economic Empowerment
PFMA	Public Finance Management Act
CSD	Central Supplier Database
MOA	Memorandum of Agreement
SLA	Service Level Agreement
UNESCO	United Nations Educational, Scientific and Cultural Organisation
SDG	Sustainable Development Goals
ICOM	International Council of Museums

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PART A | GENERAL INFORMATION

Registered name
Amazwi South African Museum of Literature (Amazwi)

Registered address
25A Worcester Street
Makhanda 6139

Satellite museums
Eastern Star Gallery
Anglo-African Street
Makhanda

Schreiner House
9 Cross Street
Cradock

Postal address
Private Bag 1019
Makhanda (Grahamstown) 6140

Telephone number
046 622 7042

Email address
info@amazwi.museum

Media
http://www.amazwi.museum/
https://www.facebook.com/AmazwiMuseum/
@amazwi_museum

External auditor
Auditor-General of South Africa
(Eastern Cape Business Unit)
69 Frere Road, Trust Building
Vincent
East London
PO Box 13252
East London 5217
Telephone 043 709 7200

Bankers
Standard Bank of South Africa
Church Square
Makhanda 6139

1. Foreword by the Chairperson

Dr Sibongile Masuku

Amazwi South African Museum of Literature is a schedule 3A public entity, established in terms of the Cultural Institutions Act, Act No. 119 of 1998, under the control of a Council appointed by the Minister of Sport, Arts and Culture. The function of the Council is to formulate policy and to hold, preserve and safeguard the collections and all other movable and immovable property in the care of the museum.

The Minister appointed the Council on 1 December 2020, and two additional members on 15 June 2022, for a period of three years, with a mandate to transform both the administration and core functions of the museum so that it may rightly preserve and promote the literatures of all the linguistic groups of South Africa.

Amazwi started this strategic planning cycle with initiatives to raise its public profile with a new website and social media presence, increase research output and a dynamic programme of temporary and travelling exhibitions. While the Covid-19 pandemic disrupted many in-person services at the museum, we are pleased to report good progress has been made in providing online exhibitions and events. We will continue to build on this in our development of public programmes and strategic partnerships to extend Amazwi's footprint beyond the Eastern Cape.

An ongoing challenge for the Council is adequate funding for the implementation of the 'new' museum mandate of preserving and promoting the literatures of all linguistic groups. We will continue to engage the Minister of Sport, Arts and Culture on this matter so that it is afforded the priority it deserves.

The Department is exploring ways to consolidate the cultural institutions. This could lead to greater efficiency and co-operation between similar entities; however, the uncertainty around the process is a challenge in planning for the future.

Amazwi is a lively museum governed by a committed Council and led by dedicated managers. Our combined expertise and co-operation will allow the museum to achieve ambitious objectives and nurture nation building and social cohesion in South Africa.

The Council would like to acknowledge the support of the Department of Sport, Arts and Culture and most importantly, their continued investment in Amazwi.

Dr Sibongile Masuku
Chairperson of the Council of Amazwi South African Museum of Literature
31 August 2022

2. Director's overview

Ms Beverley Thomas

South Africa's corpus of literature is a national asset; it spans centuries and its excellence is expressed in a diversity of voices and forms. The collections are the core of the museum. Amazwi has a large collection of manuscripts, literary artefacts, published creative works, etc. from the 17th century to today. In addition to care and preservation, museum staff work to interpret and promote the collection through exhibitions, educational programmes, public talks, popular articles and scholarly research. It is Amazwi's privilege to be the custodian of this heritage.

General financial review

The dramatic change in the economic and social circumstances in the country because of the Covid-19 pandemic and the prolonged shutdown and cessation of cultural activity limited the museum's ability to generate income. Thankfully, in January 2022, the museum saw the return of visitors and visits from school groups.

Amazwi receives a grant from Inxuba Yethemba Municipality equivalent to half the salary of the Curator of Schreiner House and a municipal staff member is assigned to Schreiner House in a support capacity. The municipality further contributes to the operations of Schreiner House through the remission of rates and municipal services.

Spending trends

Personnel expenditure accounts for less than 60% of total expenditure. The remuneration of Amazwi's staff is substantially less than the Public Service and similar entities. This has inherent risk implications.

Spending on the core functions of the museum accounts for about half of total current expenditure. The Administrative Division, however, provides all administrative and support services to the core functions' divisions.

Future plans

Amazwi's building has sufficient collections' storage and exhibition space, and offices for additional staff – experts in the literatures of indigenous languages – to develop, curate and present exhibitions and educational programmes on an expanded mandate. It must be noted that full implementation will require a significant increase in budget allocation from the Department of Sport, Arts and Culture. The plan is to start with one indigenous language, isiXhosa, as a pilot project funded within the current subsidy allocation from the Department. IsiXhosa has a long literary tradition linked to missionary education in the Eastern Cape and we are aware of collections of literary and documentary artefacts which can be purchased to form the nucleus of a new collection. Amazwi is liaising with the owner of a major collection to have it independently valued. While some funding has been set aside for acquisitions, current funding is insufficient to purchase substantial new collections of manuscripts and other documentary artefacts to give impetus to the full mandate change.

Ongoing challenges

The administrative staff at Amazwi are subject to considerable work pressure because of ever-evolving compliance measures. Amazwi was not able to increase capacity in the Administrative Division but did implement improvements to supply chain management processes and systems during the year under review.

Audit report matters

The museum again achieved an unqualified audit outcome although there were some matters raised by the Auditor-General of South Africa, especially about performance reporting. Management will continue to develop capacity to improve its performance reporting and all other accounting and compliance matters.

Management has noted the Management Report of the Auditor-General and will develop an audit improvement plan to address the findings raised.

Events after reporting date

No reportable events after reporting date.

Acknowledgements

I would like to thank the officials of the Department of Sport, Arts and Culture, the Council of Amazwi and the Committees of Council, and the Audit and Risk Committee for their guidance and support.

All literature is part of cultural heritage and can enrich lives in many ways.

Ms Beverley Thomas
Director of Amazwi South African Museum of Literature
31 August 2022

3. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

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

- all information and amounts disclosed in this Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General of South Africa;
- the Annual Report is complete, accurate and free from any omissions;
- the Annual Report has been prepared in accordance with the *Annual Report Guide for Schedule 3A and 3C Public Entities*, 2021, issued by National Treasury;
- the Annual Financial Statements (Part E) have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) applicable to Amazwi;
- the Council of Amazwi is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;
- the Council of Amazwi is responsible for establishing and implementing a system of internal control 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; and
- in our opinion, this 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 2022.

Yours faithfully

Ms Beverley Thomas
Director of Amazwi South African Museum of Literature
31 August 2022

Dr Sibongile Masuku
Chairperson of the Council of Amazwi South African Museum of Literature
31 August 2022

4. Strategic overview

4.1 Vision

To be a world-class museum that celebrates South Africa's literary heritage.

4.2 Mission

To preserve the literary heritage of South Africa, promote its narrative to the world, and foster a culture of reading, writing and storytelling for education and enjoyment. We will do this by collecting, preserving and researching the tangible and intangible manifestations of South African literature and sharing it nationally and internationally through publications, exhibitions and public programmes.

4.3 Values

Our external stakeholders recognise that we value service excellence, accessibility and cultural diversity.

With our internal stakeholders we value professionalism, inclusivity and sustainability.

4.4 Legislative and other mandates

Amazwi is governed by the Cultural Institutions Act, Act No. 119 of 1998, as amended, and operates under the jurisdiction of a Council appointed by the Minister of Arts and Culture. Amazwi is listed as a schedule 3A national public entity in terms of the Public Finance Management Act, Act No. 1 of 1999, as amended.

The operations of Amazwi are further governed by the following:

- National Heritage Resources Act, Act No. 25 of 1999;
- Public Audit Act, Act No. 25 of 2004;
- Government Immovable Asset Management Act, Act No 19 of 2007;
- National Archives of South Africa Act, Act No. 43 of 1996;
- Broad-based Black Economic Empowerment Act, Act No 53 of 2003; and
- White Paper on Arts, Culture and Heritage, 1996.

5. Organisational structure

Executive Authority
Minister of Sport, Arts and Culture
The Honourable Mr N.E. Mthethwa

Council

Dr L.S. Masuku (Chair)
Dr W.R.J. Langeveldt (Deputy Chair)
Mr M.S. Ditlhake
Ms H. Erdmann
Mr A.K. Gontse
Ms N.A. Jansen
Mr T.F. Lungile
Mr H. Matlou
Ms L. Mvanana
Dr N.H. Rasana

Director
Ms B.A. Thomas

Personal Assistant to the Director
Ms C.A. Potgieter

Chief Financial Officer
Mr I. Daringo
(from 1 July 2021)

Accounts Clerk
Supply Chain Officer
Human Resources Officer
Technical Assistant
Groundsman
Cleaner

Manager
Curatorial Division
Ms C.A. Warren

Principal Curator
Curators (4)
Librarians (2)
Assistant Curator/Archivist

Manager
Education and Public Programmes
Mr T.Z. Matshoba

Curator Schreiner House
Exhibitions Officer
Education Officer
Visitor Services Officer
Gallery Attendants (2)

1. Auditor-General's Report: predetermined objectives

The Auditor-General of South Africa currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings, if any, being reported under the 'predetermined objectives' heading in the report on other legal and regulatory requirements section of the Auditor's Report.

Refer to the Auditor General's Report on pages 78 to 84, published as Part E: Financial Information.

2. Overview of performance

Amazwi is situated in Makhanda, a small university city in the Eastern Cape with a population of about 80 000 people. As a national museum Amazwi aims to deliver services all over the country.

Amazwi works in collaboration and cooperation with the Department of Sport, Arts and Culture and other government departments, including the Eastern Cape Department of Sport, Recreation, Arts and Culture, municipalities in Makhanda and Cradock, and academic institutions and other entities in the heritage sector nationally and internationally.

The Covid-19 pandemic in 2020 triggered dramatic changes to the economy, the way we work and individuals' social circumstances. Museums all over the world were affected by generalised lockdowns and extended closures which continued well into 2021.

2.1 Service delivery environment

Museums contribute to the educational and social needs of communities and to economic development, especially in small towns where they are often the prime tourist attraction. Amazwi's satellite museum in Cradock, Schreiner House, attracts both domestic and foreign tourists and the Curator is active in tourism structures in the town and district.

The National Arts Festival, which usually attracts hundreds of thousands of visitors to Makhanda every year, was again held in the virtual sphere in 2021. This limited the museum's ability to generate income from visitors to the festival.

But despite the distressing social, psychological and economic effects of the Covid19 pandemic, physical isolation inspired innovation in the digital and virtual spheres of Amazwi's work. This was an opportunity to expand Amazwi's reach beyond its physical location and the museum will continue to develop online and digital content to serve a broader audience.

Environmental concerns are now widespread world-wide. As the first green museum in South Africa, and the first green building in Makhanda, Amazwi is a leader in sustainable museum infrastructure. The museum continued with its environmental initiatives and practices and sharing of knowledge with other institutions.


Literary Legends
Ityala Lamawele

2.2 Organisational environment

At the beginning of the year under review, Amazwi had 22 full-time employees. Two new appointments were made, the Chief Financial Officer and the Supply Chain Officer, bringing capacity in the Administrative Division to seven. There were nine filled posts in the Curatorial Division at the start of the year and six at its close; the result of two resignations and one retirement. There were no changes in the Education and Public Programmes Division (six posts) and in the Director's Office (two posts).

2.3 Key policy developments and legislative changes

Following the approval of the Revised White Paper on Arts, Culture and Heritage in 2019, the Department of Sport, Arts and Culture is exploring ways to implement the consolidation of the cultural institutions. This could lead to greater efficiency and co-operation between similar entities; however, the uncertainty around the process has been a challenge in planning for the future.

2.4 Progress towards achievement of institutional impacts and outcomes

As an agency of the Department of Sports, Arts and Culture, Amazwi aligns its programmes with the strategic plans of the South African government as expressed in the National Development Plan, the President's Seven Priorities, as well as international commitments such as the United Nations Sustainable Development Goals, African Union Agenda 2063, and the resolutions of the International Council of Museums (ICOM).

Social cohesion is an area where arts and culture can make a valuable contribution. Government priority 5 speaks of social cohesion and safe communities while the NDP 15 refers to nation building and social cohesion. Amazwi contributes through its dynamic collections of historic and contemporary literary manuscripts as well as programmes and activities which enhance knowledge and appreciation of the quality and diversity of South African literature. Literature is a vehicle for capacity building and critical thinking, and can raise awareness of social issues and enhance empathy.

Improving education, training and innovation is the focus of government priority 2, NDP chapter 9 and African Union goal 2, which speaks of well-educated citizens and a skills revolution underpinned by science, technology and innovation. Amazwi was only able to present a few programmes to learners in the year under review.

In line with the government emphasis on building a capable, ethical and developmental state as well as fighting corruption and gender-based violence, Amazwi remains committed to sound corporate governance and financial compliance as well as increased collaboration with government departments and government structures at national, provincial and local levels.

As the first green museum in South Africa Amazwi is committed to environmental sustainability, a priority of the National Development Plan, United Nations Sustainable Development Goals, African Union Goals and International Council of Museums Resolutions.

3. Programme performance information

3.1 Programme: Administrative Division

This Division provides administrative and support services to the other two divisions, and governance support.

Capacity covers financial and human resources management, infrastructure management, marketing and communication, cleaning and maintenance. The Administrative Division is headed by the Chief Financial Officer who is responsible for compliance.

The prolonged shutdown and the public's reluctance to join in cultural activities had some, but not a severe, impact on the planned targets for the year under review. Consequently, it is difficult to measure the impact that the museum's programmes may have had on issues of redress – especially on women, youth and people with disabilities – and the contribution to spatial transformation.

Purpose: Governance, administration and support services

Outcomes, outputs, output indicators, targets and actual achievements

Compliance		
Outcome	**Outputs**	**Output indicators**
Compliance with the Cultural Institutions Act	Compliance documents	Number of compliance documents submitted to the Department of Sport, Arts and Culture
Compliance with the Public Finance Management Act	Internal audit reports	Internal audit findings of non-compliance corrected
	Report of the Auditor-General	Number of audit findings of non-compliance

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of compliance documents submitted to DSAC	10 (includes drafts)	6	6	6	6	-	-
Percentage of internal audit findings of non-compliance corrected	New indicator, no baseline	New indicator, no baseline	100% of internal audit findings of non-compliance corrected	100% of internal audit findings of non-compliance corrected	Partial service/ report not finalised	Not achieved	Cessation of contract consultant and delay in procuring new service
Number of audit findings of non-compliance	New indicator, no baseline	90% of findings resolved (3 findings of non-compliance)	Unqualified audit All findings resolved	Unqualified audit	Unqualified audit	-	-

Infrastructure		
Outcome	Outputs	Output indicators
Museum premises support administrative, curatorial and service delivery needs	Infrastructure management and development plans and reports	25A Worcester St. User Asset Management Plan for infrastructure maintenance developed/updated Implementation of maintenance plans
		Schreiner House Development plan/architectural sketch plans Construction of new buildings/ structures at Schreiner House

Infrastructure		
Outcome	**Outputs**	**Output indicators**
		Eastern Star Repair and renovation
Health and safety monitoring	Number of health and safety committee meetings and reports	Monthly health and safety inspections and meetings

	Actual performance (audited)			**2021/22**			
Indicators	**2018/19**	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
25A Worcester St. **User Asset Management Plan for infrastructure maintenance developed/updated**	New indicator, no baseline	Appointment of consultant project managers	-	-	-	-	-
		UAMP updated/ completed	UAMP updated	UAMP updated	UAMP updated	-	-
Implementation of maintenance plans	New indicator, no baseline	Maintenance plans for 50% services implemented	Maintenance plans for all services implemented	Maintenance plans for all services active	Maintenance plans for all services active	-	-
		Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	-	-
Schreiner House **Development plan/ architectural sketch plans**	Architectural concepts	Architectural sketch plans completed	Preparation of final plans	Final plans approved	Planning, process for procurement of professional services completed	Final plans not yet completed	Partially achieved: pressure on management capacity and CFO vacancy for part

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Construction of new buildings/structures at Schreiner House	-	-	-	Contractor appointed and construction commenced	-	Construction not yet commenced	of the year
		Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	Quarterly progress/ procurement reports	-	-
Eastern Star Repair and renovation	New indicator, no baseline	New indicator, no baseline	New indicator, no baseline	Investigation into building flaws Repair/renovation plan	Investigation into building faults and report by an external consultant	- Repair quotations not yet sourced	Partially achieved: pressure on management capacity and CFO vacancy for part of the year
				Repair/renovation commenced	-	Repair/renovation not commenced	
Monthly health and safety inspections and meeting	12 H&S inspections and meetings	12 H&S inspections and meetings	6 H&S inspections and meetings	12 H&S inspections and meetings	12 H&S inspections and meetings	-	-
			Covid-19 task team constituted, guidelines for return to work developed and implemented	Covid-19 monitoring of staff and visitors	Covid-19 monitoring of staff and visitors Two confirmed cases of Covid-19 in the workplace for the year under review	-	-

Maintenance
Amazwi has in place contracts with service providers to service and maintain all types of fire detection and suppression, HVAC (heating, ventilation and air conditioning), major ICT infrastructure, telecoms, biometrics, and automated systems like lighting and plumbing. All service providers are performing satisfactorily. The Department of Public Works and Infrastructure covers maintenance of the lift and the generator.

Human resources		
Outcome	**Outputs**	**Output indicators**
Expert and capacitated workforce	Human resources training and development	Number of training opportunities
Workplace free of gender-based violence	Workplace structure Awareness-raising workshops	Structure set up as part of human resources development Number of awareness-raising workshops

	Actual performance (audited)			2021/22			
Indicators	**2018/19**	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
Number of training opportunities	12	17	33	12	57	+45	Online opportunities and in-service training interventions 65% of opportunities taken up by women

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Gender-awareness structure set up as part of human resources development	New indicator, no baseline	New indicator, no baseline	Structure set up and reporting system implemented	Monitor structure	Gender-awareness monitoring structure	-	-
			-	2 awareness-raising workshops	2 awareness-raising workshops	-	-

Staff training and development opportunities			
Name	**Course/conference**	**Service provider/convenor**	**Date(s)**
Beth Wyrill	Sharing Stories on Contested Histories	Cultural Heritage Association of the Netherlands & the Reinwardt Academy	11-23 Apr 2021
Tom Jeffery	Content management for virtual exhibitions	OpenForm	14 Apr 2021
Marike Beyers Lynne Grant Petro Nhlapo	*Webinar* Reviving 'the Black Archives': resurrecting Benedict Wallet Vilakazi with a focus on the utility and meaning of African languages and literatures in higher education	Nompumelelo 'Mpume' Zondi – Professor and Head of the African Languages Department at the University of Pretoria	16 Apr 2021
Zongezile Matshoba	*Webinar* Indigenous knowledge systems can play a vital role in quality education, with more focus in science	Scifest Africa	15 Apr 2021
Marike Beyers	*Webinar* Caring for Paper	Lorraine Finch of PEL (Paper Equipment Ltd)	15 Apri2021
Crystal Warren	Digital Engagement Workshop	VISSA (Visitor Interpretation & Studies SA)	26 May 2021
Marike Beyers Lynne Grant	*Webinar* Johannesburg Manifesto-The Future of Museums: Recover & Reimagine	Constitution Hill	18 May 2021
Marike Beyers Crystal Warren	South African Festival of Children's Literature	University of the Western Cape; Heartlands Baby Sanctuary and Booktown Richmond	2-4 Jul 2021

Staff training and development opportunities			
Name	**Course/conference**	**Service provider/convenor**	**Date(s)**
Marike Beyers	The long-term preservation of rock art	Celeste Rossouw, Amafa KZN	9 Jul 2021
Beverley Thomas Itayi Daringo Crystal Warren Zongezile Matshoba	Training on the eQPRS	DPME	14 Jul 2021
Beverley Thomas Crystal Warren	*Webinar* The paradox of accounting for cultural heritage: a longitudinal study on the financial reporting of heritage assets of major Australian public culture institutions (1992-2019)	Emerald Publishing	29 Jul 2021
Marike Beyers	*Webinar* UCT Fires: A digitalisation case study	Utjala Satgoor Hosted by Purco as part of a SA Ponder virtual presentation series	4 Aug 2021
Lynne Grant Basil Mills	First Aid Level 1 (re-certification)	St John	10-12 Aug 2021
Sithembele Magade Ayanda Simangweni Mthetheleli Sukulu Rosalind Waldick	First Aid Level 1	St John	10-12 Aug 2021
Marike Beyers Victor Clarke	85th South African Museums Association National Conference. The Future of Museums: Recover and Reimagine	South African Museums Association	7-8 Sep 2021
Marike Beyers	*Webinar* Heritage Week Seminar: Heritage objects	South African Heritage Resources Agency	22 Sep 2021
Crystal Warren	*Webinar* Heritage Week Seminar: Strategic Coordination Workshop	South African Heritage Resources Agency	23 Sep 2021

Staff training and development opportunities			
Name	**Course/conference**	**Service provider/convenor**	**Date(s)**
Zongezile Matshoba Crystal Warren	Managing Day to Day/Problem Employees	SA Labour Guide	28 Oct 2021
Lynne Grant Sithembele Magade Leon van Wyk	Health and safety representative and committee training	SA Labour Guide	28 Oct 2021
Crystal Warren	English Academy of Southern Africa conference	English Academy of Southern Africa	7-8 Oct 2021
Thomas Jeffery Zongezile Matshoba Beverley Thomas Crystal Warren	Museum Association Conference	UK Museums Association	8-10 Nov 2021
Zongezile Matshoba	*Webinar* Unplugged Coding	Scifest Africa	5 Nov 2021
Zongezile Matshoba	Harnessing Digital Platforms for Communication, Education and Engagement	Scifest Africa	30 Nov 2021
Lynne Grant	The art of empire, presented by Hilary Hope Guise	UCT summer school	10-12 Jan 2022
Basil Mills	Three Windows on San Rock Art	UCT summer school	10-12 Jan 2022
Andrew Martin Petro Nhlapo	Being present where they were: Dante, Butler, Watson, Mann, presented by Chris Thurman	UCT summer school	17 Jan 2022
Marike Beyers Lynne Grant	Three of the best, presented by Edward Saunders	UCT summer school	17-19 Jan
Marike Beyers	Found in translation, presented by Peter Anderson	UCT summer school	24-28 Jan 2022
Crystal Warren	Think of a poem, presented by Finuala Dowling	UCT summer school	17-21 Jan 2022

Staff training and development opportunities			
Name	**Course/conference**	**Service provider/convenor**	**Date(s)**
Petro Nhlapo	Welcome to the Anthropocene, presented by John Compton	UCT summer school	26-28 Jan 2022
Marike Beyers Thomas Jeffery Lumka Majavu Zongezile Matshoba Mthetheleli Sukula Crystal Warren	Supply Chain Management: process in allocating tenders (role of evaluation and adjudicating committees)	In-service training presented by CFO	9-10 Feb 2022

Academic study by staff				
Name	**Institution**	**Qualification**	**Scope of study**	**Date**
Thomas Jeffery	Rhodes University	PhD	Museums for the Planet: Dialectical Critical Realist Philosophy and the Possibility of an Eco-decolonial Museology	Awarded 2021
Zongezile Matshoba	Rhodes University	PhD	A literary critique of the myths that devalue IsiXhosa literature (working title)	Commenced 2020
Crystal Warren	UNISA	MA	Apocalyptic Adolescents: Postapocalyptic Dystopias in South African Young Adult Speculative Fiction	Commenced 2021

Interns at Amazwi			
Name	**Institution**	**Qualification**	**Dates (s)**
Emma Dickson-Bow	Rhodes University	Post Graduate Diploma Heritage Management	26 Jul–3 Sep 2021
Khanyisa Ngquleka	Rhodes University	Post Graduate Diploma Heritage Management	26 Jul–3 Sep 2021

Interns at Amazwi			
Name	**Institution**	**Qualification**	**Dates (s)**
22 students (virtual)	Sol Plaatje University	Higher Certificate in Heritage Studies	17 Sep-5 Nov 2021

Learnerships at Amazwi			
Name	**Referred by**	**Learnership**	**Dates (s)**
Sandiswa Adam	Department of Tourism	Visitors Monitoring Programme Learnership	1 Dec 2021, for 1 year
Anda Mbili	Department of Tourism	Visitors Monitoring Programme Learnership	1 Dec 2021, for 1 year

Digitisation and systems' management		
Outcome	**Outputs**	**Output indicators**
A digitised, cutting-edge organisation	Digitised administrative archive	New digital file system developed and implemented
	Online booking systems	Functioning online booking system

Indicators	**Actual performance (audited)**			**2021/22**			
	2018/19	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
Digital file system	New indicator, no baseline	New indicator, no baseline	-	New digital file system	Framework required for policy i.t.o. the National Archives of South Africa Act, Act No. 43 of 1996, drafted	-	-

Indicators	Actual performance (audited) 2018/19	2019/20	2020/21	2021/22 Planned target	Actual achievement	Deviation from planned target	Comments on deviations
				System applied to digital storage	Digital file structure created, digital folders created, permissions assigned	-	-
Functioning online booking system	New indicator, no baseline	New indicator, no baseline	-	Develop system and pilot implementation	-	No progress	Not achieved: priority reassessed while no bookings were being made during the time when learners were not permitted to visit the museum

Marketing and communication		
Outcome	**Outputs**	**Output indicators**
An enhanced public profile and image of Amazwi	Media presence	Number of media releases and/or media appearances
	New website	New website design and content
	Presence at literary/cultural festivals, tourism expos etc.	Number of literary/cultural festivals, tourism expos etc. attended

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of media releases and/or media appearances	New indicator, no baseline	18	6	18	28	+10	Some of Amazwi's events attracted a lot of media attention
New website design and content	New indicator, no baseline	New indicator, no baseline	Basic website completed	Basic website completed	Dynamic, interactive features implemented	-	-
Number of literary/ cultural festivals, tourism expos etc. attended	8	4	-	6	3	-3	Partially achieved: fewer festivals, expos etc. taking place because of Covid-19 pandemic regulations

Author/title of article	Media	Date
Press release Tragic and untimely death of Phumlani Pikoli, 1988-2021	Distributed	15 Apr 2021
Makhanda-born author [Thelela Nzanzeka] shares life lesson in new book	HeraldLIVE https://www.heraldlive.co.za/news/2021-05-11-makhanda-born-author-shares-life-lesson-in-new-book/	11 May 2021
Rising out of the darkness	*Grocott's Mail* https://www.grocotts.co.za/2021/06/13/rising-out-of-the-darkness/	13 Jun 2021

ABOVE: The Director, Beverley Thomas, with the acclaimed crime writer, Deon Meyer.

TOP RIGHT: A group of learners from Cradock High School at Schreiner House.

BOTTOM RIGHT: Writers Elona Rasmeni, Dean Allen and Freda Froehlick.

Author/title of article	Media	Date
Kayakazi Mhasele and Phumlani Cimi Albany Museum International Museum Day	*Samantics*	July 2021
Amazwi Storytelling: The Real Deal	*The Critter* http://thecritter.co.za/?p=4495	16 July 2021
Tinashe Mushakavanhu Building an art gallery in the midst of war in Zimbabwe	*The Conversation* https://theconversation.com/building-an-art-gallery-in-the-midst-of-war-in-zimbabwe-164973 *Artslink* https://www.newsday.co.zw/2021/07/building-an-art-gallery-in-the-midst-of-war-in-zim/ *News24* https://www.news24.com/citypress/trending/building-an-art-gallery-in-the-midst-of-war-in-zimbabwe-20210726	24-26 Jul 2021
Ibingumdliva woluncwadi kunyhadala wenkcubeko eMakhanda	Distributed to *I'solezwe*	26 July 2021
Rhodes University publication to feature at Karoo Writers Festival	Rhodes University News https://www.ru.ac.za/latestnews/rhodesuniversitypublicationtofeatureatkaroowritersfestival.html	11 Aug 2021
J. Munslow Ong The Reinternment of Olive Schreiner on Buffelskop: A Centenary Tribute	South African Modernism 1880-2020 https://www.southafricanmodernism.com/blog-1	13 Aug 2021
Be inspired by Noni Jabavu	*Grocott's Mail Direct* https://www.grocotts.co.za/2019/08/13/helen-nontando-noni-jabavu/	13 Aug 2021
Cradock museum celebrates author Olive Schreiner	*Herald Live* https://www.heraldlive.co.za/news/2021-08-16-cradock-museum-celebrates-author-olive-schreiner/	16 Aug 2021
Re-internment of Olive Schreiner	*The EP Herald*	16 Aug 2021

Author/title of article	Media	Date
Re-internment of Olive Schreiner	*Midland News*	20 Aug 2021
Writing in the Heartland	*Grocott's Mail Direct*	20 Aug 2021
Tshepo Mvulane Moloi Amazwi Launched its Noni Jabavu virtual exhibition	*Artslink* https://www.newslink.co.za/2021/08/29/amazwi-launched-its-noni-jabavu-virtual-exhibition/	29 Aug 2021
Tshepo Mvulane Moloi Noni Jabavu exhibition goes virtual	*IOL/Sunday Independent* https://www.iol.co.za/sundayindependent/news/noni-jabavu-exhibition-goes-virtual-099fafee-f073-4441-9467-1a53bf08ffaa	31 Aug 2021
Dashing creatives	*Grocott's Mail Direct*	3 Sep 2021
Makhanda's children's book hackathon	*Grocott's Mail Direct*	3 Sep 2021
Meet some of the volunteer creatives	*Grocott's Mail Direct*	3 Sep 2021
Rhodes University CSD and Amazwi partner with the local community for a picture-perfect project	Rhodes University Latest News https://www.ru.ac.za/communityengagement/latestnews/rhodesuniversitycsdandamazwipartnerwiththelocalcommunityforapicture-.html	14 Sep 2021
Karoo Writers Festival a beacon for local artists	*News24* online https://www.news24.com/news24/southafrica/local/komani-karoo/karoo-writers-festival-a-beacon-for-local-artists-20211027	28 Oct 2021
Obituary of Antony Sher	Press release issued	15 Dec 2021
Obituary of Lindiwe Mabuza	Press release issued	15 Dec 2021
PESP galore for EC Artists	*Grocott's Mail Direct*	25 Jan 2022
The EC PESP Commences	Amazwi-PESP Website blog https://amazwi-pesp.wixsite.com/amazwi-pesp	27 Jan 2022
African Languages Week	Press releases to various media houses	28 Jan 2022
Local researchers explore transnational writing	*Grocott's Mail Direct*	11 Mar 2022

Author/title of article	Media	Date
Film Club donates R5 000 to Amazwi	Grocott's Mail Direct	11 Mar 2022

Literary/cultural festivals, tourism expos	Target market/audience	Date
The National Poet Laureate Hub Workshop (Youth Day event), Steve Biko Centre, Ginsberg (as exhibitor)	Writers, poets	19 Jun 2021
Imbizo Arts of South Africa Roadshow, Gqeberha	Writers, readers, and students	27 Sep 2021
Department of Sport, Recreation, Arts and Culture 'Celebration of Eastern Cape Literary Icons', Ginsberg (as exhibitor)	Writers and readers	21-22 Oct 2021

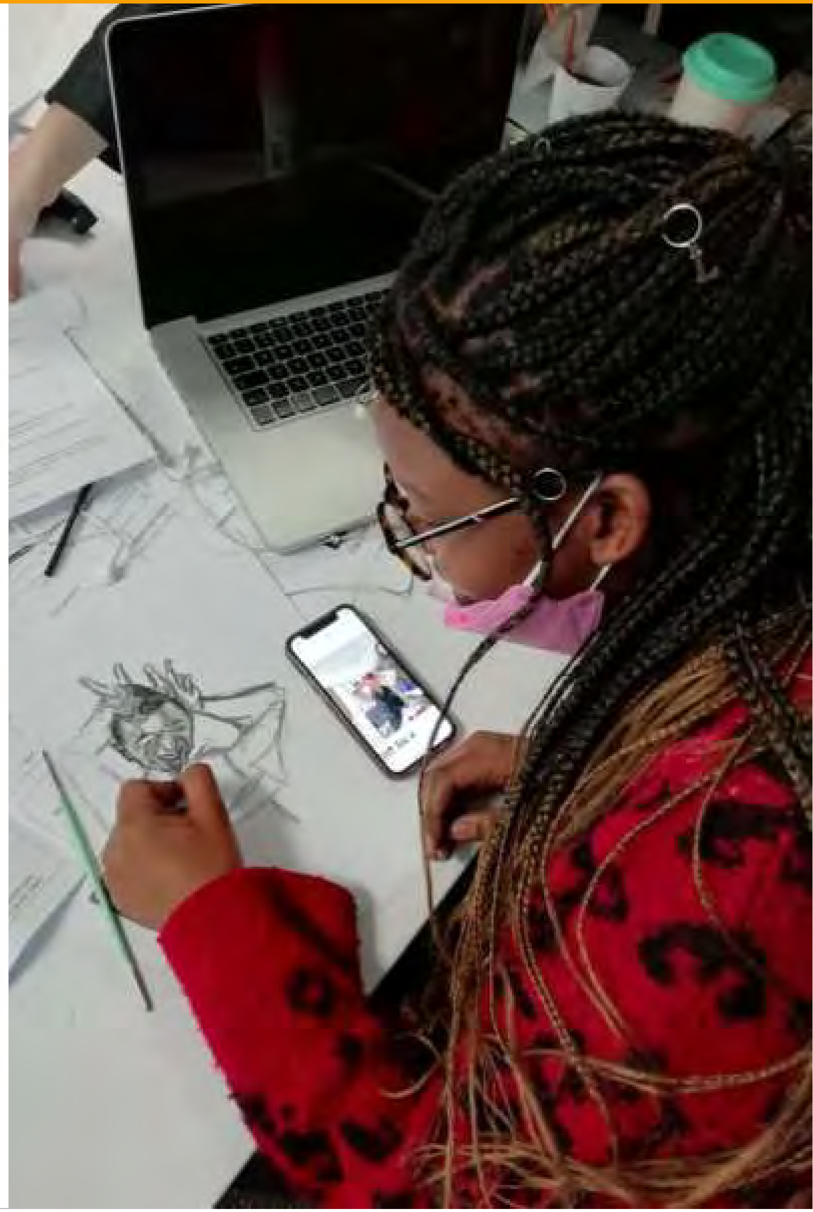
Stakeholder relations		
Outcome	**Outputs**	**Output indicators**
Enhanced collaboration with other museums, educational institutions, and non-governmental organisations	Mutually beneficial partnerships	Stakeholder management strategy Number of MOAs concluded
	Co-branded museum programmes, festivals and events	Number of co-branded events
Increased collaboration with all spheres of government	Mutually beneficial engagements	Number of engagements
	Participation in government programmes, festivals and events	Number of government events

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Stakeholder management strategy	New indicator, no baseline	New indicator, no baseline	New indicator, no baseline	Approved stakeholder management strategy	Approved stakeholder management strategy	-	-
Number of MOAs concluded	New indicator, no baseline	New indicator, no baseline	New indicator, no baseline	2	1	-1	Partially achieved: discussions in progress with established stakeholders to formalise relationship beyond collaboration on events
Number of co-branded events	New indicator, no baseline	New indicator, no baseline	2	4	4	-	-
Number of engagements with any sphere of government	New indicator, no baseline	New indicator, no baseline	New indicator, no baseline	2	3	+1	Implementation of the PESP required additional interaction with the Department
Number of government events	New indicator, no baseline	New indicator, no baseline	1	3	6	+3	Government departments reactivating after Covid-19 lock down

Co-branded events			
Event	**Primary host/partner/organiser**	**Venue**	**Date(s)**
Ihlumelo High Schools Poetry Competition	Vundu Poetry Club	Gqeberha	15 Aug 2021
The Big Makhanda Book DashX	Rhodes University Centre for Social Development	Amazwi South African Museum of Literature	26-29 Aug
Schreiner Karoo Writers Festival	Schreiner Karoo Writers Festival Committee	Schreiner House and other venues in Cradock	22-23 Oct 2021
African Union (AU)/African Academy of Languages (ACALAN) African Languages Week Special Reddits Poetry from southern Africa and the diaspora	African Roots and Heritage Foundation, Michigan, Ohio and Kentucky Hopkinsville Community College, Hopkinsville, Kentucky Khoi and San Centre, University of Cape Town Sol Plaatje University	Amazwi South African Museum of Literature/hybrid	28 Jan 2022

Content created by Amazwi staff during The Big Makahnda Book DashX		
Title	**Staff member**	**Role**
Strange Visitors to the Amazwi Museum	Debbie Landman Basil Mills	Author Illustrator
How the Sunbird got its Colours	Basil Mills Thomas Jeffery	Author and illustrator Book design
Vaaljas/Dusky the Donkey	Petro Nhlapo Crystal Warren	Author Editor
Playing with the Big Boys	Crystal Warren	Author
What Came First? The Chicken or the Egg?	Thomas Jeffery	Book design
The Lonely Bird	Thomas Jeffery	Book design

Then, she swept the rainbow girdle over him. And that is how the sunbird got his beautiful colours.



Government-led events			
Event	**Government department**	**Venue**	**Date(s)**
International Museums Day Essay writing competition	Eastern Cape Department of Sport, Recreation, Arts and Culture (Sarah Baartman District)	Makhanda	18 May 2021
DSRAC's Litfest @ National Arts Festival 2021	Department of Sport, Recreation, Arts and Culture (EC)	Amazwi	9 Jul 2021
Mega launch (publications by NLSA grant beneficiaries) Amazwi and NLSA @ National Arts Festival featuring Mzi Mahola	National Library of South Africa	Online	17 Jul 2021
'Celebration of Eastern Cape Literary Icons' (as participant partner)	Department of Sport, Recreation, Arts and Culture (EC)	Steve Biko Centre, Ginsberg	21-22 Oct 2021
National Language Stakeholder Forum Director presented talk: 'Advancing Literary Archives in South Africa's Languages'	Department of Sport, Arts and Culture	Online	11 Nov 2021
UNESCO Culture Sector Stakeholder Information Sharing Workshop: Moving towards integrated implementation of UNESCO Conventions in the Arts, Culture and Heritage sector – a stakeholder approach	Department of Sport, Arts and Culture	Johannesburg	3-4 Feb 2022

Linking performance with budget

	2020/21			2021/22			
Description	**Budget R'000**	**Expenditure R'000**	**(Over)/under expenditure R'000**	**Budget R'000**	**Revised budget R'000**	**Expenditure R'000**	**(Over)/under expenditure R'000**
Personnel expenditure	3941	3138	803	4 090	4 090	3 423	667
Goods and services	4187	4 869	(682)	2 390	3 660	3 651	9
Depreciation	338	372	(34)	372	382	378	4
Total	**8 466**	**8 379**	**87**	**6 852**	**8 132**	**7 452**	**680**
Percentage of all programmes	52%	54%	12%	44%	46%	48%	28%

Repairs and maintenance museum building	2020/21 Budget R'000	2020/21 Expenditure R'000	2020/21 (Over)/under expenditure R'000	2021/22 Budget R'000	2021/22 Revised budget R'000	2021/22 Expenditure R'000	2021/22 (Over)/under expenditure R'000
25A Worcester Street	280	274	6	750	1 500	1 468	32
Total	**280**	**274**	**6**	**750**	**1 500**	**1 468**	**32**

Strategy to overcome areas of under-performance

67% of this Division's indicators were achieved, 22% were partially achieved and 11% showed no progress at all.

Amazwi was without a Chief Financial Officer for the first six months of 2021 which, following the Covid-19 shutdown in 2020, caused delays in the implementation of some compliance matters and infrastructure projects.

A new internal audit service provider will be appointed by the newly appointed Audit and Risk Committee at the beginning of the 2022/23 financial year.

Schreiner House development
The project will be accelerated during the 2022/23 financial year. An award letter and SLA for professional services were issued on 8 April 2022 *(post reporting period)*

Eastern Star repair and renovation
Repair quotations will be sourced based on the present structural report received. Renovations will take place during the 2022/23 financial year.

3.2 Programme: Curatorial Division

The purpose of the Curatorial Division is to develop, document and care for the museum's collections, to undertake scholarly research and to provide physical and intellectual access to the collections.

Research is undertaken in a structured manner. Firstly, to provide content for exhibitions and public programmes presented at the museum; secondly, to disseminate information in scholarly conferences and publications. This requires prioritisation and planning the reach and impact of research studies. Curatorial staff need to develop specific expertise in areas of the collections and the management of personal development is a priority.

All curatorial staff are encouraged to participate in the identification of possible acquisitions, based principally on research needs and the necessity of wide-ranging representation of the South African literary canon. Incoming collection items are accessioned and catalogued. In the case of unsolicited, but suitable material, cataloguing affords the opportunity for spontaneous research.

The Division is also responsible for the care and conservation of the collection. Basic preventive conservation begins with daily routine activities like monitoring temperature and humidity and insect activity in the building and taking immediate corrective action. The museum is utilising an automated temperature and humidity logger which monitors environmental conditions continuously. On working days conditions are noted from portable hygrometers placed throughout the museum. At the end of each week this data is captured and compared to the automated system. At the end of each quarter management reports are prepared for review. Over the longer term, these reports guide standards and operating procedures which may need to be revised. More specialist conservation of collection items is outsourced.

The reference library forms part of the curatorial division. The function of the librarians is to provide an information service to Amazwi staff, visiting researchers and other stakeholders.

Purpose: Research, collections development, documentation and preservation

Outcomes, outputs, output indicators, targets and actual achievements

Knowledge creation		
Outcome	**Outputs**	**Output indicators**
A growing body of knowledge on South African literary and cultural heritage	Research articles	Number of research articles published
	Research papers	Number of research papers presented
	Meetings of experts/colloquia	Number of meetings of experts/ colloquia hosted

Indicators	**Actual performance (audited)**			**2021/22**			
	2018/19	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
Number of research articles published	6	2	4	6	6	-	-
Number of research papers presented	12	9	3	8	4	-4	Partially achieved: vacancies in Division limiting capacity to embark on new research projects
Number of meetings of experts/colloquia hosted	New indicator, no baseline	New indicator, no baseline	1	2	2	-	-

Author	Title	Publication	Volume/issue/ date
Marike Beyers	Souls in Civilization: Why Do we Struggle to Read Schreiner's Short Fiction and Allegories?	*English in Africa*	Vol 48 (1) April 2021 (pp.13-32)
Thomas Jeffery	Towards an Eco-decolonial Museology: A Critical Realist Perspective on the Crises of South African Museums	*Southern African Journal of Environmental Education*	Vol 37 September 2021
Beth Wyrill	Plagues in Palimpsest: Historical Time and Narrative Time in Diane Awerbuck's *Home Remedies,* Marcus Low's *Asylum*, and Russel Brownlee's *Garden of the Plagues*	*English Studies in Africa*	64(1-2) 2021
Crystal Warren	Fever Dreams: Surveying the Representation of Plagues and Pandemics in South African Speculative Fiction	*English Studies in Africa*	64 (1-2) 2021
Crystal Warren	South Africa (Bibliography of South African literature published in 2020 and introduction)	*Journal of Commonwealth Literature*	56(4) 2021
Thomas Jeffery	'Towards an Eco-decolonial Museum Practice through Critical Realism and Cultural Historical Activity Theory'	*Journal of Critical Realism*	20(1) 2022

Presenter	Title	Conference/meeting	Date
Crystal Warren	My Darling Bessie: Olive Schreiner's Letters to Her Niece	English Academy of South Africa Conference	8 Oct 2021
Thomas Jeffery	Eco-Decolonial Theory and Practice: Revitalising the Agency and Relevance of Museums	Amazwi Literature Heritage Ecology Conference, 'Making Peace with Nature'	28 Mar 2022
Marike Beyers	Of stones and mountains: Inner-outer worlds in the poetry of Kobus Moolman	Amazwi Literature Heritage Ecology Conference, 'Making Peace with Nature'	29 Mar 2022
Crystal Warren	Is Peace Possible after the Apocalypse? Young Adult Speculative Fiction and Hope for the Future	Amazwi Literature Heritage Ecology Conference, 'Making Peace with Nature'	29 Mar 2022

Meeting	Target participants	Purpose	Date(s)
Amazwi Literature Heritage Ecology Conference	Museologists, inter-disciplinary academics	Exchange of expertise, networking	28-29 Mar 2022

Meeting	Target participants	Purpose	Date(s)
Expert Group on Children's Literature (convened by Amazwi)	Academics working on children's literature	Networking, exploratory joint projects/events	31 Mar 2021

Collections management		
Outcome	**Outputs**	**Output indicators**
Dynamic collections of historic and contemporary literary artefacts	Cataloguing records	Number of artefacts, ultimately representing all the linguistic groups of South Africa, catalogued
Professionally curated and preserved collections	Systems for monitoring and controlling environmental conditions	Daily conditions recorded Remedial action documented
Catalogue of collections accessible and available online	Report of findings into available systems approved System procured Staff training Catalogue of collections linked to website	New/updated collections management system

	Actual performance (audited)			2021/22			
Indicators	**2018/19**	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
Number of artefacts, ultimately representing all the linguistic groups of South Africa, catalogued	14 453	4 038	1 386, of which 1 301 from backlog	5 000, of which minimum 250 from backlog	2 138, of which 947 from backlog	-2 867, +697 from backlog	Partially achieved: fewer new acquisitions but backlog reduced

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
							Decision not to value (see Note 4 in the Financial Statements)
Daily conditions recorded	New indicator, no baseline	New indicator, no baseline	Daily, but weekly during shutdown, conditions recorded	Quarterly reports of daily/weekly conditions	Quarterly reports of daily/weekly conditions	-	-
Remedial action implemented and documented			Remedial action documented	Standards and operating procedure revised and tested	Standards and operating procedure revised and tested	-	-
Catalogue of collections accessible and available online	New indicator, no baseline	New indicator, no baseline	Various collections management systems investigated and demonstrations or test undertaken Report of findings	New system procured and linked to website	New system procured	Link to website not completed	Partially achieved: link to website more complex than anticipated Website link will follow after all the data is transferred to the new system

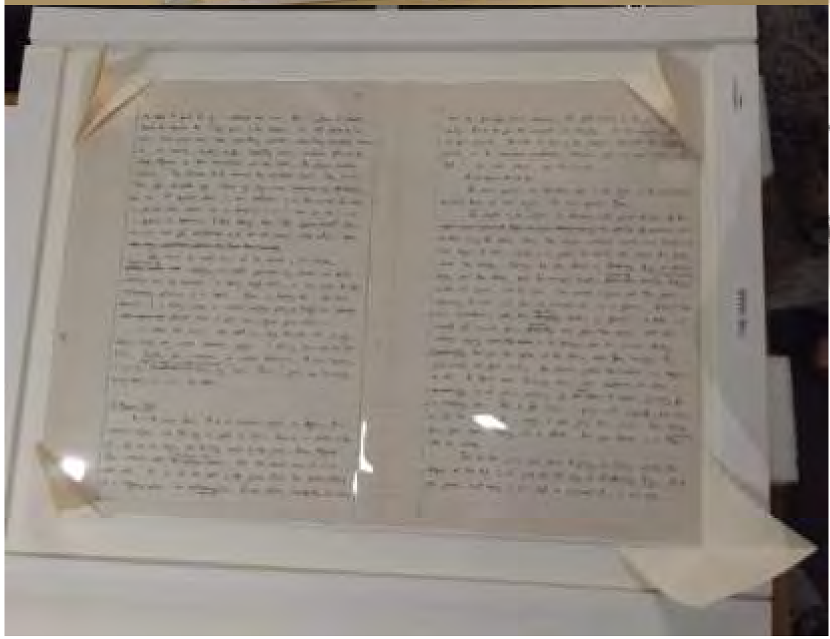
Dr Beth Wyrill.

Linking performance with budget

Description	2020/21			2021/22			
	Budget R'000	Expenditure R'000	(Over)/under expenditure R'000	Budget R'000	Revised budget R'000	Expenditure R'000	(Over)/under expenditure R'000
Personnel expenditure	4139	3784	355	4 639	4 639	3 484	1 155
Goods and services	358	364	(6)	261	420	118	302
Depreciation	490	528	(38)	528	528	528	-
Total	**4 987**	**4 676**	**311**	**5 428**	**5 587**	**4 130**	**1 457**
Percentage of all programmes	31%	30%	43%	35%	31%	27%	60%

Strategy to overcome areas of under performance

Only half of the indicators in this Division were achieved. It is hoped that any backlog over the five-year strategic planning period of 2020-2025 will be caught up by filling vacancies in the Division and focussing on research that can be transformed into new exhibitions by the Education and Public Programmes Division.



LEFT: Packing up the J.M. Coetzee loaned items to return to the Harry Ransom Center, University of Texas at Austin.

ABOVE: Mr Mthetheleli Sukula downloading temperature and humidity information from sensors placed in display cases.

3.3 Programme: Education and Public Programmes Division

The purpose of the Education and Public Programmes Division is the presentation of exhibitions, educational programmes and public events derived from the collections of Amazwi and literary heritage in general. The strategic focus is on fostering audience development and participation in the programmes of the museum by previously disadvantaged groups and individuals.

Amazwi hosts a lively programme of public events including a children's storytelling festival, book launches and talks aimed at the general public.

The prolonged shutdown and the cessation of school visits to museums and the public's reluctance to join in cultural activities had some, but not a severe, impact on the planned targets for the year under review. Consequently, it is difficult to measure the impact that the museum's programmes may have had on issues of redress – especially on women, youth and people with disabilities – and the contribution to spatial transformation.

Purpose: Exhibitions, educational services and events

Outcomes, outputs, output indicators, targets and actual achievements

Exhibitions		
Outcome	**Outputs**	**Output indicators**
An enhanced profile of South African literary and cultural heritage through exhibitions	Travelling exhibitions	Number of new travelling (or digital) exhibitions developed per year
	Temporary exhibitions	Number of new temporary exhibitions developed per year
	Display rotation	Number of showcases rotated per year
	Permanent exhibitions	Revision of permanent exhibition to include the literary heritage of the indigenous linguistic communities of South Africa

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of new travelling (or digital) exhibitions developed per year	8	4	1	3	1	-2	Partially achieved: limited capacity in Curatorial Division to create content for exhibitions
Number of new temporary exhibitions developed per year	2	2	-	1	1	-	-
Number of showcases rotated per year	14	-	15	15	15	-	-
Revision of permanent exhibition to include the literary heritage of the indigenous linguistic communities of South Africa	New indicator, no baseline	New indicator, no baseline	-	Feasibility study/project plan	Draft feasibility study prepared	Report not finalised	Partially achieved: additional data required, e.g. scope of indigenous language literary collections

Exhibitions	Type
Literary icons: An exhibition highlighting early isiXhosa writers	Digital
Amaqhawe Oncwadi. IAmazwi ibhiyozela ababhali ababhala ngazo zonke iilwimi zaseMzantsi Afrika. Lo mboniso ukhumbula ababhali besiXhosa bokuqala ababalulekileyo Literary Legends. Amazwi celebrates authors writing in all South African languages. This exhibition remembers some important early isiXhosa writers	Temporary/semi-permanent exhibition

Popularisation		
Outcome	**Outputs**	**Output indicators**
The popularisation of South African literary and cultural heritage	Popular publications	Number of popular publications
	Popular events	Number of popular events

Indicators	Actual performance (audited)			2021/22			
	2018/19	2019/20	2020/21	Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of popular publications	New indicator, no baseline	New indicator, no baseline	1	8	8	-	-
Number of popular events	44	38	3	32	36	+4	In-person events resumed

Name	Title of article	Publication	Date/Issue
Zongezile Matshoba	Words rediscover and reimagine museums’ animal kingdom	*Samantics*	Jul 2021
Beth Wyrill	Theatre collections at Amazwi	*Samantics*	Jul 2021
Andrew Martin	RIP Dr Ben Ngubane (1941-2021)	*Grocott’s Mail Direct* https://www.grocotts.co.za/2021/07/26/rip-dr-ben-ngubane-1941-2021/	26 Jul 2021
Zongezile Matshoba	Literature extravaganza at National Arts Festival	*Grocott’s Mail Direct* https://www.grocotts.co.za/2021/07/30/literature-extravaganza-at-national-arts-festival/	30 Jul 2021
Thomas Jeffery	Why South African Museums Need an Eco-Decolonial Theory and Practice	*Samantics*	Jan 2022
Zongezile Matshoba	Museum Creatives in Line with the Year of Creativity	*Samantics*	Jan 2022

Name	**Title of article**	**Publication**	**Date/Issue**
Zongezile Matshoba	Museumylitis	*Samantics*	Jan 2022
Marike Beyers	Amazwi New Collections from a Time of Lockdown	*Samantics*	Jan 2022

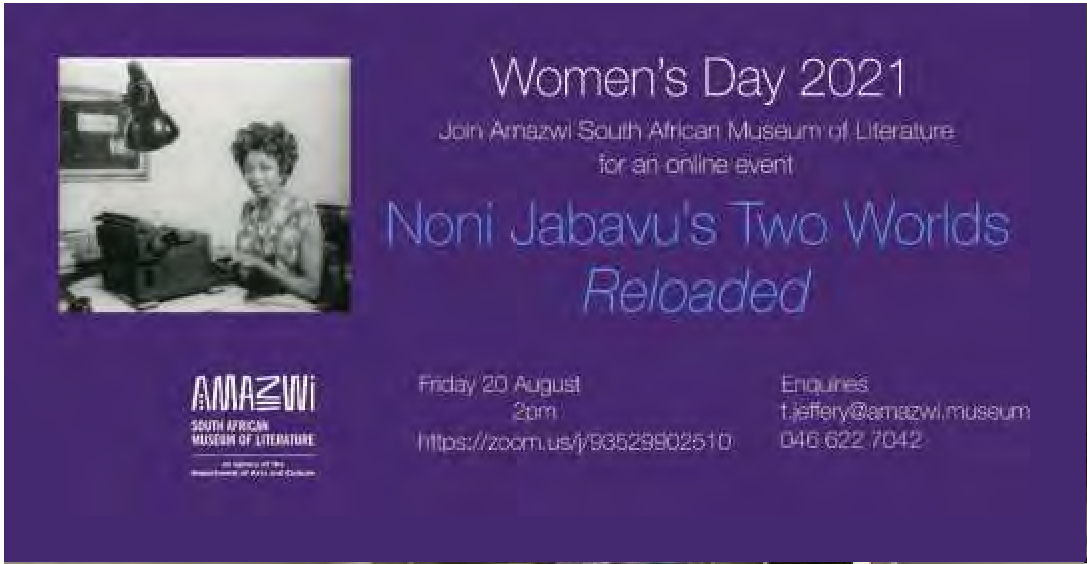
Event	Venue	Date
Reddit's Poetry	Facebook/Zoom hybrid	30 Apr 2021
World Book Day	Facebook/Zoom	23 Apr 2021
Reddit's Poetry	Facebook/Zoom hybrid	28 May 2021
Book launch: Thelela Nzanzeka, *Isikhalo (The Cry)* –	Amazwi	8 May 2021
Book launch: Myrtle Gray, *The Fatherless Daughter*	Amazwi	30 May 2021
Book launch: Doug Bullis, *Timeless People in a Changing Time*	Amazwi	30 May 2021
Book launch: Roy Lubke and Irene de Moor (eds), *Guide to the Natural and Cultural History of Grahamstown/Makhanda*	Amazwi	3 Jun 2021
Reddit's Poetry	Facebook/Zoom hybrid	25 Jun 2021
Amazwi Storytelling	Virtual (2 shows x 9 days)	8-16 Jul 2021
Amazwi Showcase (Amazwi staff members reading their own works)	Virtual	9 Jul 2021
Reading: Liz Gowan, *Butterfly Bones*	Virtual	10 Jul 2021
Book launch: Nisi Daniels, *Whitewashing My Yellow Bones*	Virtual	11 Jul 2021
Double launch: Simthembile Matyhobeni, *UNosigidi* and Imbizo Arts of South Africa, *Kotaz Journal*	Virtual	12 Jul 2021
Book launch: ISEA, *New Coin South African Poetry*	Virtual	13 Jul 2021
Book launch: Amitabh Mitra, *Anarchy and the Sea*	Virtual	14 Jul 2021
Book launch: Jeannie McKeown, *Fall Awake*	Virtual	15 Jul 2021
Book launch: Thina Nam, *Kwazi Bani?*	Virtual	16 Jul 2021
Book launch: Dan Wylie, *The Flight of the Bat*	Virtual	18 Jul 2021

Event	Venue	Date
Reddits Poetry	Facebook/Zoom hybrid	30 Jul 2021
Reddits Poetry	Amazwi	27 Aug 2021
Book launch: Athambile Masola, *Ilifa* and Mthunzikazi A. Mbungwana, *Unam Wena*	Virtual	9 Sep 2021
Book launch: Monty Roodt, *The Shining Path*	Amazwi	15 Sep 2021
Book launch: Faith Mtyida-Ngandi, *Ibhekile*	Amazwi	18 Sep 2021
Amazwi Heritage Carnival	Amazwi	24 Sep 2021
Book launch: Ashwin Desai and A. Adriaan, *The Line Breakers*	Amazwi	24 Sep 2021
Reddits Poetry	Facebook/Zoom hybrid	24 Sep 2021
Book launch: Mphuthumi Ntabeni, *The Wanderers*	Amazwi	28 Sep 2021
Reddit's Poetry	Facebook/Zoom hybrid	29 Oct 2021
Book launch: Vianne Bell and Michael Bell, *A Titan without a Profile – the Life and Times of Wilton Mkwayi*	Amazwi	3 Nov 2021
Remembrance Day (formal event and poetry readings including 'Ukutshona kuka Mendi'/'The Sinking of the Mendi' by S.E.K. Mqhayi	Amazwi	11 Nov 2021
Open Mic	Schreiner House	18 Nov 2021
Reddits Poetry	Facebook/Zoom hybrid	26 Nov 2021
Reddits Poetry	Facebook/Zoom hybrid	25 Feb 2022
Book launch: Dominique Botha, *Donkerberg/ Bloodwood*	Amazwi	10 Mar 2022
Book launch: Viv de Klerk, *Serpent Crescent*	Amazwi	24 Mar 2022
Reddits Poetry	Facebook/Zoom hybrid	25 Mar 2022

Popular talks			
Name	**Popular talk**	**Event/place/occasion**	**Date**
Crystal Warren and Mthethelele Sukula	Amazwi South African Museum of Literature: an introduction	DSRAC EC Literary Icons Event, Ginsberg	21 Oct 2021
Marike Beyers	"I suppose Kate Stuart is going to advertise herself all over England as Olive Schreiner's niece" - Travel letters to the Schreiner family	Schreiner Karoo Writers' Festival	22 Oct 2021

Education		
Outcome	**Outputs**	**Output indicators**
Mutually beneficial relationships with educators and education officials	Educator engagements	Number of engagements/meetings with educators per year
Students and learners at all levels with knowledge of South African literature	Education programmes	Number of students and learners involved in education programmes per year

	Actual performance (audited)			2021/22			
Indicators	**2018/19**	**2019/20**	**2020/21**	**Planned target**	**Actual achievement**	**Deviation from planned target**	**Comments on deviations**
Number of engagements/meetings with educators per year	New indicator, no baseline	New indicator, no baseline	-	8	1	-7	Partially achieved: no engagement with schools which were not permitted to do extramural activities


Women's Day 2021
Join Amazwi South African Museum of Literature
for an online event
Noni Jabavu's Two Worlds
Reloaded
AMAZWI
SOUTH AFRICAN MUSEUM OF LITERATURE
Friday 20 August
2pm
https://zoom.us/j/93529902510
Enquiries
t.jeffery@amazwi.museum
046 622 7042


sibongile masuku
Beverley Thomas
Crystal Warren
siza nkosi
Mmaserame David
victor.teise


2022
AFRICAN LANGUAGES:
Levers for the Africa we Want


Ibhekile


The Wanderers
Tuesday
28 September 2021

Indicators	Actual performance (audited) 2018/19	2019/20	2020/21	2021/22 Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of students and learners involved in education programmes per year	6 936	6 996	23	7 000	1156	-5 844	Partially achieved: schools were were not permitted to do extramural activities in 2021; improvement in last quarter of reporting period

Public programmes: societal issues		
Outcome	**Outputs**	**Output indicators**
Changed norms and behaviours through gender-based violence prevention efforts and advocacy platforms	Public programmes	Number of gender-themed public programmes

Indicators	Actual performance (audited) 2018/19	2019/20	2020/21	2021/22 Planned target	Actual achievement	Deviation from planned target	Comments on deviations
Number of gender-themed public programmes	New indicator, no baseline	New indicator, no baseline	1	2	2	-	-

Programme	Target audience	Date
Virtual launch: Noni Jabavu 'Two Worlds' Reloaded, followed by gender-themed literary readings by staff	General public	20 Aug
PESP project: artistic presentations and interpretation of GBV themes in mural art, performance and literature	General public	Mar 2022

Linking performance with budget

Description	2020/21			2021/22			
	Budget R'000	Expenditure R'000	(Over)/under expenditure R'000	Budget R'000	Revised budget R'000	Expenditure R'000	(Over)/under expenditure R'000
Personnel expenditure	2 622	2 308	314	2 954	2 625	2 386	239
Goods and services	196	178	18	340	1 500	1 446	54
Depreciation	17	18	(1)	18	18	18	-
Total	**2 835**	**2 504**	**331**	**3 312**	**4 143**	**3 850**	**293**
Percentage of all programmes	17%	16%	45%	21%	23%	25%	12%

Strategy to overcome areas of under performance

Only 55% of indicators in this Division were achieved. This can be attributed to the moratorium on engaging in extramural activities in 2021 and the lack of capacity in the Curatorial Division to generate research output for exhibitions. Catching up on the former over the strategic planning period of 2020-2025 is unlikely but new capacity in the Curatorial Division will make the latter straightforward.

This Division did however successfully implement a Presidential Employment Stimulus Programme project.


SPEAK
OUT




4. Reporting on the institutional response to the Covid-19 pandemic

Education and Public Programmes Division

Intervention	Geographic location	Number of beneficiaries	Disaggregation of beneficiaries	Budget allocation R'000	Contribution to APP outputs	Immediate outcomes
Implementation of a Presidential Employment Stimulus Programme project: public art, performing arts and literature portraying gender-based violence and the national symbols	Eastern Cape	97	Youth	1 000	Participation in government programmes, festivals and events Gender-themed public programmes Popular events Media presence	Employment opportunities for visual and performing artists and administrators

In the Administrative and Curatorial Divisions, responses to the Covid-19 pandemic were of an internal nature; in the Education and Public Programmes Divisions, responses had an impact on the museum's external stakeholders.

5. Revenue collection

Sources of revenue	2020/21 Estimate R'000	2020/21 Actual collected R'000	2020/21 Over/(under) collection R'000	2021/22 Estimate R'000	2021/22 Revised estimate R'000	2021/22 Actual collected R'000	2021/22 Over/(under) collection R'000
DSAC budget allocation - current	12 606	12 606	-	14 242	14 242	14 242	-
DSAC budget allocation - utilities	170	170	-	179	179	179	-
DSAC special allocation - PESP project	-	-	-	-	1 000	1 000	-
DSAC non-exchange transactions	500	811	311	600	600	610	10
NT non-exchange transactions	-	1 494	1 494	-	-	-	-
Inxuba Yethemba Municipality - grant	190	190	-	236	216	213	(3)
Sale of goods and services	151	151	-	116	155	154	(1)
Gains from the disposal of capital assets	-	-	-	2	-	-	-
Interest	75	74	(1)	120	52	51	(1)
Utilisation of reserves/surplus	-	-	-	-	1 346	1 346	-
Other revenue	229	131	(98)	97	72	72	-
Total	**13 921**	**15 627**	**1 706**	**15 592**	**17 862**	**17 867**	**5**

6. Capital investment, maintenance and asset management

DSAC capital development/infrastructure allocation

Project	2020/21			2021/22			
	Estimate R'000	Actual collected R'000	Over/(under) collection R'000	Estimate R'000	Revised estimate R'000	Actual collected R'000	(Over/(under) collection R'000
Schreiner House development	1 000	-	-	1 055	1 000	1 000	-
25A Worcester Street maintenance	-	-	-	-	-	-	-
Total	**1 000**	**-**	**-**	**1 055**	**1 000**	**1 000**	**-**

7. Heritage assets

Description	2020/21			2021/22			
	Budget R'000	Expenditure R'000	(Over)/under expenditure R'000	Budget R'000	Revised budget R'000	Expenditure R'000	(Over)/under expenditure R'000
Schreiner House restoration and additions	45	45	-	2 250	200	209	(9)
Purchase of museum collections	13	12	1	74	11	11	-
Donations of museum collections	-	-	-	-	-	-	-
Total	58	57	1	2 324	211	220	(9)

The Schreiner House project will be accelerated during the 2022/23 financial year. An award letter and SLA for professional services were issued on 8 April 2022 *(post reporting period)*.

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, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act and the principles contained in the King IV Report on Corporate Governance.

Parliament, the Executive Authority (the Minister of Sport, Arts and Culture) and the Accounting Authority (the Council of Amazwi) are responsible for corporate governance.

2. Portfolio Committee

Amazwi was not called to the Portfolio Committee on Sport, Arts and Culture during the year under review.

ABOVE & FOLLOWING PAGES: In January 2022 the Council undertook an educational excursion to Amazwi's sister museum in Paarl, the Afrikaans Language Museum and Monument.

3. Executive Authority

The Cultural Institutions Act places museums under the control of a Council appointed by the Minister of Sport, Arts and Culture.

The Annual Performance Plan for 2021/22 was submitted to the Department of Sport, Arts and Culture and tabled in Parliament by the Minister on 15 March 2021.

The Council of Amazwi submitted quarterly reports to the Minister of Sport, Arts and Culture and to National Treasury in the months following the end of each quarter.

4. Accounting Authority

The Council of Amazwi is the Accounting Authority. The functions of a Council, as described in the Cultural Institutions Act, are:

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

- to determine, subject to this Act and with the approval of the Minister, the objects of the declared institution; and
- to generally, carry out the objects of the declared institution.

The Council fosters a culture and set of values and operates within a Charter that determine the manner in which it governs the museum, i.e. the systems and structures that it uses to define policy, to provide leadership, to manage, coordinate and monitor procedures and resources, and to develop long-term strategy and direction for the organisation.

4.1 Composition of the Council

The tables below disclose relevant information on the members of Council.

Designation	Name	Date of appointment	Expiration of term of office	Meetings scheduled	Meetings attended
Chair	Dr L.S. Masuku	1 Dec 2020	30 Nov 2023	7	7
Deputy Chair	Dr W.R.J. Langeveldt	1 Dec 2020 (second term)	30 Nov 2023	7	7
Member	Mr M.S. Ditlhake	1 Dec 2020 (second term)	30 Nov 2023	7	6
Member	Ms H. Erdmann	1 Dec 2020	30 Nov 2023	7	7
Member	Mr A.K. Gontse	15 Jun 2021	30 Nov 2023	7	4
Member	Ms N.A. Jansen	15 Jun 2021	30 Nov 2023	7	2
Member	Mr T.F. Lungile	1 Dec 2020 (second term)	30 Nov 2023	7	4
Member	Mr H. Matlou	1 Dec 2020	30 Nov 2023	7	6

Designation	Name	Date of appointment	Expiration of term of office	Meetings scheduled	Meetings attended
Member	Ms L. Mvanana	1 Dec 2020	30 Nov 2023	7	7
Member	Dr N.H. Rasana	1 Dec 2020	30 Nov 2023	7	7

4.2 Council members' profiles

Name	Qualifications and area of expertise	Other board memberships	Other committees or task teams
Chair: Dr L.S. Masuku	PhD Environmental Education (Rhodes) MEd Environmental Education (Rhodes) M European Leisure Studies (Vrije Universiteit, Brussels) Katholieke Universiteit Brabant Loughborough University Universidad de Deusto BA Humanities, concurrent DipEd (Swaziland)	Deputy Editor: *Southern African Journal of Environmental Education* (SAJEE)	Chairperson: Culture to the National Commission for UNESCO Committee Member: African Union's African Languages Week
Deputy Chair: Dr W.R.J. Langeveldt	DPhil Instructional Design and Technology (Iowa, USA) MA Counsellor Education and Student Development (Iowa, USA) BEd Counselling and Career Guidance (UNISA) BA Psychology and Afrikaans Nederlands (UNISA) Extensive knowledge in the field of human rights and education Author of numerous academic publications on indigenous culture and language, especially the Khoe-San	Founder member and Patron of the National Land Khoe-San African Movement and extensive involvement in other First Nations, culture and language movements and committees	-
Member: Mr M.S. Ditlhake	BCom Hons Accounting (Natal) BCom Accounting (PU for CHE) Executive Development Programme (SBL UNISA) A results-driven business leader with international expertise in leadership, business development and operations across challenging	CEO: Corridor Africa Technologies Director: Corridor Infrabuild (Pty) Ltd Director: Corridor Metro Towers (Pty) Ltd	-

Name	Qualifications and area of expertise	Other board memberships	Other committees or task teams
	environments and emerging markets	Director: Mayibuye Developments (Pty) Ltd	
Member: Ms H. Erdmann	MA Visual Studies (Stellenbosch) Expertise in museums and visual culture Actively involved in arts, culture and heritage since 1993 Author of *Manfred Zylla Art & Resistance* (2011)	Council member: Afrikaans Language Museum and Monument Executive Committee member: Friends of the Cape Town Museum	Member: International Council of Museums South Africa (ICOM SA) Member: Friends of Iziko South African National Gallery
Member: Mr A.K. Gontse	MA Candidate Criminal Justice (UNISA) BTech Security Risk Management (UNISA) NatDip Security Risk Management (UNISA) Dip Security Management (Intec College) Cert Security Management (National Intelligence Agency – State Security) Cert Private Investigation (Damelin) Cert Safety Management (NOSA) Cert Safety Auditor (NOSA) AdvCert Safety Management (Unisa) Cert Information System Security (SITA) Cert attendance Corporate Governance and Board Effectiveness Cert attendance Governance of Ethics Expertise in security risk management, health and safety, human resources, facilities management and governance in all spheres of the government, inclusive of museums	Council Member: Nelson Mandela Museum Member: Private Security Industry Regulating Authority (PSIRA) Advisory Committee to Council	Member: Institute of Directors (IoDSA) Member: International Council of Museums South Africa (ICOM SA) Member: ICMS Committee of ICOM Member: ICOMAM Committee of ICOM
Member: Ms N.A. Jansen	BTech Cost and Management Accounting (Peninsula Technikon) NDIP Cost and Management Accounting (Peninsula Technikon)	-	-

Name	Qualifications and area of expertise	Other board memberships	Other committees or task teams
	Management Development Programme (Stellenbosch) Over 20 years' experience in public finance, specialising in public entities		
Member: Mr T.F. Lungile	MA Museums and Heritage Studies (Emory and Georgia State, USA) Higher Diploma in Education (Western Cape) BA History and Political Science (Western Cape) Certificate in Management Practice Over 20 years' experience in the heritage sector, including education and training in the sector	-	-
Member: Mr H. Matlou	MA International Communications (UNISA) Broadcasting and communications public policy and regulation Broadcasting news and current affairs Print media news reporting and editing	Council member: Albert Luthuli Museum	Member: Research & Communications Committee, Luthuli Museum Member: Audit, Risk & Finance Committee, Luthuli Museum
Member: Ms L. Mvanana	MEd (Illinois, USA) BEd (Witwatersrand) PGD Education (Unitra/Walter Sisulu) BSc (Unitra/Walter Sisulu) Management Development Programme (SBL UNISA) Certified Director: Institute of Directors Southern Africa (IoDSA) Certified Prosci Change Management Practitioner: and Change Certified Neuro Linguistic Programming Practitioner and Coach: Change Dynamics Expertise in education, corporate governance, over 30 years' leadership and management experience and extensive consulting	Director: Nkululeko Leadership Consulting Council member: National Arts Council Board member: Kopanang Community Trust	Member: Institute of Directors (IoDSA) Chairperson: Bursary Committee, National Arts Council Member: Panel of Chairpersons Committee, National Arts Council Member: Human Resource Committee, National Arts Council

Name	Qualifications and area of expertise	Other board memberships	Other committees or task teams
	experience in leadership, team and organisational effectiveness, change management, organisational culture, diversity and inclusion, coaching, and human resource development		
Member: Dr N.H. Rasana	Certified Director: Institute of Directors Southern Africa (IoDSA) Advanced Diploma in Leadership Effectiveness Advancement (Nelson Mandela) PGD Political and International Studies (Rhodes) Ph.D Applied Linguistics (Bangor, North Wales, UK) MEd English as a Second Language (Rhodes) Dip Language Instruction (Ohio, USA) PGD Enterprise Management (Rhodes) Instruction Course in English at the Secondary Level (Christ Church Canterbury, UK) Hons BA Applied Linguistics (UNISA) BA (UNISA) Primary Teachers' Diploma (CCE, Fort Beaufort) Extensive experience in Applied Linguistics and literature teaching, broadsheet publishing, policy formulation analysis, curriculum and module design, research methodology and postgraduate supervision, higher institution's new curricula assessor, human resources, leadership and governance	Board member: PanSALB Chairperson: Old Nyaluzan Union	Member: Institute of Directors (IoDSA) Curriculum Assessor: Council on Higher Education

4.3 Committees

The Council is executing its functions with a Marketing, Communication, Stakeholder Relations and Heritage Committee, a Human Resources and Governance Committee and a Finance, Information Technology and Infrastructure Committee, and an Audit and Risk Committee.

Committee	Meetings held	Members	Name
Marketing, Communication, Stakeholder Relations and Heritage Committee	6	Ms H. Erdmann	Chairperson
		Mr T.F. Lungile	Member
		Mr H. Matlou	Member
		Ms L. Mvanana	Member
		Dr N.H. Rasana	Member
Human Resources and Governance Committee	9	Dr N.H. Rasana	Chairperson
		Mr A.K. Gontse	Member
		Dr W.R.J. Langeveldt	Member
		Ms L. Mvanana	Member
Finance, Information Technology and Infrastructure Committee	5	Mr M.S. Ditlhake	Chairperson
		Ms N.A. Jansen	Member
		Mr A.K. Gontse	Member

4.4 Remuneration of Council members

Council members are remunerated at the rate prescribed by National Treasury. Members are entitled to claim for out-of-pocket expenses in attending meetings.

Name	Ordinary meetings R	Other meetings R	Other re-imbursements R	Total R
Dr L.S. Masuku	18 981	46 398	6 243	**71 622**
Dr W.R.J. Langeveldt	17 253	29 477	1 200	**47 930**
Mr M.S. Ditlhake	10 452	31 356	1 200	**43 008**
Ms H. Erdmann	15 678	36 582	1 600	**53 860**
Mr A.K. Gontse	8 710	34 840	8 712	**52 262**
Ms N.A. Jansen	-	-	4 000	**4 000**
Mr T.F. Lungile	-	-	4 800	**4 800**
Mr H. Matlou	8 710	-	9 572	**18 282**
Ms L. Mvanana	15 678	60 970	1 600	**78 248**
Dr N.H. Rasana	15 678	78 370	2 400	**96 448**

5. Risk management

Amazwi has had a Risk Management Policy in place since 2011. The purpose of this policy is to articulate Amazwi's risk management philosophy. Amazwi recognises that risk management is a systematic and formalised process to identify, assess, manage and monitor risks and therefore adopts a comprehensive approach to the management of risk. The Audit and Risk Committee serves the dual function of a Risk Management Committee. A risk assessment was undertaken by management, in consultation with the

Audit and Risk Committee, to prepare the Annual Performance Plan for 2021/22. A progress report on risk mitigation forms part of the quarterly reports submitted to the Executive Authority.

6. Internal audit and the Audit and Risk Committee

The internal audit activity evaluates and contributes to the improvement of risk management, control and governance systems. The objective is to ensure that:

- risks are appropriately identified and managed;
- significant financial, managerial and operating information is accurate, reliable and timely;
- employees' actions are in compliance with policies, standards, procedures and applicable laws and regulations; and
- resources are acquired economically, used efficiently and adequately protected.

The focus of internal control reviews during the year under review was on performance information, sick leave and vacation leave, investments and interest received, property plant and equipment, heritage assets, bank reconciliations, irregular expenditure testing relating to previous years and the audit improvement plan.

The internal audit function at Amazwi is outsourced to a consultant.

6.1 Audit and Risk Committee

The Audit and Risk Committee is an independent committee responsible for oversight of reporting processes and systems of internal control. It also assists the Council of Amazwi to review risk management processes and the effectiveness of risk management activities.

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

Designation	Name	Date of appointment	Date of resignation	Meetings scheduled	Meetings attended
Chairperson (external)	Mr H. Harnett	6 May 2015	31 Jul 2021	3	2
External member	Mr S. Mabaso	24 Mar 2017	31 Jul 2021	3	2
Chairperson (external)	Mr V. Magan	1 Feb 2022	-	3	1
External member	Mr D.S. Thwala	1 Feb 2022	-	3	1
External member	Ms A. van der Merwe	1 Feb 2022	-	3	1
Council representative	Mr M.S. Ditlhake	26 Mar 2018	-	3	1
Council representative	Ms N.A. Jansen	16 Jun 2021	-	3	2

6.2 Members' profiles

Name	Qualifications and area of expertise	Connection to entity	Other committees or task teams
Chair: Mr H. Harnett	BAcc (Rhodes) Chartered Accountant (South Africa) 10 years' experience as Senior Lecturer (Taxation) at Rhodes University 12 years' audit and accounting experience in the private sector	External	-
Member: Mr S. Mabaso	BAcc (Witwatersrand) Higher Diploma in Accountancy (Witwatersrand) Chartered Accountant (South Africa) Senior Lecturer at Rhodes University	External	Member: Advancement of Black Accounting Students Association Member: Independent Regulatory Board for Auditors (IRBA)
Chair: Mr V. Magan	Chartered Accountant (South Africa) Certified Internal Auditor MBL (UNISA)	External	Chairperson: Finance Audit and Risk Committee, South African Diamond and Precious Metals Regulator Board member: South African Diamond and Precious Metals Regulator Chairperson: Audit and Risk Committee Agrément SA Board member: Agrément SA Chairperson: Audit Committee, Northern Cape Provincial Government Member: Audit and Risk Committee, North West Provincial Government

Name	Qualifications and area of expertise	Connection to entity	Other committees or task teams
Member: Mr D.S. Thwala	PGD Strategic Management (Metropolitan School of Business Management, London) PGD Innovation and Design Thinking (Emeritus Institute of Management, Columbia) BCom (Johannesburg) Management Development Programme (Western Cape) Strategic Business Management (Cape Town) Risk Management Certification (Stellenbosch) Expertise in strategic management, performance management, governance, risk and compliance	External	Board member: Mbombela Housing Association
Member: Ms A. van der Merwe	BAcc (Free State) Chartered Accountant (South Africa) 5 years' experience as Senior Lecturer (Auditing; Management Accounting & Finance) at Rhodes University 4 years' audit experience in the public sector (AGSA)	External	Chairperson: Audit Committee, South African Library for the Blind
Member: Mr M.S. Ditlhake	BCom Hons Accounting (Natal) BCom Accounting (PU for CHE) Executive Development Programme (SBL UNISA) A results-driven business leader with international expertise in leadership, business development and operations across challenging environments and emerging markets	Council representative	CEO: Corridor Africa Technologies Director: Corridor Infrabuild (Pty) Ltd Director: Corridor Metro Towers (Pty) Ltd Director: Mayibuye Developments (Pty) Ltd
Member: Ms N.A. Jansen	BTech Cost and Management Accounting (Peninsula Technikon) NDIP Cost and Management Accounting (Peninsula Technikon) Management Development Programme (Stellenbosch)	Council representative	-

Name	Qualifications and area of expertise	Connection to entity	Other committees or task teams
	Over 20 years' experience in public finance, specialising in public entities		

6.3 Remuneration of Audit and Risk Committee members

Members of the Audit and Risk Committee are remunerated at the rate prescribed by National Treasury.

Name	Ordinary meetings R	Other meetings R	Other re-imbursements R	Total R
Mr H. Harnett	21 585	8 634	-	**30 219**
Mr S. Mabaso	10 476	5 238	-	**15 714**
Mr V. Magan	8 634	-	600	**9 234**
Mr D.S. Thwala	-	-	600	**600**
Ms A. van der Merwe	5 238	-	600	**5 838**
Mr M.S. Dithlake	2 619	-	-	**2 619**
Ms N.A. Jansen	-	-	-	**-**

7. Compliance with laws and regulations

Amazwi's policies are periodically reviewed in terms of compliance. However, a number of compliance measures remain a challenge because of the museum's relatively small size and limited capacity.

8. Fraud and corruption

The Council of Amazwi approved a Fraud Prevention and Anti-Corruption Strategy, inclusive of policy, control strategies and procedures for investigations, in 2011. The staff have been made aware of this policy and the Department of Sport, Arts and Culture's recurring anti-fraud and corruption campaigns.

Fraud and corruption is a standing item on staff meeting agendas and the toll-free hotline for reporting suspected fraud and corruption is displayed on the staff notice board.

9. Minimising conflict of interest

Council members of Amazwi are required to declare conflicts of interest at every meeting. All employees are required to disclose to the Council of Amazwi particulars of any registrable interests.

10. Code of conduct

Amazwi is an institutional member of the International Council of Museums and subscribes to its Code of Ethics.

11. Health, safety and environmental issues

Amazwi established a Health and Safety Committee in 2010. The Committee meets once a month and undertakes inspections of the premises on a regular basis. Healthy and safety issues are reported to Amazwi's management for action.

The Council of Amazwi adopted an Environmental Policy in 2011. The primary objective of this policy is to ensure that the museum makes use of resources, from paper to electricity, in a manner that minimises and ultimately eradicates unnecessary waste.

12. Social responsibility

The function of museums is to preserve, interpret and promote the natural and cultural inheritance of humanity

As expressed by the First Principle of the ICOM Code of Ethics for Museums, governing bodies and those concerned with the strategic direction and oversight of museums have a primary responsibility to protect and promote this heritage as well as the human, physical and financial resources made available for that purpose. On this basis, the ICOM Code of Ethics promotes social responsibility, independence and scientific freedom, tolerance and mutual respect without compromising professional museum standards.

As expressed by the 2015 UNESCO Recommendation concerning the protection and promotion of museums and collections, their diversity and their role in society, museums are spaces for cultural transmission, intercultural dialogue, learning, discussion and training. Therefore, museums play an important role in education, social cohesion and sustainable development and have great potential to raise public awareness of the value of cultural and natural heritage and of the responsibility of all citizens to contribute to their care and transmission.

https://icom.museum/en/news/statement-on-the-independence-of-museums/

Amazwi is an institutional member of the International Council for Museums (ICOM) and subscribes to its Code of Ethics.

13. Report of the Audit and Risk Committee

We are pleased to present our report for the financial year ended 31 March 2022.

Mr Viren Magan

13.1 Audit and Risk Committee responsibility

The Audit and Risk Committee is a committee of the Council and has discharged its responsibilities accordingly in terms of section 51(1)(a)(ii) of the Public Finance Management Act and 27.1.8 of the Treasury Regulations. The Audit and Risk Committee adopted a formal term of reference, being its Charter. The Committee acknowledges the attendance and participation of senior management in its meetings. The term of office of the previous Audit and Risk Committee came to an end on 31 July 2021 and a new Committee was appointed on 1 February 2022. The Committee met three times during the financial year to discharge its duties.

13.2 The effectiveness of internal control

Internal audit

The focus of internal control during the year under review was on performance information, sick leave and vacation leave, investments and interest received, property plant and equipment, heritage assets, bank reconciliations, irregular expenditure testing relating to previous years and the audit improvement plan.

The internal control function at Amazwi is outsourced to a consultant. From the various reports, it can be concluded that the internal control environment is partially adequate and partially effective.

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

The Audit and Risk Committee raised its concern in terms of not implementing an effective solution to internal audit risk management, governance and compliance management. Management is at an advanced stage in sourcing a service provider to provide an internal audit function.

Risk management

The Council has assigned the oversight of the risk management function to the Audit and Risk Committee.

An approved risk management policy has been adopted. A process of risk management needs to be formally implemented by management wherein risk assessments are conducted on an annual basis and updated on a quarterly basis. These will be reviewed quarterly by internal audit, the Audit and Risk Committee and Council.

13.3 In-year management and quarterly reports

The current Audit and Risk Committee has been advised that management has submitted quarterly financial reports prepared during the year under review, in compliance with the statutory reporting framework.

13.4 Evaluation of the Annual Financial Statements

The Audit and Risk Committee has reviewed the audited Annual Financial Statements for the year ended 31 March 2022 and has discussed matters of concern with management and the external auditors.

13.5 External auditor’s report

The Audit and Risk Committee has reviewed the external auditor’s Management Report and management’s response thereto and directed management to develop a comprehensive action plan to address all issues raised by the external auditors. The Audit and Risk Committee will review the action plan and monitor implementation thereof at quarterly meetings.

The Audit and Risk Committee has reviewed the information on predetermined objectives included in the Annual Report.

The Audit and Risk Committee has reviewed significant adjustments resulting from the audit as part of the review of the Annual Financial Statements.

The Audit and Risk Committee hereby indicates its concurrence with the external auditor’s conclusion on the Annual Financial Statements and performance information. The Audit and Risk Committee noted the independence of the external auditors.

The Audit and Risk Committee congratulates management in obtaining an unqualified opinion with material findings on performance information only and wish to thank all the stakeholders for their cooperation and assistance.

13.6 Auditor-General

The Auditor-General presented a first draft of the Audit Report and Management Report to the Audit and Risk Committee. Subsequently, the Auditor General was requested to present the final Audit Report and Management Report to the Audit and Risk Committee for recommendation to Council for approval but this was denied by the Auditor-General. The Auditor-General did not tender an apology for the missed engagement with the Audit and Risk Committee.

The Audit and Risk Committee subsequently engaged with management and the Council, noting the above matter.

On behalf of the Audit Committee:

Mr V. Magan
Chairperson of the Audit and Risk Committee
Amazwi South African Museum of Literature
31 August 2022

14. B-BBEE compliance performance information

The following table provides information on Amazwi's compliance with the Broad-based Black Economic Empowerment Act, Act No. 53 of 2003.

Has the public entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
Criteria	**Response**	**Discussion**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	n/a	
Developing and implementing a preferential procurement policy?	Yes	Mainstreamed in supply chain operations
Determining qualification criteria for the sale of state-owned enterprises?	n/a	
Developing criteria for entering into partnerships with the private sector?	n/a	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-based Black Economic Empowerment?	n/a	

1. Introduction

Museum core functions are labour intensive. Curatorial staff undertake research and care for the museum's collections. Education and Public Programmes is a service-oriented Division focusing on exhibitions, education programmes and museum events aimed at school learners and adults alike.

The core functions are supported by the Administrative Division which is responsible for financial and human resources management, marketing and communication, infrastructure management, and maintenance.

2. Human resource oversight statistics

2.1 Personnel cost by programme

Programme	Total expenditure R' 000	Personnel expenditure R' 000	Personnel expenditure as % of total expenditure	Number of employees	Average cost per employee R' 000
Administrative Division	10 386	3 423	33%	10	342
Curatorial Division	4 145	3 484	84%	9	387
Education & Public Programmes Division	3 850	2 386	62%	8	298
All programmes	**18 381**	**9 293**	**51%**	**27**	344

2.2 Personnel cost by salary band

Level	Personnel expenditure R' 000	% of personnel expenditure to total personnel costs	Number of employees	Average cost per employee R' 000
Top management	1 007	11%	1	1007
Senior and middle management	1 810	19%	3	603
Professional specialists	394	4%	1	394
Skilled professionals	3 454	37%	9	384
Professional and administrative support	2 049	22%	7	293
Semi-skilled administrative and technical	549	6%	3	183
Relief staff	18	0.2%	2	9
Casuals	12	0.1%	1	12
All levels	**9 293**	**100%**	**27**	344

Three staff members from the Curatorial Division left during the year. ABOVE LEFT: Curator Beth Wyrill. RIGHT: Librarian Victor Clarke, being presented with a gift by the Manager of the Division, Crystal Warren. LEFT: Principal Curator Debbie Landman with the Director, Beverley Thomas. Mrs Landman retired after 30 years' service.

The Administrative Division gained two staff members: BELOW LEFT: Chief Financial Officer Itayi Daringo. BELOW RIGHT: Supply Chain Officer Lumka Majavu.

2.3 Performance rewards and special awards for new qualifications

Programme	Performance rewards (new PhD) R' 000	Personnel expenditure R' 000	Performance rewards as % of personnel expenditure
Administrative Division	-	3 423	-
Curatorial Division	-	3 484	-
Education & Public Programmes Division	22	2 386	1%
All programmes	**22**	**9 293**	**0.2%**

Level	Performance rewards R' 000	Personnel expenditure R' 000	Performance rewards as % of personnel expenditure
Top management	-	1 007	-
Senior and middle management	-	1 810	-
Professional specialists	-	394	-
Skilled professionals	22	3 454	1%
Professional and administrative support	-	2 049	-
Semi-skilled administrative and technical	-	549	-
Relief staff	-	18	-
Casuals	-	12	-
All levels	**22**	**9 293**	**0.2%**

2.4 Training costs*

Programme	Personnel expenditure R' 000	Training costs R' 000	Training costs as % of personnel expenditure	Number of employees trained	Average training cost per employee R' 000
Administrative Division	3 423	0.4	0.01%	1	0.4
Curatorial Division	3 484	3.2	0.08%	8	0.4
Education & Public Programmes Division	2 386	2.4	0.10%	3	0.8
All programmes	**9 293**	**6**	**0.07%**	**12**	**0.5**

* The data reflected here only represents training interventions that were paid for. For a full list of training opportunities see pages 17-20 of the Performance Information.

Level	Personnel expenditure R' 000	Training costs R' 000	Training costs as % of personnel expenditure	Number of employees trained	Average training cost per employee R' 000
Top management	1 007	0.4	0.04%	1	0.4
Senior and middle management	1 810	1.5	0.08%	2	0.8
Professional specialists	394	-	-	-	-
Skilled professionals	3 454	4.1	0.11%	9	0.5
Professional and administrative support	2 049	-	-	-	-
Semi-skilled administrative and technical	549	-	-	-	-
Relief staff	18	-	-	-	-
Casuals	12	-	-	-	-
All levels	**9 293**	**6**	**0.07%**	**12**	**0.5**

Staff development and training is required to improve museological skills, enhance professionalism and encourage high level academic study in the literary field. With an aging workforce succession planning is imperative in preserving business continuity while increasing diversity and equity.

Of the 13 employees trained, seven were female, one of which was a staff member in the youth category.

2.5 Employment and vacancies

Programme	2020/21 number of employees	2021/22 approved (funded) posts	2021/22 number of employees	2021/22 number of vacancies	Vacancy rate %
Administrative Division	10	10	10	-	-
Curatorial Division	10	10	9	1	10%
Education & Public Programmes Division	9	8	8	-	-
All programmes	**29**	**28**	**27**	**1**	**4%**

Level	2020/21 number of employees	2021/22 approved (funded) posts	2021/22 number of employees	2021/22 number of vacancies	Vacancy rate %
Top management	1	1	1	-	-
Senior and middle management	3	3	3	-	-
Professional specialists	1	1	1	-	-
Skilled professionals	10	9	9	1	11%
Professional and administrative support	7	7	7	-	-
Semi-skilled administrative and technical	3	3	3	-	-

Level	2020/21 number of employees	2021/22 approved (funded) posts	2021/22 number of employees	2021/22 number of vacancies	Vacancy rate %
Relief staff	2	2	2	-	-
Casuals	2	1	1	-	-
All levels	**29**	**27**	**27**	**1**	**4%**

2.6 Employment changes

Programme	Number of employees at beginning of period	Appointments	Terminations	Number of employees at end of period
Administrative Division	8	2	-	10
Curatorial Division	9	-	3	6
Education & Public Programmes Division	8	-	-	8
All programmes	**25**	**2**	**3**	**24**

Level	Number of employees at beginning of period	Appointments	Terminations	Number of employees at end of period
Top management	1	-	-	1
Senior and middle management	2	1	-	3
Professional specialists	1	-	1	0
Skilled professionals	9	-	2	7
Professional and administrative support	6	1	-	7
Semi-skilled administrative and technical	3	-	-	3
Relief staff	2	-	-	2
Casuals	1	-	-	1
All levels	**25**	**2**	**3**	**24**

2.7 Reasons for staff leaving

Type of termination	Number	%
Death	-	-
Resignation	2	67%
Dismissal	-	-
Retirement	1	33%
Ill health	-	-
Expiry of contract	-	-
Other	-	-
Total	**3**	**100%**

2.8 Labour relations: misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	-
Written warning	-
Final written warning	-
Dismissal	-
Total	-

2.9 Equity targets and employment equity status

	Males							
	African		Coloured		Indian		White	
Level	Current	Target	Current	Target	Current	Target	Current	Target
Top management	-	-	-	-	-	-	-	-
Senior and middle management	2	2	-	-	-	-	-	-
Professional specialists	-	-	-	-	-	-	-	-
Skilled professionals	-	2	1	-	-	1	4	-
Professional and administrative support	1	-	-	-	-	-	1	-
Semi-skilled administrative and technical	2	2	-	-	-	-	-	-
Relief staff	-	-	2	1	-	-	-	-
Casuals	1	1	-	-	-	-	-	-
Total	**6**	**7**	**3**	**1**	**-**	**1**	**5**	**-**

Level	Females							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	-	1	-	-	-	-	1	-
Senior and middle management	-	1	-	-	-	-	1	-
Professional specialists	-	1	-	-	-	-	1	-
Skilled professionals	-	2	-	2	-	1	4	1
Professional and administrative support	2	4	2	2	-	-	1	-
Semi-skilled administrative and technical	1	1	-	-	-	-	-	-
Relief staff	-	1	-	1	-	-	-	-
Casuals	-	-	-	-	-	-	-	-
Total	**3**	**11**	**2**	**5**	**-**	**1**	**8**	**1**

Level	Disabled							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	-	-	-	-	-	-	-	-
Senior and middle management	-	-	-	-	-	-	-	-
Professional specialists	-	-	-	-	-	-	-	-
Skilled professionals	-	-	-	-	-	-	-	1
Professional and administrative support	-	-	-	-	-	-	-	-
Semi-skilled administrative and technical	-	-	-	-	-	-	-	-
Relief staff	-	-	-	-	-	-	-	-
Casuals	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**

PART E | FINANCIAL INFORMATION

Report of the auditor-general to parliament on Amazwi South African Museum of Literature

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Amazwi South African Museum of Literature set out on pages 86 to 134, which comprise the statement of financial position as at 31 March 2022, 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 then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Amazwi South African Museum of Literature as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

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

Other matter

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

Unaudited supplementary schedule

7. The supplementary information set out on page 83 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and accordingly, I do not express an opinion on it.

Responsibilities of the accounting authority for the financial statements

8. The council, which constitutes 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.

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

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

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

11. 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

12. 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.

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

14. 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 programmes presented in the entity's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2: curatorial division	33-40

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. The material findings on the usefulness and reliability of the performance information of the selected programmes are as follows:

Programme 2: curatorial division

Indicator: new/updated collections management system

17. The planned target of the new system procured and linked to the website for this indicator was not specific in clearly identifying the nature and required level of performance, was not measurable and did not specify the period or deadline for delivery.

Indicator: daily conditions recorded and remedial action implemented and documented

Usefulness

18. The planned target of the quarterly reports of daily/weekly conditions for this indicator was not specific in clearly identifying the nature and required level of performance.

19. The planned target of standard and operating procedures revised and tested for this indicator was not specific in clearly identifying the nature and required level of performance, was not measurable and did not specify the period or deadline for delivery.

Reliability

20. The achievement of quarterly reports of daily/weekly conditions recorded was reported against target quarterly reports of daily/weekly conditions in the annual performance report. However, the supporting evidence provided differed materially from the reported achievement. The reported achievement in the annual performance report did not agree to the supporting evidence provided for the daily conditions that were recorded during the year. The supporting evidence provided indicated that the achievement of the indicator was 288 daily conditions recorded.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. Refer to the annual performance report on pages 9 to 52 for information on the achievement of planned targets for the year and management's explanations provided for the under-/ overachievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph x to x of this report.

Report on the audit of compliance with legislation

Introduction and scope

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

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

Annual financial statements and annual report

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA.

26. Material misstatements of current liabilities, disclosure items identified by the auditors in the submitted financial statement were corrected and, resulting in the financial statements receiving an unqualified audit opinion.

Other information

27. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the directors' report, the audit committee's 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.

28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

29. 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.

30. 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 control deficiencies

31. 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 the annual performance report and the findings on compliance with legislation included in this report

32. The accounting authority did not adequately review the annual performance report before submitting them for auditing, as material misstatements were identified and non-compliance with laws and regulation occurred. There were insufficient monitoring controls to ensure adherence to the internal policies and procedures at a programme level and for purposes of taking corrective action. This is evidenced by the findings raised on the annual performance report.

33. The annual financial statements and the annual performance report contained numerous misstatements although some were subsequently corrected. This was mainly due to staff not fully applying the requirements of the financial reporting framework and the framework for managing performance information.

Auditor General

East London

31July 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

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

Communication with those charged with governance

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

4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and 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.

AMAZWI
SOUTH AFRICAN
MUSEUM OF LITERATURE
an agency of the
Department of Arts and Culture

Amazwi South African Museum of Literature

Annual Financial Statements for the period 1 April 2021 to 31 March 2022

Statement of Responsibility for Financial Information

The Public Finance Management Act, Act No. 1 of 1999, as amended, requires the Council to ensure that Amazwi South African Museum of Literature (Amazwi) keeps full and proper records of its financial affairs. The Annual Financial Statements should fairly present the state of affairs of Amazwi, its financial results, its performance against predetermined objectives and its financial position at the end of the year.

The Annual Financial Statements are the responsibility of the Council. The Auditor-General of South Africa is responsible for independently auditing and reporting on the Annual Financial Statements. The Auditor-General of South Africa has audited Amazwi's Annual Financial Statements and their report appears on pages 78 to 84.

The Annual Financial Statements have been prepared in accordance with the prescribed Standards of GRAP including any interpretation of such statements issued by the Accounting Standards Board. These Annual Financial Statements are based on appropriate accounting policies, supported by reasonable and prudent judgements and estimates.

The Council has reviewed Amazwi's budgets and cash flow forecasts for the year ended 31 March 2023. On the basis of the review, and in view of the current financial position, the Council has every reason to believe that Amazwi will be a going concern in the year ahead and has continued to adopt the going concern basis in preparing the Annual Financial Statements.

The Council sets standards to enable management to meet the above responsibilities by implementing systems of internal control and risk management, where possible, that are designed to provide reasonable, but not absolute assurance against material misstatements and losses. The entity maintains internal financial controls to provide assurance regarding the safeguarding of assets against unauthorised use or disposition, and the maintenance of proper accounting records and the reliability of financial information used within Amazwi or for publication.

The controls contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective system of internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention or the overriding of controls. An effective system of internal control, therefore, aims to provide reasonable assurance with respect to the reliability of financial information and the presentation of Annual Financial Statements. However, because of changes in conditions, the effectiveness of internal financial controls may vary over time.

The Council has reviewed Amazwi's systems of internal control and risk management for the period 1 April 2021 to 31 March 2022. The Council is of the opinion that Amazwi's systems of internal control and risk management were effective for the year under review.

In the opinion of the Council, based on the information available to date, the Annual Financial Statements fairly present the financial position of Amazwi at 31 March 2022 and the results of its operations and cash flow information for the year.

The Annual Financial Statements for the year ended 31 March 2022, set out on pages xx to xx, were submitted for auditing on 31 May 2022 and approved by the Council in terms of section 51(1)(f) of the Public Finance Management Act, Act No. 1 of 1999, as amended by Act No. 29 of 1999, and are signed on its behalf by:

Ms Beverley Thomas
Director
31 July 2022

Dr Sibongile Masuku
Chairperson of the Council of Amazwi South African Museum of Literature
31 July 2022

Accounting Authority's Report for the year ended 31 March 2022

Report by the Council of Amazwi South African Museum of Literature to the Executive Authority, the Minister of Sport, Arts and Culture, and Parliament of the Republic of South Africa.

1. Review of operations

Total revenue

Total revenue for the year was R18 136 547 (2021 restated: R15 411 146).

Surplus

A surplus of R320 071 was incurred in the year under review (2021 restated: surplus R68 311).

Events subsequent to balance sheet

There were no events subsequent to the balance sheet date.

Other major items

None noted.

2. Principal activities of the museum

Amazwi houses a comprehensive collection of resources relating to South African literature. The bulk of the collections relate to literature in English but a strategy has been put in place to expand the collections to indigenous languages, starting with IsiXhosa. All collections provide material for the preparation of permanent, temporary and travelling exhibitions and are accessible to visiting researchers and scholars on request.

Amazwi offers educational programmes for learners and opportunities for lifelong learning for adults. The schools' programmes provide an intellectually stimulating, fun and creative learning experience.

Amazwi's satellite museums, Schreiner House in Cradock and the Eastern Star Gallery in Makhanda, conserve and present two important aspects of the writing and publishing heritage of South Africa.

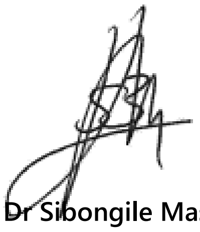
3. Materiality and significance framework for the 2021/22 financial year

In terms of the Public Finance Management Act and National Treasury Regulation 28.1.5, the Council of Amazwi has developed and agreed to a framework of acceptable levels of materiality and significance. See ANNEXURE A.

4. Approval

The Annual Financial Statements set out hereunder have been approved by the Council of Amazwi South African Museum of Literature and are signed on its behalf by:

Ms Beverley Thomas
Director
31 July 2022



Dr Sibongile Masuku
Chairperson of the Council of Amazwi South African Museum of Literature
31 July 2022

Amazwi South African Museum of Literature
Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 Restated R
ASSETS			
Non-current assets		**61 349 016**	**62 485 359**
Property, plant and equipment	2	4 643 830	5 280 140
Heritage assets	4	56 705 186	56 486 010
Investments	6	-	719 209
Current assets		**10 515 668**	**9 271 848**
Inventories	5	150 659	157 305
Investments	6	-	38
Trade and other receivables	7	515 922	321 032
Cash and cash equivalents	8	9 849 087	8 793 473
Total assets		**71 864 684**	**71 757 207**
FUNDS AND LIABILITIES			
Funds and reserves		**61 731 785**	**61 411 713**
Accumulated funds		9 589 575	9 269 503
Revaluation reserve	12	52 142 210	52 142 210
Non-current liabilities		**4 823 000**	**4 602 000**
Provision for post-retirement medical benefits	13	4 823 000	4 602 000
Current liabilities		**5 309 900**	**5 743 494**
Trade and other payables	14.1	441 474	381 606
Unspent conditional receipts	14.2	4 868 425	5 361 888
Total funds and liabilities		**71 864 684**	**71 757 207**

Amazwi South African Museum of Literature
Statement of Financial Performance for the year ended 31 March 2022

	Notes	2022 R	2021 Restated R
Revenue	9	18 136 547	15 411 146
Other income	10	10 162	142 014
Total revenue		18 146 709	15 553 160
Expenditure	11	(17 878 054)	(15 558 770)
Surplus/(deficit) from operations		268 654	(5 610)
Interest received		51 417	73 921
Surplus for the year		**321 071**	**68 311**

Amazwi South African Museum of Literature
Statement of Changes in Net Assets for the year ended 31 March 2022

	Note	Accumulated funds R	Total R
Balance at 31 March 2020 – before correction or error		**8 745 192**	**8 745 192**
Correction of prior period error – Note 24		456 000	456 000
Balance at 31 March 2020 – restated		9 201 192	9 201 192
Surplus for the year – restated		68 311	68 311
Balance at 31 March 2021 – restated		9 269 503	9 269 503
Surplus for the year		141 071	141 071
Balance at 31 March 2022		**9 589 575**	**9 589 575**

Amazwi South African Museum of Literature
Cash Flow Statement for the year ended 31 March 2022

	Notes	2022 R	2021 Restated R
Cash flows from operating activities			
Receipts			
Service fees, royalties, sales, donations and contribution from Inxuba Yethemba Municipality for Schreiner House		385 879	201 064
Government subsidy: Department of Sport, Arts and Culture		15 445 870	12 776 000
Payments			
Compensation of employees		(9 293 380)	(9 230 111)
Administration and other expenses		(5 933 931)	(2 295 658)
Cash generated/(utilised) from operations	15.1	604 439	1 451 295
Interest received		51 417	3 921
Interest received, capitalised to unspent conditional receipts		183 501	186 220
Net cash flows from operating activities		**839 357**	**1 711 436**
Net cash flows from/(to) financing activities		**-**	**-**
Cash flows from/(to) investing activities			
Acquisition of property, plant and equipment		(283 814)	(93 451)
Acquisition of heritage assets		(219 176)	(29 202)
Proceeds on property, plant and equipment sold		-	27 000
Movement of investments in securities		719 247	(31 361)
Net cash flows from/(to) investing activities	15.2	**216 257**	**(127 014)**
Net cash increase in cash and cash equivalents		**1 055 614**	**1 584 422**
Cash at the beginning of the year		8 793 473	7 209 051
Cash and cash equivalents at the end of the year	8	**9 849 087**	**8 793 473**

	2021 R	Original budget R	Adjustments R	Final approved budget R	Actual R	Variance R	Variance %	Reason for adjustment/variance
Receipts								
Sale of goods and services	112 674	116 000	39 000	155 000	153 580	(1 420)	-0.9%	
Sale of redundant assets	-	2 000	(2 000)	-	-	-	0%	
Interest	73 921	120 000	(68 000)	52 000	51 417	(583)	-1.1%	Accounts closed
Grants from national government	**12 776 000**	**14 421 000**	**1 000 000**	**15 421 000**	**15 421 000**	**-**	**0%**	
DSAC subsidy	11 082 000	12 250 000	-	12 250 000	12 250 000	-	0%	
DSAC subsidy baseline increase	691 000[†]	1 113 000	-	1 113 000	1 113 000	-	0%	
DSAC grant cost of compliance	833 000	879 000	-	879 000	879 000	-	0%	
DSAC municipal charges allocation	170 000	179 000	-	179 000	179 000	-	0%	
DSAC PESP project	-	-	1 000 000	1 000 000	1 000 000	-	0%	
Grants from local government	**-**	**236 143**	**(20 000)**	**216 143**	**212 980**	**(3 163)**	**-1%**	
Inxuba Yethemba Municipality	-	236 143	(20 000)	216 143	212 980	(3 163)	-1%	
Unclassified revenue	169 989	97 200	(25 000)	72 200	72 109	(91)	-0.1%	
Retained surplus 2020/21	-	-	1 345 340	1 345 340	1 345 340	-	0%	Current expenditure portion of approved R2 745 011 surplus
Non-exhange: municipal account paid by DSAC		600 000	-	600 000	610 075	10 075	1.7%	
	13 132 584	**15 592 343**	**2 289 340**	**17 861 683**	**17 866 502**	**4 819**	**0.03%**	
Payments								
Compensation of employees	**9 226 719**	**11 683 843**	**(330 000)**	**11 353 843**	**9 293 380**	**2 060 463**	**41%**	
Salaries and wages	7 669 515	9 760 864	(250 000)	9 510 864	7 728 793	1 782 071	23.1%	
Social contributions	1 557 204	1 922 980	(80 000)	1 842 980	1 564 587	278 393	17.8%	Salary grading and scales not implemented
Goods and services	**2 039 829**	**2 829 819**	**1 556 340**	**4 386 159**	**3 938 382**	**447 777**	**3%**	
Inventory for sale	17 818	18 000	(8 500)	9 500	9 260	240	2.6%	
Administrative fees	62 351	85 639	(20 000)	65 639	65 160	479	0.7%	
Advertising	160 309	162 000	(120 000)	42 000	42 026	(26)	-0.1%	
Minor assets	6 484	9 500	(6 000)	3 500	3 473	27	0.8%	
Audit costs (external)	147 419	165 126	632 400	797 526	797 139	387	0.0%	See Note 16.1
Bursaries (employees)	-	20 000	(20 000)	-	-	-	0%	
Catering (internal activities)	26 829	65 500	(20 000)	45 500	45 104	396	0.9%	
Communication	53 257	60 000	1 000	61 000	60 647	353	0.6%	

† Subsidy cut

	2021 R	Original budget R	Adjustments R	Final approved budget R	Actual R	Variance R	Variance %	Reason for adjustment/variance
Computer services	179 014	247 944	405 340	653 284	347 097	306 187	88.2%	See Note 16.1 Digital database project only partially completed
Consultants: business services	588 234	655 209	330 000	985 209	983 927	1 282	0.1%	Increased board costs
Legal services	6 783	10 000	(10 000)	-	-	-	0%	
Contractors	84 899	78 000	295 000	373 000	371 015	1 985	0.5%	Audio visual services for hybrid events
Agency and outsourced services	161 500	191 579	60 000	251 579	178 770	72 809	40.7%	Procurement of internal audit services not concluded
Entertainment	661	4 000	(3 200)	800	800	-	0%	
Fleet services	16 061	22 480	(1 200)	21 280	20 592	688	3.3%	
Consumables: general supplies	31 950	55 500	(4 500)	51 000	50 660	340	1%	
Consumables: stationery supplies	78 747	109 000	(30 000)	79 000	78 476	524	0.7%	
Operating lease expense	-		120 000	120 000	120 463	(463)	-0.4%	
Rental and hiring	-	10 000	(10 000)	-	-	-	0%	
Property payments	40 272	286 077	(179 000)	107 077	77 165	29 911	38.8%	Unspent grant
Transport for internal activities	9 667	12 000	1 000	13 000	12 830	170	1.3	Resumption of events
Travel and subsistence	44 177	372 750	-	372 750	358 601	14 149	3.9%	
Training and staff development	5 538	20 000	14 000	34 000	33 177	823	2.5%	
Operating payments	152 719	169 514	222 000	391 514	374 676	16 838	4.5%	See Note 16.1, exhibition loan returned
Venues and facilities	-	-	28 000	28 000	27 785	215	0.8%	
Special projects			**1 000 000**	**1 000 000**	**961 734**	38 266	4.0%	
PESP project	-	-	1 000 000	1 000 000	961 734	38 266	4.0%	See Note 16.1
Transfers to households	165 140	**161 010**	**33 000**	**194 010**	**193 908**	102	0.1%	
Post-retirement benefits	165 140	161 010	33 000	94 010	193 908	102	0.1%	New retirees
Depreciation	-	917 670	10 000	927 670	923 906	3 764	0.4%	
	11 266 548	**15 592 342**	**2 269 340**	**17 861 682**	**15 431 773**	**2 429 910**	**15.7%**	

Payments for property, plant and equipment								
Vehicles	-	-	-	-	-	-	-	
Machinery, furniture and equipment	19 049	86 500	(85 400)	1 100	1 153	(53)	-4.6%	
Computer equipment	55 047	48 000	400 000	448 000	278 937	169 063	60.6%	See Note 16.1, improvements to infrastructure partially completed
Library resources	2 309	7 500	(3 725)	3 775	3 724	51	1.4%	Capacity constraints in Curatorial Division
	76 405	**142 000**	**310 875**	**452 875**	**283 814**	**169 061**	**59%**	

	2021 R	Original budget R	Adjustments R	Final approved budget R	Actual R	Variance R	Variance %	Reason for adjustment/variance
Payments for heritage assets								
Museum collections	11 880	74 000	(63 000)	11 000	10 621	379	3.6%	
Additions to land and buildings	17 293	60 000	(60 000)	-	-	-	0%	Eastern Star repairs delayed
	29 173	**134 000**	**(123 000)**	**11 000**	**10 621**	**379**	**3.6%**	
Capital Works Projects								
Receipts								
Schreiner House development	**100 643**	**1 055 000**	**65 000**	**1 120 000**	**1 123 334**	**3 334**	0.3%	
Department of Sport, Arts and Culture	-	1 055 000	(55 000)	1 000 000	1 000 000	-	-	
Interest on accounts	100 643	-	120 000	120 000	123 334	3 334	2.7%	
25A Worcester Street	85 573	**-**	**95 000**	**95 000**	**93 686**	**(1 314)**	-1.4%	
Department of Sport, Arts and Culture	-	-	-	-	-	-	-	
Interest on accounts	85 573	-	95 000	95 000	93 686	(1 314)	-1.4%	
	186 216	**1 055 000**	**160 000**	**1 215 000**	**1 217 020**	**2 020**	**0.2%**	
Payments								
Schreiner House development	-	2 250 000	(2 050 000)	200 000	208 555	(8 555)	-4.1%	See Performance Report
25A Worcester Street	273 508	750 000	750 000	1 500 000	1 468 409	31 591	2.2%	Major repairs needed to be undertaken
	273 508	**3 000 000**	**(1 300 000)**	**1 700 000**	**1 676 964**	**23 036**	**1.4%**	

1. Accounting policies

1.1 Legislation

Amazwi South African Museum of Literature is governed by the Cultural Institutions Act, Act No. 119 of 1998, as amended, and operates under the jurisdiction of a Council appointed by the Minister of Arts and Culture.

1.2 Basis of presentation

The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise. The Annual Financial Statements have been prepared in accordance with Standards of Generally Recognised Accounting Practices (GRAP), as issued by the Accounting Standards Board (ASB), in accordance with Section 91(1) of the Public Finance Management Act, Act No. 1 of 1999.

The Annual Financial Statements are presented in South African Rands.

1.3 Going concern

The Annual Financial Statements have been prepared on a going concern basis.

1.4 Taxation

As from 1 April 2005, the institution was deregistered as a value added tax (VAT) vendor due to changes in the VAT Act, Section 24(1) of Act No. 45 of 2003 and Act No. 32 of 2004.

Amazwi South African Museum of Literature has been exempted from paying income tax.

1.5 Significant judgements and sources of estimation uncertainty

The preparation of Annual Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant judgements include:

Trade and other receivables

Amazwi 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, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Useful lives of property, plant and equipment

Amazwi determines the estimated useful lives and related depreciation charges for property, plant and equipment. This estimate is based on the condition and use of the individual asset in order to determine the remaining period over which the asset can and will be used.

Heritage assets

Heritage assets are culturally significant resources and are shown at cost and are not depreciated due to the uncertainty regarding their estimated useful lives. The valuation of heritage assets is dependent on the type of the asset and the availability of reliable information. Amazwi makes estimates and assumptions about factors such as the restoration cost, replacement cost and cash flow generating ability in estimating fair value.

1.6. Revenue recognition

1.6.1 Revenue from exchange transactions

Exchange transactions are transactions in which Amazwi receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another party in exchange.

Measurement

Revenue is recognised on the Statement of Financial Performance when it is probable that future economic benefits will flow to Amazwi and these benefits can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of discounts. The following specific recognition criteria must be met before revenue is recognised:

Sale of goods and rendering of services

Revenue from the sale of goods is recognised when the significant risks or rewards of ownership are transferred to the buyer. Amazwi as a rule does not charge an entry fee, however where services are rendered to another party, fees may be charged dependent on a variety of cost factors.

Interest

Interest earned on investments is recognised in the Statement of Financial Performance on the time-proportionate basis that takes into account the effective yield on the investment.

1.6.2 Revenue from non-exchange transactions

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

Stipulations on transferred assets are in terms of laws and regulations or a binding arrangement imposed upon the use of a transferred asset by entities external to Amazwi.

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 does not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

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 Amazwi 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 Amazwi. When, as a result of a non-exchange transaction, Amazwi 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 or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Gifts and donations, including goods and services 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 Amazwi and the fair value of the assets can be measured reliably. Services in kind are not recognised.

Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as received to the extent that Amazwi has complied with any of the conditions embodied in the agreement. To the extent that the conditions have not been met a liability is recognised. Interest earned on these investments is invested in accordance with the grant conditions. Revenue is recognised when all conditions associated with the contribution have been met or when the property, plant and equipment is brought into use.

Government transfer payments

Government transfer payments are recognised once the income has been received.

1.7 Property, plant and equipment

Initial recognition and measurement

Property, plant and equipment are tangible non-current assets that are held for use in the supply of goods or services, or for administrative purposes and are expected to be used for more than one year.

Items of property, plant and equipment are recognised as assets when it is probable that future economic benefits or service potential associated with the item will flow to Amazwi and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost if acquired through exchange transactions.

The cost of an item of property, plant and equipment is the purchase price and other costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by Amazwi. Trade discounts and rebates are deducted in arriving at the cost at which the asset is recognised. The cost also includes the estimated costs of dismantling and removing the asset and restoring the site on which it is operated.

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. These major components are depreciated separately over their useful lives.

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 cost.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure

Where Amazwi replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequent expenditure including major spare parts and servicing equipment qualify as property, plant and equipment if the recognition criteria are met.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciable amount is determined after taking into account an asset's residual value, where applicable.

The assets' residual values, useful lives and depreciation methods are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Annual depreciation rates are reviewed annually, by management, per class of asset to ensure that any asset is written off over its useful life.

The annual depreciation rates are based on the following estimated useful life of assets:

Motor vehicles	15 years
Electronic and computer equipment	8-10 years
Furniture and fittings	10-12 years
Tools and equipment	8-10 years
Library resources	25 years

Review of useful lives

The useful lives of property, plant and equipment are reviewed on an annual basis.

Review of depreciation method

The depreciation method is reviewed on an annual basis.

Impairments

Amazwi tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

Derecognition

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 on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.8 Heritage assets

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

1.8.1 Recognition

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

The museum will assess the degree of certainty attached to the flow of future service potential or economic benefits:

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

(b) For recognition of heritage assets, the asset needs to be controlled by the museum as a result of past events. Such events may include purchase, donation, bequest, loan or transfer.

(c) The research required to identify, analyse and classify heritage items is often a collaborative effort between local and international experts that span several months, even years. These items cannot be recognised in the Financial Statements but will be recorded and controlled in the register. Relevant and useful information about them shall be disclosed in the Notes to the Financial Statements.

1.8.2 Measurement

The values of assets have been determined using either cost or fair value.

Values have been assigned to the heritage assets which are considered to be appreciating in value, and which values are to be reviewed from time to time. Wherever possible, the appraisers have adopted the discipline of 'open market' principles in determining value, however values derived are largely determined by the skill and experience applied by the appraiser at the date of valuation.

1.8.3 Directive 7: Use of deemed cost for heritage assets upon initial recognition and adoption of a standard

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

Acquisition cost

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

Deemed cost

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

Measurement date (for the purposes of this Directive)

Measurement date is the date that an entity adopts the Standards of GRAP and is the beginning of the earliest period for which an entity presents full comparative information in its first Financial Statements prepared using Standards of GRAP.

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

(a) a revaluation in accordance with the Standards of GRAP on property, plant and equipment, intangible assets or heritage assets; or

(b) the application of the fair value model in the Standard of GRAP on investment property, paragraph A4, which states that subsequent depreciation, if applicable, is based on that deemed cost and starts from the measurement date.

1.8.4 Initial entries using deemed cost

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

(a) as an adjustment to the opening balance of accumulated surpluses or deficits in the opening Statement of Financial Position prepared using Standards of GRAP; or

(b) in revaluation surplus if an entity adopts the revaluation model in the Standards of GRAP on property, plant and equipment, intangible assets or heritage assets.

The museum has adopted the cost model for heritage assets.

Heritage assets shall not be depreciated but the museum shall assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

1.8.5 Valuation of heritage assets

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

1.8.6 Valuation of heritage assets

Valuation techniques

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

Inability to value

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

Valuing an entire collection

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

1.8.7 Heritage asset classification

The museum houses a comprehensive collection of resources relating to South African literature in English. Primary resources include authors' manuscripts, printers' proofs, diaries, correspondence, publishers' archives, photographs, posters, play-scripts, theatre programmes and cultural artefacts.

A class of heritage assets is a grouping of heritage assets of a similar nature or function in the museum's operations that is shown as a single item for the purpose of disclosure in the Financial Statements. The museum has recognised the following classes of heritage assets:

(a) Literary artefacts

(b) Published works

(c) 3-Dimensional objects

(d) Contents of house museum (Schreiner House)

1.8.8 Heritage assets on loan to other institutions

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

1.8.9 Retrospective application

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

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

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

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

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

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

1.8.10 Impairment

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

1.8.11 Transfers

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

1.8.12 De-recognition

The carrying amount of a heritage asset is derecognised:

(a) on disposal, or

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

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

1.9 Impairment of non-financial assets

Amazwi assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, Amazwi estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets on a pro rata basis of the carrying amount of each asset in the unit.

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

1.10 Financial instruments

Financial instruments are recognised when Amazwi becomes a party to the contractual provisions of the instrument, and are initially measured at fair value plus, in the case of a financial asset or liability not subsequently measured at fair value through the Statement of Financial Performance, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. The subsequent measurement of financial instruments is dealt with as follows:

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and Amazwi has transferred substantially all risks and rewards of ownership or when Amazwi loses control of contractual rights that comprise the assets. Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or when it expires.

Cash and cash equivalents are measured at amortised cost.

Financial assets

Amazwi classifies its financial assets according to the following categories:

(a) held to maturity, or

(b) loans and receivables.

The classification depends on the purpose for which the financial asset is acquired, and is as follows:

(c) Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity, where Amazwi has the positive intent and ability to hold the investment to maturity. They are subsequently measured at amortised cost, using the effective interest rate method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

(d) Loans and receivables are financial assets that are created by providing money, goods or services directly to a debtor. They are subsequently measured at amortised cost, using the effective interest rate method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

Impairment of financial assets

An assessment is performed at each Statement of Financial Position date to determine whether objective evidence exists that a financial asset is impaired. The carrying amounts of cash investments are reduced to recognise any decline, in the value of individual investments. This reduction in carrying value is recognised in the Statement of Financial Performance. Financial assets consist of:

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Trade and other receivables

Trade and other receivables are initially recognised at fair value. Bad debts are written off in the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the reporting date are classified as current. A provision for impairment of other receivables is established when there is objective evidence that Amazwi will not be able to collect all amounts due according to the original terms of receivables. An estimate is made for doubtful debts based on past default experience of all outstanding amounts at year-end.

Investments at amortised cost

Investments, which include fixed deposits and short-term deposits invested in registered commercial banks are categorised as financial instruments at amortised cost and are subsequently measured at amortised cost. Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

Financial liabilities

Amazwi measures all financial liabilities, including trade and other payables, at amortised costs, using the effective interest rate method (excluding provisions). Amounts payable within 12 months from the reporting date are classified as current. Financial liabilities consist of:

Trade and other payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

1.11 Inventory

Inventory is initially recognised at cost. Inventory is subsequently valued at the lower of cost or net realisable value. The basis of determining cost is the first-in, first-out (FIFO) method.

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

Redundant and slow-moving inventories are identified at year end and written down from cost to net realisable value with regard to their estimated economic or realisable values.

1.12 Employee benefits

Short term employee benefits

Short term employee benefits encompass all those benefits that become payable in the short term, i.e. within a financial year or within 12 months after the financial year. Therefore, short term employee benefits include remuneration, compensated absences and bonuses.

Short term employee benefits are recognised in the Statement of Financial Performance as services that are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs. These short-term employee benefits are measured at their undiscounted costs in the period the employee renders the related service or the specific event occurs.

Post-retirement benefits

Amazwi provides post-retirement medical aid benefits for employees who remain in service up to retirement age, except for employees who joined Amazwi after 31 October 2011, who are not entitled to post-employment medical benefits. These benefits are provided as defined benefit plans.

Defined benefit plans

Amazwi belongs to a defined benefit plan which is a post-employment benefit plan under which Amazwi pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods.

1.13 Provisions

Provisions are recognised when Amazwi has a present obligation (legal or constructive) as a result of past events, and 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 amount of the obligation. Provisions are reviewed at the Statement of Financial Position reporting date and adjusted to reflect the current best estimate.

1.14 Budget and actual amounts

Entities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which are given effect through authorising legislation, appropriation or similar. General purpose financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The budget and accounting bases differ. The Financial Statements differ from the budget, which is approved on the cash basis. The Financial Statements are prepared on the accrual basis using a classification on the nature of expenses in the Statement of Financial Performance.

A reconciliation between the actual amounts on a comparable basis is presented in the Statement of Comparison of Budget and Actual Amounts.A reconciliation between the Statement of Financial Performance and the budget has been included in the Notes to the Financial Statements. See note 16.

1.15 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted for or expenditure that is not in terms of the conditions of an allocation received from another sphere of government. Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Unauthorised expenditure is disclosed in the Notes to the Financial Statements.

1.16 Irregular expenditure

Irregular expenditure is incurred in contravention of, or that is not in accordance with, a requirement of any applicable legislation, including the Public Finance Management Act, Act No.1 of 1999 (as amended), or any regulation made in terms of this Act. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is disclosed in the Notes to the Financial Statements.

Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Fruitless and wasteful expenditure is disclosed in the Notes to the Financial Statements.

1.18 Recovery of irregular, fruitless and wasteful expenditure

The recovery of irregular, fruitless and wasteful expenditure is based on legislated procedures, and is recognised when the recovery thereof from the responsible officials is probable. The recovery of irregular, fruitless and wasteful expenditure is treated as other income.

1.19 Related parties

Individuals as well as their close family members, and/or entities, are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

The Department of Arts and Culture is the controlling entity and has ownership control of Amazwi.

Key management personnel are defined as the Director, Chief Financial Officer and all other managers reporting directly to the Director or as designated by the Director.

1.20 Post balance sheet events

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

(a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

(b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Amazwi will adjust the amounts recognised in the Financial Statements to reflect adjusting events after the reporting date once the event occurred.

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

1.21 Comparative information

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified and restated. The nature and reasons for the reclassification and restatement are disclosed in the Notes to the Financial Statements.

1.22 Public Finance Management Act, 1999 (Act No. 1 of 1999)

Section 54(2)

In terms of the PFMA and Treasury Regulation 28.1.5 the Council has developed and agreed to a framework of acceptable levels of materiality and significance.

Section 55(2)

No material losses through criminal conduct or fruitless or wasteful expenditure were incurred during the year. Irregular expenditure has been disclosed in Note 17.

Section 55(3)

Council may not accumulate surpluses unless written approval of the National Treasury has been obtained. Approval for the retention of the accumulated surplus as at 31 March 2020 was obtained.

1.23 New and amended standards and interpretations

The following Standards of GRAP became effective for financial periods commencing on or after 1 April 2021:

There are no relevant statements that Amazwi had to comply with.

Amendments to the following Standard of GRAP will become effective for financial periods commencing on or after 1 April 2022:

GRAP 25	Employee Benefits
GRAP 104 (amended)	Financial Instruments
Directive 7 (amended)	The application of Deemed Cost

Management has considered all of the above mentioned GRAP standards approved but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance and cash flow of the entity.

Approved Standards of GRAP that entities are not required to apply:

GRAP 18	Segment Reporting

2. Property, plant and equipment

	Motor vehicles R	Computer equipment R	Furniture and fittings R	Tools and equipment R	Library resources R	Audio-visual equipment R	Collections' furniture and fittings R	Exhibition furniture R	Office furniture and fittings R	Outdoor furniture and fittings R	Total R
Year ended 31 March 2021											
Net carrying amount at 31 March 2020											
Net book value 1 April 2020	**53 345**	**395 209**	**156 992**	**126 572**	**224 546**	**284 334**	**3 589 944**	**122 312**	**1 154 851**	**29 888**	**6 137 993**
Cost	208 982	936 550	246 516	241 862	474 446	454 936	5 359 049	190 000	1 790 264	49 000	9 951 605
Accumulated depreciation	(155 637)	(541 341)	(89 524)	(115 290)	(249 900)	(170 602)	(1 769 105)	(67 688)	(635 413)	(19 112)	(3 813 612)
Additions: cash	-	57 159	1 996	30 479	3 817	-	-	-	-	-	93 451
Additions: assets that came with building and donations	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-
Transfer to/(from)	-	-	-	-	-	-	-	-	-	-	-
Disposals/scrapped: cost	-	(64 994)	-	-	-	-	-	-	-	-	(64 994)
Transfers/disposals/scrapped: accumulated depreciation	-	37 596	-	-	-	-	-	-	-	-	37 596
Depreciation charge	(9 055)	(100 415)	(21 618)	(26 683)	(18 988)	(45 494)	(509 110)	(18 050)	(169 593)	(4 900)	(923 906)
Net carrying amount at 31 March 2021	**44 290**	**324 555**	**137 370**	**130 368**	**209 375**	**238 840**	**3 080 834**	**104 262**	**985 258**	**24 988**	**5 280 140**
Cost	208 982	928 715	248 512	272 341	478 263	454 936	5 359 049	190 000	1 790 264	49 000	9 980 062
Accumulated depreciation	(164 692)	(604 160)	(111 142)	(141 973)	(268 888)	(216 096)	(2 278 215)	(85 738)	(805 006)	(24 012)	(4 699 922)
Year ended 31 March 2022											
Net book value 1 April 2021	**44 290**	**324 555**	**137 370**	**130 368**	**209 375**	**238 840**	**3 080 834**	**104 262**	**985 258**	**24 988**	**5 280 140**
Cost	208 982	928 715	248 512	272 341	478 263	454 936	5 359 049	190 000	1 790 264	49 000	9 980 062
Accumulated depreciation	(164 692)	(604 160)	(111 142)	(141 973)	(268 888)	(216 096)	(2 278 215)	(85 738)	(805 006)	(24 012)	(4 699 922)
Additions: cash	-	278 937	-	1 153	3 724	-	-	-	-	-	283 814
Revaluation	-	-	-	-	-	-	-	-	-	-	-
Transfer to/(from)	-	-	-	-	-	-	-	-	-	-	-
Disposals/scrapped: cost	-	-	-	-	-	-	-	-	-	-	-
Transfers/disposals/scrapped: accumulated depreciation											
Depreciation charge	(9 055)	(94 950)	(20 809)	(29 033)	(19 130)	(45 494)	(509 110)	(18 050)	(169 593)	(4 900)	(923 906)
Net carrying amount at 31 March 2022[3]	**35 235**	**508 542**	**116 561**	**102 488**	**193 969**	**193 346**	**2 571 724**	**86 212**	**815 665**	**20 088**	**4 757 600**
Cost	208 982	1 207 652	248 512	273 494	481 987	454 936	5 359 049	190 000	1 790 264	49 000	10 384 339
Accumulated depreciation	(173 747)	(699 110)	(131 951)	(171 006)	(288 018)	(261 590)	(2 787 325)	(103 788)	(974 599)	(28 912)	(5 626 739)

[3] Some property, plant and equipment still in use has been fully depreciated.

	Cost R	Accumulated depreciation R	Carrying amount R
Carrying amount at 31 March 2021			
Motor vehicles	208 982	(164 692)	44 290
Electronic and computer equipment	928 715	(604 160)	324 555
Furniture and fittings	248 512	(111 142)	137 370
Tools and equipment	272 341	(141 973)	130 368
Library resources	478 263	(268 888)	209 375
Audio-visual equipment	454 936	(216 096)	238 840
Collections' furniture and fittings	5 359 049	(2 278 215)	3 080 834
Exhibition furniture and fittings	190 000	(85 738)	104 262
Office furniture and fittings	1 790 264	(805 006)	985 258
Outdoor furniture and fittings	49 000	(24 012)	24 988
Total	**9 980 062**	**(4 699 922)**	**5 280 140**

	Cost R	Accumulated depreciation R	Carrying amount R
Carrying amount at 31 March 2022			
Motor vehicles	208 982	(173 747)	35 235
Electronic and computer equipment	1 207 652	(699 110)	508 542
Furniture and fittings	248 512	(131 951)	116 561
Tools and equipment	273 494	(171 006)	102 488
Library resources	481 987	(288 018)	193 969
Audio-visual equipment	454 936	(261 590)	193 346
Collections' furniture and fittings	5 359 049	(2 787 325)	2 571 724
Exhibition furniture and fittings	190 000	(103 788)	86 212
Office furniture and fittings	1 790 264	(974 599)	815 665
Outdoor furniture and fittings	49 000	(28 912)	20 088
Total	**10 263 876**	**(5 620 045)**	**4 643 829**

There are no items of property, plant and equipment pledged as security.

Repairs and maintenance costs pertaining to property plant and equipment (PPE) for the 2021/22 financial year amounted to R1 622 779.

3. Operating leases

	2022 R	2021 R
Operating leases: printers, analysed as follows:		
Minimum operating lease rentals	127 403	-
	127 403	**-**

Amazwi rents printers under a non-cancellable operating lease for 36 months.

Future commitments (including VAT) under non-cancellable operating leases are summarised as follows:

2022	**Within 1 year**	**2-5 years**	**Total**
Minimum future lease payments	44 966	82 437	127 403

2021	**Within 1 year**	**2-5 years**	**Total**
Minimum future lease payments	-	-	-

Escalation clause

There is no escalation clause

4. Heritage assets

Moveable heritage assets

Additions

For recognition of heritage assets, the asset needs to be controlled by the museum as a result of past events. Such events may include purchase, donation, bequest, loan or transfer. Additions disclosed in respect of the 2021/22 financial period are items purchased and/or donated.

As a result of the extended lockdown fewer donations were received in the last two years than is usual. It has been the practice to value an entire collection once it has been fully sorted and catalogued. With limited curatorial staff, cataloguing of heritage assets has been slower than usual, resulting in very few of the incoming collections being completed.

Management is of the view that the items will have a nominal value and it is, therefore, not economically viable to have these items valued by professional valuators so these items will be held aside and valued alongside donations received in the 2022/23 financial year.

Loans

Valid and duly authorised loan agreements have been concluded with all entities in accordance with the Amazwi's Heritage Asset Management Policy. Amazwi entered into a loan agreement in 2020 with the Harry Ransom Center, University of Texas at Austin, for a portion of their J.M. Coetzee collection for the exhibition 'Scenes from the South'. As a result of the international travel ban, the collection remained in safe custody at Amazwi and was only returned at the beginning of 2022.

Impairment

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

(a) Where acquisitions have been fair valued and assessed, the valuation surplus/loss has been disclosed accordingly.

(b) Where acquisitions have been assessed with no significant change in fair value for the period under review, they are disclosed at cost or fair value.

(c) All remaining items valued and disclosed have been assessed and fair valued as at the date of recognition.

Inability to value

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

Assets not valued and not affecting the Annual Financial Statements

The nature of the museum library collection is diverse in its composition. Some of its collection items meet the definition of a heritage asset and some do not. The museum has identified reference material which is held for the purpose of research and which was not valued as part of the valuation of heritage assets project. These include annual publications, theses, reports etc.

Inability to determine service potential

The museum has assessed the degree of certainty attached to the flow of future service potential or economic benefits. The service potential of the following heritage items are undetermined until they are subjected to evaluation and research to determine if they conform to the set collection criteria. These items cannot be recognised in the Financial Statements, but will be recorded and controlled in the register. The items below include the items verified, but research is still being undertaken to determine what they are, and if the objects meet the recognition criteria of heritage assets:

– During the 2021/22 year 89 new boxes were added to the backlog and 341 boxes of literary artefacts were catalogued, leaving a total backlog at 31 March 2022 of 341 boxes.

Retrospective application

The values for 31 March 2018, which we deem reliable, have been used as 'rolled back' opening balances for 1 April 2016. Based on the valuation policy, it can then in essence be 'rolled forward' as closing balances. Any retrospective adjustment prior to 1 April 2016 was considered impracticable.

Immovable heritage assets

Amazwi owns two properties, both of which are declared heritage sites. Any costs incurred to enhance or restore these assets to preserve their indefinite useful life are capitalised. Subsequent measurement will be at these costs less accumulated impairments.

Schreiner House

The heritage property on erf 3654 in Cradock, Schreiner House, is legally the property of Amazwi. In reality, the museum is a joint operation of Amazwi and Inxuba Yethemba Municipality.

The local municipality contributed to the restoration of the building. The municipality contributes 50% of the curator's salary and a municipal staff member is assigned to Schreiner House in a support capacity. The municipality further contributes through the remission of rates and municipal services. Amazwi does not charge an entrance fee at Schreiner House so there is no direct revenue generated at the property.

Based on an interpretation and implementation of the GRAP 103 standard by Inxuba Yethemba Municipality, the municipality shares control of Schreiner House with Amazwi and should carry a *portion* on their heritage asset register. The portion of the erf on which the house museum stands, with a value of R800 000.00 (eight hundred thousand Rand) was accordingly apportioned to the municipality in 2020/21 for carrying on their asset register and the hall and adjacent property on erf 2701 is accordingly apportioned to Amazwi for carrying on their asset register. The displays and literary artefacts in the museum, including movables, are not affected.

From a control perspective, neither the South African Heritage Resources Agency nor the Eastern Cape Provincial Heritage Resources Authority have any control over the operations and maintenance of the property.

There are no items Heritage assets pledged as security.

There were no repairs and maintenance costs pertaining to heritage assets for the 2021/22 financial year.

	Immovable property R	Literary artefacts R	Published works R	Creative serials R	Historical collections/ donations R	Total R
Year ended 31 March 2021						
Net book value 1 April 2020	**2 613 868**	**37 167**	**37 609**	**3 203**	**54 564 961**	**57 256 808**
Cost or valuation	2 613 868	37 167	37 609	3 203	54 564 961	57 256 808
Accumulated impairment	-	-	-	-	-	-
Additions	17 293	2 215	8 634	1 060	-	29 202
Valuation of donations	-	-		-	-	-
Transfers out	(800 000)	-	-	-	-	(800 000)
Net carrying amount at 31 March 2021	**1 831 161**	**39 382**	**46 243**	**4 263**	**54 564 961**	**56 486 010**
Cost or valuation	1 831 161	39 382	46 243	4 263	54 564 961	56 486 010
Accumulated impairment	-	-	-	-	-	-
Year ended 31 March 2022						
Net book value 1 April 2021	**1 831 161**	**39 382**	**46 243**	**4 263**	**54 564 961**	**56 486 010**
Cost or valuation	1 831 161	39 382	46 243	4 263	54 564 961	56 486 010
Accumulated impairment	-	-	-	-	-	-
Additions	208 555	-	7 606	3 015	-	219 176
Valuation of donations	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Net carrying amount at 31 March 2022	2 039 716	39 382	53 849	7 278	54 564 961	56 705 186
Cost or valuation	2 039 716	39 382	53 849	7 278	54 564 961	56 705 186
Accumulated impairment	-	-	-	-	-	-

	Cost R	Accumulated depreciation R	Carrying amount R
Carrying amount at 31 March 2021			
Immovable property	1 831 161	-	1 831 161
Literary artefacts	39 382	-	39 382
Published creative works	46 243	-	46 243
Creative serials	4 263	-	4 263
Historical collections/donations	54 564 961	-	54 564 961
	56 486 010	**-**	**56 486 010**
Carrying amount at 31 March 2022			
Immovable property	2 039 716	-	2 039 716
Literary artefacts	39 382	-	39 382
Published creative works	53 849	-	53 849
Creative serials	7 278	-	7 278
Historical collections/donations	54 564 961	-	54 564 961
Total	**56 705 186**	**-**	**56 705 186**

5. Inventory

	2022 R	2021 R
Books and postcards	150 659	157 305
Less: provision for obsolete stock	-	-
	150 659	**157 305**

The following amounts, related to inventory, were recognised in the Statement of Financial Performance during the year:		
Cost of inventory sold and written off and included in cost of sales	**15 906**	**11 472**

There are no items of inventory pledged as security.

6. Investments

	2022 R	2021 R
Non-current investments		
GBS Mutual Bank		
Fixed deposit: 02537904073	-	60 000
Fixed deposit: 02537904132	-	409 209
Fixed period shares: 025379020031	-	250 000
	-	**719 209**
Current investments		
Nedcor Income Fund: 7099687	-	38
	-	**38**

During the year management withdrew all funds invested with GBS Mutual Bank, as the Bank is not on the list of recognised Banks with Treasury. The funds have not yet been reinvested and are accounted for in the Standard Bank current account.

7. Trade and other receivables

	2022 R	2021 R
Trade receivables	263 846	211 055
Sundry debtors	232 076	109 977
Fuel deposit	20 000	-
Less: provision for impairments	-	-
	515 922	**321 032**
Trade receivables: aging		
Current	69 602	1 053
30 days	400	64 202
60 days and more	193 844	145 800
	263 846	**211 055**
Provision for impairments		
Opening balance	-	-
Contribution (to)/reversal of provision	-	-
Closing balance	**-**	**-**

The fair value of trade and other receivables approximates their carrying value. The credit quality of the trade debtors is fair.

8. Cash and cash equivalents

Amazwi operates a current account with the Standard Bank of South Africa with no overdraft facility. The details are as follows:

Bank:	Standard Bank of South Africa
Account number:	082 000 956
Branch:	Grahamstown
Branch code:	05 09 17

Amazwi operates a call account with the Standard Bank of South Africa. The details are as follows:

Bank:	Standard Bank of South Africa
Account number:	088 808 114
Branch:	Grahamstown
Branch code:	05 09 17

	2022 R	2021 R
Cash book balance at bank at beginning of the year	2 917 055	1 285 105
Cash book balance on hand at beginning of the year	9 400	7 400
Cash book balance on call accounts at beginning of the year	532 885	493 621
Cash book balance on money market fund at beginning of the year	5 334 133	5 422 925
	8 793 473	7 209 051
Cash book balance at bank at end of the year	4 251 638	2 917 055
Cash book balance on hand at end of the year	9 405	9 400
Cash book balance on call accounts at end of the year	70 410	532 885
Cash book balance on money market fund at end of the year	5 517 634	5 334 133
	9 849 087	8 793 473
Total bank balances and cash included in the Cash Flow Statement comprise the following Statement of Financial Position amounts		
Cash book balances and cash at end of the year	9 849 087	8 793 473
Cash book balances and cash as previously reported	(8 793 473)	(7 209 051)
Bank balances and cash movement	**1 055 614**	**1 584 422**

	2022 R	2021 R
Accounts making up the cash book balances		
Standard Bank current account	4 285 070	2 951 763
Standard Bank current account - PESP	13 395	-
Stanlib	70 410	70 410
Standard Bank call accounts	5 517 634	5 334 133
Standard Bank corporate card	(46 827)	(34 708)
Petty cash	8 805	8 800
GBS call account	-	462 475
Deposit	600	600
Cash book balances and cash at end of the year	**9 849 087**	**8 793 473**

9. Revenue

	2022 R	2021 R
Non-exchange activities	17 948 115	15 276 479
Subsidy: Department of Sport, Arts and Culture	14 421 000	12 776 000
DSAC non-exchange transaction: payment of municipal account	610 075	536 173
DSAC conditional grants: funds utilised	1 676 964	275 008
DSAC special allocation: PESP	1 000 000	-
Non-exchange transaction: audit fees defrayed from NT’s vote	-	1 493 639
Inxuba Yethemba Municipality	212 980	189 677
Donations	27 096	5 982
Exchange activities	188 432	134 667
Research services	14 494	5 539
Educational services	4 395	-
Royalties and permission rights	81 516	87 285
Facilities hire	53 175	19 850
Bookshop sales	34 852	21 993
	18 136 547	**15 411 146**

10. Other income

	2022 R	2021 R
Sundry income	10 162	142 014
	10 162	**142 014**

11. Expenditure

	2022 R	2021 R
Administration expenses	7 165 077	4 401 505
Agency and support/outsourced services	398 168	327 905
Audit fees paid	797 139	147 419
Audit fees in excess of 1% of expenditure defrayed from NT's vote	-	733 456
Board costs	754 561	253 996
Consultants	486 259	530 806
Repairs and maintenance	1 622 779	236 150
Travel and subsistence	135 518	11 014
Operating lease expense	7 494	-
Loss on assets written off (property, plant and equipment)	-	398
Loss on assets written off (heritage assets: immovable property)	-	800 000
PESP project	961 734	-
Other	2 001 425	1 360 361
Bookshop costs	15 906	11 473
Opening inventories	157 305	152 945
Purchases	9 260	15 833
Add back closing inventories	(150 659)	(157 305)
Depreciation	920 124	923 906
Compensation of employees	9 293 380	9 230 111
Basic salaries	6 852 975	6 850 198
Service bonuses	529 350	561 489
Housing allowances	189 714	159 729
Other non-pensionable allowances	20 390	13 200
Overtime	51 141	6 912
Long service and other awards	32 973	6 000
Pension fund contributions	958 364	965 500
Medical aid contributions	538 403	528 053
Other employer contributions	67 820	67 043
Students and casuals	23 176	12 597
Leave pay-outs	29 074	59 390
Post-retirement benefits paid	193 908	165 140
Finance costs	544 000	460 000
Actuarial (gain)/loss in provision for post-retirement medical benefits	(323 000)	369 000
Leave pay accrual/(reversal)	68 659	(2 365)
	17 878 054	**15 558 770**

12. Revaluation reserve

Revaluation reserve was created as a result of the valuation of heritage assets to comply with GRAP 103 and other property, plant and equipment.

	2022 R	2021 R
Opening balances	52 142 210	52 142 210
Heritage assets' valuation (GRAP 103)	-	-
Closing balance	**52 142 210**	**52 142 210**

13. Provision for post-retirement medical benefits

	2022 R	2021 R
Opening balances: beginning of year 1 April	**4 602 000**	**3 773 000**
Provision for post-retirement medical benefits	4 602 000	3 773 000
Additional provisions and (adjustments)	**221 000**	**829 000**
Provision for post-retirement medical benefits	221 000	829 000
Closing balances: end of year 31 March	**4 823 000**	**4 602 000**
Provision for post-retirement medical benefits	4 823 000	4 602 000

13.1 Provision for post-retirement medical benefits

The provision for post-retirement medical benefits has been created in line with the accounting policy GRAP 25 and is based on an actuarial valuation carried out in 2022.

According to the rules of the medical aid fund with which Amazwi is associated, a member, on retirement, is entitled to remain a continued member of the medical aid fund. Amazwi will continue to contribute two-thirds towards the medical aid membership fees of its existing retirees and all staff employed before 31 October 2011. Staff employed after this date will not be entitled to the two-thirds subsidy.

The most recent actuarial valuation of the present value of the unfunded defined benefit obligation was carried out as at 31 March 2022 by ZAQ Consultants and Actuaries.

The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit credit method.

The post-retirement health care benefit plan is a defined benefit plan, of which the members are made up as follows:

	2022	2021
In-service members (employees)	13	13
Continuation members (retirees, widows and orphans)	5	6
Total	**18**	**19**

The liability in respect of past service has been estimated to be as follows:

	R	R
In-service members	2 720 000	2 444 000
Continuation members	2 103 000	2 158 000
Total liability	**4 823 000**	**4 602 000**

Amazwi makes monthly contributions for health care arrangements to the following medical aid scheme: Rhodes University Medical Aid Scheme.

The current service cost for the year ending 31 March 2022 is estimated to be R193 908 (2021: R165 140) whereas the interest cost for the ensuing year is estimated to be R544 000.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	2022	2021
(i) Rate of interest		
Discount rate	Yield curve	Yield curve
Health care cost inflation rate	CPI+2%	CPI+1.5%
Expected retirement age – females	65	65
Expected retirement age – males	65	65

(ii) Mortality rates

Pre-retirement SA 85-90

Post-retirement PA (90)

(iii) Normal retirement age

The normal retirement age for employees of the museum was assumed to be 65 years.

	2022 R	2021 R
The amounts recognised on the Statement of Financial Position are as follows:		
Present value of fund obligations	4 823 000	4 602 000
Fair value of plan assets	-	-
	4 823 000	**4 602 000**
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Present value of unfunded obligations	4 823 000	4 602 000
Net liability	**4 823 000**	**4 602 000**

	2022 R	2021 R
The movement in the defined benefit obligation over the year is as follows:		
Balance at beginning of year	4 602 000	3 773 000
Recognised past service cost	-	-
Current service cost – included under employee related costs	193 908	165 140
Interest cost – included under finance costs	544 000	460 000
Benefits paid – included under employee related costs	(193 908)	(165 140)
Actuarial (gain)/loss on the obligation	(323 000)	369 000
Balance at end of year	**4 823 000**	**4 602 000**
The effect of a 1% movement in the assumed rate of health care cost inflation is as follows:		
Increase		
Effect on the current cost and the interest cost	573 000	600 000
Effect on the defined benefit obligation	5 434 000	5 070 000
Decrease		
Effect on the current cost and the interest cost	(452 000)	(499 000)
Effect on the defined benefit obligation	4 311 000	4 229 000

14. Trade and other payables

14.1 Trade and other payables

	2022 R	2021 R
Sundry creditors – accruals	91 091	99 882
Leave pay accrual	350 383	281 724
	441 474	**381 606**

Management of Amazwi is of the opinion that the carrying value of trade payables approximates their fair values.

Leave pay accrual

The leave pay accrual relates to Amazwi's estimated liabilities arising as a result of services rendered by employees. This accrual represents the total number of days of capped leave due to employees 54 years and older plus the balance of current leave for all employees on 31 March 2022 calculated at the current salary rates.

14.2 Unspent conditional receipts

	2022 R	2021 R
DSAC: Capital works allocation - Schreiner House development	4 082 523	3 186 794
DSAC: Capital works allocation - 25A Worcester Street maintenance	785 902	2 175 094
DSAC: Special allocation - PESP	-	-
	4 868 425	**5 361 888**

Progress on the Schreiner House project has been slow due to a stressed capacity in the museum management structure. The project has been resumed and construction commenced in 2022.

Amazwi received a grant of R1 000 000 from the Presidential Employment Stimulus Package for implementing a public art and performance project, the funds were fully utilised during the year.

15. Reconciliation of surplus to cash utilised in/generated from operations

15.1 Cash flows from operating activities

	2022 R	2021 R
Surplus for the year	320 071	68 311
Adjusted for:		
Increase in provisions	221 000	829 000
Interest received	(51 417)	(73 921)
Interest received on unspent conditional receipts	(183 501)	(186 220)
Depreciation	920 124	923 906
Loss on sale/scrapping of property, plant and equipment	-	800 398
Donations received heritage assets	-	-
Donations received library assets	-	-
Operating cash flows before working capital changes	1 226 278	2 361 474
Changes in working capital		
Decrease/(Increase) in inventories	6 646	(4 361)
(Increase) in trade and other receivables	(194 890)	(106 801)
Increase/(decrease) in trade and other payables	59 868	(710 226)
(Decrease)/increase in unspent conditional grant funding	(493 463)	(88 791)
	(621 839)	(910 179)
Cash generated by operations	**604 439**	**1 451 295**

15.2 Cash flows from investing activities

	2022 R	2021 R
Acquisition of property, plant and equipment	(283 814)	(93 451)
Acquisition of heritage assets	(219 176)	(29 202)
Proceeds on property, plant and equipment sold	-	27 000
Disposal/(additions) of investment in securities	719 247	(31 361)
Net cash flows to/(from) investing activities	**216 257**	**(127 014)**

16. Reconciliation of original/adjusted budget and actual expenditure

The approved budget covers the period from 1 April 2021 to 31 March 2022. The budget is approved by functional or programme classification in line with Amazwi's strategic objectives. The Financial Statements and budget documents are prepared for the same period.

	Operating R	Financing R	Investing R	Total R
Actual amount on comparable basis as presented in the budget and actual comparative statement	**2 555 192**	-	-	**2 555 192**
Basis difference	(1 709 828)	-	95 794	**(1 614 034)**
Actual amount in the cash flow statement	**845 364**	-	**95 794**	**941 157**

16.1 Budget adjustments

Revenue

A surplus of R2 745 011 from the previous financial year was approved by National Treasury for:

- payment of the Auditor-General's fees because, based on its financial results for 2020/21, Amazwi was not eligible for relief in terms of section 23(6) of the Public Audit Act, Act No. 25 of 2004 (as amended 2018),
- art courier fees for the return of a loan exhibition to the USA that could not be retuned in 2020 because of limited direct flights from Johannesburg to Atlanta,
- curatorial collections management system (digital database),
- the acquisition of IsiXhosa heritage assets to support the expansion of the museum's mandate: published creative works in the form of books and literary journals, as well as works of criticism, photographs, audio-visual material and so on, and
- infrastructure, equipment and materials for the production of virtual and digital exhibitions, educational services and online and hybrid multi-media museum programmes.

Amazwi received a grant of R1 000 000 from the Presidential Employment Stimulus Package for implementing a public art and performance project.

Expenditure

A significant portion of the budget for the compensation of employees was unspent due to the delay in implementing a new salary structure and filling vacant posts.

Expenditure on Council and committee costs increased significantly. Underspending on other items was redirected for this purpose.

Additional expenditure was also incurred for technical services to produce and broadcast hybrid museum events. The museum has invested in infrastructure and equipment so that it will be able to manage these services in-house going forward.

The acquisition of IsiXhosa heritage assets to support the expansion of the museum's mandate has not yet been concluded. Management is now facilitating communication between the potential seller and the appraiser to accelerate this process. The amount of R1 million remains unspent.

The purchase of a new curatorial collections management system (digital database) has been partly completed and a portion of the funds from the previous years' surplus is unspent as yet.

17. Irregular expenditure

Reconciliation of irregular expenditure

	2022 R	2021 R
Opening balance	2 715 516	2 465 891
Irregular expenditure current year	1 638 865	249 625
Irregular expenditure previous year discovered in current year	-	-
Condoned or written off by relevant authority	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonation	**4 354 381**	**2 715 516**

A detailed submission to National Treasury for the condonation of irregular expenditure (supply chain shortcomings) for the 2021 closing balance was not approved. National Treasury referred the matter back to Amazwi management to seek Council approval for writing off the amount.

Irregular expenditure in the current year was a result of supply chain weaknesses. Each instance will be thoroughly investigated and remedial systems implemented.

18. Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

	2022 R	2021 R
Opening balance	11 952	11 952
Fruitless and wasteful expenditure current year	-	-
Fruitless and wasteful expenditure previous year, discovered current year	41 956	-
Written off by relevant authority	-	-
Transfer to receivables for recovery	-	-
Recovered during the year	-	-
Fruitless and wasteful expenditure closing balance	53 908	11 952

Amazwi management is in the process of seeking Council approval for writing off the amount carried forward. During the year under review an amount of R41 956 had to be paid to SARS as they said it was owing from previous years. The amount that had to be paid will be investigated further.

19. Related party disclosure

Relationships

The Department of Sport, Arts and Culture is Amazwi's controlling department and the main funders of the museum.

19.1 Related party transactions

	2022 R	2021 R
DSAC: Subsidy	14 242 000	12 606 000
DSAC: Utilities	179 000	170 000
DSAC: Presidential Employment Stimulus Programme	1 000 000	-
DSAC: Schreiner House development	1 000 000	-
DSAC: 25A Worcester Street maintenance project	-	-
	16 421 000	**12 776 000**

19.2 Related party balances

	2022 R	2021 R
DSAC: Presidential Employment Stimulus Programme	13 395	-
DSAC: Schreiner House development	4 082 523	3 186 794
DSAC: 25A Worcester Street maintenance project	785 902	2 175 094
	4 881 820	**5 361 888**

Part of the agreement with the Department is that they cover the costs of utilities on the buildings occupied by the museum. The costs for the year were R610 075 (2021: R536 173).

There were no other related party transactions with the Department.

20. Remuneration of Council and Audit and Risk Committee members and museum management

	2022 R	2021 R
Council members' remuneration	429 133	148 032
Audit Committee members' remuneration	62 424	33 759
Management remuneration	2 795 777	2 729 935
	3 287 334	**2 911 726**

20.1 Council

		2022 R	2021 R
Members until 30 November 2020	Ms S. Nhlabatsi (chair)	-	10 545
	Mr T. Lungile (deputy chair)	-	-
	Ms E. Dido	-	3 484
	Mr M.S. Ditlhake	-	6 968
	Dr W. Langeveldt	-	8 710
	Mr B. Mgijima	-	5 226
	Dr M. Rall	-	8 710
Members from 1 December 2020	Dr L. Masuku (chair)	65 379	10 545
	Dr W. Langeveldt (deputy chair)	46 730	15 454
	Mr M.S. Ditlhake	41 808	12 194
	Ms H. Erdmann	52 260	12 194
appointed 18 Jun 2021	Ms N. Jansen	-	-
appointed 18 Jun 2021	Mr K. Gontse	43 550	-
	Mr T. Lungile	-	-
	Mr J. Matlou	8 710	13 936
	Ms L. Mvanana	76 648	17 420
	Dr N. Rasana	94 048	15 678
resigned 31 Mar 2021	Ms E. Sisulu	-	6 968
		429 133	**148 032**

20.2 Audit and Risk Committee

		2022 R	2021 R
until 31 Jul 2021	Mr H. Harnett	30 219	25 902
until 31 Jul 2021	Mr S. Mabaso	15 714	5 238
appointed 28 Jan 2022	Mr V. Magan (chair)	8 634	-
appointed 28 Jan 2022	Mr D. Twala	-	-
appointed 28 Jan 2022	Ms A. van der Merwe	5 238	-
Council representative	Mr M.S. Ditlhake	2 619	2 619
Council representative	Ms N. Jansen	-	-
		62 424	**33 759**

20.3 Museum management

	2022 R	2021 R
Director	1 000 315	960 259
Basic salary	780 885	750 851
Service bonus	65 074	62 571
Housing allowance	9 000	7 200
Pension fund contribution	117 133	112 628
Medical aid contribution	23 561	22 701
Other employer contributions	4 662	4 308
Chief Financial Officer *appointed 1 Jul 2021*	575 166	599 478
Basic salary	462 850	449 588
Service bonus	12 383	37 465
Housing allowance	6 750	5 400
Pension fund contribution	69 427	67 438
Medical aid contribution	20 761	33 722
Other employer contributions	2 995	5 865
Manager: Curatorial Division	610 148	585 099
Basic salary	465 362	447 464
Service bonus	38 780	37 289
Housing allowance	9 000	7 200
Pension fund contribution	69 804	67 120
Medical aid contribution	23 561	22 701
Other employer contributions	3 641	3 325
Manager: Education and Public Programmes Division	610 148	585 099
Basic salary	465 362	447 464
Service bonus	38 780	37 289
Housing allowance	9 000	7 200
Pension fund contribution	69 804	67 120
Medical aid contribution	23 561	22 701
Other employer contributions	3 641	3 325
	2 795 777	**2 729 935**

The following key managers of the museum held positions in the entity where they may have had significant influence over the financial or operating policies of the museum as follows:

Ms B.A. Thomas, Director
Mr I. Daringo, Chief Financial Officer (from 1 July 2021)
Ms C.A. Warren, Manager Curatorial Division
Mr T.Z. Matshoba, Manager Education and Public Programmes Division.

No related party transactions were entered into with any of the above managers.

21. Capital commitments

There were no capital commitments at year end. However, the museum has the following service commitments:

- A 3-year lease agreement with a service provider for two photocopiers commencing February 2022. The remaining commitments amount to approximately R127 403.

22. Events subsequent to balance sheet

There were no subsequent events after the balance sheet date.

23. Financial risk management

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

Amazwi has developed a comprehensive risk strategy in terms of Treasury Regulation 28.1 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed below:

Liquidity risk

Amazwi manages liquidity risk through proper management of working capital, capital expenditure and actual forecast cash flows and its cash management policy. Adequate reserves and liquid resources are also maintained.

Interest rate risk

As Amazwi has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade receivables. Amazwi only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables are not material. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Council of Amazwi. The utilisation of credit limits is regularly monitored.

Foreign exchange risk

Amazwi does not have foreign currency exposure.

23.1 Accounting classifications of financial instruments

	Note	2022 R	2021 R
Financial assets not measured at fair value			
Investments	6	-	719 247
Trade and other receivables	7	515 922	321 032
Cash and cash equivalents	8	9 849 087	8 793 473
		10 365 009	**9 833 752**
Financial liabilities not measured at fair value			
Trade and other payables	14.1	91 092	99 882

24. Correction of error

Amazwi receives a subsidy from DSAC with a specific allocation for Municipal expenses, DSAC non-exchange transaction: payment of municipal account. The income was previously included in the Conditional receipts under Note 14. As Amazwi's Municipal expenses are paid by the Department of Public Works and Infrastructure, the museum did not include the portion of the grant related to municipal expenses under their income should they be required to return them to DSAC. However; during the audit, Amazwi was advised to record the full receipts from DSAC. The previous year's income and surplus were therefore incorrectly calculated. The effect of the restatement on the financial statements is summarised below:

	Note	2022 R	2021 R
Increase/(decrease) in total income	9	170 000	161 000
Increase/(decrease) in surplus/(deficit) for the year		**170 000**	**161 000**
Decrease/(increase) conditional grants	14	456 000	295 000
Increase/(decrease) in accumulated funds opening balance		626 000	456 000

MATERIALITY AND SIGNIFICANCE FRAMEWORK

In terms of the Public Finance Management Act and National Treasury Regulation 29.1.1 (f), the Council of Amazwi South African Museum of Literature must develop and agree to a framework of acceptable levels of materiality and significance.

Section of PFMA	Description of materiality and significance	Levels of materiality and significance
55 (2)	The Annual Report and Financial Statements must include particulars of:	
	(a) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;	All instances will be included in the Accounting Authority's Annual Report – amount greater than 1% of the total value of assets per audited financial statements.
	(b) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;	All instances will be included in the Accounting Authority's Annual Report.
	(c) any losses recovered or written off; and	All instances will be included in the Accounting Authority's Annual Report – amount greater than 1% of the total value of assets per audited Financial Statements.
	(d) any financial assistance received from the state and commitments made by the state on the Accounting Authority's behalf.	All instances will be included in the Accounting Authority's Annual Report.
54 (2)	Before a public entity concludes any of the following transactions, the Accounting Authority for the entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction:	
	(a) establishment or participation in the establishment of a company;	Each and every instance.
	(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;	Each and every instance.
	(c) acquisition or disposal of a significant shareholding in a company;	Each and every instance.
	(d) acquisition or disposal of a significant asset;	Above R500 000.
	(e) commencement or cessation of a significant business activity;	Each and every instance.
	(f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Each and every instance.

Notes

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