NATIONAL HERITAGE COUNCIL

ANNUAL REPORT 2023-2024

30 YEARS OF FREEDOM
South Africa 1994 - 2024

PRESERVING & PROMOTING THE COUNTRY'S HERITAGE
20 YEARS

nhc
National Heritage Council
SOUTH AFRICA
an agency of the
Department of Sport, Arts and Culture

nhc

National Heritage Council

SOUTH AFRICA

an agency of the

Department of Sport, Arts and Culture

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PART A
GENERAL INFORMATION

1. PUBLIC ENTITY’S GENERAL INFORMATION

REGISTERED NAME:	NATIONAL HERITAGE COUNCIL OF SOUTH AFRICA
PHYSICAL ADDRESS:	Summit Place Business Park Building 3, 2nd Floor 221 Garsfontein Road Menlyn, Pretoria SOUTH AFRICA 0081
POSTAL ADDRESS:	PO Box 74097 Lynnwood Ridge Pretoria 0040
TELEPHONE NUMBER:	+27 12 748 3949
EMAIL ADDRESS:	Enquiries@nhc.org.za
WEBSITE ADDRESS:	www.nhc.org.za
EXTERNAL AUDITORS:	Auditor General of South Africa
INTERNAL AUDITORS:	Masakhane Auditors
BANKERS:	First National Bank
COMPANY SECRETARY:	Adv. Tshepo Maake

2. LIST OF ABBREVIATIONS/ACRONYMS

ACH	Arts Culture and Heritage	NAC	National Arts Council
AFS	Annual Financial Statements	NHC	National Heritage Council
AGSA	Auditor General of South Africa	NIO	National Inventory Office
APP	Annual Performance Plan	PanSALB	Pan South African Language Board
ARC	Audit and Risk Committee	PESP	Presidential Employment Stimulus Programme
B-BBEE	Broad-Based Black Economic Empowerment	PFMA	Public Finance Management Act
CEO	Chief Executive Officer	PMO	Project Management Office
DAC	Department of Arts and Culture	RLHR	Resistance & Liberation Heritage Route
DSAC	Department of Sport, Arts and Culture	SAHRA	South African Heritage Resources Agency
DMV	Department of Military Veterans	SATMA	South African Traditional Music Achievement
MEC	Member of Executive Council	SMME	Small, Medium and Micro Enterprises
MHSC	Mining Health and Safety Council	TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework	UNESCO	United Nations Education, Scientific and Cultural Organisation
MTSF	Medium Term Strategic Framework		

ACHIEVEMENTS

NHC FUNDING DISTRIBUTION

2022/23	R62 million Funds distributed	67 Beneficiaries	6 035 Jobs created
2023/24	R55 million Funds distributed	54 Beneficiaries	4 725 Jobs created

RECOGNITION

23
Golden Shield Heritage Awards recipients honoured for excellence in heritage

EDUCATION

9
School representing **provinces qualified for the** Heritage Education Schools Outreach Programme with up to 5 000 learners **as beneficiaries**

STAKEHOLDERS

3
Provincial Houses of Traditional Leaders collaborated with the NHC

3. FOREWORD BY THE CHAIRPERSON

Mr. E. Neluvhalani
Council Chairperson

On behalf of the Council, I would like to express gratitude for the support and leadership of the Minister of Sport, Arts and Culture, the Portfolio Committee and other critical stakeholders in the execution of the mandate of the NHC.

As a reflection of the work undertaken in 2023/24, and in pursuit of good governance and accountability I am mandated by the National Heritage Council (NHC) to present the Annual Report on behalf of the Council to the shareholder and stakeholders of the NHC.

It is with a profound sense of responsibility that I present the Annual Report of the NHC in this historical moment, as we celebrate 20 years of NHC's existence and 30 years of democracy in South Africa. This period is marked by remarkable achievements, strategic advancements, and steadfast commitment to the preservation and promotion of South Africa's rich and diverse heritage. Our endeavors have not only reinforced South Africa's national identity but have also, through the UNESCO nomination process, strengthened the country's standing on the global stage. It is important to preserve our cultural heritage to maintain our identity as a nation. The Council has a strong sense of accomplishment for having stabilised and renewed the NHC to its current form.

30 Years on… Reflecting on Heritage Preservation

The NHC has made significant strides in the implementation of a comprehensive strategy for heritage preservation. This strategy was formed to ensure the safeguarding of South Africa's cultural and historical memorialisation for future generations. Our approach has been multi-faceted, encompassing the restoration of historical sites, done through the PMO, the promotion of intangible cultural heritage, and the integration of community-based heritage management practices made possible by the delivery of NHC funding to respective projects, programs and institutions of higher learning.

This collaboration has been instrumental in achieving tangible outcomes, such as the successful restoration of key heritage sites and the revitalisation of traditional practices that form the bedrock of our national identity. These initiatives support the Council's engagement with traditional leaders, through which we seek their support in integrating heritage into the work of government.

UNESCO World Heritage Sites Listing Process

A cornerstone of the NHC's efforts has been the rigorous and strategic pursuit of UNESCO World Heritage Site listings for South Africa. This process underscores the NHC's commitment to recognising and celebrating sites of outstanding universal value within our borders. During the past year, we have advanced several nominations, each backed by thorough research and robust documentation.

The inclusion of new sites in the UNESCO World Heritage List not only affirms their global significance but also enhances their protection and conservation. This endeavor has seen collaborative efforts with international experts, ensuring that South Africa's submissions meet the exact standards set by UNESCO. The successful listing of these sites will undoubtedly elevate South Africa's cultural and natural heritage on the global stage, fostering increased awareness and tourism.

Liberation Heritage and its Significance

A pivotal aspect of the NHC mandate has been the recognition and promotion of liberation heritage. This heritage encapsulates the struggles and triumphs of our forebears in the quest for freedom and democracy. The NHC has been at the forefront of initiatives aimed at documenting, preserving, and commemorating these pivotal moments in our history.

Liberation heritage sites serve as powerful symbols of our resilience and the relentless pursuit of justice. They are not merely historical landmarks but are integral to the collective memory and identity of our nation. Over the past year, we have undertaken significant projects to preserve these sites, ensuring that their stories continue to inspire future generations. Educational programs, exhibitions, and commemorative events have been instrumental in bringing these narratives to the forefront of national consciousness.

The sustainability of the NHC as an institution remains a priority. This Council's efforts have been directed towards ensuring financial stability, operational efficiency, and the recruitment of professionals that will enhance the NHC's mandate. We have implemented stringent governance frameworks, ensuring transparency and accountability in our operations.

The past year has also seen a concerted effort towards diversifying our funding streams, securing partnerships with both public and private sector entities, some of which will be implemented in 2024/25. These collaborations will be pivotal in augmenting our resources and expanding our reach.

Additionally, we have embraced technological advancements to enhance our operational capabilities and streamline processes of heritage preservation. The National Inventory Office ensures preservation and innovation as a gift to future generations, and thus the Council deems this programme as a key contribution to the sector. The NHC was also included in the roll-out of the Presidential Employment Stimulus Package (PESP 4) with an allocation of R55 million. PESP prescribes labour intensive projects that will create employment opportunities for women, youth and the differently abled members of our society.

It is worth noting that the NHC faced challenges, including the simultaneous resignation of the Chief Executive Officer and Chief Financial Officer at the close of the financial year. Subsequently, from 1 April 2024 the Council appointed Dr Thabo Manetsi (Interim CEO) to oversee the audit process and ensure leadership and stability. As a result, the NHC will strive to improve the qualified audit outcome and use available skills in the most optimal way. The business of Council is also supported by highly functional and well-attended committees which support critical areas including the filling of high-level vacancies, seeking of alternative office accommodation, stakeholder engagement and other areas of the organisation that needed attention.

Regrettably, in September 2023, Council experienced the loss of Dr Protas Madlala. We were thus left, unexpectedly, to hold our last Council meeting for the year without his contribution and wisdom. We could not anticipate that he would depart to his maker before we celebrate key milestones as the Board appointed by the Minister of Sport, Arts and Culture to oversee the affairs of the National Heritage Council. We now look back with appreciation at the memories that he left with us. May his soul rest in peace.

In conclusion, the past year has been a testament to the NHC's unwavering dedication to heritage preservation, national pride, and organisational excellence. As we move forward, we remain committed to our mission, inspired by the rich tapestry of South Africa's heritage and driven by the vision of a culturally enriched and unified nation.

I extend my deepest gratitude to the dedicated team at the NHC, our partners, and all stakeholders who have contributed to our successes. On behalf of the Council, I would like to express gratitude for the support and leadership of the Minister of Sport, Arts and Culture, the Portfolio Committee and other critical stakeholders in the execution of the mandate of the NHC. Over the past 5 years your support and collaboration have been invaluable.

Mr. E. Neluvhalani
Council Chairperson

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Dr T. Manetsi
Acting Chief Executive
of the National Heritage Council

I would like to express gratitude for the support and leadership of the Minister of Sport, Arts and Culture, the Portfolio Committee and other critical stakeholders in the execution of the mandate of the NHC.

It is with great respect and admiration that I present this foreword of the Annual Report of the National Heritage Council (NHC). This year has been marked by significant challenges and transitions, yet the NHC has demonstrated resilience, adaptability, and a steadfast commitment to our mission. As we navigate the path toward amalgamation with the South African Heritage Resources Agency (SAHRA), I reflect on the remarkable achievements and efforts of staff, the strength of partnerships, our strategic cost-cutting measures, and effective change management.

Reflecting on Staff Performance

The NHC staff has been the cornerstone of our successes over the past year. Despite the uncertainty and challenges posed by the impending amalgamation and resignations from the C-Suite, they have exhibited unparalleled dedication and professionalism. Each member of staff has contributed to the fulfillment of our objectives with a spirit of collaboration and innovation. Their unwavering commitment to preserving South Africa's rich heritage has been the driving force behind the NHC's continued progress.

I am proud of their adaptability and resilience in the face of change, and I am confident that they will continue to thrive in the new organisational structure.

Strengthening Partnerships

Partnerships have been integral to our achievements. Over the past year, we have strengthened our collaborations with various stakeholders, including other entities, non-governmental organisations like the SA Gallery of Legends, academic institutions such as the University of Fort Hare, community groups and traditional leadership in the form of Khoi and San engagement. These partnerships have been instrumental in advancing our heritage preservation initiatives and broadening our impact.

We have also forged new alliances, both locally and internationally, including the most recent Seychelles collaboration which have brought fresh perspectives on conservation management and collaboration. These alliances have not only augmented our capacity but have also enriched our programs and projects. As we move towards amalgamation, these partnerships will support a seamless transition and continued success.

Implementing Cost-Cutting Measures

In light of the challenging economic environment and the need for fiscal prudence, the NHC have implemented strategic cost-cutting measures. We have undertaken a thorough review of our operational expenses, identified areas for savings, and streamlined our processes to enhance efficiency.

Management will continue to reinforce responsiveness where internal controls are weak, particularly in the identified areas of supply chain and financial management. This will be advanced through capacitation.

Our focus has been on maximising value and ensuring that every expenditure directly contributes to our mission. These measures have positioned us well for a financially sustainable future, even as we prepare for the organisational changes ahead.

Navigating Change Management

Change is never easy, and the process of amalgamation has presented its own set of challenges. However, we have approached this transition with a clear and strategic change management plan.

We have engaged in transparent communication with our staff, keeping them informed and involved at every stage of the process. Regular updates have been instrumental in addressing concerns and fostering a sense of collective ownership of the process.

Programme Implementation

Some of the key programmes implemented in the 2023/24 financial year include the following:

(a) **Funding** – One of the key legislative mandates of the NHC is to disburse funding to approved community heritage projects. In the period under review, the NHC approved 32 projects for funding to the tune of R7 million.

(b) **Golden Shield Heritage Awards** – Hosted in the Western Cape with Artscape this is an annual award extended to acknowledge active citizenship that protects and promotes the country's heritage.

(c) **Heritage Schools Outreach Programme** – This is an annual national school's project for grade 8 to 11 learners aimed at encouraging the youth to know their heritage better as well as exploring traditions of other cultures. Schools in the country challenge each other to represent their province at a week-long camp at a national heritage site where learners are taken through the educational exchange experience of a lifetime.

(d) **Resistance and Liberation Heritage Route** – In addition to contributing to the African Liberation Heritage Programme, the RLHR Unit supported events to promote the Resistance and Liberation Heritage Route.

Employee Relations and Wellness

The CEO hosts regular engagements with staff through the staff engagement session, addresses issues of mutual interest, and communicates Council decisions. The resilience and commitment of the leadership and staff made the challenging journey manageable, further anchoring the organisation on course, with many valuable lessons learnt along the way.

Audit Outcomes

Despite the challenges listed above, the NHC will endeavour to deliver on its mandate and receive a positive audit report in the future. I present this Annual Report as a true reflection of the financial and non-financial performance of the NHC as audited by the Auditor General of South Africa (AGSA).

I extend my deepest gratitude to our dedicated staff, our invaluable partners, and all stakeholders who have supported us through this period of transition. Your contributions have been instrumental in NHC achievements, and your continued support will be crucial as we embark on this new chapter of the 7th administration. Let us look forward with optimism and determination, united in our commitment to preserving and celebrating South Africa's heritage for future generations.

Dr T. Manetsi
Acting Chief Executive Officer
National Heritage Council
31/07/2024

5. STRATEGIC OVERVIEW

5.1 Vision

A nation proud of its African heritage.

5.2 Mission

To transform, protect and promote heritage through the coordination and management of heritage knowledge and resources for social cohesion and sustainable development.

53 Values

Within Ubuntu philosophy, the following values will guide the programmes, actions and behaviours of Council Members and employees of the NHC and all those who are acting in its name:

- Batho Pele
- Integrity
- Professionalism
- Equity
- Creativity

6. LEGISLATIVE MANDATE

The mandate of the National Heritage Council (NHC) is contained in Section 4 of the National Heritage Council Act, 1999 (No. 11 of 1999). The objects of the Act are to:

(a) Develop, promote and protect the national heritage for present and future generations;

(b) Coordinate heritage management;

(c) Protect, preserve and promote the content and heritage which resides in orature in order to make it accessible and dynamic;

(d) Integrate living heritage with functions and activities of the Council and all other heritage authorities and institutions at national, provincial and local levels;

(e) Promote and protect indigenous knowledge systems including but not limited to enterprise and industry, social upliftment, institutional framework and liberatory processes; and

(f) Intensify support for the promotion of history and culture of all our peoples and particularly to support research and publications on enslavement in South Africa.

The core functions of the Council of the NHC are set out in the NHC Act. These core functions inform the day-to-day realities of the organisation and will therefore be pre-eminent in strategic initiatives and their related objectives. The core functions of the Council are to:

a) Advise the Minister on:

    (i) National policies on heritage matters, including indigenous knowledge systems, treasures, restitution and other relevant matters; and

    (ii) Any other matter concerning heritage which the Minister may from time to time determine;

b) Advise the Minister on the allocation of core funding to declared cultural institutions;

c) Investigate ways and means of effecting the repatriation of South African heritage objects presently held by foreign governments, public and private institutions and individuals;

d) Make grants to any person, organisation or institution in order to promote and develop national heritage activities and resources;

e) Co-ordinate the activities of public institutions involved in heritage management in an integrated manner to ensure optimum use of state resources;

f) Monitor and co-ordinate the transformation of the heritage sector, with special emphasis on the development of heritage projects;

g) Consult and liaise with relevant stakeholders on heritage matters;

h) Generally support, nurture and develop access to institutions and programmes that promote and bring equity to heritage management;

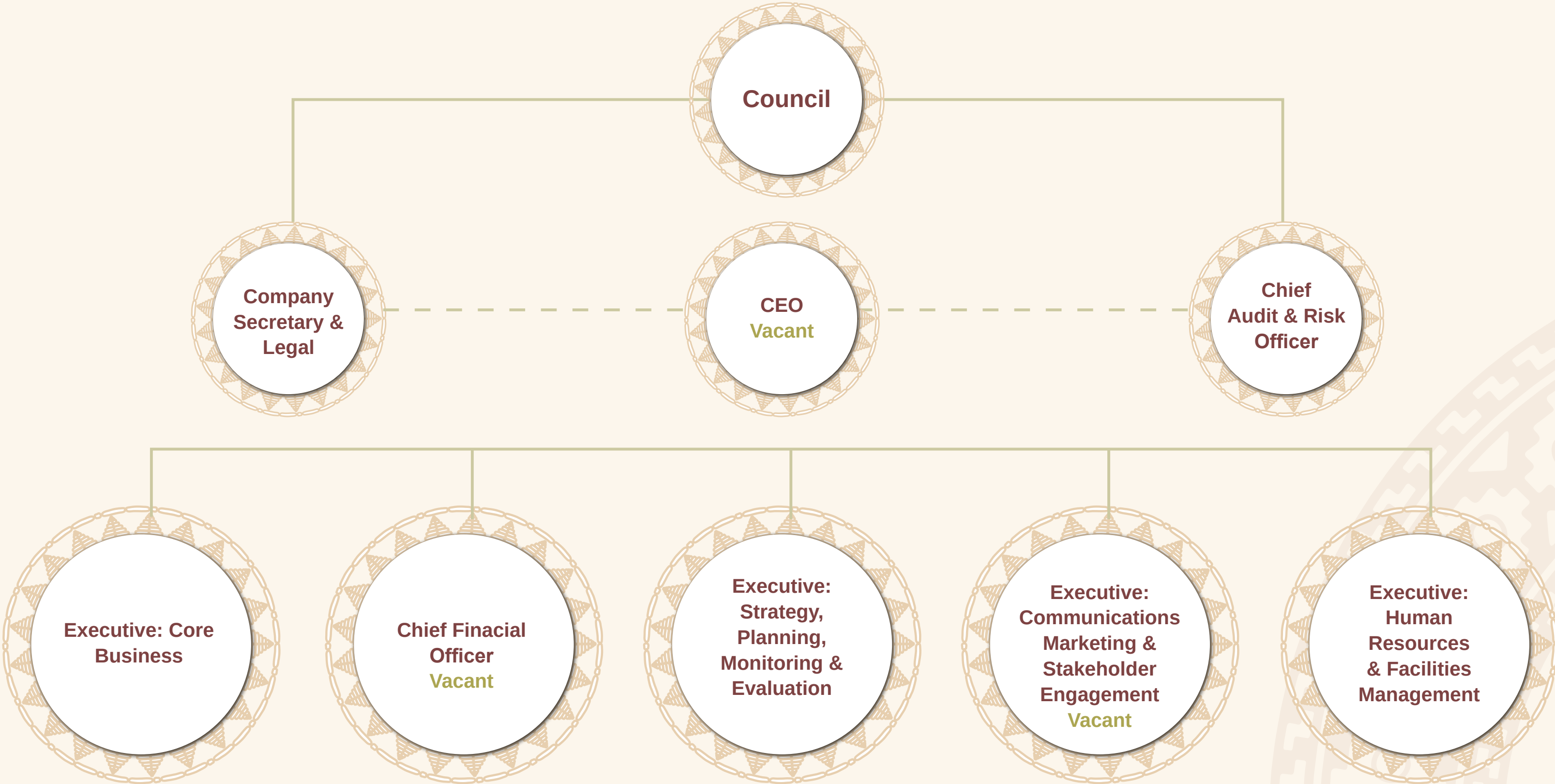
i) Promote an awareness of the history of all our peoples, including the history of enslavement in South Africa;

j) Lobby in order to secure funding for heritage management and to create a greater public awareness of the importance of our nation's heritage; and

k) Perform such duties in respect of its objects as the Minister may assign to it.

The Council may on its own initiative advise the Minister on any matter concerning heritage.

7. ORGANISATIONAL STRUCTURE

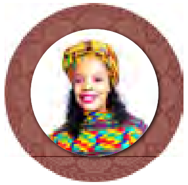


8. MEMBERS OF THE COUNCIL

Mr. Edgar Neluvhalani
Council Chairperson

Mr. Jabulani Sithole
Council Deputy Chairperson and
IZIKO Museums Chairperson

Ms. Esther Netshivhongweni
Heraldry Council Chairperson



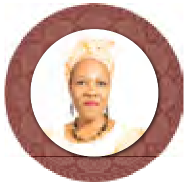
Dr. Refiloe Mabaso
National Libraries of
South Africa Chairperson

Adv. Motlatjo Ralefatane
Ditsong Museums Chairperson

Dr. Luyanda Mpahlwa
South African Heritage Resources
Agency Chairperson

Ms. Sibongile Ndzimande
Chairperson of the National
Archives Advisory Council (NAAC)

Dr. Graham Dominy
Ministerial Appointee

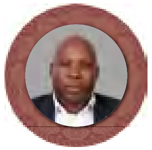


Ms. Nontlaza Sizani
Ministerial Appointee

Ms. Salome Sithole
Ministerial Appointee

Dr. Tsholofelo Mosala
Ministerial Appointee

Dr. Protas Madlala*
Ministerial Appointee



Mr Luthando Jack
Eastern Cape Provincial
Representative

Ms. Elodie Seotseng Tlhoaele
Free State Provincial
Representative

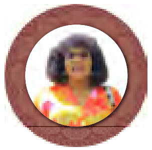
Mr. Tsheko Tsehlana
Gauteng Provincial
Representative

Dr. Vikunduku Mnculwane
Kwa Zulu Natal Provincial
Representative

Hosi Adv. Khavhareni Mahumani
Limpopo Provincial
Representative

Mr. Simon Nkosi
Mpumalanga Provincial
Representative

Mr. Onkabetse Mereki
Northern Cape Provincial
Representative



Ms. Elizabeth Kibini
North West Provincial
Representative

Ms. Laura Robinson
Western Cape Provincial
Representative

NHC VISION:

A NATION PROUD OF ITS AFRICAN HERITAGE

PART B

PERFORMANCE INFORMATION

1. STATEMENT OF RESPONSIBILITY REGARDING PERFORMANCE INFORMATION

Statement of Responsibility Regarding Performance Information for the Year ended 31 March 2024

The Chief Executive Officer is responsible for preparation of the public entity's performance information and for the judgements made in this information.

The Chief Executive Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance of the National Heritage Council for the financial year ended 31 March 2024.

Dr. T. Manetsi
Acting Chief Executive Officer
31 July 2024

2. OVERVIEW OF THE NATIONAL HERITAGE COUNCIL'S PERFORMANCE

2.1 Strategic Outcome Oriented Goals

The NHC had the following strategic outcome-oriented goals for the 2023/24 financial year:

Strategic Outcome Oriented Goal 1	**An internationally recognised heritage organisation on the African continent**
Indicators	Increase the level of awareness and participation of the NHC as a heritage organisation in Africa through the following: • Number of activities to promote awareness about the NHC • Number of multilateral and bilateral heritage agreements initiated with African countries • Number of presentations of research data on the African Liberation Heritage Programme • Number of heritage exchange programmes participated in
Strategic Outcome Oriented Goal 2	**Mainstreaming of liberation heritage**
Indicators	• Level of progress with domestic management of liberation heritage • Level of progress towards world heritage listing of the RLHR • Number of submissions on the African Liberation Heritage Programme • Number of research reports and publications • Number of presentations made on the liberation heritage • Number of knowledge partnerships signed • Number of inter-governmental arrangements formalised • Number of identified sites submitted for formal protection
Strategic Outcome Oriented Goal 3	**Increased knowledge and awareness about South Africa's heritage by South Africa's citizens**
Indicators	• Percentage increase of participants in heritage activities • Number of research outputs produced • Number of manuscripts from funded heritage projects published • Number of presentations made on heritage • Number of knowledge partnerships signed • Proportion of performance milestones achieved on the implementation of the NHC Language Policy • Level of implementation of the research agenda

Strategic Outcome Oriented Goal 4	**The leading institution on intangible heritage in South Africa**
Indicators	• Approved framework for the establishment of a heritage institute by 2017 • Number of Intangible Cultural Heritage (ICH) research initiatives funded • Number of intangible heritage programmes implemented and tangible heritage programmes supported
Strategic Outcome Oriented Goal 5	**Social cohesion and nation building**
Indicators	• Number of annual stakeholder engagement sessions • Number of advocacy programmes / campaigns conducted annually • Number of nation building initiatives implemented and funded annually
Strategic Outcome Oriented Goal 6	**An effective, efficient and sustainable institution**
Indicators	**Effectiveness** • Unqualified audit • Level of collaboration with experts in the field **Efficiency** • Level of functionality of operational systems • Establishment of Project Management Office **Sustainability** • Level of skills retention • Alignment with adapted King III • Level of viability and credibility of the knowledge management strategy • Retention of institutional memory • Diversity of funding streams

2.2 Service Delivery Environment

Highlights of programmes implemented in the 2023/24 financial year are:

2.2.1 Heritage Funding

The NHC has elevated community heritage initiatives with intentional funding that develops the projects aligned to protection, preservation and promotion of the cultural heritage of South Africa.

For the past 14 years, annually, applicants are invited to submit heritage proposals for financial support.

An amount of just over R52,56 million was distributed to 58 projects that resulted in employment through the Presidential Employment Stimulus Programme (PESP). These projects covered all nine provinces. Additionally, as part of the annual heritage funding of the NHC, R7 million rands was allocated to support 32 public projects.

The Don Mattera Legacy Foundation presenting final product - The Child Book

2.2.2 Golden Shield Heritage Awards (GOSHA) and Cultural Expressions

A project initiated in 2012 following extensive research and consultations in the sector, the GOSHA serves to recognise and honor ordinary South Africans, at grass-roots community level, who have been actively involved in conservation and management of heritage resources. The awards were premised on a rigorous criteria and process for community participation in the nomination and selection of potential nominees and prospective recipients. In the 2023, the GOSHA was organised and hosted for the first time in the Western Cape Province. The NHC has engaged SAHRA, City of Cape Town and Heritage Western Cape (DSAC) as partners to successfully host the 10th annual GOSHA.

Through this flagship activity, the NHC recognises the contribution of individuals, groups, organisations and academic institutions who contribute to the conservation, preservation and promotion of the country's heritage as the "Champions of Heritage". The award recipients and their projects reflect best practice in heritage. Nominations were received from all disciplines that have a direct bearing on how heritage is appreciated and preserved in the country.

The more resources we have available, the more we can incentivise participation in the Awards. As a result, the NHC has approached corporate South Africa to contribute in celebrating heritage, South Africa's wealth.

These activities were used as pilot projects to be implemented in the Western Cape where previously, it was difficult to coordinate. The NHC partnered with several entities in the province in support of implementation, including the City of Cape Town, SAHRA, Iziko, PanSLAB and the hosting venue Artscape. A great session of Indigenous story telling was also hosted in Mpumalanga with the National Arts Council and Moses Makhweyane NPC. This was another heritage preservation mission where youth were capacitated with story telling techniques.

Some of the 10th Annual Golden Shield Heritage Awards winners

2.2.3 Heritage Education Schools Outreach Programme (HESOP)

Over the past 14 years, the National Heritage Council has successfully implemented the Heritage Schools Outreach Programme (HESOP), with the primary aim of deepening understanding and appreciation of heritage and conservation management among school-going learners, including the integration of heritage into the school curriculum. The programme is a joint initiative in partnership with the Department of Basic Education, South African National Parks, Brand South Africa, National Youth Development Agency, South African Heritage Resources Agencies as well as various Provincial Departments of Sports, Arts and Culture. The HESOP continues to be one of the main strategic cornerstones of advocacy to raise awareness about South Africa's cultural and natural heritage, including tangible, intangible, movable and immovable heritage. The HESOP also enhances the History, Geography and Social Science curriculum by exposing learners to real life heritage sites across the country. The programme was hosted at Golden Gate Highlands National Park (SANParks) in the Free State Province in October 2023 with up to 5 000 learners participating at different stages.

HESOP 2023 1st place winners...

2.2.4 National Inventory Office (NIO)

The NIO was established as a response to the 2003 UNESCO Convention on Intangible Cultural Heritage and the National Policy on Living Heritage. The NIO provides state parties/ member states with a database on the various elements of ICH, especially those that are endangered and/or under threat of extinction.

The prototype is now live and accessible to the public. In 2023/24 a number of living legends who are heritage practitioners and knowledge bearers have been interviewed and recorded, amongst others, Dr Mdende, Ms Naledzani Netshirembe, and Mama Katrina of the N|uu language community, to name a few. This is done in partnership with the Indigenous Knowledge Systems (IKS) Panel appointed by the Minister. Of importance is the fact that the NHC is using in-house expertise/resources for the documentation of these living legends.

2.2.5 Ubuntu Initiative

The Ubuntu Initiative was founded on the African philosophy of "Ubuntu" (I am because we are). The humanitarian philosophy featured prominently in the conceptualisation of the public programme on Advocacy and Raising Awareness, using heritage as a rallying point for Social Cohesion, Nation-Building, Unity in Diversity, Patriotism and Nationhood. This is a multi-year initiative which is implemented through a host of partnerships, particularly NGO's and social- movements, who are providing necessities such books, food, uniforms, and sanitary-ware amongst others to needy communities, in promoting values of Ubuntu in action across Provinces.

The NHC has been changing lives for the better with broad beneficiation of communities who continue to receive necessities from the project. Since implementation of this initiative, NHC was able to conduct Ubuntu advocacy workshops in all nine provinces, and through partnerships with local entrepreneurs, community members and beneficiaries have now adopted the spirit of Ubuntu and promised to use it in their daily lives. Through this initiative, it will be possible to attain social cohesion and national building as per the NDP Vision 2030's Outcome 14.

Besides the sharing of resources with the needy and destitute, some people adopted the programme and started providing goods to the community, of their own accord. The platforms availed assist in educating the public on how to use heritage as a strategic resource.

Handover of wheelchairs in Klerksdorp to those in need.

Handover of 100 school shoes and over 300 dignity packs to learners at Kusile Comprehensive School at the Eastern Cape

Expression of Ubuntu in Daveyton, Gauteng with food parcels and dignity packs distributed to the community.

Some of the learners with their educator from Soneike Secondary School in the Western Cape part of HESOP 2023

2.2.6 Research and Knowledge Production

The Research and Knowledge Production Unit collaborated with several universities to produce research materials within the heritage sector. Honouring the MOA between UNISA and the NHC, we are the host institution for four Masters students in archiving, management and the use of social media in project implementation, as well as one Masters Student through the DSAC Heritage Graduates placement initiative, focusing on IKS. We anticipate research outputs that will contribute to systems and processes internally, especially with regards to records management.

Whilst positioning the organisation as a knowledge-based institution, the challenges experienced within the Unit included resources to assist with research, and access to current research materials in journals requiring subscription. While we have research interns that are assisting, there is still a gap that needs to be attended to.

The NHC is compelled to form collaborations with institutions of higher learning, and heritage bodies have opened avenues for the NHC to produce research materials in diverse heritage management in the country. We are expanding areas of knowledge production, and engaging on academic supervision of postgraduate scholars.

2.2.7 RLHR

The RLHR is a post-colonial and post-apartheid memorial programme for the promotion and protection of the legacy of the struggle against colonialism and apartheid in South Africa. It has been proclaimed as a flagship programme by the South African Government, through a Cabinet resolution. The programme comprises of a network of sites, icons and personalities associated with the history of the liberation struggle throughout historical epochs of the struggle for freedom in South Africa. The RLHR constitutes the South African chapter of the SADC “Roads to Independence: Africa Liberation Heritage Programme”, led by Tanzania and includes sub-programmes such as the African Liberation Heritage Programme, Project Management Office work for RLHR Infrastructure Roll-Out and the Special Projects and World Heritage Programme.

The RLHR Unit has initiated a process for the inscription and proclamation of a serial nomination of ten sites for the UNESCO World Heritage Site list. The South African Cabinet approved the submission of Nelson Mandela Legacy Sites, the first Liberation Heritage property for consideration for enlistment on the UNESCO World Heritage Site list. These sites were submitted to the (UNESCO) World Heritage Committee on 1 February 2022 for inscription on the World Heritage List following the Cabinet approval on 2 December 2020. The

Nomination Dossier has been completed and submitted to UNESCO. A technical evaluation mission, comprising of experts from ICOMOS and UNESCO, was undertaken for the evaluation of the 10 identified sites between June and August 2023. A series of site readiness and preparation meetings took place with the participation of management authorities of the identified sites. The DSAC, DFFE, NDT, SAHRA and NHC were among the key stakeholders involved.

The RLHR Unit was also responsible for coordinating the World Heritage Nomination of the Nelson Mandela Legacy Sites and related international advocacy, and supported events to promote the RLHR. It also provided support to 27 sites in South Africa's nine provinces for the development of feasibility studies, whose recommendations resulted in dedicated implementation plans that inform the next stage of work.

Project Management Office (PMO) work for RLHR infrastructure roll-out and special projects

The NHC serves as the lead implementing entity of the RLHR project on behalf of DSAC. Subsequently, DSAC approved the establishment of the RLHR Project Management Office (PMO) at the NHC, which has been operational with limited capacity. A decision still needs to be taken by DSAC to capacitate the Unit and further support the infrastructure development aspects of the project.

Thus far, 27 RLHR sites have been identified for development across nine provinces (three per province). To date, 13 sites have completed feasibility studies and three are earmarked for immediate development - the Bhiso Massacre Memorial Site in the Eastern Cape, Mandela House at the Drakenstein Correctional Centre in the Western Cape, and the Wesleyan Church-Waaihoek in the Free State. The NHC will present further sites, namely Tjate, Kroonstad Prison and Saul Mkhize for activation. The Cabinet has noted and accepted progress thus far. An Inter-Ministerial Committee (IMC) is yet to be convened to consider recommendations for implementation of the initiatives going forward.

2.2.8 Communications, Marketing and Stakeholder Engagement

The Communications, Marketing and Stakeholder Engagement Unit is tasked with the role of profiling and promoting the key programmes of the NHC. Their focus is on the activities that support the core business of the organisation. The core business areas mainly consist of Living Heritage and Tourism; Resistance and Liberation Heritage; Research and Knowledge Production as well as Funding and, internally, providing support to corporate services.

The following is a summary of successes worth noting in the year under review:

In streamlining the NHC's footprint, the National Heritage Council was extensively covered in community and national media, inclusive of print, broadcast and online media. The tone of the coverage was mostly positive. The NHC's core business programmes received coverage in the mainstream media through media interviews and print media coverage.

Media coverage was mostly received in community media, where the programmes were activated,which assists with the promotion of NHC programmes in communities.

A significant amount of dialogue was dedicated to various heritage subjects, which drew support from the mainstream media. The NHC leveraged the radio advertisements placed for funding programmes with free media interviews, which saw an increase in the extent to which funding programmes were profiled in community media.

Media sites providing non-paid media coverage of the NHC during the year under review include SABC TV, Motsweding FM, SAFM, Kanyamazane FM, Khayelitsha FM, Radio Turf, Pheli FM, YFM, The Guard News, Moutse FM, Daily Sun, Die Burger, and Melville Times.

Social Media

The NHC is actively participating on four social media platforms, namely X (formerly twitter), Facebook, Instagram and YouTube. Substantial growth in social media posts and followers was realised over the 12 months. Many stakeholders are using these social media platforms to consume the NHC offerings and engage on serious matters including raising concerns and enquiring about funding support applications.

In 2023/24, the NHC registered an 81% growth in followers across its social media platforms.The following is a snapshot of an NHC social media post and response during this financial year:

Heritage Month Marketing Campaign

A Heritage Month campaign was implemented from 24 – 25 September 2023 to engage the public while promoting a spirit of celebration. The campaign was conducted on Radio 2000, 5FM and SAFM, with 3,95 million listeners in total. The campaign reminded South Africans how we have had the freedom to express and share our cultural heritage since the dawn of democracy.

Partnerships with social media influencers were established, which encouraged these influencers to post proposed social media content that embraced the diverse, rich and cultural heritage of our country using the following hashtags: #NHCHeritageMatters and #MyCultureMyHeritage.NHC hashtags trended on X during Heritage Day, as seen below:

2.2.9 Cultural Exchange (Inter-generational Dialogues)

The Cultural Exchange is an advocacy and documentation initiative which often assumes the format of inter-generational dialogues, to serve as a platform for the transmission of knowledge, including IKS, historical and culturally significant information to youth. The initiative presents an opportunity for documentation (digitisation and recording) of cultural heritage, and is implemented through collaborations and partnerships. There is a schedule for implementation of the cultural exchange initiative throughout the financial year.

2.2.10 Partnerships and Collaborations

The Living Heritage programme has initiated collaborations and partnerships with the Provincial Houses of Traditional Leadership, in Limpopo, Mpumalanga, Northern Cape and Free State. In the African context, Traditional Leadership are the custodians of our heritage, and they have a pivotal role to play in the promotion and protection of heritage resources.

2.3. Overview of the Organisational Environment

Across three tiers of government the NHC has laid a foundation for mutual beneficiation for projects implementation and heritage sector advisory and coordination as stipulated in the Act. The NHC has strategic stakeholders across the three tiers of government as well as internationally. Provincial Houses of Traditional Leaders were appreciative of the NHC extending an opportunity to collaborate in matters of preserving heritage, especially in their communities. Programmes implemented during the financial year received support from the Departments of Sport, Arts and Culture nationally and in provinces.

A working relationship was entered into with the Seychelles National Heritage Resource Council with the aim to establish an institutional structure for the two parties to exchange expertise and have joint activities.

There are regular engagements with labour and this remains stable where issues of mutual concern, particularly on matters relating to their conditions of service are discussed and resolved. Consequently, there were no incidents of no unrest or recorded disharmony between management and staff in the year under review.

2.3. Key Policy Developments and Legislative Changes

There were no legislative changes subsequent to the consultations on the review of the White Paper on Arts, Culture and Heritage.

60th commemoration of the Rivonia Trial at Liliesleaf Farm Johannesburg

3. PERFORMANCE INFORMATION BY PROGRAMME

2023/24 ANNUAL PERFORMANCE REPORT

3.1. Programme 1: Administration

The aim of this programme is to provide strategic leadership and enable NHC performance through the delivery of support services. The programme is made up of the following sub-programmes:

- Office of the CEO;
- Communications and Stakeholder Management;
- Company Secretariat;
- Finance and Supply Chain Management; and
- Human Resource Management

Key performance measures, targets and actual results

Outcomes:

1.1. Strategic Leadership is provided

1.2. Promotion of the NHC and its programmes

1.3. A highly motivated and competent team

1.4. Sound financial management

Summary

- 11 targets were planned for Programme 1 in 2023/24.
- Eight targets were achieved and three were not achieved.

Programme 1: Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	**Actual Achievement 2023/2024**	**Deviation from Planned Target to Actual Achievement 2023/2024**	**Reasons for Deviations**
An effective, efficient and accountable organisation with good governance, a sound culture and track record of delivery	Strategic Leadership is provided	Compliance documents (APP, Quarterly Reports and Annual Report) are submitted to the Executive Authority on time.	Organisation wide adherence to compliance dates was achieved.	Organisation wide adherence to compliance dates was achieved.	Organisation wide adherence to compliance dates achieved.	Organisation wide adherence to compliance dates achieved.	The target was achieved as planned with no deviations.	N/A
		Percentage of institutional policies and charters due for review reviewed.	95% of institutional policies and charters due for review reviewed and approved.	100% of institutional policies and charters due for review reviewed.	100% of institutional policies and charters due for review reviewed.	Council Charters reviewed and institutional policies under review.	Not Achieved	Ongoing consultation with stakeholders
	Promotion of the NHC and its programmes	Number of publications and productions produced.	12 monthly newsletters published.	12 publications and 1 production produced.	8 publications and 1 production produced.	8 publications and 1 production produced.	The target was achieved as planned with no deviations.	N/A
		Number of media engagements conducted.	22 media engagements conducted.	14 media engagements conducted.	9 media engagements conducted.	21 media engagements conducted.	The target was achieved as planned with no deviations.	Human Rights month activations and initiatives increased media engagement
		Number of Heritage Month Marketing Campaigns activated.	New target.	1 Heritage Month Marketing Campaign activated.	1 Heritage Month Marketing Campaign activated.	1 Heritage Month Marketing Campaign activated.	The target was achieved as planned with no deviations.	An additional activation opportunity to promote the Heritage Month was utilised.
		Number of stakeholder engagements implemented.	New target.	5 stakeholder engagements implemented.	7 stakeholder engagements implemented.	8 stakeholder engagements implemented.	The target was achieved as planned.	Engagement with FASSET for the delivery of tools of trade for interns.

Programme 1: Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	**Actual Achievement 2023/2024**	**Deviation from Planned Target to Actual Achievement 2023/2024**	**Reasons for Deviations**
	A highly motivated and competent team.	Percentage of implementation of the approved Annual Training Plan on critical skills.	7% of the approved Annual Training Plan on critical skills was implemented.	42% implementation of the approved Annual Training Plan on critical skills.	80% implementation of the approved Annual Training Plan on critical skills.	63% implementation of the approved Annual Training Plan on critical skills.	Not Achieved	Delays in SCM processes
		Establish or improve level of employee wellness/ engagement / satisfaction.	New target.	Employee engagement survey conducted.	Employee engagement survey conducted.	Employee engagement survey conducted.	The target was achieved as planned with no deviations.	N/A
	Sound financial management provided.	Audit opinion achieved.	Unqualified Audit Opinion achieved.	Unqualified Audit Opinion achieved.	Unqualified Audit Opinion achieved.	Unqualified Audit Opinion not achieved.	Material mistamemt of prepayment.	N/A
	ICT support provided.	Level of Local Area Network availability (%).	97% network availability achieved.	Local Area Network availability (95%).	Local Area Network availability (95%).	Local Area Network availability (95%).	The target was achieved as planned with no deviations.	N/A
		Business Continuity Plan approved and tested.	Disaster Recovery & Business Continuity Plan approved and tested.	Business Continuity Plan approved and tested.	Business Continuity Plan approved and tested.	Business Continuity Plan approved and tested.	The target was achieved as planned with no deviations.	N/A

Strategy to overcome areas of under-performance
The unachieved targets were rolled-over to 2024/25.

Changes to planned targets
There were no changes to planned targets in 2023/24.

3.2. Programme 2: Heritage Promotion

The purpose of the programme is to deliver on the mandate and core business of the NHC as per the legislative mandate within available resources. Programme 2 consists of the following sub-programmes:

- Living Heritage promotion
- Funding
- Resistance and Liberation Heritage Route

Key performance measures, targets and actual results

Outputs:

2.1. Initiatives associated with living heritage supported/implemented to promote social cohesion and nation building

2.2. Advise the Minister on key aspects of heritage through development of a proposed policy framework

2.3. Disbursed funding and partnerships pursued to enable capacity building and resource mobilisation for the preservation and promotion of heritage

2.4. The Resistance and Liberation Heritage Route is mainstreamed

2.5. Develop and coordinate heritage resources to bring economic benefit

2.6. Partnerships with other government, private sector and civil society entities to promote and develop the economic benefit of heritage

Summary

- A total of 16 targets were planned for Programme 2 in 2023/24.
- 14 (88%) of targets were achieved and two (12%) of targets were not achieved.

60th Commemoration of the Rivonia Trial with African Union Commission's Hon. Dr. Litha Muysimi-Ogana, Commissioner and family members of the trialist

Programme 2: Heritage Promotion								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	**Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/24**	**Reasons for deviations**
Enhance social cohesion and transformation through the coordination of heritage with emphasis on living heritage	Initiatives associated with living heritage supported/ implemented to promote social cohesion and nation building	Number of initiatives associated with living heritage supported.	New target.	6 initiatives associated with living heritage supported/ implemented.	6 initiatives associated with living heritage supported/ implemented.	6 initiatives associated with living heritage supported/ implemented. (Ubuntu, Golden Shield, Africa Day, Inter-generational Dialogue, Storytelling and a Human Rights Seminar).	The target was achieved as planned with no deviations.	N/A
		Number of heritage resource partnerships with national/provincial houses of traditional leadership implemented.	New target.	2 heritage resource partnerships with national/provincial houses of traditional leadership implemented.	2 heritage resource partnerships with national/provincial houses of traditional and Khoisan leadership implemented.	2 heritage resource partnerships with national/provincial houses of traditional and Khoisan leadership implemented. (AmaChunu and Heritage Extravagance)	The target was achieved as planned with no deviations.	N/A
		Number of heritage education initiatives implemented.	1 heritage education initiative implemented.	1 heritage education initiative implemented.	1 heritage education initiative implemented.	1 heritage education initiative implemented. (HESEOP)	The target was achieved as planned with no deviations.	N/A
		Number of indigenous knowledge seminars/dialogues hosted.	1 Indigenous Language Advocacy Seminar hosted.	1 Indigenous knowledge seminar/dialogue hosted	1 Indigenous seminar/dialogue hosted	1 Indigenous knowledge seminar/dialogue hosted. (IKS Seminar in Manguang) with the Kara Institute.	The target was achieved as planned with no deviations.	N/A
		Accessible heritage database produced.	National Inventory Office Framework approved	Accessible heritage database produced	Accessible National Inventory Database updated and maintained	Accessible National Inventory Database updated and maintained	The target was achieved as planned with no deviations.	N/A
		Number of heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/participate in. (June 16 Engagement, SATMA)	The target was achieved as planned with no deviations.	N/A

Programme 2: Heritage Promotion								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	**Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/24**	**Reasons for deviations**
	Advise the Minister on key aspects of heritage through development of a proposed policy framework	Number of policy position papers produced.	2 Policy Position Papers produced	2 Policy Position Papers produced.	2 Policy Position Papers produced.	2 Policy Position Papers produced.	The target was achieved as planned with no deviations.	N/A
	Disbursed funding and partnerships pursued to enable capacity building and resource mobilisation for the preservation and promotion of heritage	Number of community heritage projects supported and funded.	30 community heritage projects supported and funded.	32 community heritage projects supported and funded.	30 community heritage projects supported and funded.	31 community heritage projects supported.	Not Achieved	31 Projects approved due to contracting challenges. Funding was not distributed by end of March 2024
		% of funded projects monitored and evaluated.	100% of funded projects monitored and evaluated	74% of funded projects monitored and evaluated.	100% of funded projects monitored and evaluated.	0% of funded projects monitored and evaluated for 2023/24.	Not Achieved	M&E was conducted for projects implemented in 2022/23.
	The RLHR is mainstreamed.	Number of RLHR related community outreach programmes implemented/ participated in.	5 presentations/ dialogues on the RLHR made to different stakeholders.	4 RLHRrelated community outreach programmes implemented/ participated in.	4 RLHR related community outreach programmes implemented/ participated in.	4 RLHR related community outreach programmes implemented/participated in.	The target was achieved as planned with no deviations.	N/A
		Number of RLHR related multilateral engagements implemented/ participated in.	New target.	1 RLHR related multi-lateral engagements implemented/ participate in.	1 RLHR related multi-lateral engagements implemented/ participate in.	1 RLHR related multi-lateral engagements implemented/participate in.	The target was achieved as planned with no deviations.	N/A
		Number of engagements on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	2 engagements on the Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	The target was achieved as planned with no deviations.	N/A

Programme 2: Heritage Promotion								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2021/2022**	**Audited Actual Performance 2022/2023**	**Planned Annual Target 2023/2024**	**Actual Achievement 2023/2024**	**Deviation from planned target to Actual Achievement 2023/24**	**Reasons for deviations**
		Number of engagements in the World Heritage Programme achieved.	1 engagement achieved (Amplified Dossier submitted to UNESCO).	1 engagement in the World Heritage Programme achieved.	1 engagement in the World Heritage Programme achieved.	1 engagement in the World Heritage Programme achieved.	The target was achieved as planned with no deviations.	N/A
		Number of Provincial RLHR sites developed and managed.	9 RLHR sites developed and managed	9 Provincial RLHR sites developed and managed.	9 Provincial RLHR sites developed and managed.	0 Provincial RLHR sites supported.	This Target is a dependency to DSAC	Review target description and milestones.
	Develop and coordinate heritage resources to bring economic benefit	Number of heritage sites and resources identified and supported to be commercially viable for the benefit of women, youth and people with disabilities.	New target	1 heritage site and resource identified and engaged to be supported to be commercially viable for the benefit of women, youth and people with disabilities.	1 heritage site and resource identified and engaged to be supported to be commercially viable or the benefit of women, youth and people with disabilities.	1 heritage site and resource identified andsupported to be commercially viable for the benefit of women, youth and people with disabilities.	The target was achieved as planned with no deviations.	N/A
	Partnerships with other government, private sector and civil society entities to promote and develop the economic benefit of heritage	Number of partnerships established to enhance the economic benefit of heritage (categorised into: government; private sector; civil society; international)	New target	1 partnership established to enhance the economic benefit of heritage.	1 Productive partnership established to enhance the economic benefit of heritage.	1 Productive partnership established to enhance the economic benefit of heritage.	The target was achieved as planned with no deviations.	N/A

PART C
GOVERNANCE

1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. It enhances organisational discipline, integrity, transparency, accountability, responsibility, fairness and sustainable economic, social and environmental performance. In addition to legislative requirements based on a public entity's enabling legislation, corporate governance in a public entity is applied through the precepts of the Public Finance Management Act (PFMA, Act 1 of 1999) and run in tandem with the principles contained in the King IV Report on Corporate Governance.

The NHC is committed to the principles of accountability, openness and integrity, and its policies and charters formalise this commitment. This gives the shareholder and other stakeholders the assurance that the NHC is ethically managed according to prudently determined risk parameters in compliance with best practices.

2. PORTFOLIO COMMITTEE

Council was invited on 20 November 2023 to present the Annual Report 2022/2023. This invite gave Council the opportunity to present the changing landscape of heritage in South Africa and milestones of the UNESCO preparations for the nomination of world heritage sites.

3. EXECUTIVE AUTHORITY

The Minister of Sport, Arts and Culture and the NHC signed a Shareholder's Compact, which captures the key performance measures and indicators agreed upon between the Council as the Accounting Authority of the NHC, and the Minister as the Executive Authority.

This a requirement for Public Entities listed in Schedule 2, 3B or 3D of the PFMA. However, notwithstanding the NHC being a Schedule 3A entity, and therefore not bound by this requirement, it was deemed necessary to do so for purposes of cooperative governance and accountability. The Shareholder's Compact captures the key performance measures and indicators agreed upon between the Council, as the Accounting Authority of the NHC.

As a consequence of the above agreement and in line with the PFMA, the NHC submits quarterly reports to the DSAC. During the year under review the following reports were submitted:

- 1st Quarterly Report submitted on 30 July 2023;
- 2nd Quarterly Report submitted on 30 October 2023;
- 3rd Quarterly Report submitted on 30 January 2024;
- 4th Quarterly Report submitted on 30 April 2024.

4. THE COUNCIL

4.1 DESCRIPTION OF THE COUNCIL

The NHC is a juristic entity established in terms of the National Heritage Council Act of 1999 (Act 11 of 1999). The Minister of Sport, Arts and Culture appoints members of the public of the Republic of South Africa as members of the NHC to manage the affairs of the NHC in terms of the Act and its regulations in line with corporate governance principles. The NHC is constituted in terms of Section 5 (1) of the National Heritage Council Act as follows:

(a) at least five members, appointed by the Minister;
(b) a representative of each province to be nominated by the MEC concerned; and
(c) the chairpersons of each of—
  (i) the Council of the South African Heritage Resources Agency;
  (ii) the National Archives Commission;
  (iii) the Heraldry Council;
  (iv) the Board of the National Library;
  (v) the Council of the Northern Flagship Institution (Ditsong Museums); and
  (vi) the Council of the Southern Flagship Institution (Iziko Museums).

The Council plays an advisory role to the Minister on certain heritage issues, including national policies on heritage, allocation of core funding and resources and any other matter concerning heritage that the Minister or the Council may determine.

The Council operates in terms of an approved Charter that clearly spells out its role and responsibilities. The Council plays an oversight role and provides leadership on the affairs of the NHC. Its role includes the establishment, review and monitoring of strategic objectives. It also gives strategic direction and ensures compliance with corporate governance and legislative imperatives. The Council oversees the NHC's systems of governance, internal control, and risk management.

The Council was appointed on 01/12/2020 to 30/11/2023 and extended to 30/11/2024. The ARC was appointed to 01/05/2021 to 30/04/2024 and extended to 30/11/2024. The Council meets at least once a quarter and special meetings are held when there is a need. The purpose of the meetings is to review the strategic and operational performance of the NHC. Amongst other matters, it looks into business plans, policies, the approval of major contracts and other strategic issues. The management team of the NHC is responsible for implementation of the decisions and strategies of the Council.

4.2 STRUCTURE AND COMPOSITION OF THE COUNCIL

As mentioned, the Council is constituted by members appointed by the Minister of Sport, Arts and Culture and by Provincial Arts and Culture MECs; the Chairpersons of certain declared cultural institutions (Iziko Museum of South Africa, Ditsong Museums, NLSA, National Heraldry Council and SAHRA), the National Heraldry Council, and the National Archives Council. The Council is represented by people from diverse backgrounds with extensive skills in the heritage sector. In making appointments, the Minister takes into consideration both diversity and skills. In the period under review there were nineteen Council Members with the CEO being an ex officio member.

Composition of the Council

During the year ended 31 March 2024 the NHC conducted four Ordinary Meetings, six Special Meetings, three Strategy Review Workshops and two Training Sessions. Below is the profile of Council members and attendance at Council meetings:

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Mr Edgar Neluvhalani	Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	(i) Masters of Arts Degree (ii) BA Education Honours (iii) BEd (iv) Diploma in Environmental Education	i). Heritage ii) Governance and Leadership iii) Strategy iv) Environmental Education	i) Director: DYARA ii) Non-Executive Director: KCM (Kenneth Copeland Ministries Africa) iii) Non-Executive Director: GMC (Religious) iv) Council Member: SANParks	None	15/15
Dr Graham Dominy	Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i). PhD ii) Post Graduate Diploma in Museums Sc (cum laude) iii) MA iv) N Diploma Archives Science v) BA, BA Hons, Higher Diploma Education	(i) Archives (ii) Heritage History iii) Museums iv) Research Ethics v) Transformation	i) Honorary Research Fellow: UNISA ii) Corporate Member: Institute of Directors South Africa (IoDSA)	i) Chairperson: Social and Ethics Committee ii) Member: Heritage Research and Development Committee	15/15
Ms Nontlaza Joyce Nosisa Sizani	Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) B.Comm (Accounting) ii) B. Compt Honours / CTA iii) Post Graduate Diploma in Management iv) Certificate of Competency (Intro to property investment and practice)	i) Financial and Risk Management ii) Internal and External Audit iii) Budgeting iv) Cash Management and Policy Development v) Project and Structured Finance vi) Credit Ratings Advisory	i) Executive Director: Invest Wealth (Pty) Ltd ii) Non- Executive Director and Chairperson of the Finance Committee: Dezzo Holdings (Pty) Ltd iii) Non-Executive Director and Chairperson of the Audit Committee: Dezzo Social Housing Agency (DSHA) NPC	i) Audit and Risk Committee ii) Member: Heritage Research and Development Committee	14/15

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Ms Salome Francinah Sithole	Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) LLB, BA ii) Professional Certificate in Public Management iii) Certificate in Project Management iv) Junior Primary Teachers Diploma	i) Labour ii) Finance iii) Legal iv) Governance	i) Deputy Chairperson: Mpumalanga Tourism and Parks Agency	i) Audit and Risk Committee ii) Member: ARC and Corporate Services	15/15
Dr Protas Madlala	Appointed by The Minister	08/09/2022	Deceased 09/09/2023	i) Ph.D (Hon Laude) ii) MA, Honours Degree, iii) BA Degree iv) Certificate in Co-ops	i) Sunme Development ii) Community Development iii) Media iv) Political Analyst	None	i) Member: Heritage Research and Development Committee ii) Member: Social and Ethics Committee	2/5
Dr Tsholofelo Mosala	Appointed by The Minister	16/10/2023 – 30/11/2024	Active	i) PhD in Anthropology ii) Doctorate in Herbal Science iii) Masters Degree in Anthropology iv) Bachelor of Social Sciences Degree (Bachelor of Arts) v) Public Relations Diploma	i) Bosadi Approach (African Womanhood) ii) Indigenous Knowledge Systems iii) African Traditional Knowledge Medicine and Spirituality iv) Feminism and Gendered Bodies	i) Commissioner: CRL Rights Commission ii) Board Member: National Museum Council iii) Council Member: South African Library for the Blind iv) Board Member: North West Geographical Provincial Committee	i) Member: Heritage Research and Development Committee ii) Social and Ethics Committee	4/4

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Mr Luthando Phillip Jack	Eastern Cape Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) Masters in Commerce specialising in Leadership Studies ii) BA in Philosophy iii) BTech in Public Management iv) NDiploma in Public Management and Administration	i) Governance ii) Strategy iii) Research	i) Chairperson: Chris Hani Co-operative Development Centre ii) Director: Learning Futures iii) Deputy President: South African Association of Senior Student Affairs Professionals iv) Director: Eastern Cape Socio Economic Consultative Council v) Chairperson: Boxing South African Board	i) Heritage Research and Development Committee ii) Corporate Services Committee	11/15
Bishop Dr Vikinduku Mnculwane	KwaZulu-Natal Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) PhD Doctor of Administration ii) Masters of Public Administration iii) Master of Theology iv) BTh Honours v) BA Hons Public Administration vi) Post Graduate Diploma Monitoring and Evaluation	i) Public Policy ii) Monitoring and Evaluation	None	None	6/15
Ms Lydia Moroane	Mpumalanga Provincial Representative	01/12/2020	Resigned 30/09/2023	i) Secondary Teachers Diploma ii) Advanced Certificate in Education iii) Project Management iv) Mediation, Conflict Resolution, Negotiation v) Advanced Certificate in Municipal Governance and Management vi) Practical Ministry	i) Social Transformation ii) Issues and Plights of Women iii) Politics	i) Arbitrator, Mediator and Counsellor: Mpumalanga Rental Tribunal ii) Town Planning: Mpumalanga Township Board iii) SGB Secretary: Freddy Sithole High School	i) Corporate Services Committee ii) Social and Ethics Committee	5/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Ms Laura Robinson	Western Cape Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) B Architecture Degree	i) Architecture and the Built Environment ii) Cultural Heritage and Cultural Landscapes iii) Intangible Heritage and Sites of Conscience and Memory iv) Human Rights and Heritage	Member of the KZN Museum Council, Member of Cape Town Museum.	i) Heritage Research and Development Committee	15/15
Mr Onkabetse Wordsworth Mereki	Northern Cape Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) B Social Science	i) Public Administration ii) Heritage Services	i) Member: Northern Cape Mental Health Review Board ii) Member: Northern Cape Heritage Authority iii) Member: McGregor Museum iv) Managing Member: Woxbricks Trading v) Managing Member: Nkgodisana Social Connections	i) Corporate Services Committee	15/15
Hosi Adv. Aarone Mahumani	Limpopo Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) LLM Masters of Law B. Juris Degree ii) Post Graduate Diploma Labour Law	i) Governance Leadership ii) Legal iii) Administrative Matters	i) Hosi/Head of the Mahumani Royal Leadership Tribe: COGTA ii) Director: Mahumani Empowerment Centre Services iii) Board Member: Limpopo Gambling Board iv) Board Member: National Council of Correctional Services v) Board Member: Gauteng Commission of Traditional Ministerial Leadership and Disputes	i) Heritage Research and Development Committee ii) Social and Ethics Committee	15/15

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Mr Tsheko Tsehlana	Gauteng Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) Certificate in Development Management ii) Certificate in Arts and Culture Management	i) Management ii) Project Management iii) Organisational Design	i) Chairperson: SOWETO Heritage Foundation ii) Chairperson: Gauteng Liberation Heritage Committee iii) Member: Lebone Secondary School iv) Member: Gauteng Geographical Name Change Committee	i) Heritage Research and Development Committee	14/15
Ms Elodie Seotseng Tlhoaele	Free State Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) Professional Architect (Pr. Arch) ii) BAS: BArch (Hons) iii) Revised National Diploma Architectural Technology	i) Professional Architecture ii) Heritage Practitioner iii) Emerging Contractor Mentor iv) Built Environment Consultant v) Artist	i) Managing Director: Impact Architecture Pty Ltd ii) Deputy Chairperson and Council Member: Free State Heritage Resources Authority	i) Heritage Research and Development Committee ii) Social and Ethics Committee	15/15
Mr Simon Mafika Nkosi	Mpumalanga Provincial Representative	16/10/2023 – 30/11/2024	Active	i) Master of Public Management ii) Postgraduate Diploma iii) Municipal Finance iv) Executive Leadership Municipal Management and Development v) Local Government Management and Administration	i) Management ii) Leadership iii) Mentoring and Coaching iv) Strategic Planning v) Monitoring	i) Director: Samkethe Investments ii) Member: SANCO	i) Social and Ethics Committee ii) Corporate Services Committee	7/7

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Ms Matshwane Elizabeth Kibini	North West Provincial Representative	16/10/2023 – 30/11/2024	Active	i) Microsoft Office	-	None	i) Social and Ethics Committee ii) Corporate Services Committee	7/7
Mr Jabulani Dennis Sithole	Appointed by The Minister – Chairperson of IZIKO Museums	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) Master of Arts History ii) BA Honours iii) BA Degree iv) Secondary Teachers Diploma	i) Heritage ii) Culture iii) History iv) Research	i) Council Chairperson: IZIKO Museums ii) Member: Imvukuzane Foundation (NPO)	i) Heritage Research and Development Committee ii) Member: Corporate Services Committee	14/15
Ms Esther Netshivhongweni	Appointed by The Minister – Heraldry Council	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) MCom BCom Hons, BCom ii) Advanced Diploma in Professional Management iii) Diploma in Professional Management	i) Human Resources ii) Corporate Governance	i) Council Chairperson: Heraldry Council ii) Chairperson: African Community Conservationists	i) Corporate Services Committee ii) Social and Ethics Committee	15/15

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Dr Refiloe Mabaso	Appointed by The Minister – Chairperson of National Library of South Africa	01/12/2020 - 30/11/2023 extended to 30/11/2024	Active	i) PhD ii) MBA iii) General Managers Programme iv) Post Graduate Diploma in Knowledge and Information Systems v) Management Development Program vi) B Tech Library Information Studies	i) Governance ii) Information, Knowledge and Library Management iii) Information Governance iv) Business Intelligence v) Records Management	i) Council Chairperson: National Library of SA ii) Board Chairperson: Knowledge Management South Africa (NPO) iii) Board Chairperson: Kitso Lesedi (NPO) iv) Chairperson: South African Committee on Data	i) Heritage Research and Development Committee ii) Corporate Services Committee	11/15
Adv Motlatjo Ralefatane	Appointed by The Minister– Ditsong Museums	01/08/2022 – 30/11/2023 extended to 30/11/2024	Active	i) LLB Post Graduate Degree ii) BProc. Degree iii) Labour Relations Certificate iv) Certificate in Human Rights v) Certificate in Computer Bookkeeping	i) Labour Law ii) Corporate Governance and Ethics iii) Audit and Risk Management iv) Human Resources v) Forensic Audit Investigation vi) Strategies Policy and Business Systems Development	i) Council Chairperson: Ditsong Museums ii) Council Member: Health Professions Council of South Africa iii) Council Member: The Playhouse Company iv) Independent ARC Chairperson: Msunduzi and Ncome Museums v) Member of the Remuneration and Reimbursement Committee: South African Pharmacy Council vi) Member: Gender Crime Investigative Aid (GENCRIA), Member: International Board of Directors (IBODA)	i) Audit and Risk Committee ii) Social and Ethics Committee	15/15

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (4), Special Meetings (9), Strategy Workshops (2) and Training Sessions (0)
Dr Luyanda Mpahlwa	Member appointed by the Minister - Chairperson of SAHRA	01/08/2022 – 30/11/2023 extended to 30/11/2024	Active	i) Honorary Doctorate ii) MSc. Architecture iii) National Diploma Architecture	i) Architecture ii) Urban Design iii) Culture and Heritage	i) Council Chairperson: SAHRA ii) Design Principal: Design Network (PTY) Ltd iii) Trustee: MGM Mpahlwa Trust	None	9/15
Ms Elizabeth Sibongile Nzimande	Member appointed by the Minister – National Archives Advisory Council	01/03/2023 – 30/11/2024	Active	i) Honours History ii) Honours Info Studies iii) Masters Info Studies	i) History	None	i) Social and Ethics Committee ii) Corporate Services Committee	4/5

4.3 COUNCIL COMMITTEES

In its operations the Council is assisted by the following four committees:

a) **Audit and Risk Committee -** assists the Council in fulfilling its responsibilities and provides oversight on behalf of the Council on related audit, finance, performance and risk matters. Its charter is aligned to the duties prescribed by the PFMA and Treasury Regulations.

b) **Heritage Research and Development Committee –** oversees the management of heritage in relation to the mandate of the NHC in the implementation of the coordination, promotion, funding, conservation, transformation and development of heritage in the Republic of South Africa.

c) **Corporate Services Committee -** responsible for the determination and recommendation for approval by Council of a sound human resources and remuneration philosophy, strategy and policies.

d) **Social and Ethics Committee -** responsible for ensuring that the NHC conducts its business responsibly with regard to ethical standards and social responsibility.

All the committees operate according to an approved Terms of Reference, which set out their respective mandates.

4.4 INTERNAL CONTROLS

Internal controls improved during the year under review and they were continuously strengthened through the work of the Internal Auditors and the Audit and Risk Committee. Financial controls and human resources polices were reviewed and approved.

4.5 INTERNAL AUDIT

The internal audit function is outsourced. Internal Auditors monitor the functioning of internal control systems and make recommendations to Management, the Audit and Risk Committee and Council.

4.6 COMPOSITION OF COUNCIL COMMITTEES

Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working task team meetings held	No. of members	Names of members
Heritage Research and Development Committee	4	0	0	0	10	1. **Mr Jabulani Sithole (Chairperson)** 2. Ms Laura Robinson (Dep Chair) 3. Mr Tsheko Tsehlana 4. Ms Elodie Tlhoaele 5. Mr Luthando Phillip Jack 6. Hosi Adv. Khavhareni Aarone Mahumani 7. Dr Graham Dominy 8. Dr Refiloe Mabaso 9. Dr Protas Madlala (replaced by Dr Tsholofelo Mosala) 10. Ms Nontlaza Sizani 11. Dr Tsholofelo Mosala
Corporate Services Committee	4	3	0	0	7	1. **Ms Esther Netshivongweni (Chairperson)** 2. Dr Refiloe Mabaso (Dep Chair) 3. Mr Jabulani Sithole 4. Ms Salome Sithole 5. Mr Onkabetse Mereki 6. Ms Lydia Moroane (replaced by Mr Simon Nkosi) 7. Mr Simon Nkosi 8. Ms Sibongile Nzimande 9. Ms Elizabeth Kibini
Social and Ethics Committee	4	0	0	0	7	1. **Dr Graham Dominy (Chairperson)** 2. Ms Elodie Tlhoaele (Dep Chair) 3. Hosi Adv Khavhareni Mahumani 4. Ms Esther Netshivhongweni 5. Adv Motlatjo Ralefatane 6. Mr Simon Nkosi 7. Ms Elizabeth Kibini 8. Dr Tsholofelo Mosala 9. Ms Sibongile Nzimande
Audit and Risk Committee	4	5	0	0	6	**Independent Members** 1. **Ms Margaret Phiri (Chairperson)** 2. Mr Johan Van der Walt 3. Mr Tichaona Zororo **Council Members** 4. Ms Nontlaza Sizani 5. Ms Salome Sithole 6. Adv Motlatjo Ralefatane

4.7 PROFILE OF THE AUDIT AND RISK COMMITTEE

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Resignation Date	Qualifications	Area of Expertise	Board Directorship	Other Committee's within NHC	No of Scheduled Meetings (4), Special Meetings (5), Workshops (0) attended
Ms Margaret Phiri	Chairperson: External/ Independent Member	01/05/2021 – 30/04/2024 extended to 30/11/2024	Active	i) Qualified CA(SA) ii) CTA/BCompt Honours iii) BCom. Accounting Degree	i) Accounting ii) Auditing	i) Director: Mohale Seoka INC ii) Director: Lethamatse iii) Director: Seoka Phiri CT iv) Director: South African Special Risk and Insurance Association (SASRIA)	None	9/9
Mr Johannes Van Der Walt	External / Independent Member	01/05/2021 – 30/04/2024 extended to 30/11/2024	Active	i) CA(SA) ii) M.Com Financial Management (cum laude) iii) BCompt (Hons), BCompt	i) Financial Management ii) Strategy iii) Entrepreneurship iv) IT v) Risk Management vi) Governance	i) Managing Director: Nudge Africa (Pty) Ltd ii) Director: Enterstage Africa (Pty) Ltd iii) Director: Pandoclox (Pty) Ltd iv) Member: Wonder Child Productions v) Director: Langels (Pty) Ltd vi) Member: WWP Events CC vii) Member: WWP Studios CC viii) Financial Director: Witch & Wizard (Pty) Ltd	None	8/9
Mr Tichaona Zororo	External/ Independent Member	01/05/2021 – 30/04/2024 extended to 30/11/2024	Active	i) CIA, CRMA, CGEIT, CRISC, CISA, CISM, CDPSE, COBIT Certified Assessor ii) Post Graduate Diploma in Computer Auditing iii) B.Sc. Honours Information Systems iv) Digital Disruption v) Chartered Institute of Secretaries & Administrators Economics, Accounting, Principles of Marketing	i) IT Governance. ii) IT Auditing iii) Governance and Enterprise Risk Management iv) Financial Management	i) Advisor Audit & Risk Committee and IT Steering Committee - South African National Biodiversity Institute ii) Audit and Performance Committee Member - Setsoto Municipality iii) Board Member Immediate Past President - Information Systems Audit Control Association (ISACA) South Africa	None	7/9

5. COMPLIANCE WITH LAWS AND REGULATIONS

The National Heritage Council strives to comply with relevant legislation and regulatoryimperatives, including but not limited to the National Heritage Council Act 11 of 1999, Public Finance Management Act (PFMA), National Treasury Regulations and Practice Notes, Companies Act 71 of 2008, King IV Report, relevant Labour Laws, Health and Safety Laws, Procurement Prescripts, and B-BBEE legislation and regulations, among others.

5. FRAUD AND CORRUPTION

To mitigate the risk of fraud and corruption the following instruments are in place:

i) Fraud Prevention Policy, Strategy and Implementation Plan for mitigating the risk of fraud and corruption;

ii) Anti-Fraud and Corruption Policy;

iii) Code of Ethics and Business Conduct; and

iv) Risk Management Plan.

The report on fraud and corruption is a standing item on the agenda of the quarterly Audit and Risk Committee meetings. Furthermore, the DSAC has a whistle blower hotline, available to all entities including the NHC. During the period under review no cases were reported to the hotline.

7. MINIMISING CONFLICT OF INTEREST

All NHC employees and Council members sign Declaration of Interest Forms in accordance with the National Heritage Council Act No.11 of 1999.

- *Bid Evaluation Committee:* at every meeting before bids are evaluated, members are given forms to sign declaring that they have no interest in the outcome of the bid;
- *Bid Adjudication Committee:* Once the Bid Evaluation Committee has finalised its work, the process goes to the Bid Adjudication Committee and members are also required to sign declaratory forms indicating that they have no interest in the outcome of the tender;
- On an annual basis, all Council and NHC staff members declare their interest; and
- A gift register for staff members is in place.

8. CODE OF CONDUCT

The Council has an approved Code of Conduct Policy. The Code of Conduct is included in the Council Charter and is based on principles of honesty and integrity.

9. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The HR Management Unit is responsible for facilities management, to ensure that health, safety and environmental issues are addressed.

10. COMPANY SECRETARY

The Company Secretary reports functionally to the Council and administratively to the CEO, and is responsible for ensuring that the Council complies with all applicable legal and statutory requirements and policy imperatives.

The Company Secretary keeps Council Members informed of their legal responsibilities, ensures the smooth running of Council activities, advises on Council procedures and adherence to legislative requirements, and ensures that Council and Committee resolutions are communicated to the relevant stakeholders and implemented timeously. In compliance with good corporate governance, the Company Secretary also facilitates self-assessment of the Council and its Committees, as well a financial disclosure by Council Members. The responsibilities are strategic and incorporate all matters pertaining to corporate governance and compliance with the King IV Report.

11. AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (ARC) present its report regarding its affairs at the National Heritage Council (NHC) for the financial year ended 31 March 2024.

Audit and Risk Committee Responsibility

The Audit and Risk Committee has complied with its responsibilities as stated in Section 51(1)(a) (ii) of the Public Finance Management Act and Treasury Regulations paragraph 27.1 The ARC reports that it has adopted appropriate terms of reference. As per its ARC Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The ARC is accountable to the Council and has the oversight function of amongst other things:

- Financial and Performance Management
- IT Governance
- Risk and Fraud Management
- Internal Audit Function
- Compliance with Laws and Regulations and Good Ethics
- Reporting Practices
- External Audit

Summary of the work done by the Audit Committee during the year under review

- Updated the ARC Charter
- Risk management processes
- Approved internal audit charter
- Approved the Internal Audit three year rolling plan and current annual plan
- Ensured that all planned Internal Audit projects were timely completed
- Overseen the regular updating and execution of 3-year internal audit plan
- Reviewed changes to the strategic risk register by management and considered proposed internal controls to mitigate risk and make appropriate recommendations to the council
- Considered quarterly finance and performance reports and provided guidance on the adequacy and quality improvements for these reports
- Conducted separate meetings with Internal Audit Functions and Management to drive and enhance risk and performance management
- Provided guidance on IT governance and policy issues
- Monitored the compliance landscape - applicable legislations and policies
- Monitored progress on previous audit findings

The Effectiveness of Internal Controls

The system of internal controls within the NHC is designed to provide reasonable assurance that assets are safeguarded and that liabilities and working capital are properly managed in line with the PFMA and the protocol on corporate governance. This is achieved through a risk-based internal audit plan, Internal Audit assessing the adequacy and effectiveness of controls mitigating the risks and the Audit and Risk Committee monitoring management's implementation of corrective actions.

From the Committee's review of the reports of the Internal Auditors, the Audit Report on the review of the 2023/24 Annual Financial Statements and the Management Report from the AGSA, it can be concluded that the system of internal control as applied over financial and non-financial matters and enterprise risk management and governance at the NHC are partially satisfactory. Improvements are required within ICT Governance and the Supply Chain Management environment as irregular expenditure has been incurred during the year under review and Irregular expenditure incurred during the prior years has not yet been condoned. Furthermore, significant control deficiencies were identified relating to pre payments and advances due to inadequate reconciliations of transactions. The Committee will continue to monitor action plans implemented by management to address internal control deficiencies.

Effectiveness of Internal Audit Function

The function of internal audit was outsourced during the year under review. The ARC is satisfied that the internal audit function has appropriately discharged its functions and responsibilities during the year under review. The internal audit function is operating effectively and has addressed the risks pertinent to the entity and maintains an effective internal quality assurance and programme that covers required aspects of the internal audit activity.

In-Year Management and Monthly/ Quarterly Reports

The ARC is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the year under review, the ARC considered the entity's Interim Financial Statements and Expenditure against Budget, and Quarterly Performance Reports and the associated corrections recommended to Council for approval.

Risk Management

The ARC is responsible for the oversight of the risk management function. The Council has adopted a risk management framework, strategy and relevant policies for the NHC, in line with the PFMA. The NHC has established a risk management committee, chaired by an independent audit and risk committee member, that reports quarterly to the ARC. The risk management processes are reviewed by internal audit. The ARC is satisfied with the overall risk management function.

Evaluation of Annual Financial Statements

The ARC reviewed and recommended the Unaudited Annual Financial Statements to the Council for approval and submission to the AGSA for the annual audit and were satisfied that they were in line with the quarterly reports submitted throughout the year under review.

The ARC reviewed the accounting policies applied in the compilation of the Annual Financial Statements and it satisfied itself that the policies are consistent with those of prior years, and have been constantly applied in accordance with the National Treasury Guidelines.

Auditor's Report

The ARC has met and discussed with the Auditor General South Africa (AGSA) their report, to ensure that there are no unresolved issues. The ARC has also reviewed the NHC's implementation plan for audit issues raised in the AGSA management report and continuous monitoring will be exercised to ensure that all matters are adequately addressed in particular the root causes.

The ARC concurs and accepts the conclusions of the AGSA regarding the Annual Financial Statements and Performance Report. ARC is of the opinion that the Audited Annual Financial Statements and Performance Report be accepted and read together with the report of the AGSA.

Appreciation

The Committee wishes to acknowledge the dedication and work performed by the Chief Executive Officer, Management and Officials of the NHC. The Audit and Risk Committee further wishes to express its appreciation to management, the AGSA and the Internal Audit Department for the co-operation and information they have provided to enable the ARC to discharge its responsibilities.

Ms Margaret Phiri
Chairperson
NHC Audit and Risk Committee
08 August July 2024

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table provides an overview of the NHC's compliance with B-BBEE Codes of Good Practice and Certificate Levels 1-8:

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?	Yes	The NHC is in the process of developing Terms of Reference (ToRs) for appointment of a service provider to assist the organisation in developing the criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	The NHC is in the process of developing ToRs for appointment of a service provider to assist the organisation in developing and implementing a preferential procurement policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	Yes	The NHC is in the process of developing ToRs for appointment of a service provider to assist the organisation in developing the criteria for entering into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE	Yes	The NHC is in the process of developing ToRs for appointment of a service provider to assist the organisation in developing the criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE.

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The mission, which is to transform, protect and promote heritage through the coordination and management of heritage knowledge and resources for social cohesion and sustainable development, continues to drive the NHC in ensuring that it achieves its ultimate vision of making a nation proud of its African heritage.

The most important asset, the employees, remain at the centre of operations. The NHC recognises and places staff at the forefront of everything. The Human Resource Management (HRM) Unit's key objective is to ensure that the NHC has the right people in the right roles at the right time with appropriate skills so that it may effectively carry out its mandate and achieve its mission.

The staff complement as at 31 March 2024 was 31 comprising of 14 Males and 17 Females. The following are the key HR milestones for the year under review:

- Appointment of key staff in critical positions
- Staff satisfaction survey
- Training and development of staff
- Workplace Skills Planning and Annual Training Report submissions to PSETA on time
- CEO's quarterly staff engagement sessions
- Job evaluation and grading exercise
- Review of HR policies
- Peaceful negotiations and regular meetings with organised labour
- Training in Occupational Health and Safety for the OHS Committee
- Formation of a Wellness Committee
- Successful negotiations and implementation of the Cost of Living Adjustment (COLA)

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel cost by programme

PROGRAMME	Total Expenditure for the entity	Personnel Expenditure	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee
	(R'000)	(R'000)	(R'000)		(R'000)
CEO's Office	6, 312	6,150	7%	5	1,230
Heritage	12,150	4,130	5%	12	344
Finance	17,054	6,951	8%	10	695
Human Resources	5,626	4,630	5%	4	1,157
Marketing	2,795	1,633	2%	4	408
Funding	3,669	2,897	3%	3	966
RLHR	3,947	3,878	5%	4	969
Company Secretary	7,751	2,249	3%	3	750
PESP	25,441	1,537	2%	10	154
TOTAL	**84,745**	**34,055**	**40%**	**55**	**655**

Personnel cost by salary band

LEVEL	Personnel Expenditure	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee
	(R'000)	(R'000)		(R'000)
Top Management	2,638,396	8%	1	2,638,396
Senior Management	16 789 318	52%	14	1,355,709
Professional qualified	7 598 156	6%	9	1,001,903
Skilled	3 414 334	24%	6	681,149
Semi-skilled	259,983	1%	1	259,983
Unskilled	170,584	1%	1	170,584
Temps (incl. PESP & Interns)	3,184,229	9%	23	144,738
TOTAL	**34 055 000**	**100%**	**55**	**654,904**

Performance rewards

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

Training costs

DIRECTORATE/ BUSINESS UNIT	Personnel Expenditure	Training Expenditure	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Average training cost per employee
	(R'000)	(R'000)			
CEO's Office	6 150	142	2%	3	47
Heritage	4 130	141	3%	3	47
Finance	6 951	12	0%	2	6
Human Resources	4 630	22	0%	1	22
Marketing	1 633	11	1%	2	6
Funding	2 897	5	0%	2	2
RLHR	3 878	52	1%	1	52
Company Secretariat	2 249	6	0%	1	6
PESP	1 537	6	0%	1	6
TOTAL	**34 055**	**397**	**7%**	**16**	**194**

Employment and vacancies

PROGRAMME	2022/2023 No. of Employees	2022/2023 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of vacancies
Top Management	1	-	1	-	-
Senior Management	6	2	14	2	14%
Professionals	3	1	9	12	75%
Skilled	34	-	6	2	13%
Semi-skilled	1	-	1	-	-
Unskilled	2	-	1	-	-
Temps (Incl. PESP & Interns)	16	-	23	-	-
TOTAL	**63**	**3**	**55**	**16**	

Employment changes

SALARY BAND	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	-	-	1
Senior Management	10	4	2	12
Professional qualified	9	-	-	9
Skilled	6	-	-	6
Semi-skilled	1	-	-	1
Unskilled	1	-	-	1
TOTAL	**28**	**4**	**2**	**30**

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	
Resignation	2	66%
Dismissal	1	33%
Retirement	-	
Ill health	-	
Expiry of contract	-	
Other	-	
Total	**3**	**100%**

Labour relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal Warning	-
Written Warning	-
Final Written Warning	1
Dismissal	1

Equity target and employment equity status

LEVELS	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	-	-	-	-	-	-	-
Senior Management	8	1	-	-	-	-	-	-
Professional qualified	4	-	-	2	-	2	-	2
Skilled	1	1	-	1	-	-	-	-
Semi-skilled	-	-	-	-	-	-	-	-
Unskilled	-	-	-	-	-	-	-	-
TOTAL	**14**	**2**	**-**	**3**	**-**	**2**	**-**	**2**

LEVELS	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	-	-	-	-	-	-	-	-
Senior Management	4	1	-	-	-	-	1	-
Professional qualified	5	-	-	2	-	2	-	2
Skilled	4	-	-	-	-	-	1	-
Semi-skilled	1	-	-	-	-	--	-	-
Unskilled	1	-	-	-	-	-	-	-
TOTAL	**17**	**1**	**-**	**2**	**-**	**2**	**2**	**2**

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

NHC MISSION:
TO TRANSFORM, PROTECT AND PROMOTE HERITAGE

PART E

FINANCIAL INFORMATION

3. ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

CONTENTS PAGE

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE NATIONAL HERITAGE COUNCIL

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the National Heritage Council set out on pages 74 to 114 which comprise the statement of financial position as at 31 March 2024 statement of financial performance, statement of changes in net assets and statement of cash flows 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, except for the effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the National Heritage Council as at 31 March 2024 and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

Prepayments and advances

3. Items that did not meet the definition of an asset in accordance with GRAP 1, presentation and disclosure were recognised as prepayments. The entity did not have adequate internal control systems to monitor project prepayments. Consequently, prepayments as disclosed in note 6 to the financial statements were overstated by R4 502 901, while accumulated surplus is understated by the same amount.

Context for opinion

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

Responsibilities of the accounting authority for the financial statements

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

Responsibilities of the auditor-general for the audit of the financial statements

9. 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.
10. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 70, forms part of my auditor's report.

Report on the annual performance report

11. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
12. I selected the following material performance indicators related to heritage promotion and sustainable development presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
    - Number of heritage exchange programmes implemented/participated in.
    - Number of policy position papers produced per annum.
    - Number of heritage education initiatives implemented.
    - Number of RLHR related community engagement programmes implemented/participated in.
    - Number of RLHR related multilateral engagements implemented/participated in.
    - Number of engagements on the African Liberation Heritage Programme
    - Number of engagements in the World Heritage Programme achieved.
    - Number of provincial RLHR sites developed and managed.
    - Number of heritage sites and resources identified and supported to be commercially viable for the benefit of women, youth and people with disability.
    - National Inventory updated.
    - Number of initiatives associated with living heritage supported/implemented.
    - Number of heritage resource partnerships with national/provincial houses of traditional and Khoisan leadership implemented.
    - Number of indigenous knowledge seminars/dialogues hosted.
    - Number of productive partnerships established to enhance the economic benefit of heritage (categorised into government; private sector; civil society; international).
13. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
14. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included.
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so

that I can confirm the methods and processes to be used for measuring achievements.

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information presented in the annual performance report in the prescribed manner.
- there is adequate supporting evidence for the achievements reported and for any over- or underachievement of targets.

15. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

16. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

17. I draw attention to the matter below.

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or underachievement.
19. The table that follows provides information on the achievement of planned targets and lists the key indicator that was not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 31 to 37.

Number of provincial RLHR sites developed and managed

Targets achieved: 0%
Budget spent: 0%

Key indicators not achieved	Planned target	Reported achievement
Number of Provincial RLHR Sites developed and managed	9	0

Material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for the number of provincial RLHR sites developed and managed. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.

22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

24. The material findings on compliance with the

selected legislative requirements, presented per compliance theme, 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 misstatement of irregular expenditure disclosure and the statement of budget and actual comparison disclosure identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements in prepayments resulted in the financial statements receiving a qualified opinion.

Expenditure management

27. Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 36 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management laws and regulations.

Procurement and contract management

28. The preference point system was not applied in some of the procurement of goods and services as required by section 2(a) of the PPPFA and Treasury Regulation 16A6.3(b).

Other information in the annual report

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

Internal control deficiencies

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
34. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.
35. The accounting officer and management did not perform adequate reviews on the financial reporting and compliance with laws and regulations.
36. Internal controls for monitoring compliance with laws and regulations were ineffective as they do not detect and prevent instances of non-compliance with applicable laws and regulations.
37. The basic accounting principles of daily and monthly accounting and reconciling of transactions were not adequately implemented and monitored by management, material misstatements were identified that resulted in the modification of the auditor's opinion.

Auditor-General

Pretoria

31 July 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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 material performance indicators and on the public entity's compliance with selected requirements in key legislation.

Financial statements

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 public entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the 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 public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public 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

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.

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Selected legislation and regulations	Consolidated firm level requirements
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 55(1)(a); 55(1)(b); 55(1)(c)(i); Section 56(1); 56(2); Section 57(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Regulation 8.2.1; 8.2.2 Regulation 16A3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b); 16A6.2(e); 16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A8.2 (1) and (2); 16A 8.3; 16A8.3(d); 16A 8.4; 16A9; 16A9.1 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A 9.2(a)(ii); 16A9.2(a)(ii) Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1;31.1.2(c') Regulation 33.1.1; 33.1.3
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2);
PRECCA	Section 29; 34(1)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4 (a); 4.4(c); 4.4(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6

Selected legislation and regulations	Consolidated firm level requirements
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Paragraph 5.5.1(vi); 5.5.1(x)
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; Paragraph 3.4(a); 3.4(b) Paragraph 3.9 Paragraph 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a); 3.4.2(b); 3.3.1; Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1) Paragraph 4(2) Paragraph 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2; 4.3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1

STATEMENT OF RESPONSIBILITY
for the year ended 31 March 2024

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of the National Heritage Council as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are responsible for reporting on the fair presentation of the annual financial statements.

The Annual Financial Statements are based on Generally Recognised Accounting Practice and accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Accounting Authority acknowledges that it is ultimately responsible for the system of internal controls established by the National Heritage Council and places considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the National Heritage Council set standards for internal controls aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the National Heritage Council and all employees are required to maintain the highest ethical standards in ensuring that the National Heritage Council's business is conducted in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the National Heritage Council is on identifying, assessing, managing and monitoring all forms of risk known to the National Heritage Council. While operating risk cannot be fully eliminated, the National Heritage Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Authority is of the opinion, based on the information and explanations given by Management that the system of internal controls provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial controls can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Accounting Authority has reviewed the National Heritage Council's cash flow forecast for the year ended 31 March 2024 and, in the light of this review and the current financial position, is satisfied that the National Heritage Council has access to adequate resources to continue in operational existence for the foreseeable future.

The National Heritage Council is mainly dependent on the Department of Sport, Arts and Culture for continued funding of operations. The financial statements are prepared on the basis that the National Heritage Council is a going concern and that the Department of Sport, Arts and Culture has neither the intention nor the need to liquidate or scale down the functions of the National Heritage Council materially.

The financial statements, which have been prepared on the going concern basis, were approved by the Accounting Authority on 31 July 2024.

DR T.MANETSI
ACTING CHIEF EXECUTIVE OFFICER

MR E.NELUVHALANI
CHAIRPERSON OF COUNCIL

STATEMENT OF FINANCIAL POSITION

as at 31 March 2024

	NOTES	2024 R'000	2023 R'000
ASSETS			
Non-current assets		**2,474**	**2,465**
Property, plant and equipment	2	1,804	2,095
Intangible assets	3	670	370
Current assets		**229,478**	**167,458**
Receivables from exchange transactions	4	1,811	698
Receivables from non-exchange transactions	5	-	-
Prepayments and advances	6	92,118	61,255
Cash and cash equivalents	7	135,549	105,505
Total Assets		**231,952**	**169,923**
LIABILITIES			
Current liabilities		**174,000**	**127,358**
Payables from exchange transactions	8	19,632	11,368
Unspent Conditional Grant	9	153,382	114,015
Finance lease obligation	10	-	71
Leave Accrual	11	986	865
Performance Bonus	12	-	-
Salary related provision	13	-	1,039
Total Liabilities		**174,000**	**127,358**
TOTAL NET ASSETS		**57,952**	**42,565**
Accumulated Surplus		**57,952**	**42,565**
NET ASSETS		**57,952**	**42,565**

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2024

	NOTES	2024	2023
		R'000	R'000
TOTAL REVENUE		**100,133**	**79,099**
Non-exchange revenue		**96,934**	**77,251**
Government grant/Transfer–Department of Sport, Arts and Culture	**14**	74,021	73,602
Conditional Grant–Conditions Met	**15**	22,913	3,649
Exchange revenue		**3,199**	**1,848**
Other income	**16**	205	-
Interest received	**17**	2,994	1,848
TOTAL EXPENSES		**(84,746)**	**(74,475)**
Operating expenses	**18**	(33,597)	(24,440)
Administrative expenses	**19**	(13,167)	(12,217)
Employee related costs	**20**	(34,055)	(33,399)
Operating lease expenses	**21**	(2,711)	(2,711)
Finance costs	**22**	(4)	(11)
Loss on Disposal	**16**	-	(177)
Depreciation	**23**	(959)	(1,206)
Amortisation	**24**	(253)	(313)
SURPLUS FOR THE YEAR		**15,387**	**4,624**
SURPLUS FOR THE YEAR **Attributable to:**			
Owners of the controlling entity		15,387	4,624
		15,387	**4,624**

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2024

	Accumulated Surplus R'000
Balance at 1 April 2022	**37,941**
Surplus for the period	4,624
Balance at 31 March 2023	**42,565**
Surplus for the period	15,387
Balance at 31 March 2024	**57,952**

CASH FLOW STATEMENT
for the year ended 31 March 2024

	NOTES	2024 R'000	2023 R'000
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS		**143,784**	**148,807**
Government Grant/Transfer – Department of Sport, Arts and Culture	**14**	74,021	73,602
Other Receipts		266	47
Conditional Grants/Transfers/Partnerships		62,280	71,835
Interest Received		7,217	3,323
CASH PAID TO SUPPLIERS AND EMPLOYEES		**(112,489)**	**(118,754)**
Employee Related Costs		(35,991)	(34,014)
Suppliers		(76,494)	(84,729)
Interest Paid		(4)	(11)
NET CASH FLOW FROM OPERATING ACTIVITIES	**26**	**31,295**	**30,053**
CASH FLOW FROM INVESTING ACTIVITIES		**(1,176)**	**(1,386)**
Acquisition of Property, Plant and Equipment	**2**	(687)	(1,035)
Acquisition of Intangible Assets	**3**	(553)	(385)
Proceeds on disposal of Property, Plant and Equipment		64	34
CASH FLOW FROM FINANCING ACTIVITIES		**(75)**	**(68)**
Payment for finance lease		(75)	(68)
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS		**30,044**	**28,599**
Cash and Cash Equivalents at the beginning of the year		105,505	76,906
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**7**	**135,549**	**105,505**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
for the year ended 31 March 2024

	Approved Budget	Adjustments	Final Budget	Actual	Variance
	R'000	R'000	R'000	R'000	R'000
REVENUE					
TOTAL REVENUE	**74,021**	**-**	**74,021**	**77,220**	**3,199**
Non-exchange revenue	**74,021**	**-**	74,021	74,021	**-**
Government grant/Transfer Department of Sport, Arts and Culture	74,021	-	74,021	74,021	-
Amortised Government/Transfers/ Partnerships–Other-&	-	-	-	-	-
Exchange revenue	**-**	**-**	**-**	**3,199**	**3,199**
Other income	-	-	-	205	205
Interest received-$	-	-	-	2,994	2,994
EXPENSES					
TOTAL EXPENSES (Excluding CAPEX)	**(73,311)**	**-**	**(73,311)**	**(61,828)**	**11,483**
Operating expenses-*	(18,994)	350	(18,644)	(10,684)	7,960
Administrative expenses-@	(14,057)	(350)	(14,407)	(13,162)	1,245
Employee related costs-^	(37,549)	-	(37,549)	(34,055)	3,494
Operating lease expenses	(2,711)	-	(2,711)	(2,711)	-
Finance costs	-	-	-	(4)	(4)
Depreciation	-	-	-	(959)	(959)
Amortisation	-	-	-	(253)	(253)
SURPLUS/(DEFICIT)FORTHE YEAR	**710**	**22,913**	**23,623**	**15,387**	**14,682**
Capital Expenditure	**710**	**710**	**710**	**1,240**	**(530)**

The Statement of Budgets does not include the PESP Conditional Grant. Kindly refer to Note 9.

See Note 32 for significant budget variance explanations:

a - &　　b - $　　c - *　　d - @　　e - ^

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements are presented in accordance with the prescribed Standards of Generally Recognised Accounting Practice (GRAP) and in compliance with GRAP 1.18, the provisions of the Public Finance Management Act (Act 1 of 1999), as amended, as well as other applicable legislation, including any interpretations of such Statements issued by the Accounting Practices Board. The preparation of annual financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the annual financial statements are disclosed in the relevant notes.

The cash flow statement can only be prepared in accordance with the direct method.

Accounting policy developments include new standards issued, amendments to standards, and interpretation issued on new standards. Management assessed the impact of all new standards issued, amendments to standards, and interpretations issued on current standards.

Effect of new Standards of GRAP issued

At the date of approval of these annual financial statements, the following standards were issued but not yet effective. These approved standards of GRAP are not likely to impact the Annual Financial Statements when they are adopted since accounting policies have been determined based on the principles in these standards:

Standards

GRAP 1	Presentation on Financial Statements
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfer of Functions Between Entities Under Common Control
GRAP 106	Transfer of Functions Between Entities Not Under Common Control
GRAP 107	Mergers

1.1. Judgments made by Management

In preparing the financial statements, management is required to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses, and related disclosures. Historical experience and various other factors believed to be reasonable under the circumstances are used in these instances. Actual results in the future could differ from these estimates. Significant judgment has been exercised in determining the following:

Fair value estimation

The amortised cost (using the effective interest method); less impairment provision of trade receivables and payables are assumed to approximate their fair values. The present value of future cash flows (using the effective interest method), is assumed to approximate the fair value of revenue and purchase transactions.

Impairment testing

The entity makes judgment as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Provisions

Provisions are based on estimates using the information available to management at reporting date.

Depreciation

Assets are depreciated on their estimated useful lives based on management's best judgement and experience.

Reassessment of useful lives

Annual reassessment of useful lives is performed to assist management by external experts.

Amortisation of assets

Assets are amortised on their estimated useful lives based on management's best judgement and experience.

1.2. Basis of Preparation

The annual financial statements have been prepared on the accrual basis. These annual financial statements are presented in South African Rands. The figures in annual financial statements are rounded to nearest thousand (R'000). The following are the principal accounting policies used by the National Heritage Council which are consistent with those of the previous year.

1.3. Property, Plant and Equipment

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

- It is probable that future economic benefits associated with the item will flow to the National Heritage Council; and
- The cost of the item can be measured reliably.

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

Property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses. The depreciable amounts of property, plant and equipment are allocated on systematic basis over their useful lives. The estimated useful lives are currently as follows

Item Average	Useful life
Computer equipment	2 – 12 years
Office equipment	2 – 12 years
Motor vehicles	5 – 16 years
Furniture and Fittings	2 – 13 years
Leasehold Improvements	Remainder of lease period
Leased Office Equipment	3 years (33%)/ Lease term

Leasehold improvements and leased assets are depreciated over the period of the building lease agreement and lease term respectively. For all other categories, depreciation is provided on a straight-line basis over their useful life. Depreciation rates and residual values are considered annually and adjusted if appropriate.

The residual value and the useful life of each asset are reviewed at each financial period-end. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised.

The gain or loss arising from de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceed, if any, and the carrying amount of the item.

1.4. Intangible Assets

An intangible asset is recognised when:

- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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

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

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets on a straight-line basis, to their residual values. The estimated useful lives of intangible assets is currently as follows:

Item	Average useful life
Computer software	2 years

1.5. Financial Instruments

Initial Recognition and Measurement

Financial instruments are recognised initially when the National Heritage Council becomes a party to the contractual provisions of the instruments.

The National Heritage Council classifies financial instruments, or their component parts, on initial recognition as a financial asset or financial liability in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value. Financial assets and financial liabilities have not been offset in the Statement of Financial Position.

Trade and Other Receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost which, due to their short-term nature, closely approximates their fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently recorded at amortised cost.

Trade and Other Payables

Trade and other payables are stated at fair value. Items classified within trade and other payables are not usually re-measured, as obligations are usually known with a high degree of certainty and its settlement is short term.

1.6. Taxation

Tax Expenses

The National Heritage Council is exempt from taxation in terms of Section 10 (1) (cA) (i) of the Income Tax Act.

The National Heritage Council is exempt from the payment of Value Added Tax (VAT) on the transfers and subsidies received. As a result, any VAT paid by the National Heritage Council is also not refundable by the South African Revenue Service.

1.7. Leases

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

Operating Leases

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

Finance Leases

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

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

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

1.8. Impairment of assets

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

1.9. Employee benefits

Short term benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and bonus), are recognised in the period in which the service is rendered and are not discounted.

Leave liabilities are measured at the amount of leave days accrued at year-end and the cost-to-company rate per day as at reporting date.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Pension contributions are provided for employees by means of a defined contribution provident fund externally administered by Liberty Life. The defined contribution provident fund is governed by the Pension Funds Act, 1956. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.10. Accruals

Accruals are recognised when:

- The National Heritage Council has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of accruals is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required in settling a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation.

The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the accruals. Accruals are not recognised for future operating deficits.

1.11. Revenue from Non-Exchange Transactions

Transfers and subsidies are recognised when there is reasonable assurance that:

- The National Heritage Council will comply with the conditions attaching to them; and
- The transfers and subsidies will be received.

Transfers and subsidies to which conditions are attached are recognised as revenue in the Statement of Financial Performance to the extent that the entity has complied with any criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions and obligations have not been met, a liability is raised in the Statement of Financial Position.

Unconditional transfers and subsidies are recognised as revenue in the Statement of Financial Performance at the earlier of the date of receipt or when the amount is receivable. All transfers and subsidies are recognised at fair value.

1.12. Revenue from Exchange Transactions

Revenue from exchange transactions comprises of the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.

1.13. Comparative figures

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

The comparative figures shown in these financial statements are limited to the figures shown in the previous years audited financial statements and such other comparative figures that the National Heritage Council may reasonably have available for reporting in terms of the Public Finance Management Act (PFMA).

1.14. Fruitless and wasteful expenditure, irregular expenditure and material losses through criminal conduct

Fruitless and wasteful expenditure, irregular expenditure and material losses through criminal conduct are disclosed in accordance with the requirements of the PFMA and the guidelines issued in terms of the PFMA when the entity identifies events that gave rise to the classification of these expenditures and the entity confirmed the classification as such. Receivables for the recovery of these expenditure are only recognised when there is a reasonable expectation that the amounts will be recovered. This expenditure is reduced by the amounts recoverable, condoned by NT or written off as irrecoverable. Any uncertainties to these expenditures are also disclosed.

1.15. Services received in kind

Services received in kind consist primarily of technical assistance received by the National Heritage Council and project group members. The National Heritage Council cannot reliably determine a fair value for this assistance, and as a result does not recognise the value of these services received in the Statement of Financial Performance.

1.16. Contingent Assets and Liabilities

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 33.

1.17. Budget Information

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

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

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

1.18. Related parties

The Council operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the constitutional independence of all three spheres of government in South Africa, only national sphere of government will be related parties.

Key management is defined as being individuals with the authority and responsibility for planning, directing and controlling the activities of the entity. The Chief Executive Officer, Chief Financial Officer, Executive Core Business, Company Secretary and Head: Strategy Planning, Monitoring & Evaluation are the only positions regarded as being at key management level.

Close family members of key management are considered to be those family members who may be expected to influence or be influenced by key management individuals or other parties related to the entity.

Related party transactions do not require disclosure if the transactions occurred in a normal supplier/ client relationship with more or less favourable conditions and which occurred with normal operating parameters established by that reporting entity's legal mandate.

1.19. Events after the reporting date

Events after the reporting date that are classified as adjusting events are accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the financial statements.

1.20. Commitments

Items are classified as commitments where the entity commits itself to future transactions that will normally result in the outflow of resources. Capital commitments are not recognised in the statement of financial position as a liability but are included in the disclosure notes in the following cases: approved and contracted commitments, approved and not contracted for, where the expenditure has been approved and the contract has been awarded at the reporting date; and where disclosure is required by a specific standard of GRAP.

1.21. Change in accounting estimates

Change in accounting estimates and errors – reassessment of useful lives

Most of our assets have reached their useful lives but are still in use. Management has therefore resolved to undergo a reassessment of useful lives at every financial year-end. An expert is sought to perform the reassessment. The financial implications of the reassessment process are found in note (to be added after assets valuation) of the financial statements.

1.22. Prior period error

The NHC shall account for a change in accounting policy resulting from the initial application of a Standard of GRAP in accordance with the specific transitional provisions if any in that standard; and when an entity changes an accounting policy upon initial application of a Standard of GRAP that does not include specific transitional provisions applying to that change, or changes an accounting policy voluntarily, it shall apply the change retrospectively.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

2. PROPERTY, PLANT AND EQUIPMENT

	March 2024			March 2023		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	R '000	R '000	R '000	R '000	R '000	R '000
Motor Vehicle	337	(320)	17	337	(314)	23
Computers	3,496	(2,239)	1,257	2,866	(1,865)	1,001
Office Equipment	578	(371)	207	578	(311)	267
Leasehold Improvements	2,133	(2,039)	94	2,133	(1,715)	418
Lease Assets (Photocopiers)	-	-	-	194	(130)	64
Furniture and Fittings	1,702	(1,473)	229	1,702	(1,380)	322
	8,246	**6,442**	**1,804**	**7,810**	**(5,715)**	**2,095**

Reconciliation 2024	Opening Balance	Additions	Useful lives Adjustment	Derecognition	Depreciation	Closing Balance
Motor Vehicle	23	-	-	-	(6)	17
Computers	1,001	687	-	(19)	(412)	1,257
Office Equipment	267	-	-	-	(60)	207
Leasehold Improvements	418	-	-	-	(324)	94
Lease Assets (Photocopiers)	64	-	-	-	(64)	-
Furniture and Fittings	322	-	-	-	(93)	229
	2,095	**687**	**-**	**(19)**	**(959)**	**1,804**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

2. PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliation 2023	Opening Balance	Additions	Useful lives Adjustment	Derecognition	Depreciation	Closing Balance
Motor Vehicle	34	-	-	-	(11)	23
Computers	1,036	696	-	(251)	(480)	1,001
Office Equipment	147	245	-	(38)	(87)	267
Leasehold Improvements	742	-	-	-	(324)	418
Lease Assets (Photocopiers)	130	-	-	-	(66)	64
Furniture and Fittings	504	95	-	(39)	(238)	322
	2,593	**1,036**	**-**	**(328)**	**(1,206)**	**2,095**

An amount of R 64, 000 was incurred in the current financial year for repairs and maintenance relating to property, plant and equipment.

A register containing the information required by section 55 of the Public Finance Management Act (PFMA) is available for inspection at the registered office of the National Heritage Council (NHC). The register reconciles to Note 2.

The NHC entered into a three (3) year rental agreement (leased assets) with TSL Telecommunications for three (3) photocopy machines effective from 6 April 2021 which will end on 5 March 2024. Refer to Finance Lease Obligation (See note 10).

Pledge as security

None of the Property, Plant and Equipment has been pledged as security for any liabilities.

3. INTANGIBLE ASSETS

INTANGIBLE ASSETS- 2024

	March 2024			March 2023		
	Cost	Accumulated Amortisation	Net Value	Cost	Accumulated Amortisation	Net Value
	1,451	(781)	670	898	(528)	370
Computer Software	**1,451**	**(781)**	**670**	**898**	**(528)**	**370**

Reconciliation 2024	Opening Balance	Additions	Useful lives adjustment	Derecognition	Amortisation	Closing Balance
Computer Software	370	553	-	-	(253)	670
	370	**553**	**-**	**-**	**(253)**	**670**

Reconciliation 2023	Opening Balance	Additions	Useful lives adjustment	Derecognition	Amortisation	Closing Balance
Computer Software	298	385	-	-	(313)	370
	298	**385**	**-**	**-**	**(313)**	**370**

A register containing the information required by section 55 of the Public Finance Management Act (PFMA) is available for inspection at the registered office of the National Heritage Council (NHC). The register reconciles to Note 3.

All software assets are acquired, there is no internally developed software.

Pledge as security
None of the intangible assets have been pledged as security for any liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2024 R '000	2023 R '000
Sundry Debtors	1,056	172
Staff Debtors	45	32
Interest receivable	710	495
Financial assets	**1,811**	**699**

Pledge as security

None of the receivables from exchange transactions have been pledged as security for any liabilities.

5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Conditional Grant/Transfer Receivable	-	-
Financial assets	**-**	**-**

Pledge as security

None of the receivables from non-exchange transactions have been pledged as security for any liabilities.

6. PREPAYMENTS AND ADVANCES

Deposit for rent	150	150
Prepayments and advances	91,968	61,105
	92,118	**61,255**

Included under prepayment and advances is R 11,650 million of disbursed funds to provincial government departments on ring-fenced conditional funds relating to Department of Sport, Arts and Culture for the implementation of Resistance and Liberation Heritage Route (Project Management Office).

Also included is an amount of R 61, 108 million which relates to the Presidential Employment Stimulus Programme (PESP).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

7. CASH AND CASH EQUIVALENTS

	2024 R '000	2023 R '000
Cash on hand	5	5
Cash at bank	135,543	105,499
Funds held on call deposit	1	1
Financial assets	**135,549**	**105,505**
CASH AND CASH EQUIVALENTS RECONCILIATION		
Petty Cash	5	5
Current Account – Operational Funds	53,038	56,851
Current Account – PMO	51,412	48,490
Current Account – Lotteries	21	21
Current Account – PESP	31,072	137
Call Account	1	1
	135,549	**105,505**

8. PAYABLES FROM EXCHANGE TRANSACTIONS

	2024 R '000	2023 R '000
Financial liabilities	**19,510**	**10,826**
Trade payables	19,510	9,808
Salary related payables	-	1,018
Other payables	**122**	**541**
Operating lease payables	122	541
Financial liabilities	**19,632**	**11,368**

The operating lease is straight lined.

Included under trade payables is R10.5 million of accumulated interest earned on ring-fenced conditional funds relating to Department of Sport, Arts and Culture.

See Note 28 on Financial Instruments on how risk is managed in relation to the financial liabilities listed above

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

9. CONDITIONAL GRANT

	2024 R '000	2023 R '000
Balance at the beginning of the year	**114,015**	**45,829**
Conditional Grant/Transfers – Department of Sport, Arts and Culture (PMO)	51,038	45,814
Conditional Grants/Transfers - National Lotteries Commission	62,977	15
Movement during the year – Receipts	**62,280**	**71,835**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	7,280	6,835
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PESP	55,000	65,000
Movement during the year – Conditions met	**(22,913)**	**(3,649)**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	-	(1,611)
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PESP	(22,913)	(2,023)
Conditional Grant/Transfers - Department of Sport, Arts and Culture (LOT)	-	(15)
Balance at year end	**153,382**	**114,015**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	58,318	51,038
Conditional Grants/Transfers – (PESP)	95,064	62,977
Current portion	153,382	114,015
Non-current portion	-	-
	153,382	**114,015**

The National Heritage Council (NHC) received conditional or ring- fenced grants from Executive Authority or Shareholder (Department of Sport, Arts and Culture (DSAC) for the implementation of the Resistance and Liberation Heritage Route – Project Management Office (PMO). In total the NHC received R 58.583 million to date from DSAC for the PMO (R 21.150 million in 2017/18 and R 20,398 million in 2020/21, R 10 million in 2021/22 and R6.835 million in 2023 and R 7.280 million in the current year). DSAC has also transferred R 65 million for the Presidential Employment Stimulus Programme in 2022/23 and R 55 million in the current year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

10. FINANCE LEASE OBLIGATION

	2024 R '000	2023 R '000
Minimum Lease payments due		
- Within one year	-	75
- In second to fifth year inclusive	-	-
	-	75
Less: Future finance charges	**-**	**(4)**
Present value of future minimum lease payments	**-**	**71**
Present value of minimum lease payments due		
- Within one year	-	71
- In second to fifth year inclusive	-	-
	-	**71**
Current portion of finance lease obligation	-	71
Non-current portion of finance lease obligation	-	-
	-	**71**

It is National Heritage Council policy to lease certain equipment under finance leases:
Entered into a rental operational agreement with TSL Telecommunications for three (3) photocopy machines effective from 6 April 2021 and ended on 5 March 2024. The contract is for a period of 3 years (36 months) at R 225,326 per annum. The lease is accounted for as a finance lease since the lease term is for the major part of the economic life of the assets, even though the title to the asset may not be transferred on expiry of the lease term.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

11. LEAVE ACCRUAL

	2024 R '000	2023 R '000
Opening balances	**865**	**1,097**
Leave accrual	865	1,097
Additions	**985**	**865**
Leave accrual	985	865
Utilised	**(553)**	**(375)**
Leave - Utilised	(553)	(375)
Reversed	**(312)**	**(722)**
Leave - Reversed	(312)	(722)
Closing balances	**986**	**865**
Leave accrual	986	865

Employees are entitled to 21,96 working days of annual leave. The leave is allocated at a monthly rate of 1,83 days. The annual leave cycle is the period from 1 April of one year to 31 March of the following year. All employees must utilise their accrued leave within six (6) months after the annual leave i.e. accrued leave must be utilised before 30 September of the following year. Should such leave not be utilised, it is forfeited.

The NHC does not pay employees in respect of unutilised leave balances except on termination of employment.

12. PERFORMANCE BONUSES

	2024 R '000	2023 R '000
Opening balances	**-**	**482**
Performance Bonuses	-	482
Additions	**-**	**-**
Provision	-	-
Utilised	**-**	**(74)**
Bonus paid	-	(74)
Reversed	**-**	**(408)**
Performance Bonuses	-	(408)
Closing balances	**-**	**-**
Performance Bonuses	-	-

There is no provision for bonuses in the current as per National Treasury's budgeting guidelines.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

13. PROVISION FOR SALARY RELATED COSTS

	2024 R '000	2023 R '000
Acting Allowance	-	47
Salary provision	-	992
	-	**1,039**

	2024 R '000	2023 R '000
Opening		
Acting Allowance	47	-
Salary provision	992	-
Additions		
Acting Allowance	-	47
Salary Provision	-	992
Utilised		
Acting Allowance	(43)	-
Salary Provision	-	-
Reversed/Transferred		
Acting Allowance	(5)	-
Salary Provision	992	-
	-	**1,039**

14. GOVERNMENT GRANT/TRANSFER

	2024 R '000	2023 R '000
Grant/Transfer received – Department of Sport, Arts and Culture	74,021	73,602
	74,021	**73,602**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

15. SPENT CONDITIONAL GRANT – CONDITIONS MET

	2024 R '000	2023 R '000
CONDITIONAL GRANT/TRANSFER/PARTNERSHIPS		
Department of Sport, Arts and Culture – Project Management Office	-	1,611
Department of Sport, Arts and Culture – National Lotteries Commission	-	15
Department of Sport, Arts and Culture – Presidential Employment Stimulus Programme	22,913	2,023
	22,913	3,649

16. OTHER INCOME

	2024	2023
Sundry Income	161	-
Gain on Disposal of assets	44	(177)
	205	(177)

17. INTEREST RECEIVED

	2024	2023
Interest received	**2,994**	**1,848**

Interest revenue comprises of interest received on positive bank balances and funds invested on one-day call account. Interest revenue is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

18. OPERATING EXPENSES

	2024	2023
Legal fees	1,316	4,429
Legal Settlements	-	2,042
Heritage projects and programmes	30,933	16,962
Staff training and development	1,272	953
Maintenance, repairs and running costs	75	54
	33,597	**24,440**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	2024 R '000	2023 R '000

19. ADMINISTRATIVE EXPENSES

	2024 R '000	2023 R '000
General and Administrative expenses	12,296	11,116
Travel and Accommodation	871	1,101
	13,167	**12,217**

20. EMPLOYEE RELATED COSTS

	2024 R '000	2023 R '000
Basic salaries	28,453	28,281
Acting Allowance	190	453
Overtime	-	3
Employees contributions – Provident Fund	2,080	2,035
Employees contributions – UIF	85	80
Leave and bonus	314	(260)
Employer contributions – Provident Fund	2,080	2,035
Employer contributions – UIF	85	80
Employer contributions – SDL	299	311
Employer contributions – Medical Aid	469	381
	34,055	**33,399**

21. OPERATING LEASE EXPENSES

	2024 R '000	2023 R '000
Office space	2,298	2,298
Parking	413	413
	2,711	**2,711**

Refer to Operating Leases. (See note 25)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

	2024 R '000	2023 R '000

22. FINANCE COSTS

	2024 R '000	2023 R '000
Interest on leased assets	4	11

23. DEPRECIATION

	2024 R '000	2023 R '000
Property, Plant and Equipment	959	1,206

24. AMORTISATION

	2024 R '000	2023 R '000
Intangible Assets	253	313

25. OPERATING LEASES

The National Heritage Council entered into a rental agreement with the Gremgrow Properties Limited, effective from 1 July 2019. The office lease contract is for sixty (60) months at a cost of R 2,264,580 per annum, escalating at 9% per annum.

Lease commitments (operating leases)

	2024 R '000	2023 R '000
Up to one year	799	3,131
Later than one year and not later than 5 years	-	-
	799	3,131

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

26. CASH GENERATED FROM OR (USED IN) OPERATIONS

	2024 R '000	2023 R '000
(Deficit) / Surplus for the year	15,387	4,624
Adjustments for:	**39,200**	**69,759**
Depreciation – Property, Plant and Equipment	959	1,206
Amortisation - Intangible Assets	253	313
Movement in Leave and Bonuses Pay	(918)	(83)
(Gain) or loss of De-recognition of Property, Plant and Equipment	(44)	253
Other Non-Cash – Finance Costs	4	-
Liabilities Written Off	-	(48)
Other Non-Cash – Bad debts	-	94
Other Non-Cash – Operating Lease Accrual	(420)	(162)
Other Non-Cash – Movement in Unspent Conditional Grant	39,366	68,186
Changes in working capital:	**(23,292)**	**(44,330)**
Trade and Other Receivables	(1,112)	(282)
Prepayments and Advances	(30,864)	(42,168)
Trade and Other Payables	8,684	(1,880)
	31,295	**30,053**

27. RELATED PARTIES

Related party transactions (Receipts)

	2024 R '000	2023 R '000
Grant/Transfer – Recurring expenditure – Department of Sport, Arts and Culture	74,021	73,602
Grant/Transfer – non-exchange – Department of Sport, Arts and Culture (Project Management Office)	7,280	6,835
Grant/Transfer – non-exchange – Department of Sport, Arts and Culture (Presidential Employment Stimulus Programme)	55,000	65,000
	136,301	**145,437**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

27. RELATED PARTIES-Continues

Related party transactions (Payments)

Nature:

Relationships

Controlling Entity	Department of Sport, Arts and Culture
Under common control	Lovelife Artscape The Market Theatre and Windybrow Theatre National Arts Council Performing Arts Centre of the Free State The Playhouse Company The South African State Theatre Business and Arts South Africa National Film and Video Foundation Pan South African Language Board Boxing South Africa South African Institute for Drug-free Sport South African Sports Confederation and Olympic Committee The sports trust Various sport federations Die Afrikaanse Taalmuseum en -monument Freedom Park Iziko Museums Luthuli Museum KwaZulu-Natal Museum National Museum Nelson Mandela Museum Robben Island Museum South African Heritage Resources Agency Amazwi South African Museum of Literature uMsunduzi Museum War Museum of the Boer Republics William Humphreys Art Gallery Ditsong Museums of South Africa Engelenburg House Art Collection

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

27. RELATED PARTIES - Continued

None executive members	Refer to note 29
Members of key management	Refer to note 30

28. FINANCIAL INSTRUMENTS

Liquidity risk

The National Heritage Council is only exposed to liquidity risk with regards to the payment of its trade payables. These trade payables are all due within the short-term. The National Heritage Council manages its liquidity risk by holding sufficient cash in its bank account, supplemented by cash available in a money market account.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The National Heritage Council only deposits cash with major banks with high quality credit standing and limits exposure to any other counter- party.

Interest rate risk

The National Heritage Council's activities do not expose it to significant market interest rate risks. Therefore, there are no procedures in place to mitigate these risks.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

28. FINANCIAL INSTRUMENTS - continued

1. *Current and Call Account Interest Rate*
   - A percentage point increase/decrease in current account interest rate.
   - A percentage point increase/ decrease in call account interest rate.
   - A percentage point increase/ decrease in Finance Lease Agreement interest rate.

2024

Current & call account interest rate			
Current Balance		**A percentage point increase**	**A percentage point decrease**
	R'000	**R'000**	**R'000**
Current bank and call account Balance	135,549	136,905	134,194
% change		**1%**	**-1%**

Finance lease agreement interest

Current Balance			
Finance Lease Agreement	-	-	-
% change		**1%**	**-1%**

2023

Current & call account interest rate			
Current Balance		**A percentage point increase**	**A percentage point decrease**
	R'000	**R'000**	**R'000**
Current bank and call account Balance	**105,505**	**106,560**	**104,450**
% change		**1%**	**1%**

Finance lease agreement interest

Current Balance			
Finance Lease Agreement	**71**	**72**	**70**
% change		**1%**	**-1%**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024
28. FINANCIAL INSTRUMENTS - continued

1. An analysis of the ageing of Debtors that are more than 30 days

2024

Debtors type	Total	Current	30-120	120+
	R'000	R'000	R'000	R'000
Staff Debtors	45	19	11	15
Sundry Debtors	34	-	-	34
Interest Receivable	710	710	-	-
Security Deposit	1,022	-	-	1,022
Totals	**1,811**	**729**	**11**	**1,071**

2. An analysis of the ageing of Debtors that are more than 30 days

2023

Debtors type	Total	Current	30-120	120+
	R'000	R'000	R'000	R'000
Staff Debtors	32	17	-	15
Sundry Debtors	172	13	-	159
Interest Receivable	494	494	-	-
Mine, Health & Safety Council	-	-	-	-
Totals	**698**	**524**	**-**	**174**

28. FINANCIAL INSTRUMENTS - continued

3. Financial Assets subject to credit risk

2024

Debtors type	Total	Fully Performing	Over 30 days but not Impaired	Impaired
	R'000	R'000	R'000	R'000
Staff Debtors	45	30	15	-
Other Debtors	34	-	34	-
Interest Receivable	710	710	-	-
Security Deposit	1,022	-	1,022	-
Totals	**1,811**	**740**	**1,071**	**-**

2023

Debtors type	Total	Fully Performing	Over 30 days but not Impaired	Impaired
	R'000	R'000	R'000	R'000
Staff Debtors	32	17	15	-
Other Debtors	172	13	159	-
Interest Receivable	494	494	-	-
Mine, Health & Safety Council	-	-	-	-
Totals	**698**	**524**	**174**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024
28. FINANCIAL INSTRUMENTS - continued

4. Maturity Profile of Financial Instruments

31-Mar-24	1 year or less	1-5 years	Total
	R'000	R'000	R'000
Assets			
Trade and other Receivables	1,811		1,811
Call Account	1	-	1
Current Account – National Lotteries Commission Funds	21	-	21
Current Account – Department of Sport, Arts and Culture –	53,038	-	53,038
Current Account – Department of Sport, Arts and Culture – Ring fenced –PMO	51,412	-	51,412
Current Account – Department of Sport, Arts and Culture –Ring fenced - PESP	31,072	-	31,072
Cash on hand	5	-	5
Total Financial assets	**137,360**	**-**	**137,360**
Finance lease	-	-	-
Trade and other Payables	(19,632)	-	(19,632)
Total Finance Liability	**(19,632)**	**-**	**(19,632)**
Net Financial Asset/ liability	**117,728**	**-**	**117,728**

28. FINANCIAL INSTRUMENTS - continued

5. Maturity Profile of Financial Instruments

31-Mar-23	1 year or less	1-5 years	Total
	R'000	R'000	R'000
Assets			
Trade and other Receivables	698		698
Call Account	1	-	1
Current Account - National Lotteries Commission Funds	21	-	21
Current Account – Department of Sport, Arts and Culture –	56,851	-	56,851
Current Account – Department of Sport, Arts and Culture – Ring fenced –PMO	48,490	-	48,490
Current Account – Department of Sport, Arts and Culture – Ring fenced - PESP	137	-	137
Cash on hand	5	-	5
Total Financial assets	**106,203**		**106,203**
Liabilities			
Finance lease	(71)	-	(71)
Trade and other Payables	(11,368)	-	(11,368)
Total Finance Liability	**(11,439)**	**-**	**(11,439)**
Net Financial Asset/ liability	**94,764**	**-**	**94,764**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

28. FINANCIAL INSTRUMENTS (Continued)

5. Line items presented in the statement of financial position summarised per category of Financial Instrument

2024

	Carrying Amount	Adjustment	Fair value
	R'000	R'000	R'000
Financial Assets			
Cash and Cash equivalents	135,549	-	135,549
Trade and other receivables	1,811	-	1,811
Financial Liability			
Finance Lease Agreement	-	-	-
Trade and other Payables	19,632	-	19,632

Line items presented in the statement of financial position summarised per category of Financial Instrument

2023

	Carrying Amount	Adjustment	Fair value
	R'000	R'000	R'000
Financial Assets			
Cash and Cash equivalents	105,505	-	105,505
Trade and other receivables	698	-	698
Financial Liability			
Finance lease Agreement	71	-	71
Trade and other Payables	11,368	-	11,368

Pledge as security

None of the Financial Assets have been pledged as security for any liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

29. MEMBERS EMOLUMENTS - NON-EXECUTIVE

Names and Designations	Honoraria	Travel	Honoraria Non- Committee	Travel Non- Committee	Total
	R'000	R'000	R'000	R'000	R'000
Mr E Neluvhalani (Chairperson)	229	17	9	5	260
Mr J Sithole (Deputy Chairperson)	170	-	24	-	194
Mr T Tsehlana	70	1	5	2	78
Mrs L Robinson	76	2	-	-	78
Ms E Tlhoaele	130	15	-	-	145
Ms L Moroane	29	-	3	-	32
Mr J Phillips	94	-	-	-	94
Adv M Makhura#	5	-	-	-	5
Dr G Dominy	117	1	73	-	191
Adv Hosi A Mahumani	109	13	5	-	127
Mr O Mereki	95	-	3	-	98
Ms N Sizani	129	4	-	-	133
Ms R Mabaso	92	2	5		99
Dr Rev Mculwane	32	-	-	-	32
Ms E Netshivhongweni	213	-	-	-	213
Dr P Madlala	27	-	-	-	27
Adv MRalefatane	140	5	-	-	145
Ms S Sithole	120	3	1	-	124
Ms K Rapoo#	60	-	-	-	60
L Mphahlwa*	41	1	2	-	44
E Kibini*	39	-	-	-	39
S Nzimande*	27	-	-	-	27
Dr T Mosala*	33	-	-	-	33
S Nkosi*	53	-	-	-	53
Audit and Risk Committee					
Mr T Zororo–Independent	53	-	-	-	53
Ms M Phiri–Independent	90	-	-	-	90
Mr J Van Der Walt–Independent	33	-	-	-	33
	2,306	**64**	**130**	**7**	**2,507**

##Lapsed

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

29. MEMBERS EMOLUMENTS - NON-EXECUTIVE 2023

Names and Designations	Honoraria	Travel	Honoraria Non- Committee	Travel Non- Committee	Total
	R'000	R'000	R'000	R'000	R'000
Mr E Neluvhalani (Chairperson)	278	7	85	-	370
Mr J Sithole (Deputy Chairperson)	162	1	36	-	199
Mr T Tsehlana	68	-	5	-	73
Mr M.T Makhweyane #	37	-	-	-	37
Ms S Mabilane #	16	-	-	-	16
Mrs L Robinson	80	1	3	-	84
Adv R Solomons #	36	-	-	-	36
Ms E Tlhoaele	147	9	13	-	169
Ms L Moroane	134	6	-	-	140
Mr J Phillips	93	-	5	-	98
Adv M Makhura #	68	-	-	-	68
Dr G Dominy	121	1	16	-	138
Adv Hosi A Mahumani	68	16	50	-	134
Mr O Mereki	100	-	5	-	105
Ms N Sizani	105	2	2	-	109
Ms R Mabaso	84	3	11	-	98
Dr Rev Mculwane	8	3	3	-	14
Ms E Netshivhongweni	126	26	51	-	203
Ms L Madlala *	24	-	-	-	24
Dr P Madlala *	60	-	-	-	60
Adv M Ralefatane *	43	-	-	-	43
Ms S Sithole *	87	-	3	-	90
Ms K Rapoo #	-	-	5	-	5
Audit and Risk Committee					
Mr T Zororo – Independent	37	-	-	-	37
Ms M Phiri – Independent	100	1	9	-	110
Mr J Van Der Walt – Independent	47	-	-	-	47
	2,128	**77**	**303**	**-**	**2,508**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

30. MEMBERS EMOLUMENTS (EXECUTIVE)

Designation	Effective Date	Basic Salary	Acting Allowance	Travel Allowance	Medical	Resignation Leave	Provident Fund	Settlements	Long Service	Total
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Company Secretary	15-Jul-23	925	-	168	35	-	206	-	-	1,334
Head: Strategy Planning, Monitoring & Evaluation *	1-Apr-23	219	43	25	7	101	32	-	-	427
Head: Strategy Planning, Monitoring & Evaluation	15-Jul-23	983	-	-	29	-	194	-	-	1,206
Chief Financial Officer	16-Apr-22	1,658	-	-	20	-	308	-	-	1,986
Head: Core Business	1-Apr-23	1,271	-	-	-	-	224	-	-	1,495
Acting Chief Financial Officer@	1-Apr-23	-	13	-	-	-	-	-	-	13
		7,222	**56**	**193**	**151**	**101**	**1,346**	**-**	**-**	**9,069**

@ Received Acting Allowance
* Resigned

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2024

30. MEMBERS EMOLUMENTS (EXECUTIVE) 2023 (continued)

Designation	Effective Date	Basic Salary	Acting Allowance	Travel Allowance	Medical	Resignation Leave	Provident Fund	Settlements	Long Service	Total
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Chief Executive Officer	1-Apr-22	2,103	-	-	48	-	371	-	-	2,522
Executive Core Business*	1-Apr-22	1,367	-	-	4	-	66	-	-	1,437
Acting Executive Core Business@#	1-Apr-22	-	265	-	-	-	-	-	-	265
Chief Financial Officer*	1-Apr-22	1,374	-	-	7	-	143	1,157	-	2,681
Acting Chief Financial Officer@#	15-Jun-21	-	161	-	-	-	-	-	-	161
Head: Strategy Planning, Monitoring & Evaluation	1-Apr-22	1,263	-	151	40	-	250	-	108	1,812
Company Secretary	1-Apr-22	805	-	-	24	65	142	-	-	1,036
		6,912	**426**	**151**	**124**	**65**	**971**	**1,157**	**108**	**9,914**

 # Vacant – Received Acting Allowance
** Resigned*

31. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Nothing has come to the attention of Management and Accounting Authority to indicate that the organisation would not remain a going concern for the foreseeable future, based on forecasts and its liquidity.

32. BUDGET VARIANCES

a) Non-exchange revenue of R 22.913 million is the revenue recognised on the conditions met in respect of continued implementation the Presidential Employment Stimulus Program (PESP).

b) Exchange revenue includes R 2.994 million of interest earned on the operation grant received from DSAC.

c) Underspending on operational expenditure relates to unpaid funded projects in the current year.

d) Underspending under administrative expenditure results from savings from implementing the cost containment measures.

e) Savings on employee related costs are a result of senior management employees joining the entity during the year. Also some positions were not filled as planned.

33. CONTIGENT LIABILITIES

34.1 The entity estimates a sum of R 100, 000 for legal costs in the appeal case that is referred to labour court. The case is against the Executive of Core Business.

34.2 There is a CCMA matter that is ongoing with a former colleague. The entity estimates R 75, 000 in settlements costs.

34.3 There is an ongoing case Atlantis Travel of which a settlement of R 96 000 plus cost order is expected to be paid out.

34.5 There is a case that relates to a CCMA Order in place to reimburse Ms Maphalle (ex-employee) in the sum of R992,032.74. The matter has been referred to the Labour Court for Review of the decision of the CCMA. NHC had to abide by the CCMA Order to pay the above sum of money into the trust account of the attorneys to avoid execution order until the matter is finalised. If NHC loses the labour court matter the amount of money will be paid over to Ms Maphalle as per the CCMA Order.

34. SEGMENT INFORMATION

The entity has no segments to report on and operates as a single integrated entity.

35. CHANGE IN ACCOUNTING ESTIMATES

Change in estimates

In terms of the requirements of GRAP 17 the useful lives of all asset items were reviewed by management at year end. The remaining useful life expectations of some asset items differed from previous estimated. This resulted in a revision of some of the previous estimates which was accounted for as a change in estimate. The effect of this revision is a decrease in depreciation charge for the current period R382 526.
The future impact of the revision will be a decrease in the depreciation charge amounting to R382 526.

36. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

	R`000	R`000
Irregular Expenditure and Fruitless and Wasteful Expenditure		
Irregular Expenditure	6,952	4,609
Fruitless and Wasteful Expenditure	77	-
	7,029	**4,609**

PART F

IRREGULAR EXPENDITURE

	R`000	R`000
Details of irregular Expenditure		
Opening balance	52	52
Add : Fruitless & Wasteful Expenditure current year	77	
Less : Irregualr Expenditure condoned / recovered		
Closing balance	**129**	**52**

Reconciliation notes to the annual financial statememt disclosure		
Fruitless & Wasteful Expenditure that was under assessment in 2022/23	52	52
Fruitless & Wasteful Expenditure that relates to 2022/2023 and identified in 2023/2024		
Fruitless & Wasteful Expenditure for the current year	77	
Irregular Expenditure that relate to multi contracts that was not condoned or written off		
	129	**52**

Details of Fruitless & Wasteful Expenditure - current year	
Incident	
Cellphone Costs incurred by NHC contract phone without transferring the contract from the NHC to the driver	77
	77

Details of irregular Expenditure		
Opening balance	15,879	11,270
Add : Irregular Expenditure current year	6,952	4,609
Less : Irregular Expenditure condoned / recovered		
Closing balance	**22,831**	**15,879**

Reconciliation notes to the annual financial statememt disclosure		
Irregular Expenditure that was under assessment in 2022/23	15,879	11,270
Irregular Expenditure that relates to 2022/2023 and identified in 2023/2024		
Irregular Expenditure for the current year	6,952	4,609
Irregular Expenditure that relate to multi contracts that was not condoned or written off		
	22,831	**15,879**

	R`000	R`000
Details of Irregular Expenditure - current year		
Incident		
NON - Compliance with the PFMA and the Preference Procurement Regulations - Office Space Lease	3,398	
NON - Compliance with the PFMA and the Preference Procurement Regulations - SCM	3,310	
NON Compliance with the Contract management - contract expired	29	
Expenditure incurred without following a procurement process - HESOP	22	
Expenditure incurred without following a procurement process - Appointment of legal services	76	
Non-compliance with PFMA SCM Instruction Note 3 of 2021/2022, no contract exists	109	
Unknown - SAICA payment	8	
	6,952	

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