DIE AFRIKAANSE TAALMUSEUM
PASTORIELAAN, PAARL

Die Afrikaanse Taalmuseum & -monument
an agency of the Department of Sport, Arts and Culture

DIE AFRIKAANSE TAALMONUMENT
PAARLBERG

*culture, nature, pleasure*

# AFRIKAANSE TAALMUSEUM EN -MONUMENT

## Annual Report

## 2024/2025


Die Afrikaanse Taalmuseum en -monument
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# Contents

**Part A: General Information**

1. Public Entity's General Information ..... 7
2. List of Abbreviations and Acronyms ..... 8
3. Foreword by Chair ..... 9
3. Chief Executive Officer's Overview ..... 11
4. Statement of Responsibility and Confirmation of Accuracy regarding Annual Report ..... 16
5. Strategic Overview ..... 17
   5.1 Vision ..... 17
   5.2 Mission ..... 17
   5.3 Values ..... 17
6. Legislative and Other Mandates ..... 18
7. Organisational Structure ..... 19

**Part B: Performance Information**

1. Auditor General's Report: Predetermined Objectives ..... 21
2. Overview of Performance ..... 21
   2.1 Service delivery environment ..... 21
   2.2 Organisational environment ..... 22
   2.3 Key policy developments and legislative changes ..... 22
   2.4 Progress towards achievement of institutional impacts and outcomes ..... 22
3. Institutional Programme Performance Information ..... 24
   3.1 Programme: Administration ..... 24
   3.2 Programme: Business ventures ..... 30
   3.3 Programme: Public engagement ..... 35
4. Revenue Collection ..... 38
5. Capital Investment ..... 39

**Part C: Governance**

1. Introduction ........ 42

2. Portfolio Committees ........ 42

3. Executive Authority ........ 42

4. The Accounting Authority/Council ........ 43

5. Risk Management ........ 46

6. Internal Control Unit ........ 48

7. Internal Audit and Audit Committees ........ 48

8. Compliance with Laws and Regulations ........ 49

9. Fraud and Corruption ........ 49

10. Minimising Conflict of Interest ........ 49

11. Code of Conduct ........ 49

12. Health, Safety and Environmental Issues ........ 50

13. Council Secretary ........ 50

14. Social Responsibility ........ 50

15. Audit Committee Report ........ 51

16. B-BBEE Compliance Performance Information ........ 55

17. Use of Official Languages ........ 56

**Part D: Human Resources Management**

1. Introduction ........ 58

2. Human Resources Oversight Statistics ........ 58

**Part E: PFMA Compliance Report**

1. Irregular, fruitless and wasteful expenditure and material losses ........ 63

    1.1. Irregular expenditure ........ 63

    1.2. Fruitless and wasteful expenditure ........ 66

    1.3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)) ........ 68

2. Late and/or non-payment of suppliers ........ 68

3. Supply Chain Management ........ 69

   3.1. Procurement by other means ........ 69

   3.2. Contract variations and expansions ........ 69

**Part F: Financial Information**

1. Report of the External Auditor ........ 71

2. Annual Financial Statements ........ 77

   - Legal form and country of incorporation ........ 79
   - Principal activities of the entity ........ 79
   - Geographical location and segmentation ........ 79
   - Statement of responsibility ........ 79
   - Operating results ........ 80
   - Property, plant and equipment ........ 80
   - Director and chief financial officer ........ 80
   - Events subsequent to the balance sheet date ........ 80

3. Materiality and Significance Framework ........ 117

   3.4 Framework ........ 119

# Part A: General Information

## 1. Public Entity's general information

| | |
|---|---|
| **Registered name:** | Afrikaanse Taalmuseum en -monument [Afrikaans Language Museum and Language Monument] |
| **Registration number:** | N/A |
| **Physical address:** | 11 Pastorie Avenue<br>Paarl<br>7646 |
| **Telephone numbers**: | +27 21 872 3441 +27 76 017 6026(WA) |
| **E-mail address**: | admin@taalmuseum.co.za |
| **Website address:** | taalmuseum.co.za |
| **Preparer:** | The annual financial statements were independently compiled by A2A Kopano Inc. Chartered Accountants (SA) |
| **Internal auditors:** | Nexia SAB&T |
| **External auditors:** | Auditor General of South Africa |
| **Bankers:** | Absa Bank |
| **Council secretary:** | Tania Laing |

## 2. List of Abbreviations & Acronyms

| | |
|---|---|
| AFS | Annual Financial Statements |
| AGSA | Auditor-General of South Africa |
| ATM | Afrikaanse Taalmuseum en -monument |
| B-BBEE | Broad-Based Black Economic Empowerment |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CIDB | Construction Industry Development Board Act |
| DPWI | Department of Public Works and Infrastructure |
| DSAC | Department of Sport, Arts and Culture |
| GAAP | Generally Accepted Accounting Practice |
| GRAP | Generally Recognised Accounting Practice |
| MTEF | Medium-term Expenditure Framework |
| PAA | Public Audit Act of South Africa |
| PE | Public Entity |
| PFMA | Public Finance Management Act |
| PPPFA | Preferential Procurement Policy Framework Act of 2000 |
| PRECCA | Prevention of Corrupt Activities Act 12 of 2004 |
| SCM | Supply Chain Management |
| TR | Treasury Regulations |

## 3. Foreword by the Chair

***Ms JX Scott***
***Chair of the Afrikaanse Taalmuseum en -monument***

It is with immense enthusiasm and humility that I write this foreword as the newly appointed Chair of the Afrikaanse Taalmuseum en -monument (ATM). My tenure commenced just before the end of the financial year 2024/2025, yet I found the management and the council to be dedicated, involved, and well-prepared to oversee this highly efficient organisation. In our initial council meeting, governance and accountability were at the forefront, with all participants fully aware that effective governance, as highlighted in the King IV report, establishes the framework for ethical conduct at every level.

In 2025, we commemorate the centenary of Afrikaans as an official language in South Africa. The celebrations were met with great enthusiasm by various communities, underscoring the crucial role that Afrikaans plays in fostering a sense of belonging and identity in our society. The ATM's vision to cultivate an environment where various stakeholders of Afrikaans can engage in meaningful dialogue to promote social cohesion was successfully realised during these festivities. It will be further enriched by additional programmes slated for later this year. This occasion also provided the ATM with a chance to highlight the diversity of Afrikaans, as various stakeholders participated in the centennial celebrations, showcasing the rich variety of Afrikaans speakers.

The previous council increasingly concentrated on widening its perspective beyond local, regional, and national issues to adopt a more global viewpoint. This council shares that vision to expand the ATM's presence both nationally and internationally, as we strive towards the future of museums that emphasise interactivity and immersive experiences for their visitors. Incorporating artificial intelligence and innovative technologies into museums will guarantee their sustainability and significance in today's world. Moreover, the digitisation of texts and artefacts has transitioned from being a luxury to an essential requirement, and the ATM is actively implementing practical strategies to achieve that goal.

Another growing concern for both this council and the previous one is the deteriorating infrastructure of both the Museum and the Monument. Over time, the natural degradation of our buildings has become increasingly evident, presenting various risks. Since these properties are under the ownership of the Department of Public Works and Infrastructure (DPWI), this complicates our engagement efforts. Nevertheless, we are dedicated to tackling these infrastructural issues, and addressing them will remain a key priority on the Council's agenda until they are resolved.

It is crucial to recognise that significant financial resources are necessary to support digitisation, internationalisation, and the execution and maintenance of extensive programmes. The imperative for fundraising and securing financial backing from donors has become a primary focus for this council, and a strategic plan is being developed to enhance our revenue streams. We are grateful for the support from the Minister of Sport, Arts and Culture, Mr. Gayton McKenzie; without the financial backing from our shareholder, this entity wouldn't be able to function effectively and make a positive impact on lives. Furthermore, the ongoing support and commitment from our shareholders to the entity's initiatives and programmes remain invaluable and reinforce our determination to navigate challenges.

Despite the obstacles we encounter, the ATM remains a resilient and effective organisation, supported by a devoted and proactive council, along with outstanding staff. We take immense pride in having attained four consecutive clean audit reports, which serve as evidence of our dedication to transparency and accountability. Looking forward, 2025 will be a pivotal year as we commemorate the 50th anniversary of the ATM. These events are not merely a time for reflection, but also an occasion for expressing gratitude and celebrating our achievements as well as the journey that lies ahead.

I extend my heartfelt thanks to the previous chair and council for the exceptional foundational work accomplished; it is now up to this council to elevate the ATM to new heights and solidify our role in society as a dynamic and inclusive organisation committed to preserving and promoting Afrikaans in all its forms.

Afrikaans onder ons voete, haar dryfkrag hits ons aan!

Scott

**Ms JX Scott**
**CHAIR**
**Die Afrikaanse Taalmuseum en -monument**
**31 July 2025**

## 4. Chief Executive Officer's Overview

***Mr Michael Jesaja Jonas***

***Director of the Afrikaanse Taalmuseum en -monument***

**Finance and administration**

The annual financial statements for 2024/2025 were submitted to the offices of the Auditor-General (AG) and the Department of Sport, Arts and Culture (DSAC). The audit for the 2024/2025 financial year focused on Programme 1: Administration. The final management report was completed on 22 July 2025, with the final AG report following on 25 July 2025.

It is also noteworthy that the institution achieved 100% of its performance targets for the 2024/2025 financial year, exceeding several. These included targets related to picnics and concerts, staff training sessions, youth engagement days, conservation efforts, preservation of the museum collection, exhibitions, and the *Sponsor-a-Bus* initiative.

Management is proud to announce that the entity has received a clean audit for the fourth consecutive year. Congratulations to all the supervisors and dedicated staff.

**Amalgamation of entities**

The proposed amalgamation between the ATM, Amazwi South African Museum of Literature, the National Library of South Africa, and the South African Library for the Blind has been suspended. This brought an end to significant uncertainty, which had notably affected staff morale. Employees had been aware that, if the amalgamation proceeded, some positions might be declared redundant or excessive.

While this brought relief, there was also disappointment over the lost opportunity to negotiate market-related salaries. Council acknowledged that disparities in staff remuneration across entities became apparent during the amalgamation discussions. A request was made for the Chair of the ATM Council to raise the matter with the Minister of Sport, Arts and Culture, particularly highlighting that the ATM's subsidy remains among the lowest and should be urgently reconsidered.

The risk of staff attrition remains, especially given that the ATM's continued success (including four consecutive clean audits) makes its staff attractive to other, better-funded entities.

Council has decided to commission a new work study, which is now a priority to enable necessary adjustments.

With the amalgamation now off the table, entities are once again allowed to make permanent appointments.

**Infrastructure**
Infrastructure projects received considerable attention during the period under review, and significant progress was made in addressing key challenges. Notable developments include the construction of workers' changing rooms, the assessment for upgrading the electrical infrastructure, and ongoing facility maintenance. These efforts significantly reduced the amount of unspent government grants earmarked for capital works and facility management.

In 2024/2025, Management focused on infrastructure improvements and the capital works allocation already received from DSAC. A spending plan was developed to ensure that the unspent government grants reported in the financial statements are fully utilised.

Staff also raised the need for a fire prevention plan for the Monument and Amphitheatre. Management's investigation revealed the additional need for an environmental plan and an occupational health and safety plan. After discussions with DSAC, it was agreed that the interest earned on the savings account holding unspent grants would be used to appoint a service provider to assist with compiling these plans. Quotations have already been requested. These new plans will be integrated into the existing invasive plant management plan to avoid duplication.

Regardless of the funding source, the ATM must compile and implement these plans.

**Managing the sites**
The ATM engaged with the DSAC and the Department of Public Works and Infrastructure (DPWI) on issues such as encroachment on state land, firebreak maintenance, and the use of land for private, commercial and recreational activities. These discussions extended to neighbouring landowners, Paarlberg Nature Reserve representatives and the Drakenstein Municipality.

Attorneys were appointed to assist the entity in regulating site use, including matters of public liability, signage, user permits and indemnity forms for visitors. It was also proposed that research be conducted into a governance framework outlining the roles and responsibilities of custodians, users, and agents (ATM, DPWI and DSAC).

As part of the process to develop an integrated site management plan, decisions were taken to:

- Draft an internal procedure for regulating land use.
- Inform Paarl Trails, a principal user of the site, that all events are suspended until a formal agreement is in place.
- Require Paarl Trails to submit all necessary supporting documents to the ATM.

**Monument: land used by neighbours**
The ATM met with two Infrastructure Division officials from the DSAC on 14 March 2024. A follow-up meeting was held on 29 April 2024, attended by staff from the ATM, DSAC and DPWI. Before this, ATM staff showed officials areas across the 101-hectare site affected by encroachment, invasive plant growth, and fire break concerns, as well as areas used for sports and recreation.

A subsequent stakeholder meeting was held on 16 May 2024, attended by the DPWI, DSAC, neighbouring landowners and Paarl Mountain Reserve representatives. Topics included land encroachment, firebreak responsibilities and the National Veld and Forest Fire Act 101 of 1998.

The DPWI has since contacted the two neighbours encroaching on state land to initiate lease agreements and authorised the ATM's director to proceed with firebreak installation and removal of invasive plants, subject to planning registration with the relevant departments.

On 22 May 2024, Management met with a Courtrai resident who had planted a private garden on state land. She agreed to remove it.

**Monument: firebreaks and fire roads on borders**

The ATM and Drakenstein Municipality drafted specifications for the installation and maintenance of firebreaks and access roads. Under the National Veld and Forest Fire Act 101 of 1998, neighbouring landowners share responsibility for the construction and upkeep of firebreaks. The width depends on vegetation density. A service provider was appointed through a tender process, and the work - covering about 5 hectares - was completed in February 2025.

While bordering farm owners supported the initiative, some Courtrai residents opposed it, believing the alien pine trees on the Monument's land were protected by heritage legislation. However, the ATM's legal advisors confirmed this is not the case. A letter was submitted to Heritage Western Cape clarifying the legal responsibilities and processes.

As part of a job creation initiative, wage workers helped install water buffers and remove biomass. An expert was appointed to assist with rehabilitating the area along the Bovenland border, using both active and passive methods to restore vegetation.

**Workers' changing rooms**

Despite delays with building plan approvals and finalising the project manager agreement, construction of the workers' changing rooms is nearly complete.

**50th celebrations**

**Festival programme 2025 and logo**

The ATM launched a nationwide logo design competition, receiving 31 entries. A selection committee, chaired by Ms Erdmann, shortlisted five designs. Public voting closed on 16 September 2024, with the winner receiving R10 000 sponsored by the Historium Trust. The winning design was unveiled at the launch of the 2025 festival programme. This event, held on 30 November 2024, also introduced the new logo, website, merchandise, and staff clothing, culminating with a concert in the garden theatre.

In May 2025, the ATM will receive national and international festive messages marking 100 years of Afrikaans as an official language. The 2025 programme promises to be exceptional. Highlights include star-gazing picnics, music concerts and special programmes for school groups and adults. The site also hosted events such as the ABSA Cape Epic Cycling Race, Wildrunner Race, and the welcoming of the Cobus Wiese Rugby Week.

Funding support was received from the De Jager Estate, Het Jan Marais Nationale Fonds, and the Afrikaans Education Network (AON). Upcoming activities include a language tour, a public speaking competition, and the celebration of special days. From 8 to 10 May 2025, Afrikaans-Amptelik-100 will host a memorial lecture and a major festival at the monument to celebrate Afrikaans' centenary as an official language.


**Public programmes and engagement**

**Highlights:**

- Meeting with Noord-End Primary School for the Cobus Wiese Rugby Week launch
- Taalgesprek 2024

- Debate tournament
- ATM Evening Race and Fun Walk
- 50th Anniversary dance, ball and festival calendar
- Hosting the Western Cape Curriculum Adviser for Afrikaans (20 March 2025)
- Speech at the Afrikaans-Amptelik-100 launch (27 February 2025)

**Taalgesprek 2024**

**Night Run 2024**

**49th Anniversary Dance 2024**

As part of its community engagement, Management serves on several committees and trusts promoting Afrikaans heritage. Staff attend festivals, events and colloquiums. Media engagements included interviews on RSG, Radio KC, Good Hope FM, *Taaldinge* on RSG, and a live broadcast at the Monument on Heart FM.

**Personnel**
In January 2024, the DSAC issued recruitment guidelines linked to the amalgamation process. Based on these, two positions were approved at the ATM: Educational Officer and Assistant: Communication and Events. These were authorised as temporary roles; three years for the former (non-renewable) and 12 months (renewable for six months) for the latter.

The Assistant: Communication and Events position has been filled, but the Educational Officer role remains vacant after no suitable candidate was identified in May 2024 interviews. It has been re-advertised.

Looking ahead, there are staffing risks. Ms Chantelle de Kock (Curator) plans early retirement in 2025 and Mr Howard Heneke (Facilities Officer) will reach retirement age in the same year. Management expects these positions will also be limited to three-year contracts, leading to instability and reducing the pool of quality candidates.

During the Audit and Risk Committee meeting on 30 May 2024, this concern was confirmed. The committee noted that such contract limitations increase staff turnover risk and that protecting current service conditions is essential during any future negotiations.

At both the Compensation Committee and Council meetings on 3 September 2024, Mr Saal noted that the DSAC's amalgamation-related guidelines may conflict with the Labour Relations Act, particularly Section 198(B). As such, some fixed-term contracts may be legally problematic. With the amalgamation process now suspended, entities can resume permanent appointments.

The ATM currently has three staff on fixed-term contracts: Educational Officer (3 years), Assistant: Communication and Visitor Services (12 months), and Communications Officer (5 years, with 2 years remaining).

It was proposed that these appointments, and the surrounding legal implications, be reviewed with a legal expert and raised with the Minister of Sport, Arts and Culture for further consideration.

The ATM's current conditions of service exclude fringe benefits (e.g. performance bonuses, 13th cheques, medical and housing allowances) for fixed-term contracts. A proposal was tabled at the Council meeting on 29 November 2024 to extend these benefits to long-term contract staff.

Council resolved that the Educational Officer and Assistant: Communication and Events positions should be made permanent and receive the same benefits as permanent staff. The Communications Officer position falls outside standard conditions and will be treated separately.

**Mr MJ Jonas**
**DIRECTOR**
**Die Afrikaanse Taalmuseum en -monument**
**31 July 2025**

## 5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

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

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

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

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

The Annual Financial Statements (Part F) have been prepared in accordance with the GRAP standards applicable to the ATM.

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

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully

| | |
|---|---|
| **Mr MJ Jonas** | **Me JX Scott** |
| **DIRECTOR** | **CHAIRPERSON** |
| **31 July 2025** | **31 July 2025** |

## 6. Strategic Overview

### 6.1 Vision

The ATM's vision is to expand it into a dynamic and inclusive institution that promotes the linguistic diversity of Afrikaans within the context of a multicultural society.

### 6.2 Mission

The missions of the ATM are to:

- Promote the diversity of Afrikaans through inclusive programmes and activities.
- Digitalise information to better conserve and increase access to it.
- Create an environment in which different Afrikaans role-players interact with each other to achieve social cohesion.
- Reach out to other indigenous language communities and entities through educational programmes and cultural activities.
- Research 'ignored' or displaced histories of Afrikaans, and sharpen its focus on African knowledge-learning systems as part of a larger decolonisation process.
- Promote mutual respect and tolerance between members of the Afrikaans language community to facilitate a stronger shared cultural identity.
- Manage the institution on sound and transparent financial and management principles that will establish it as a leading and recognised role-player in the heritage sector.
- Protect, conserve and promote Afrikaans' diverse language heritage, cultural-historical buildings and heritage sites.
- Empower various cultural groups through workshops and programmes.
- Empower the staff and greater community.

### 6.3 Values

The ATM strives for the well-being of Afrikaans in South African society. In this spirit, we wish to encourage and support Afrikaans, especially among the youth and non-mother-tongue speakers. We constantly endeavour to establish mutual respect between Afrikaans and other indigenous languages by, among others, acknowledging the mutual influences of the languages on each other.

The ATM's values include:

- Striving for high levels of integrity, reliability, transparency and professionalism in what we do.
- Being tolerant and respectful in dealing with cultural groups and other indigenous languages.
- Striving for excellence in our work environment, as well as in what we offer to the public.
- Contributing to the empowerment of the South African society.
- Being creative and innovative in terms of the programmes and activities we offer.

## 7. Legislative and Other Mandates

The ATM is a schedule 3A public entity in terms of the PFMA.

This report is submitted in compliance with the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996); the Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999) (PFMA); Treasury Regulations, 2005; Cultural Institutions Act, 1998 (Act Number. 119 of 1998), and other applicable acts and regulations.

In addition, the ATM's mandate is to:

- maintain the ATM's cultural-historical buildings and heritage sites and the heritage of Afrikaans in such a manner that nation-building and social cohesion will be achieved;
- collect and conserve, conduct research on, and portray, through exhibitions, the origin, development, benefit and expansion of Afrikaans, with a special focus on inclusiveness to address historical imbalances; and
- promote and stimulate Afrikaans nationwide at all levels of society, especially in disadvantaged communities, through lectures and publications, educational programmes, guided tours and cultural activities.

### Constitutional mandates

The following sections of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) are relevant to the ATM:

| Section of Constitution | Responsibility of the ATM |
|---|---|
| Section 31: Rights of persons belonging to a cultural, religious or linguistic community | The ATM must ensure that its programmes and projects respect the cultural diversity of South Africa. |

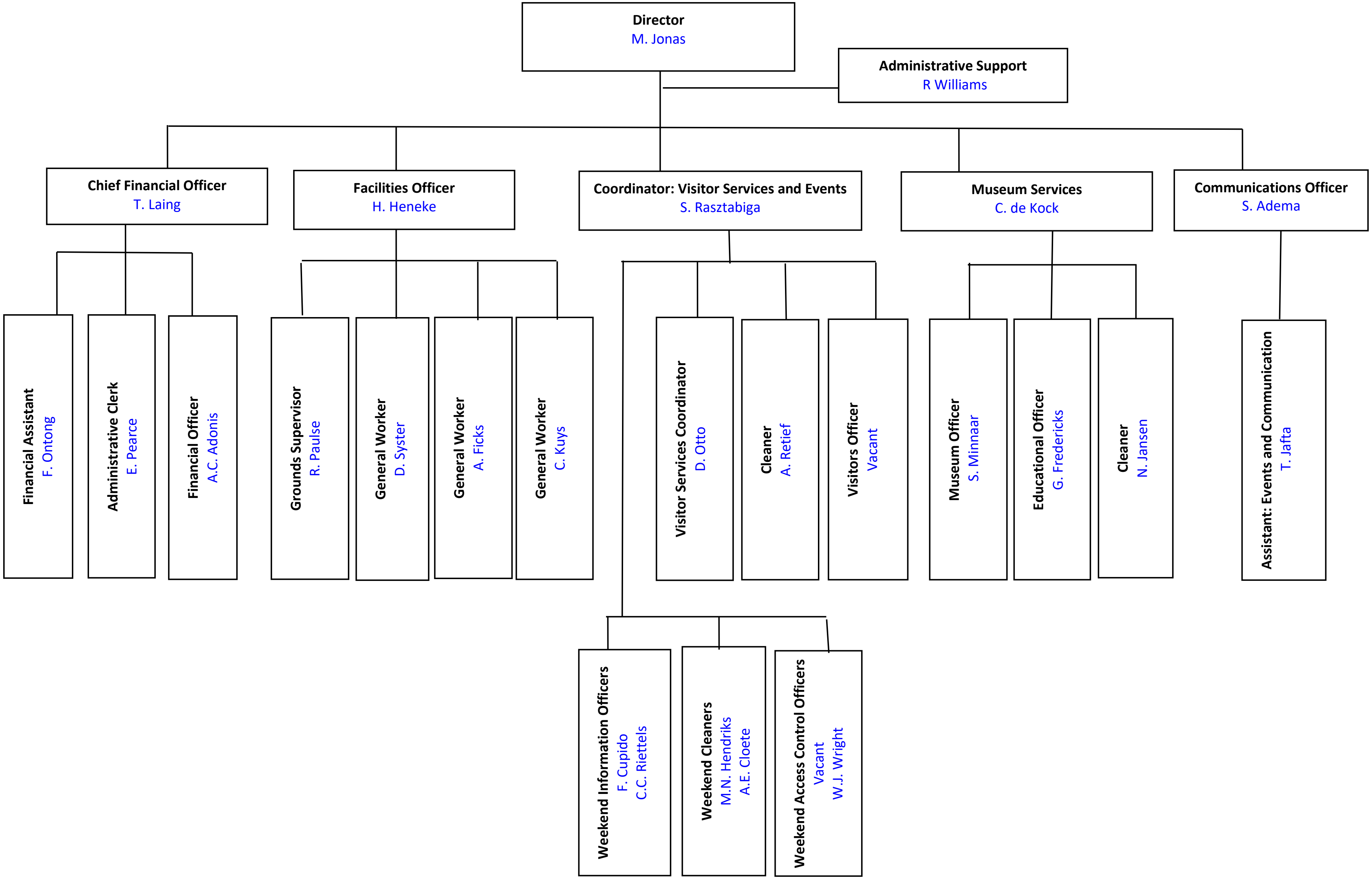
### Legislative and policy mandates

| National legislation | Responsibility of the ATM |
|---|---|
| Constitution of the Republic of South Africa (Act No. 108 of 1996) | Ensure compliance |
| Cultural Institutions Act (Act No. 119 of 1998) | The ATM is governed by a Council appointed by the Department of Sport, Arts and Culture with duties prescribed in this Act. |
| Basic Conditions of Employment Act, No. 75 of 1997 (BCEA) | Ensure compliance |
| Public Finance Management Act, 1999 (Act No. 1 of 1999) | Ensure compliance |
| National Heritage Resources Act, 1999 (Act No. 25 of 1999) | Ensure compliance |
| National Heritage Council Act, 1999 (Act No. 11 of 1999) | Ensure compliance |
| King IV Report on Governance for South Africa, 2016 | Ensure compliance |
| National Environmental Management Act, No. 107 of 1998 | Ensure compliance |

### Institutional policies and strategies governing the five-year planning period

| Policy | Responsibility of the ATM |
|---|---|
| Review internal policies | The ATM will review internal policies to determine if they are still relevant, and update them as necessary. |

## 8. Organisational Structure



# Part B: Performance Information

## 1. Auditor General's Report: Predetermined Objectives

The AGSA currently performs a review on the financial statements and a findings-based engagement on the performance information to provide the disclosure of material findings. The outcome on the performance against predetermined objectives is included in the report to Management, with material findings being reported under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 71 of the Report of the Auditor's Report, published as Part F: Financial Information.

## 2. Overview of Performance

Our fiscal resources will be allocated to exhibitions, research, collection management, and educational and public programmes. The number of outreach programmes to be undertaken varies continuously. Public programmes will focus on the educational and information needs of the respective audiences. The Garden Theatre at the Monument plays host to our picnic concerts in the summer. New research is being done to ensure the representativeness, scope and quality of our collections as well as of the research done on subjects relevant to the Afrikaans language.

### 2.1 Service delivery environment

The ATM consists of three entities: The Afrikaans Language Museum, the Afrikaans Language Monument and the Amphitheatre. The Museum is situated in the heart of Paarl, while the Monument and Amphitheatre lie on the outskirts of the town on the slopes of Paarl Mountain.

The Museum houses an exhibition that portrays the wide-ranging creation and development of the Afrikaans language.

At the Monument, facilities have been built and installed not only to attract visitors but also to support tourist activities. The approximately 100 hectares of fynbos with walking trails, mountain biking tracks, children's play parks, picnic facilities, outdoor games, a stage and small garden theatre for events, a bistro and ample parking make the Monument an ideal venue for tourism initiatives.

The large Amphitheatre forms a very special part of our entertainment division. It can host a crowd of up to 4 250 seated people and is used for concerts with popular artists and musicians.

## 2.2 Organisational environment

The ATM is governed by a Council, appointed for a three-year term by the Minister of Sport, Arts and Culture. The duties of Council, as described in the Cultural Institutions Act, 1998 (Act Number. 119 of 1998), are to:

- formulate policy;
- hold, preserve and safeguard all movable and immovable property of whatever kind, placed in the care of, or loaned, or belonging to the declared institution concerned;
- receive, hold, preserve and safeguard all specimens, collections or other movable property placed under its care and management under section 10(1) [of the Act];
- raise funds for the institution;
- manage and control the monies received by the declared institution, and utilise it for defraying expenses in connection with the performance of its functions;
- keep a proper record of the property of the declared institution;
- submit to the Director-General any returns required by him/her in regard thereto, and to ensure proper books of account are kept;
- determine, subject to this Act and with the approval of the Minister, the objects of the declared institution; and
- carry out the objectives of the declared institution in general.

In addition, Council appoints, in consultation with the Minister, the Chief Executive Officer (CEO), and may determine the hours during which, and the conditions and restrictions subject to which, the public can visit the declared institution concerned, or portion thereof, as well as the admission charges to be paid.

The present structure of the ATM comprises an educational and heritage services, a curatorial division, a financial and administration division, and a communication and marketing division.

## 2.3 Key policy developments and legislative changes

Council revised its policy for education during the financial year. It is in the process of considering revised policies for council meetings, and revised travel and accommodation policy. Except for what was already stated, no other changes to policies and legislation had a significant impact on the ATM.

## 2.4 Progress towards achievement of institutional impacts and outcomes

**Municipal charges**

The ATM received additional funding from the DSAC to cover utility services, and now manages all six municipal accounts directly. These expenses are disclosed under administrative costs, while the grant is recorded under conditional grants for municipal expenses.

**Leasing of office space**

Due to limited office space, the ATM leases premises adjacent to the Museum. While the DPWI previously covered this cost, the ATM has received additional DSAC funding since 2018/2019 to reimburse the DPWI. The grant is reflected under conditional grants for office space, with related expenses reported as administrative costs.

**Personnel expenditure**

Of 21 approved posts, 19 are filled by permanent staff, one by a part-time staff member, and one remains vacant. The team also includes five casual workers and one contract worker. One new permanent staff member is currently on probation.

Personnel costs represented approximately 46% of total expenditure for 2024/2025. The ATM promotes annual staff training to develop a capable and ethical workforce.

**Goods and services**
Around 54% of expenditure was allocated to operational functions, regulatory compliance, skills development, and achieving strategic goals.

Efforts to boost visitor numbers included hosting full moon and stargazing picnics, as well as picnic concerts, which supports especially emerging local artists. Challenges include weather, limited capacity at the Garden Theatre, and costs to maintain compliance, all of which impacted revenue and expenses.

Surplus funds were reinvested in ATM projects such as the *Let's Read* literacy initiative. Focused on rural schools without libraries, the project donated curriculum-based reading books to two schools in 2024/2025. The ATM also hosted three picnic concerts in the Garden Theatre, rented the Amphitheatre to external organisers for events in November 2024 and March 2025, and served as a venue for the Absa Cape Epic and Wildrunner sport events in March 2025.

**Infrastructure and safety**
Ensuring a safe environment for staff and visitors remains a priority. Unfortunately, vandalism and theft increased compared to the previous financial year, but the ATM used insurance payouts to repair the damage.

The ageing infrastructure of the Museum, Monument and Amphitheatre - now 50 years old - remains a concern. Urgent repairs are needed, particularly at the Museum (including electrical systems, gutters, and walls). The Amphitheatre's artists' quarters require seasonal patching due to a recurring roof crack, and the Monument's water and electrical systems need significant upgrades.

Although an emergency generator can be connected to the Monument's grid, its ageing electrical infrastructure is unsuitable for a full backup system. A structural engineer's report (2018) and electrical assessment (2020) highlighted serious concerns. In 2025, the ATM went out on tender to appoint an electrical engineer to assess the full electrical infrastructure. Future repairs will be phased in due to funding constraints. The ATM also plans to appoint a heritage architect and structural engineer in 2025/2026 to help address broader infrastructure issues.

**Environmental management**
An invasive species management plan was finalised in March 2023, but the high implementation cost exceeds the ATM's financial capacity. With guidance from the DPWI and DSAC, the ATM received approval for a phased approach starting with clearing firebreaks in 2024/2025. This process will continue through 2026, using local temporary labour. To mitigate erosion, rehabilitation of cleared areas is underway, supported by a fynbos specialist.

**Exhibitions**
Exhibitions in the Monument's visitor centre complement the Museum's displays and help manage visitor flow. The lecture hall is used for heritage education and dialogues about Afrikaans' role in nation-building and social cohesion.

**Educational and public programmes**
Youth-focused educational programmes continue to be presented on site, in schools and online. Public programmes - especially on Youth Day and Women's Day - raise awareness about social issues, including violence against women and children.

## 3. Institutional Programme Performance Information

### 3.1 Programme 1: Administration

This programme comprises all operational costs and support structures of the ATM that are not already included in the other programmes.

Strategic objectives relating to this programme and which are reported on are as follows:

- Entrance to the Museum and Monument
- Human resources management
- Property management
- Applicable legislation

**<u>Outcomes, Outputs, Output Indicators, Targets and Actual Achievement</u>**

**Access to the Museum and Monument**

The ATM serves as a contact zone and a place of gathering where diverse communities of Afrikaans and other language speakers meet during events such as full moon picnics, stargazing picnics and music concerts. For 2024/2025, the ATM was able to exceed the target that was set. This was due to additional events held and well-attended educational programmes.

**Human resources management**

The ATM strives to have a well-trained staff complement and encourages them to attend training opportunities. This will equip them to be able to further excel in their daily tasks. The staff attended various training opportunities to enhance their skills.

**Property management**

The staff focused on smaller maintenance work projects during the financial year. During the first quarter, temporary workers were employed to assist with the cut and removal of small trees that are classified as invasive species. In the second quarter the ATM did larger maintenance work, like the repair of the Taalmuseum roof, painting of the outside of the Taalmuseum-building, as well as the upgrading of the current footpaths at the Taalmonument and the ablution facilities next to the bistro at the Taalmonument. The ATM also started with the first phase of the clearing of fire breaks in the third quarter. Rehabilitation of the area as done during the fourth quarter and for this the ATM again employed temporary workers.

***<u>Strategic objective 1: Access to the Museum and Monument</u>***

This strategic objective reports on the number of the visitors we receive per year, as well as the number of picnic events and concerts. The aim is to increase the number of visitors by 2% per annum.

**Stargazing Picnic 2024**

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Access to the Museum and Monument | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| To increase visitor numbers | Increase visitors | Number of visitors annually | 50527 | 50448 | 52 568 | 55 851 | 3 283 | Target exceeded. The additional events and two well-known sporting events that was hosted at and around the Taalmonument resulted in the ATM exceeding its target |
| | Events and concerts hosted | Number of picnic events and concerts annually | 14 | 14 | 12 | 14 | 2 | Target exceeded. The ATM hosted a concert as part of the launch of its 50th celebrations at the end of November and a Valentine's picnic in February in addition to the events that were planned |

**Piekniek met die Sterre Concert 2024**

The ATM has virtual tours on its website, communicates daily with the public via social media, and is looking at different ways of presenting more of its programmes and events online. Furthermore, the ATM has been offering discounts to its local community and very affordable annual entry permits to all regular visitors.

Visits to both the Museum and Monument remain very seasonal. Visits to the Taalmonument are also weather dependent as this is an open-air terrain. If it is extremely hot in the summer, visitors will rather go to the beach etcetera, and if it is rainy or cold in the winter, people tend not to visit.

Although it has been challenging to set targets regarding the prediction of visitor trends after the Covid-19 pandemic, it has stabilised somewhat during the last three financial years. The visitor numbers are still 14% lower than pre-pandemic and the ATM will be exploring more ways of attracting, retaining and encouraging repeat visits, as well as other alternative revenue streams.

***Strategy to overcome areas of underperformance***

None

***Changes to planned targets***

The ATM adjusted its planned targets after the pandemic as visitor numbers have not yet fully recovered. This was done in 2021/2022. The ATM has since then focused on raising the numbers to pre-pandemic levels.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2025 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Events and concerts | 315 | 388 | -73 | 359 | 544 | -185 |
| Total | 315 | 388 | -73 | 359 | 544 | -185 |

***Strategic objective 2: Human resources management***

This strategic objective reports on empowering staff using post-related training programmes to ensure skilled personnel which results in more knowledgeable staff and achieves a higher level of service delivery.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Human Resources Management | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Outcome | Output | Output Indicator | Audited Actual Performance 2022/2023 | Audited Actual Performance 2023/2024 | Planned Annual Target 2024/2025 | **Actual Achievement 2024/2025 | Deviation from planned target to Actual Achievement 2024/2025 | Reasons for deviations |
| To ensure well-trained staff | Staff training offered | Number of staff training offered annually | 7 training interventions | 16 training interventions | 6 training interventions | 6 training interventions | 0 | Target reached |

The ATM strives to ensure that all staff members are well-trained. When training opportunities present themselves and the ATM and its staff will benefit from them, these opportunities are seized upon.

***Strategy to overcome areas of underperformance***

None

***Changes to planned targets***

The target for the number of staff performance evaluations was deemed to be operational in nature. Although the evaluations of staff members continue to be performed bi-annually, it will not be reported on as part of the annual performance targets from 2023/2024 onwards. Up until 2022/2023, the ATM had a target of bi-annual evaluations (i.e. 2 instances) which was reached every year.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2025 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Coordinate and manage training | 82 | 20 | 62 | 79 | 47 | 32 |
| Total | 82 | 20 | 62 | 79 | 47 | 32 |

***Strategic objective 3: Property management***

This strategic objective reports on the maintenance of buildings, structures and equipment to be presentable and attractive to the public and to eco-manage the gardens, indigenous flora/fauna, invasive alien plants, erosion, walking trails and firebreaks as part of an annual plan.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Property management | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Outcome | Output | Output Indicator | Audited Actual Performance 2022/2023 | Audited Actual Performance 2023/2024 | Planned Annual Target 2024/2025 | **Actual Achievement 2024/2025 | Deviation from planned target to Actual Achievement 2024/2025 | Reasons for deviations |
| To adhere to the annual property maintenance work programme | Annual repairs and maintenance conducted | Annual repairs and maintenance conducted | 5 | 5 | 5 | 5 | 0 | Target reached |
| | Annual eco-management plan managed | Annual eco-management plan completed | 3 | 3 | 3 | 3 | 0 | Target reached |

The ATM strives to ensure that all its buildings are presentable, gardens are well-kept and the fynbos conserved according to an annual property maintenance work programme. Regular inspections by staff ensure that this is achieved.

***Strategy to overcome areas of underperformance***

None

***Changes to planned targets***

The planned targets for the eco-management plan were updated to reflect numbers instead of dates. There was no change to the output as a result of the update.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2025 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Property management | 4872 | 1462 | 3410 | 334 | 236 | 98 |
| Total | 4872 | 1462 | 3410 | 334 | 236 | 98 |

***Strategic objective 4: Applicable legislation***

This strategic objective reports on ensuring full compliance with applicable legislation.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Applicable legislation | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Outcome | Output | Output Indicator | Audited Actual Performance 2022/2023 | Audited Actual Performance 2023/2024 | Planned Annual Target 2024/2025 | **Actual Achievement 2024/2025 | Deviation from planned target to Actual Achievement 2024/2025 | Reasons for deviations |
| To fully comply with applicable legislation | Annual performance plan | Annual performance plan | 1 plan | 1 plan | 1 plan | 1 plan | 0 | Target reached |
| | Quarterly reports | Quarterly reports | 4 reports | 4 reports | 4 reports | 4 reports | 0 | Target reached |
| | Unqualified audit outcome regarding annual report | Unqualified opinion | Unqualified opinion | Unqualified opinion | Unqualified opinion | Unqualified opinion | 0 | Target reached |
| | Financial management systems and procedures updated | Financial management systems and procedures updated | 1 updated | 1 updated | 2 updated | 1 updated | -1 | Target not reached – implemented enhanced procedure for electronic payments; reviewed travel policy regarding financial procedures |
| | Policies reviewed | Number of internal policies reviewed | 3 reviewed | 1 reviewed | 2 reviewed per annum | 2 reviewed | 0 | Target reached<br>Reviewed 2 policies with 1 approved |
| | Enterprise risk management plan | Enterprise risk management plan | 1 plan | 1 plan | 1 plan reviewed per annum | 1 plan | 0 | Target reached |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | reviewed | reviewed | | | | | | |

The ATM strives to ensure compliance with various applicable regulations. The ATM's education policy has been updated and approved in 2024/2025. The travel and accommodation policy is still being reviewed. The ATM also reviewed its policy for council meetings. This is yet to be approved.

***Strategy to overcome areas of underperformance***

Policies that were reviewed during the financial year and not approved, will be considered for approval during the next financial year. Policies earmarked to be reviewed during 2024/2025 but which could not be considered, will be reviewed during the next financial year.

***Changes to planned targets***

Targets in the strategic plan for 2020-2025 were adjusted to reflect measurable targets as the percentages were not clearly defined. The outputs for 2024/2025 were reviewed and re-aligned to better reflect the outcomes the ATM wants to achieve.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Applicable legislation | 10 | 0 | 10 | 10 | 25 | -15 |
| Total | 10 | 0 | 10 | 10 | 25 | -15 |

## 3.2 Programme 2: Business ventures

This programme comprises various public and fundraising programmes, as well as information regarding the ATM's collections.

Strategic objectives relating to this programme and which are reported on, are as follow:

- Funding and marketing
- Public programmes and communication
- Collection management
- Research

***<u>Outcomes, outputs, output indicators, targets and actual achievement</u>***

<u>Fundraising and marketing</u>
The ATM hosted its skills development courses that it had planned for the financial year. During the financial year, the ATM hosted photography, crafts, poetry and Arabic Afrikaans workshops.

**Advanced Photography Course 2024**

<u>Public programmes and communication</u>
The ATM offered various public programmes focused on adults and youths during the financial year.

<u>Collection management</u>
The ATM collects valuable and relevant documentation, artefacts and books for purposes of reference, research and display, and documenting them in a digital register. It also conserves them for the future through restoration, repair, cleaning and care under proper climatic conditions and accepted museology standards, according to the ATM's conservation policy. The ATM is digitising a part of its collection; this project will be a long-term one with various phases and over succeeding financial years due to the complexity of digitising some of the rarer items.

<u>Research</u>
The ATM has a few ongoing research projects which span over a few financial years.

***<u>Strategic objective 5: Fundraising and marketing</u>***
This strategic objective reports on the presentation of fundraising events and skills development courses.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Fundraising and Marketing | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| Present skills development courses to generate additional funds | Fundraising events | Number of fundraising events annually | 1 | 1 | 1 | 1 | 0 | Target reached |
| | Skills development courses offered | Number of skills development courses annually | 4 | 4 | 4 | 5 | 1 | Target exceeded – collaboration with another entity in presenting an additional skills development course |

***Strategy to overcome areas of underperformance***

None

***Changes to planned targets***

* Minimising the number of courses offered as we want to focus on subjects relevant to our mandate, and interest in heritage subjects is limited.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Fundraising and marketing | 23 | 18 | 5 | 53 | 56 | -3 |
| Total | 23 | 18 | 5 | 53 | 56 | -3 |

***Strategic objective 6: Public programmes and communication***

This strategic objective reports on promoting the institution at all levels of society by offering public programmes through hosting several special days.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Public Programmes and Communication | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| To develop public awareness of our institution and to encourage the public to visit us | Special days celebrated | Number of special days for adults annually | 7 | 7 | 7 | 7 | 0 | Target reached |
| | | Number of special days for the youth annually | 8 | 8 | 7 | 7 | 0 | Target reached |

***Strategy to overcome areas of underperformance***

The ATM strives to host quality public programmes which will be enjoyed by all. When opportunities present themselves, the ATM will seize them to present or host public programmes.

***Changes to planned targets***

- * Public programmes will be referred to as special days.
- * Sponsor-A-Bus project which was previously split between public programmes and educational programmes will forthwith be combined and reported on under education.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Public programmes and communication | 138 | 125 | 13 | 241 | 361 | -120 |
| Total | 138 | 125 | 13 | 241 | 361 | -120 |

***Strategic objective 7: Collection management***

This strategic objective reports on collecting valuable and relevant documentation, artefacts and books for purposes of reference, research and display, and documenting them in a digital register. Also, to conserve them for the future through restoration, repair, cleaning and care under proper climatic conditions and accepted museology standards, according to the ATM's conservation policy.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Collection Management | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| Ensuring the preservation of artefacts, documents and books for the future | Electronic catalogue for artefacts, books and documents. | Number of conservation, preservation and maintenance activities for Museum collection annually | 16 | 16 | 6 | 12 | 6 | Target exceeded.<br>Books identified during inspections for repair resulted in more conservation and maintenance activities |
| Ensuring collections are managed according to current museum standards | Collection policies updated | Museum policies updated annually | 1 | 1 | 1 | 1 | 0 | Target reached |

***Strategy to overcome areas of underperformance***

The ATM strives to ensure that its collection is well-preserved per international archival standards. Regular inspections by staff ensure that this is achieved.

As the ATM has a closed collection and limited archival space; all acquisitions of artefacts are limited to donations only. Donations of artefacts are carefully considered before inclusion in the collection. As donations are sporadic, it is also challenging to report on.

***Changes to planned targets***

- * The ATM performed a complete audit of its archive in 2017/2018, which resulted in certain items being identified to be repaired. Due to limited funds available, the repair of the identified items will be done as funds become available.
- * The targets set for the maintenance of the ATM's register for the textile collection, inspection register for the archive, the register for climatic conditions in the archives and the register for inspection of the whole exhibition has been removed starting in 2023/2024. The targets were reached during the previous financial years. The tasks are still performed as part of the ATM's conservation plan, but the target was deemed to be operational in nature.

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Collection management | 1 | 1 | 0 | 3 | 0 | 3 |
| Total | 1 | 1 | 0 | 3 | 0 | 3 |

***Strategic objective 8: Research***

This strategic objective reports on widening horizons for the benefit of the community as a whole, and making results of research known as widely as possible.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Research | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| Dissemination of research results in various formats | Content for website/ social media produced | Number of articles written or lectures presented annually | 4 | 4 | 4 | 5 | 1 | Target exceeded – additional publication for ATM's 50th celebrations |
| | | Number of history snippets written for website/social media annually | 8 | 8 | 8 | 8 | 0 | Target reached |

***Strategy to overcome areas of underperformance***

The ATM regularly communicates relevant information regarding Afrikaans, multilingualism and the ATM itself.

***Changes to planned targets***

* The ATM currently engages in active research projects, but as they are only measurable when a tangible item is generated from them in the form of an article, snippet, lecture or exhibition, it was decided to remove this target from 2023/2024 onwards. The final results of the research that is being conducted, is already reported on in the ATM's annual targets.

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Research | 1 | 0 | 1 | 32 | 29 | 3 |
| Total | 1 | 0 | 1 | 32 | 29 | 3 |

## 3.3 Programme 3: Public engagement

This programme comprises our public engagement through exhibitions and educational programmes.

Strategic objectives relating to this programme and which are reported on are as follow:

- Exhibitions
- Education

***<u>Outcomes, outputs, output indicators, targets and actual achievement</u>***

<u>Exhibitions</u>
The ATM hosted several temporary exhibitions in the open-air gallery and a Marinta Skupin artwork displayed at the Monument outside the visitor centre. It also updated an existing permanent exhibition on the Monument in the visitor centre in preparation for the ATM's 50th celebrations.

**Green Gallery Exhibition**

<u>Education</u>
The ATM was able to host its educational programmes at the Taalmonument and Taalmuseum during the financial year.

***<u>Strategic objective 9: Exhibitions</u>***
This strategic objective reports on conveying information to the public by means of exhibitions.

***<u>Key performance indicators, planned targets and actual achievements</u>***

| Strategic objective: Exhibitions | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| To convey information to the public using exhibitions | Exhibitions displayed | Number of exhibitions displayed annually | 4 | 6 | 4 | 5 | 1 | Target exceeded. A Marinta Skupin artwork is currently on display, in addition to the |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | ATM's own exhibitions |

***Strategy to overcome areas of overperformance***

The ATM hosted 3 'Groen Galery' (open-air gallery) exhibitions during 2024/2025. The ATM is also currently displaying the torches used as part of the opening of the Taalmonument as part of the ATM's 50th celebrations in 2025. Additional to the ATM's own displays, the artist Marinta Skupin reached out to the ATM and an artwork of hers is also currently on display at the Taalmonument. Displaying exhibitions is one of the core functions of a museum, and the ATM also displays the exhibitions virtually to make it available to the whole world.

***Changes to planned targets***

None

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Exhibitions | 20 | 10 | 10 | 16 | 2 | 14 |
| Total | 20 | 10 | 10 | 16 | 2 | 14 |

***Strategic objective 10: Education***

This strategic objective reports on liaising with relevant educational institutions, and to reach as many schools as possible through outreach programmes.

***Key performance indicators, planned targets and actual achievements***

| Strategic objective: Education | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Outcome** | **Output** | **Output Indicator** | **Audited Actual Performance 2022/2023** | **Audited Actual Performance 2023/2024** | **Planned Annual Target 2024/2025** | ****Actual Achievement 2024/2025** | **Deviation from planned target to Actual Achievement 2024/2025** | **Reasons for deviations** |
| To educate, and undertake outreach programmes to reach as many schools as possible | School development programmes | Number of school tours/visits conducted annually | 102 | 73 | 70 | 78 | 8 | Target exceeded. Due to partnerships with other institutions for special days, more schools were invited |
| | | Number of educational programmes developed | 2 | 2 | 2 | 2 | 0 | Target reached |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | annually | | | | | | |
| | | E-programmes/ -learning produced annually | 2 | 2 | 2 | 2 | 0 | Target reached |
| | School sponsorships offered | Sponsor-A-Bus project: number of groups transported annually | 30 | 32 | 22 | 31 | 9 | Target exceeded. More groups requested assistance to visit the ATM |
| | Reading groups established | Language projects: number of reading groups established annually | 3 | 2 | 2 | 2 | 0 | Target reached |
| | Writing and public speaking competitions held | Number of competitions held for learners annually | 2 | 2 | 2 | 2 | 0 | Target reached |
| | Provide access to the Museum's activities | Number of outreach projects annually | 2 | 2 | 2 | 2 | 0 | Target reached |

***Strategy to overcome areas of underperformance***

The programmes that the ATM presents to the groups are based on the curricula for the specific grades, which makes it an extension of the classroom.

***Changes to planned targets***

None

***Linking performance to budgets***

| Sub-programme name | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Education | 266 | 336 | -70 | 258 | 288 | -30 |
| Total | 266 | 336 | -70 | 258 | 288 | -30 |

## 4. Revenue Collection

| | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| Sources of revenue | Estimate | Actual Amount Collected | (Over)/Under Collection | Estimate | Actual Amount Collected | (Over)/Under Collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Transfer received: DSAC | 16679 | 16015 | 664 | 12199 | 11909 | 290 |
| Contractual penalty | 0 | 290 | -290 | 0 | 0 | 0 |
| Entrance fees | 1654 | 1299 | 355 | 1390 | 1220 | 170 |
| Rent income received | 456 | 309 | 147 | 400 | 746 | -346 |
| Interest received | 387 | 430 | -43 | 365 | 405 | -40 |
| Funding and marketing | 30 | 483 | -453 | 86 | 730 | -644 |
| Other income | 82 | 229 | -147 | 80 | 172 | -92 |
| Total | **19288** | **19055** | **233** | **14520** | **15182** | **-662** |

### Comments on revenue collection

**Transfer received from the DSAC**
The ATM receives quarterly transfers from the Department of Sport, Arts and Culture (DSAC) to fund staff salaries and a portion of operational costs. Additional transfers were received during 2024/2025 for capital works, municipal services, rental expenses, and compliance costs. These are reflected as conditional grants and earmarked for their specific purposes.

**Contractual penalty**
In July 2022, the ATM entered into an Amphitheatre rental agreement that was terminated due to non-compliance by the tenant. Legal proceedings followed, with the court ruling in favour of the ATM in December 2022 and awarding legal costs. Although the tenant initially appealed, the appeal was withdrawn in early 2023. The taxation process concluded in 2024, resulting in a settlement amount of R290 000 payable to the ATM. A 12-month instalment agreement was finalised at the end of the 2024/2025 financial year, but still unsigned. No payment was received by 31 March 2025.

**Entrance fees**
Entrance fees to the Museum and Monument remain a key source of self-generated income, used to fund core operations. Revenue from entrance fees increased in 2024/2025, in line with an 11% rise in visitor numbers compared to the previous year (2023/2024: 50,448; 2024/2025: 55,851). This figure includes attendance at events hosted during the financial year.

**Rental income received**
Rental income is generated from the on-site bistro and ad hoc use of the Amphitheatre for events. The Monument grounds also serve as a location for film shoots, advertisements and professional photography, contributing to additional rental revenue.

**Interest received**
Interest is earned on low-risk investments, including fixed deposits and money market accounts. As the ATM could not spend most of its capital works allocation during the year, the unspent funds accrued additional interest. Interest earned on these funds will be allocated to related capital projects.

**Funding and marketing**
The ATM actively seeks external funding and received several donations in 2024/2025. These included:

- R494 from individual visitors, used for educational programmes
- R100 000 to support the promotion of Afrikaans
- R25 000 for International Mother Language Day
- R30 000 for debate competitions

The ATM also received a monthly bequeathment from an estate totalling R226 605 for the year. These funds were unrestricted and used to support core activities.

### Other income

Other income includes sales of merchandise, proceeds from written-off asset disposals, and insurance claims. During 2024/2025, the ATM received an insurance payout for vandalism and theft at the Amphitheatre, which was used to repair the damage.

## 5. Capital Investment

The ATM does not own immovable capital assets. It manages only movable and heritage assets, with movable assets replaced only when irreparable or stolen. New assets are procured as needed and within budget. Asset management is conducted using the Pastel Evolution Fixed Assets system, updated monthly, with quarterly sampling counts and a full annual verification. Depreciation is processed after each update.

**Emergency generator and electrical infrastructure**

In 2019/2020, the ATM received R580,000 for the installation of an emergency generator. However, the project was halted after an electrical engineer found that the existing infrastructure could not support the generator and posed a fire risk. Additional funding was received:

- **2020/2021**: R1 687 000
- **2021/2022**: R2 000 000

The ATM procured an emergency generator, and with assistance from its project manager, advertised a tender in 2024/2025 for an electrical engineer to assess the infrastructure at the Taalmonument, Taalmuseum, and Amphitheatre.

**Workers' changing rooms**

Funding was received for the construction of workers' changing rooms:

- **2019/2020**: R3 000 000
- **2020/2021**: R1 500 000

After overcoming permitting and planning delays, building plans were approved during 2023/2024. A contractor was appointed in 2024/2025, and by year-end, construction was nearly complete.

**Facilities management**

Funding for general facilities management was allocated as follows:

- **2021/2022**: R3 736 090
- **2023/2024**: R3 982 748
- **2024/2025**: R1 329 793

These funds were used to:

- Repair the roof and repaint exterior walls of the Taalmuseum
- Upgrade ablution facilities near the bistro
- Improve walkways and one entrance gate at the Taalmonument

**Invasive species plan and firebreaks**

An invasive species plan for the Taalmonument grounds was completed in March 2023. Due to budget constraints, implementation is phased. The plan was shared with DPWI (as landowner) and DSAC, both of whom visited the site in April 2024. Approval was granted for a phased approach to clear firebreaks.

- **Phase 1** was completed in February 2025, followed by erosion mitigation efforts supported by a fynbos specialist.

**Maintenance and facility conditions**

Routine maintenance is conducted quarterly in line with a structured schedule. While the ATM does not plan to close or downscale any of its facilities, several concerns remain:

- Visitor centre, Monument – fair condition (some cracks suggest that the foundation of the building may have shifted and also resulted in a leaking concrete roof and peeling plaster on inside of building)
- Monument – fair condition (minor cracks, rising damp and leaking, as well as old electrical work)
- Bistro, Monument – good condition (except for the concrete roof that leaks)
- Ticket office, Monument – good condition
- Museum – fair condition (in need of electrical work, floors need extra stabilisation)
- Amphitheatre – fair (concrete roof leaks and requires routine upkeep (e.g. painting))

| | 2024/2025 | | | 2023/2024 | | |
|---|---|---|---|---|---|---|
| Infrastructure projects | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Workers' changing rooms | 3325 | 1783 | 2429 | 3454 | 129 | 3325 |
| Emergency generator and maintenance | 3877 | - | 3877 | 3877 | - | 3877 |
| Maintenance | 95 | - | 95 | 95 | - | 95 |
| Infrastructure | 5170 | 1901 | 4599 | 5275 | 105 | 5170 |
| Total | 12467 | 3684 | 11000 | 12701 | 234 | 12467 |

# Part C: Governance

## 1. Introduction

Corporate governance embodies processes and systems by which the ATM is directed, controlled and held to account. In addition to legislative requirements based on the ATM's enabling legislation (the Cultural Institutions Act), corporate governance concerning the ATM is applied through the precepts of the Public Finance Management Act (PFMA) and according to the principles contained in the King's Report on Corporate Governance.
Parliament, the Executive and the Accounting Authority of the ATM are responsible for corporate governance.

## 2. Portfolio Committees

**Dates of meetings**
No meeting was scheduled for 2024/2025.

**Areas of risk, and implementation of plans and actions**
No areas of risk and implementation of plans and actions were discussed during 2024/2025.

## 3. Executive Authority

Reports submitted to the Executive Authority as required by the PFMA and Treasury Regulations:

| | | |
|---|---|---|
| Quarterly reports | 1st quarterly report | 30 July 2024 |
| | 2nd quarterly report | 30 October 2024 |
| | 3rd quarterly report | 30 January 2025 |
| | 4th quarterly report | 30 April 2025 |

Feedback on the quarterly report was received from the DSAC bi-annually in the form of terrain visits and quarterly feedback letters. From 2014 quarterly reports were also submitted to National Treasury. The reports were submitted on the same dates mentioned above.

| | | |
|---|---|---|
| Annual Performance Plan | Final | 31 January 2025 |

Feedback on the Annual Performance Plan was received from the DSAC. No adjustments were made during 2024/2025 and submitted to Parliament.

Strategic Plan 2020-2025

The Strategic Plan 2020-2025 is applicable. No adjustments were made during 2024/2025 and submitted to Parliament.

| | | |
|---|---|---|
| Strategic Plan 2025-2025 | Final | 31 January 2025 |
| Annual Report | Final | 3 October 2024 |

The Annual Report was presented to Parliament.

| | | |
|---|---|---|
| Audit report and management report | | 31 July 2024 |
| Audit outcomes improvement plans | 1st feedback | 30 October 2024 |
| | 2nd feedback | 30 January 2025 |
| | 3rd feedback | 30 April 2025 |
| Estimated national expenditure | ENE database | 3 December 2024 |

## 4. The Accounting Authority/Council

***Introduction***

Council should ensure that procedures are in place for monitoring and evaluating the implementation of its strategies, policies and business plans, as a measure of management and operational performance. Council also takes responsibility for the oversight of organisational performance management and reporting.

***The role of Council is as follows:***

The role of Council, in an overall capacity, is to monitor the activities of the ATM, to determine policy, appoint senior staff and to comply with auditing and statutory regulations.

- It holds absolute responsibility for the performance of the ATM.
- It retains full and effective control over the ATM.
- It has to ensure that the ATM complies with applicable laws, regulations and government policy.
- It has unrestricted access to the information of the ATM.
- It formulates, monitors and reviews corporate strategy, major plans of action, risk policy, annual budgets and business plans.
- It ensures that performance objectives are achieved.
- It manages potential conflicts of interest.
- It develops a clear definition of levels of materiality.
- It ensures that financial statements are prepared.
- It must maintain integrity, responsibility and accountability.

***Council charter***

Council's Charter was reviewed, approved and signed on 14 March 2025.

***Composition of Council***

The ATM had a council with eight members with a term of office lasting from 9 December 2020 until 8 December 2023, after which the term was extended for another 12 months. Their term for 2024/2025 was from 1 April 2024 until 8 December 2024 when a new council was appointed. The new council of nine members' term of office will be from 9 December 2024 until 8 December 2027. For 2024/2025, they served from 9 December 2024 until 31 March 2025.

**ATM Council 1 April 2024 to 31 March 2025**

| Name | Designation (in terms of the Public Entity Board structure) | Date appointed | Date ended | Qualifications | Area of expertise | Board directorships (list the entities) | Other committees or task teams (e.g. audit committee / ministerial task team) | No. of meetings attended |
|---|---|---|---|---|---|---|---|---|
| Adv JJ Meiring | Chairperson | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 | Term ended: 8 Dec 2024 | BA, LLB, BA Hons (Latin), BCL | Law; books and literature; publishing | Council member of Stellenbosch University; Member of advisory boards of Saflii and LitNet Akademies | N/A | 3 |
| Ms JX Scott | Chairperson | 9 Dec 2024 – 8 | | BCom specialising in | Business Management | National Heritage | N/A | 3 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Dec 2027 | | Business Management, Honours in Business Administration Masters in Commerce (current, to be completed in 2025) | , Governance, Project Management, Marketing and Communication | Council; Iziko Museums Council | | |
| Ms SP Tsoleli | Deputy Chairperson | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 | Term ended: 8 Dec 2024 | Primary Teacher Diploma, Advanced Certificate in Psychology of Education, Advance Certificate in Governance and Leadership, Post-graduate diploma in Governance | Governance and Management | South African War Museum; Masechaba Tsoleli Empowerment Foundation | N/A | 2 |
| Mr A Latchu | Member | 9 Dec 2023 – 8 Dec 2024 | Resigned 11 Jun 2024 | Phd student ICT Governance (2024) Masters ICT Honours ICT Bachelors ICT | ICT Governance, ICT | PACOFS, WHAG, NAC, EEC TVET, Southern African Trust, Edenvale Hospital | N/A | 0 |
| Dr L Munsamy | Member | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 | Term ended: 8 Dec 2024 | PhD, MPA, Disaster Risk Management | Public Sector Management, Disaster Risk Management, Strategic Management, Project Management | Council member of National Museum; Chairperson of Pension Fund; Chairperson of Governance and Legal Committee of National Museum | Chairperson of the Remuneration and Human Resources Committee | 0 |
| Mr JJ Saal | Member | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 | Term ended: 8 Dec 2024 | BA Hons (Linguistics), National Diploma in Technical Financial Accounting | Human resources; Labour relations; Audit | N/A | Member of Audit and Risk Committee | 3 |
| Mr LR Adendorf | Member / Deputy Chairperson | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 9 Dec 2024 – 8 Dec 2027 | | BTech: Journalism, National Diploma: Journalism | Brand reputation, compliance, governance and risk, and business integrity and ethics | Chairperson of the Western Cape CET College Council; Member of the Board of Breede River Hospice; Member of the Board of National Electronic Media Institute of SA | Member of Audit and Risk Committee until 8 Dec 2024 and Member of Human Resources Committee from 23 Dec 2024 | 5 |
| Mr S Maharaj | Member | 9 Dec 2020 – 8 Dec 2023 | | BCom Hons BCompt, CA(SA) | Finance, Audit, Risk | Boxing South Africa | Chairperson of Audit and Risk | 5 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | & 9 Dec 2023 – 8 Dec 2024 9 Dec 2024 – 8 Dec 2027 | | | | | Committee | |
| Ms H Erdmann | Member | 9 Dec 2020 – 8 Dec 2023 & 9 Dec 2023 – 8 Dec 2024 9 Dec 2024 – 8 Dec 2027 | | BA (1987) & MA (2021) Stellenbosch University | Heritage and legacy expert specialising in museum transformation and imaginary construction | Council member: Amazwi South African Museum of Literature; Friends of the Cape Town Museum | Chairperson of the Remuneration and Human Resources Committee | 6 |
| Dr GL Frieslaar | Member | 9 Dec 2024 – 8 Dec 2027 | | BA (International Studies), BA Hons (Political Science), PG Dipl in Museum & Heritage Studies) MA cum laude (Public & Visual History) Ph.D History | Political Science, Museums, Archives and History | N/A | Member of Audit and Risk Committee | 3 |
| Ms L Marais-Botes | Member | 9 Dec 2024 – 8 Dec 2027 | | BA (1991 - University of Pretoria), BA Hons (1993 - University of Pretoria), Post Grad Diploma in Museum Science (1996 - University of Pretoria), Diploma in Basic Principles of Public Relations, Conservation of Traditional Buildings Certificate, Management Development Programme, Post Grad Dip (heritage) | Cultural History, Archaeology, Biblical Studies, Cultural History | N/A | Member of Remuneration and Human Resources Committee | 3 |
| Prof AC van Vollenhoven | Member | 9 Dec 2024 – 8 Dec 2027 | | D.Phil Archaeology,D.Phil History | Museums and heritage | N/A | Member of Audit and Risk Committee | 3 |
| Mr ZD Anthony | Member | 9 Dec 2024 – 8 Dec 2027 | | N/A | N/A | N/A | Member of Audit and Risk Committee | 3 |
| Mr PWN Mthembu | Member | 9 Dec 2024 – 8 Dec 2027 | | BA Psychology and Industiral Sociology, Higher Diploma in Translation | N/A | N/A | Member of Remuneration and Human Resources Committee | 3 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | and Editing | | | s | |

- Alternate members
  The ATM did not have any alternate members on its Council.

- Outgoing Council members
  The ATM had outgoing Council members in the 2024/2025 financial year.

***Committees***

| Committee | No. of meetings held | No. of members | Name of members |
|---|---|---|---|
| Audit and Risk | 5 | 4 | Chairperson: Mr S Maharaj<br>Member: Mr JJ Saal (until 9 Dec 2024)<br>Member: Mr LR Adendorf (until 9 Dec 2024)<br>External member: Prof J Rossouw (From 2 July 2021 until 9 Dec 2024)<br>Member: Dr GL Frieslaar (from 23 Dec 2024)<br>Member: Prof AC van Vollenhoven (from 23 Dec 2024)<br>Director: Mr MJ Jonas<br>Secretary: Ms T Laing<br>External Auditors: Mr S Afrika (AG)<br>Internal Auditors: Ms Z Abrams (Nexia SAB&T) |
| Remuneration and Human Resources | 4 | 4 | Chairperson: Dr L Munsamy (until 8 Dec 2023)<br>Member: Ms H Erdmann (until 8 Dec 2024<br>Chairperson: Ms H Erdmann (from 23 Dec 2024)<br>Member: Mr LR Adendorf (from 23 Dec 2024)<br>Member: Mr PWN Mthembu (from 23 Dec 2024)<br>Member: Ms L Marais-Botes (from 23 Dec 2024)<br>Director: Mr MJ Jonas<br>Secretary: Ms R Williams |

***Remuneration of Council Members***

Each year the ATM receive a circular from National Treasury to inform us of the remuneration of Council members. The remuneration is paid per day, while other expenses like travel and accommodation are reimbursed to the members. All members were remunerated.

**ATM Council 9 December 2020 – 8 December 2023 and 9 December 2023 – 8 December 2024**

| Name | Remuneration | Other allowance | Other reimbursements | Total |
|---|---|---|---|---|
| Adv JJ Meiring | R13 032 | R0 | R10 182 | R23 214 |
| Ms SP Tsoleli | R7 896 | R0 | R23 022 | R30 918 |
| Mr A Latchu | R0 | R0 | R0 | R0 |
| Dr L Munsamy | R0 | R0 | R0 | R0 |
| Mr JJ Saal | R44 769 | R0 | R6 549 | R51 318 |

**ATM Council 9 December 2024 – 8 December 2027**

| Name | Remuneration | Other allowance | Other reimbursements | Total |
|---|---|---|---|---|
| Me JX Scott | R12 300 | R0 | R2 848 | R15 148 |
| Mr ZD Anthony | R10 314 | R0 | R3 700 | R14 014 |
| Mr Mthembu | R10 314 | R0 | R4 226 | R14 540 |
| Prof AC van | R13 752 | R0 | R18 357 | R32 109 |

| | | | | |
|---|---|---|---|---|
| Vollenhoven | | | | |
| Dr GL Frieslaar | R17 190 | R0 | R263 | R17 453 |
| Ms L Marais-Botes | R13 752 | R0 | R5 719 | R19 471 |
| Mr LR Adendorf* | R45 809 | R0 | R5 604 | R51 413 |
| Mr S Maharaj* | R29 025 | R0 | R17 836 | R46 861 |
| Ms H Erdmann* | R40 233 | R0 | R2 545 | R42 778 |

**These council members are serving a second term. They were members from 1 April 2024.*

## 5. Risk Management

The ATM has implemented a risk management strategy in collaboration with its internal auditors. Risks are identified on an ongoing basis by staff, Management, the Audit and Risk Committee, and Council. All risks are assessed, documented, and reported to both the Audit and Risk Committee and Council. A formal annual risk assessment is also conducted by the internal auditors.

Risks are managed in accordance with the approved risk-management strategy, with the Audit and Risk Committee providing oversight and guidance to Management and Council, while also monitoring the effectiveness of risk mitigation measures. All identified risks are addressed within the ATM's available resources.

**Infrastructure risk: Museum and Monument**
The Museum building has been classified as a high-risk due to an unstable floor and ageing electrical infrastructure, which poses a potential fire hazard. While temporary mitigation measures are in place, a long-term resolution requires urgent repairs. Rising damp has caused wallpaper to detach from the interior walls, which will be addressed using a portion of the infrastructure funding received from DSAC.

A structural engineer was previously appointed (2018) to assess both the Museum and Monument. Cracks identified at the Monument have led to water ingress in staff-accessible areas, contributing to damp and compromising structural integrity. These issues remain a priority for restoration to prevent further long-term damage.

**Security risks**
The Monument's remote location on Paarl Mountain presents ongoing security challenges, particularly during daytime hours when staff presence is concentrated near the entrance. While additional evening security has been contracted for both the Monument and Amphitheatre, gaps remain during the day. The installation of security cameras in high-risk areas is a key recommendation to improve surveillance and reduce vulnerabilities.

**Environmental and safety risks**
The ATM identified the need for a comprehensive fire prevention plan, invasive species eradication plan, and occupational health and safety (OHS) plan across all its sites.

An invasive species plan was finalised in March 2023 and submitted to the DPWI and DSAC for approval in accordance with the National Veld and Forest Fire Act (Act No. 101 of 1998). Following a site visit and consultation during the first quarter of 2024/2025, a phased approach was approved to begin clearing firebreaks as part of the broader fire risk mitigation strategy.

Phase 1 of firebreak clearing was completed in February 2025, and efforts will continue until 2026. To mitigate erosion risks following vegetation removal, the ATM has employed local labour under the guidance of a fynbos specialist to rehabilitate the soil.

## 6. Internal Control Unit

Internal controls are tested by the internal auditors and any weaknesses are reported to the ATM's Management, the Audit and Risk Committee as well as Council. Reports must be made quarterly to ensure that the weaknesses are addressed.

## 7. Internal Audit and Audit Committees

**Internal audit**

The purpose of the internal audit function is to investigate and evaluate the adequacy and effectiveness of the internal control system, and the quality of the performance of assigned responsibilities. The role of the internal audit function is to provide certain consulting services to the ATM's management, Audit Committee and Council, and to provide the necessary assurance to Council as to the management of the ATM's internal control and risk-management process.

**Audit Committee**

The Audit Committee is responsible for overseeing internal controls, financial reporting and compliance with legal requirements. The Audit Committee is responsible for the following:

- The effectiveness of the system of internal control and risk management;
- Financial reporting;
- Financial statements;
- The internal audit functions;
- The Auditor-General's report;
- Council's compliance with laws and regulations;
- Compliance with Council's code of conduct and ethics; and
- Management of performance.

Attendance of Audit Committee meetings by Audit Committee members:

**Period: 1 April 2024 – 31 March 2025**

| Name | Qualifications | Internal or external | If internal, position in the public entity | Date appointed | Date Resigned | No. of Meetings attended |
|---|---|---|---|---|---|---|
| Mr S Maharaj (Chairperson) | BCom Hons BCompt, CA (SA) | - | Council member until 9 Dec 2027 | 9 Dec 2020 | - | 4 |
| Mr JJ Saal | BA Hons (Linguistics)<br>National Diploma in Technical Financial Accounting | - | Council member until 9 Dec 2024 | 1 Dec 2017 | 8 Dec 2024 | 4 |
| Mr LR Adendorf | BTech in Journalism<br>National Diploma in Journalism | - | Council member until 9 Dec 2027 | 9 Dec 2020 | 8 Dec 2024 | 4 |
| Prof J Rossouw (External member) | PhD, BCom Hons, MBA, MCom (Econ) | - | External member | 2 Jul 2021 | 8 Dec 2024 | 4 |
| Dr GL Frieslaar | BA (Internationale Studies), BA Hons (Political Science), PG Dipl in Museum & Heritage Studies)<br>MA cum laude (Public & Visual History) | - | Council member until 9 Dec 2027 | 8 Dec 2024 | - | 1 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Ph.D History | | | | | |
| Prof AC van Vollenhoven | D.Phil Archaeology and D.Phil History | - | Council member until 9 Dec 2027 | 8 Dec 2024 | - | 1 |
| Mr ZD Anthony | N/A | - | Council member until 9 Dec 2027 | 8 Dec 2024 | - | 1 |
| Mr MJ Jonas | - | Internal | Director/Chief Executive Officer | 1 Jun 2016 | - | 5 |
| Ms T Laing | - | Internal | Chief Financial Officer | 1 Sep 2001 | - | 5 |
| External auditors | - | External | - | - | - | 2 |
| Internal auditors | - | External | - | - | - | 4 |

Council appointed the Audit and Risk Committee at their first meeting on 16 February 2021. After the position of an external member for this committee was advertised and the recruitment process was completed, Prof Rossouw was appointed as an independent member of the Audit and Risk Committee. A new Audit and Risk Committee was appointed on 23 December 2024 after a new Council was appointed by the Minister of Sport, Arts and Culture. The term of the Audit and Risk Committee is the same as that of Council.

## 8. Compliance with Laws and Regulations

The ATM strives to comply with all the laws and regulations applicable to the ATM by submitting its financial statements, performance information, strategic plan, annual performance plan and other relevant plans and reports. For 2024/202, the focus was on reviewing the policies for education as well as travel and accommodation. This is to ensure that the ATM's internal control measures for its collections are implemented, executed and monitored.

## 9. Fraud and Corruption

The ATM has an implemented fraud prevention plan. In addition to this, staff are constantly reminded that they can report any suspected fraud or corruption through the DSAC hotline at 0800 701 701, integrity@publicservicecorruptionhotline.org.za or SMS 39772.

No complaints were lodged against any officials of the ATM for the period under review.

## 10. Minimising Conflict of Interest

Council and staff of the ATM have to certify that they have no conflicts of interest when participating in meetings and the procurement of goods and/or services. No conflicts of interest were identified for the year under review.

## 11. Code of Conduct

Members of Council must attend meetings. They must declare all conflicting interests and may not accept gifts or rewards, interfere with administration or make confidential information known to unauthorised persons. In the case of a violation of this code, an enquiry will be launched by a specially appointed committee. The member may receive a formal warning and the Minister has the power to fine, suspend or remove the member from his/her post.

For staff members, the code of conduct serves as a guideline to indicate what is expected of them from an ethical point of view, both in their individual conduct and in their relationships with others (internally and externally). If a staff member does not comply with the code's requirements, that member will be guilty of misconduct and consequent action will be taken as outlined in the ATM's rules and disciplinary code.

## 12. Health, Safety and Environmental Issues

For the ATM, as for any other establishment, the staff's health must be optimised. The ATM has designated safety representatives and there is a Health and Safety Committee, consisting of two staff representatives per building, that meets monthly.

## 13. Council Secretary

The ATM does not have a designated post for Council secretary and the role is currently fulfilled by the Chief Financial Officer. The role and responsibilities of the Council secretary are defined in the charter of Council:

- The Council secretary must co-ordinate the functioning of Council and its committees, and the role must carry the necessary authority.
- The Council secretary must maintain an arms-length relationship with Council and therefore should not be a Council member.
- The Council secretary reports to Council via the Chairperson on all statutory duties and functions performed in relation to Council, and to the Director on all other functions and administrative matters. Council evaluates the performance of the Council secretary at least annually.
- The Council secretary or deputy shall attend all Council and committee meetings, and must ensure that minutes of all council meetings and any committee meetings are properly recorded.

## 14. Social Responsibility

The ATM is involved in several social responsibility initiatives. Our annual Evening Race is held in aid of the Drakenstein Palliative Hospice, and the ATM sponsors a school with food and/or personal care donations for Mandela Day. We encourage visitors to bring books in aid of our 'Let's Read!' literacy project, and we donate books to women empowerment groups as well as schools. In addition, staff members each year participate in a Mandela Day outreach programme, delivering food and other parcels, and adopting a local school to support them with excursions and educational aids. On Africa Day, the Taalmonument offers free entry to all, while it also sponsors workshops hosted by it for people that cannot afford it, as well as transport to these workshops. The ATM furthermore commemorates all national days, often by offering free events and free entry. It also offers its facilities for deserving organisations' workshops/meetings for free, and co-sponsors a local 'phenomenal women' competition and public speaking workshops for learners.

## 15. Audit Committee Report

We are pleased to present our report for the financial year ending 31 March 2025, set out in three parts:

### Part 1: Audit Committee reflections – 2024/2025

We are pleased to present the reflections of the Audit and Risk Committee of the Afrikaanse Taalmuseum en -monument (ATM) for the financial year ended 31 March 2025.

**Purpose, Mandate and Values of the Audit Committee**
The Committee supports the Council and Director in ensuring effective, efficient, and transparent systems of financial management, risk management, and internal control. It promotes accountability, ethical conduct, and the independence of the internal audit function. Risks are proactively identified and addressed, and internal audits are monitored for scope, quality, and results.

**Strategic Focus**
During year, the Committee focused on:
- Financial management and reporting;
- Internal controls and risk management;
- Legal and regulatory compliance; and
- Safeguarding of assets.

**Independence**
The Committee consists of four members appointed by Council, one of whom is external (Prof J Rossouw). It operates in an advisory capacity, independent from management, with no executive authority. No threats to independence were reported during the year.

**Conflict of Interest**
Members were afforded the opportunity to declare interests at each meeting. No conflicts were declared during the year.

**Stakeholder Relationships**
Constructive engagement took place with management, the internal auditors (Nexia SAB&T), and the AGSA throughout the year.

**Internal Audit Positioning and the Chief Audit Executive's Role**
Internal audit was outsourced to Nexia SAB&T. Their team operated independently, submitted regular reports, and made practical recommendations aligned with governance objectives.

**Confirmation of Counsel Provided**
The Committee was represented at all Council meetings and provided advice as needed.

**Audit Committee Evaluation**
No formal evaluation was conducted during the reporting period.

**Key Challenges and Solutions**
The Committee contributed to strengthening governance and transparency at ATM, supporting the institution in achieving a **fourth consecutive clean audit**.

Key oversight areas included:
- Reviewing Annual Financial Statements and ensuring PFMA and GRAP compliance;
- Assessing internal control effectiveness and risk mitigation;
- Monitoring internal and external audit findings;
- Ensuring legal and policy compliance;

- Reviewing performance information for credibility and usefulness;
- Providing regular reports to Council and promoting continuous improvement.

**PFMA and Treasury Regulations Compliance**
The Committee complied with the PFMA and Treasury Regulations 3.1.8 to 3.1.16.

**Global Internal Audit Standards™ Alignment**
The Committee confirms that it has internalised and applied the principles of the Global Internal Audit Standards™ in the execution of its responsibilities.

**Terms of Reference and Charter**
The Committee operated in accordance with a formally adopted Audit Committee Charter. The Charter was adhered to throughout the financial year, and the Committee fulfilled all duties as set out therein.

**Functioning Without Hindrance**
The Committee functioned without any limitations, constraints or hindrances during the year.

## Part 2: Audit Committee Composition and Meeting Attendance

During the 2024/2025 financial year, four members served on the Audit and Risk Committee. Following the end of the previous Council's term, a new Council was appointed, retaining three existing members and appointing six new members. As a result, a new Audit and Risk Committee was constituted, which retained one member from the previous committee (Mr S Maharaj).

The Committee was properly constituted and included members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened five times during the year - four ordinary meetings and one special meeting, which was held to discuss the external auditor's final management report and draft audit report.

The composition and meeting attendance of members are set out below as at 31 March 2025:

| Name | Qualifications | Term during financial year | Is the AC member an employee of an organ of state? (Yes / No) | Number of ordinary meetings attended | Number of special meetings attended |
|---|---|---|---|---|---|
| Mr S Maharaj (Chairperson) | BCom Hons BCompt, CA (SA) | 01 Apr 2024 – 31 Mar 2025 | No | 3 | 1 |
| Mr JJ Saal | BA Hons (Linguistics) National Diploma in Technical Financial Accounting | 01 Apr 2024 – 08 Dec 2024 | No | 3 | 1 |
| Mr LR Adendorf | BTech in Journalism National Diploma in Journalism | 01 Apr 2024 – 08 Dec 2024 | No | 3 | 1 |
| Prof J Rossouw (External member) | PhD, BCom Hons, MBA, MCom (Econ) | 01 Apr 2024 – 08 Dec 2024 | No | 3 | 1 |
| Dr GL Frieslaar | BA (International Studies), BA Hons (Political Science), PG Dipl in Museum & Heritage Studies) MA cum laude (Public & Visual History) | 23 Dec 2024 – 31 Mar 2025 | No | 1 | - |

| | | | | | |
|---|---|---|---|---|---|
| | Ph.D History | | | | |
| Prof AC van Vollenhoven | D.Phil Archaeology and D.Phil History | 23 Dec 2024 – 31 Mar 2025 | No | 1 | - |
| Mr ZD Anthony | N/A | 23 Dec 2024 – 31 Mar 2025 | No | 1 | - |

## Part 3: Audit and Risk Committee Focus Areas

During the 2024/2025 financial year, the Audit and Risk Committee discharged its responsibilities by reviewing and monitoring the following areas:

**Effectiveness of Internal Control Systems**
The Committee is satisfied that the internal control environment at the Afrikaanse Taalmuseum en -monument was effective overall, with no material breakdowns reported.

**Internal Audit Function (IAF)**
The internal audit function, outsourced to Nexia SAB&T, operated independently and effectively. The Committee monitored the IAF's performance and is satisfied with the scope and quality of their work.

**Activities of the Internal Audit Function**
The following assurance and consulting engagements were undertaken during the year:

Assurance Engagements:
1. Annual Financial Statements – Readiness Review – Completed
2. Predetermined Objectives – Completed
3. Internal Audit Follow-up Reviews – In progress; action plans due for implementation in March 2025

Consulting Engagement:
- Annual Financial Statements – Technical Review – Completed

**Effectiveness of Risk Management**
The Committee reviewed the risk management framework and is satisfied that the institution has effective risk identification and mitigation practices in place.

**Financial and Performance Information**
The Committee confirms that the financial and performance information submitted was adequate, reliable, and accurate.

**Accounting and Auditing Concerns**
No significant accounting or auditing concerns were raised during the internal or external audit processes.

**Compliance with Legal and Regulatory Provisions**
Findings were noted by the AGSA in relation to procurement and contract management, including:
- Procurement and contract management: Policy does not state the number of days adverts should run, therefore it is non-compliance against SCM Instruction Note 2 of 2021/22 par 3.2.2.
- Procurement and contract management: An internal control deficiency was identified, relating to the lack of adequate systems and processes to ensure the completeness and accuracy of the quotation registers and contract register.
- Irregular expenditure: Subsequent condonement: Management have not yet had a chance to work through the prior irregular expenses again in order to compile the reports and considerations so that they comply with National Treasury Instruction Note 4 of 2022/2023 and obtain condonement of the irregular expenditure.

These matters are not considered material and are receiving management's attention.

**In-year Management and Quarterly reports**
The Committee is satisfied with the timeliness, accuracy, and compliance of monthly and quarterly reports submitted during the year.

**Combined Assurance**
The Committee confirms that a coordinated approach to combined assurance was followed, involving management, internal audit, and the external auditor.

**Evaluation of the Annual Financial Statements**
The Committee reviewed the annual financial statements and confirmed that they were fairly presented in accordance with GRAP and PFMA requirements.

**External Audit**
The Committee engaged constructively with the Auditor-General of South Africa, reviewed the final management report and audit outcomes, and monitored the implementation of recommendations.

**Auditor-General's Report**
ATM received a clean audit outcome for the 2024/2025 financial year. While minor compliance matters were noted, there were no material findings on financial or performance reporting.

**Conclusion**
The Committee is satisfied that the ATM maintained sound governance, effective internal control systems, and good financial management throughout the year. The clean audit outcome reflects the institution's continued commitment to transparency, compliance, and accountability.

R Gani

**Ms R Gani CA(SA)**
**CHAIRPERSON OF THE AUDIT AND RISK COMMITTEE**
**Afrikaanse Taalmuseum en -monument**
**Newly Appointed 4 April 2025**
**30 July 2025**

## 16. B-BBEE Compliance Performance Information

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade and Industry.

| Has the ATM applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following? | | |
|---|---|---|
| **Criteria** | **Response Yes / No** | **Discussion** (*Include a discussion on your response and indicate what measures have been taken to comply*) |
| Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law? | No | The ATM did not issue any licences, concessions or other authorisation and for this reason no qualification criteria were determined during the financial year. |
| Developing and implementing a preferential procurement policy? | Yes | The ATM has a supply chain management policy and procedure which incorporates preferential procurement. |
| Determining qualification criteria for the sale of state-owned enterprises? | No | The ATM did not have any transactions linked to the sale of state-owned enterprises and for this reason no qualification criteria were determined during the financial year. |
| Developing criteria for entering into partnerships with the private sector? | No | The ATM did not enter into partnerships with the private sector and for this reason no qualification criteria were determined during the financial year. |
| Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment? | No | The ATM did not have any transactions linked to the awarding of incentives, grants and investment schemes and for this reason no qualification criteria were determined during the financial year. |

During the financial year, the ATM contracted MSCT BEE Services (Pty) Ltd to conduct an audit for the purpose of calculating the ATM's B-BBEE scores. The ATM is a level 8 compliant contributor to B-BBEE.

## 17. Use of Official Languages

In accordance with Section 9(2) of the Use of Official Languages Act, No 12 of 2012, the ATM includes a report on the following matters:

**Implementation of its language policy**
The ATM's language policy has been approved in 2014 and has been fully implemented.

**Activities of its language unit**
The ATM is unable to establish a language unit due to budgetary and human resources constraints.

However, the ATM strives to ensure that all our exhibitions, signage and educational material are available in at least the three official languages used widely in the Western Cape. This is largely the case at the Taalmonument and Taalmuseum. All staff members are multilingual.

Our tours are conducted in Afrikaans or English (with audio guides available in six languages, including isiXhosa), the symbolism of the Taalmonument is available in 22 languages (including all the official written languages and Braille), and all (social) media postings are in at least Afrikaans and English. While the website is mainly in Afrikaans and English, some information is also available in isiXhosa and other local and international languages.

Council's and its subcommittee minutes, as well as the ATM's annual reports, are available in Afrikaans and English.

**Complaints received regarding its use of official languages and how it responds**
The ATM did not receive any complaints regarding its use of official languages during the year under review. Should any complaint be received, it will be investigated and appropriate steps taken, depending on the specifics and capacity of the institution to respond to it adequately.

# Part D: Human Resources Management

## 1. Introduction

The aim is to utilise staff members effectively by channelling their gifts and talents to the benefit of not only the ATM but also themselves. Supervisors monitor work performance and interview their staff to determine their strengths and weaknesses. Adjustments are made, where necessary, and job descriptions are updated.

Targets are defined by staff members. Work evaluations take place quarterly to determine whether targets are reached. Staff members are therefore continually monitored to remain focused in the pursuit of their targets.

To enable members of staff to strive for more effective work performance, they are encouraged to attend at least one training course per year. Efforts are made to develop their skills and creativity.

## 2. Human Resources Oversight Statistics

***Personnel cost***

| Programme | Total Expenditure for the entity (R'000) | Personnel Expenditure (R'000) | Personnel exp. as a % of total exp. (R'000) | No. of employees | Average personnel cost per employee (R'000) |
|---|---|---|---|---|---|
| Administration | 15775 | 7272 | 46% | 33 | 220 |
| Business Development | 518 | 373 | 72% | 2 | 187 |
| Public Engagement | 452 | 123 | 27% | 1 | 123 |

***Personnel cost by salary band***

| Level | Personnel Expenditure (R'000) | % Of personnel exp. to total personnel cost | No. of employees | Average personnel cost per employee (R'000) |
|---|---|---|---|---|
| Top management | 1449 | 19% | 1 | 1449 |
| Senior management | 3106 | 40% | 5 | 621 |
| Professionally qualified | 1697 | 22% | 5 | 339 |
| Skilled | 811 | 10% | 11 | 74 |
| Semi-skilled | 704 | 9% | 6 | 117 |
| Unskilled | - | - | - | - |
| **TOTAL** | **7767** | **100%** | **28** | **2601** |

***Performance rewards***

| Level | Performance rewards | Personnel Expenditure (R'000) | % Of performance rewards to total personnel cost (R'000) |
|---|---|---|---|
| Top management | 1 | 39 | 0.50% |
| Senior management | 3 | 62 | 0.80% |
| Professionally qualified | 2 | 19 | 0.24% |
| Skilled | - | - | - |
| Semi-skilled | 1 | 3 | 0.04% |
| Unskilled | - | - | - |
| **TOTAL** | **7** | **123** | **1.58%** |

***Training costs***

| Personnel Expenditure (R'000) | Training Expenditure (R'000) | Training Expenditure as a % of Personnel Cost. | No. of employees trained | Avg. training cost per employee |
|---:|---:|---:|---:|---:|
| 7768 | 20 | 0.26% | 17 | 1.2 |

***Employment and vacancies***

| Level | 2023/2024 No. of Employees | 2024/2025 Approved Posts | 2024/2025 No. of Employees | 2024/2025 Vacancies | % Of vacancies |
|---|---:|---:|---:|---:|---:|
| Top management | 1 | 1 | 1 | - | - |
| Senior management | 6 | 5 | 5 | - | - |
| Professionally qualified | 6 | 6 | 5 | 1 | 20% |
| Skilled | 12 | 10 | 11 | - | - |
| Semi-skilled | 11 | 5 | 6 | - | - |
| Unskilled | - | - | - | - | - |
| TOTAL | **36** | **27** | **28** | **1** | **4%** |

The of position Education Officer was filled in August 2024 on a contract basis due to moratorium that was placed on filling of certain positions. In September 2024 the moratorium was lifted, and the position became a permanent one. The person continued on probation for 6 months after which he was appointed as a permanent staff member. The position of Coordinator: Visitor services and Events was also filled on a contract basis due to the moratorium. With the lifting of the moratorium, this position also became permanent but without the probation as this person had already been in the position for more than 6 months.

The position of Financial Officer had been vacant for 6 months after the staff member was dismissed in the second quarter. The position was filled in the fourth quarter.

In February 2024, the Visitors Officer resigned with her last working day on 31 March 2024. That position is also vacant at year end and was not filled in 2024/2025.

***Employment changes***

Provide information on changes in employment over the financial year. Turnover rates indicate trends in the employment profile of the public entity.

| Salary Band | Employment at beginning of period | Appointments | Terminations | Employment at end of period |
|---|---:|---:|---:|---:|
| Top management | 1 | - | - | 1 |
| Senior management | 6 | - | 1 | 5 |
| Professionally qualified | 6 | 2 | 3 | 5 |
| Skilled | 12 | - | 1 | 11 |
| Semi-skilled | 11 | - | 5 | 6 |
| Unskilled | - | - | - | - |
| **Total** | **36** | **2** | **10** | **28** |

***Reasons for staff leaving***

| Reason | Number | % Of total no. of staff leaving |
|---|---|---|
| Death | - | - |
| Resignation | 1 | 10% |
| Dismissal | 1 | 10% |
| Retirement | - | - |
| Ill health | - | - |
| Expiry of contract | 8 | 80% |
| Other | - | - |
| **Total** | **10** | 100% |

As on 31 March 2025, one employee had resigned (temporary employee), one was dismissed after a disciplinary hearing while the duration of a further eight employee contracts had come to an end (temporary employees).

***Labour relations: misconduct and disciplinary action***

| Nature of disciplinary action | Number |
|---|---|
| Verbal Warning | - |
| Written Warning | 2 |
| Final Written Warning | 1 |
| Dismissal | 1 |

***Equity target and employment equity status***

With the hiring of professionally qualified and skilled employees Management strived to appoint African staff to realise even more equity within the workplace, but there were no African candidates that applied.

| Levels | MALE | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | African | | Coloured | | Indian | | White | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top management | - | - | 1 | 1 | - | - | - | - |
| Senior management | - | - | 1 | 1 | - | - | 1 | 1 |
| Professionally qualified | - | - | 5 | 5 | - | - | 1 | 1 |
| Skilled | - | - | 4 | 4 | - | - | 1 | 1 |
| Semi-skilled | - | - | 3 | 3 | - | - | - | - |
| Unskilled | - | - | - | - | - | - | - | - |
| **TOTAL** | - | - | 14 | 14 | - | - | 3 | 3 |

| Levels | FEMALE | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top management | - | - | - | - | - | - | - | - |
| Senior management | - | - | - | - | - | - | 3 | 3 |
| Professional | - | - | 2 | 2 | - | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| qualified | | | | | | | | |
| Skilled | - | - | 3 | 3 | - | - | 1 | 1 |
| Semi-skilled | - | - | 2 | 2 | - | - | - | - |
| Unskilled | - | - | - | - | - | - | - | - |
| **TOTAL** | - | - | 7 | 7 | - | - | 4 | 4 |

| Levels | Disabled Staff | | | |
|---|---|---|---|---|
| | Male | | Female | |
| | Current | Target | Current | Target |
| Top management | - | - | - | - |
| Senior management | - | - | - | - |
| Professionally qualified | - | - | - | - |
| Skilled | - | - | - | - |
| Semi-skilled | - | - | - | - |
| Unskilled | - | - | - | - |
| **TOTAL** | - | - | - | - |

# Part E: PFMA Compliance Report

## 1. Irregular, fruitless and wasteful expenditure and material losses

### 1.1. Irregular expenditure

a) **Reconciliation of irregular expenditure**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Opening balance | 9634 | 9634 |
| Add: Irregular expenditure confirmed | - | - |
| Less: Irregular expenditure condoned | - | - |
| Less: Irregular expenditure not condoned and removed | - | - |
| Less: Irregular expenditure recoverable | - | - |
| Less: Irregular expenditure not recovered and written off | - | - |
| Less: Irregular expenditure related to previous year overstated | - | - |
| **Closing balance** | **9634** | **9634** |

**Irregular expenditure was incurred during the current financial year due to the following reason:**
No irregular expenditure was reported during the current financial year.

**Irregular expenditure at the beginning of the year:**
Application for condonation of the opening balance of irregular expenditure was submitted to National Treasury. National Treasury responded to applications for an amount of R8 955 (financial year 2021/2022) and one of R234 978 (2019/2020) that were resubmitted in 2023. Although these amounts were not condoned, the removal of the irregular expenditure may be done after a reassessment of the irregular expenditure in accordance with the PFMA Compliance Reporting Framework. The reassessment of the amount of R8 955 and R234 978 could not be conducted during 2024/2025 due to a shortage of staff in the financial and administrative division. The reassessment will be conducted during 2025/2026 to determine if the irregular expenditure may be considered for removal.

Irregular expenditure of R9 634 376 as on 1 April 2023 has not yet been condoned by Council. The ATM is awaiting approval from National Treasury for the condonement before Council can condone the irregular expenditure.

**Prior year irregular expenditure**
No irregular expenditure was incurred during 2023/2024.

**Reconciling notes**

| Description | 2024/2025 | 2023/2024[1] |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure that was under assessment in 2024/25 | 0 | 0 |
| Irregular expenditure that relates to 2024/25 and identified in 2024/25 | 0 | 0 |
| Irregular expenditure for the current year | 0 | 0 |
| **Total** | **0** | **0** |

b) **Details of current and previous year irregular expenditure (under assessment, determination, and investigation)**

| Description[2] | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure under assessment | 0 | 0 |
| Irregular expenditure under determination | 0 | 0 |
| Irregular expenditure under investigation | 0 | 0 |
| **Total[3]** | **0** | **0** |

**Irregular expenditure was incurred during the current financial year due to the following reason:**

No irregular expenditure was incurred during the current financial year.

**Prior year irregular expenditure**

No irregular expenditure was incurred during the previous financial year.

c) **Details of current and previous year irregular expenditure condoned**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure condoned | 0 | 0 |
| **Total** | **0** | **0** |

Applications for condonation of the opening balance of irregular expenditure were submitted to National Treasury. The ATM is still waiting on the outcome of some of the applications.

**Irregular expenditure at the beginning of the year:**
Applications for condonation of the opening balance of irregular expenditure were submitted to National Treasury. National Treasury responded to applications for an amount of R8 955 (financial year 2021/2022) and one of R234 978 (2019/2020) that were resubmitted in 2023. Although these amounts were not condoned, the removal of the irregular expenditure may be done after a reassessment of the irregular expenditure in accordance with the PFMA Compliance Reporting Framework. The reassessment of the amount of R8 955 and R234 978 could not be conducted during 2024/2025 due to a shortage of staff in the financial and administrative

[1] Record amounts in the year in which it was incurred
[2] Group similar items
[3] Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

division. The reassessment will be conducted during 2025/2026 to determine if the irregular expenditure may be considered for removal.

d) **Details of current and previous year irregular expenditure removed - (not condoned)**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure NOT condoned and removed | 0 | 0 |
| **Total** | **0** | **0** |

Applications for condonation of the opening balance of irregular expenditure were submitted to National Treasury. The ATM is still waiting on the outcome of the applications.

Irregular expenditure at the beginning of the year:

Applications for condonation of the opening balance of irregular expenditure were submitted to National Treasury. National Treasury responded to applications for an amount of R8 955 (financial year 2021/2022) and one of R234 978 (2019/2020) which was resubmitted in 2023. Although these amounts were not condoned, the removal of the irregular expenditure may be done after a reassessment of the irregular expenditure in accordance with the PFMA Compliance Reporting Framework. The reassessment of the amount of R8 955 and R234 978 could not be conducted during 2024/2025 due to a shortage of staff in the financial and administrative division. The reassessment will be conducted during 2025/2026 to determine if the irregular expenditure may be considered for removal.

e) **Details of current and previous year irregular expenditure recovered**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure recovered | 0 | 0 |
| **Total** | **0** | **0** |

f) **Details of current and previous year irregular expenditure written off (irrecoverable)**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Irregular expenditure written off | 0 | 0 |
| **Total** | **0** | **0** |

### *Additional disclosure relating to Inter-Institutional Arrangements*

g) **Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| None | 0 | 0 |
| **Total** | **0** | **0** |

h) **Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| None | 0 | 0 |
| **Total** | **0** | **0** |

i) **Details of disciplinary or criminal steps taken in current and previous year as a result of irregular expenditure**

| Disciplinary steps taken |
|---|
| |
| None |

## 1.2. Fruitless and wasteful expenditure

a) **Reconciliation of fruitless and wasteful expenditure**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Opening balance | 18 | 18 |
| Add: Fruitless and wasteful expenditure confirmed | 0 | 0 |
| Less: Fruitless and wasteful expenditure written off | 0 | 0 |
| Less: Fruitless and wasteful expenditure recoverable | 0 | 0 |
| Closing balance | **18** | **18** |

No fruitless and wasteful expenditure was reported on for the current financial year.

**Fruitless and wasteful expenditure at the beginning of the year:**

Fruitless and wasteful expenditure of R17 954 as on 1 April 2022 has not yet been condoned by Council. The ATM is awaiting approval from National Treasury for the condonement before Council can condone this fruitless and wasteful expenditure.

**Reconciling notes**

| Description | 2024/2025 | 2023/2024[4] |
|---|---|---|
| | R'000 | R'000 |
| Fruitless and wasteful expenditure that was under assessment in 2023/24 | 0 | 3 |
| Fruitless and wasteful expenditure that relates to 2023/24 and identified in 2023/24 | 0 | 3 |
| Fruitless and wasteful expenditure for the current year | 0 | 3 |
| **Total** | **0** | **3** |

**Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)**

| Description[5] | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Fruitless and wasteful expenditure under assessment | 0 | 3 |
| Fruitless and wasteful expenditure under determination | 0 | 0 |
| Fruitless and wasteful expenditure under investigation | 0 | 0 |
| **Total**[6] | **0** | **3** |

b) **Details of current and previous year irregular expenditure recovered**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Fruitless and wasteful expenditure recovered | 0 | 3 |
| **Total** | **0** | **3** |

c) **Details of current and previous year irregular expenditure not recovered and written off**

| Description | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Fruitless and wasteful expenditure written off | 0 | 0 |
| **Total** | **0** | **0** |

d) **Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

| Disciplinary steps taken |
|---|
| None |

[4] Record amounts in the year in which it was incurred
[5] Group similar items
[6] Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

## 1.3. Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii))

### a) Details of current and previous year material losses through criminal conduct

| Material losses through criminal conduct | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| Theft | 0 | 0 |
| Other material losses | 0 | 0 |
| Less: Recovered | 0 | 0 |
| Less: Not recovered and written off | 0 | 0 |
| **Total** | **0** | **0** |

### b) Details of other material losses

| Nature of other material losses | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| None | 0 | 0 |
| **Total** | **0** | **0** |

### c) Other material losses recovered

| Nature of losses | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| None | 0 | 0 |
| **Total** | **0** | **0** |

### d) Other material losses written off

| Nature of losses | 2024/2025 | 2023/2024 |
|---|---|---|
| | R'000 | R'000 |
| None | 0 | 0 |
| **Total** | **0** | **0** |

## 2. Late and/or non-payment of suppliers

| Description | Number of invoices | Consolidated Value |
|---|---|---|
| | | R'000 |
| Valid invoices received | 967 | 4837 |
| Invoices paid **within** 30 days or agreed period | 967 | 4837 |
| Invoices paid **after** 30 days or agreed period | 0 | 0 |
| Invoices older than 30 days or agreed period (***unpaid and without dispute***) | 0 | 0 |
| Invoices older than 30 days or agreed period (***unpaid and in dispute***) | 0 | 0 |

No invoices were paid late or not paid due to a dispute or any other reason.

## 3. Supply Chain Management

### 3.1. Procurement by other means

| Project description | Name of supplier | Type of procurement by other means | Contract number | Value of contract R'000 |
|---|---|---|---|---|
| None | - | - | - | 0 |
| **Total** | | | | **0** |

### 3.2. Contract variations and expansions

| Project description | Name of supplier | Contract modification type (Expansion or Variation) | Contract number | Original contract value | Value of previous contract expansion/s or variation/s (if applicable) | Value of current contract expansion or variation |
|---|---|---|---|---|---|---|
| | | | | R'000 | R'000 | R'000 |
| Workers changing rooms at the Taalmonument - Architect fees | ISA Architects IKAMVA SA (Pty) Ltd | Expansion | ATM007/2022-2023 | R188 | R155 | R343 |
| **Total** | | | | **R188** | **R155** | **R343** |

The initial scope of the work did not include stage 4.2 and 5 of the construction process. This includes practical completion (site inspections & evaluation, defects list, safety compliance & issuing practical completion certificate, documentation handover) and final completion (final inspection, verify completion of works, review documentation, client handover).

The contractor for the construction was appointed on 15 July 2024 with the expected practical completion ion 15 January 2025. There has also been delays in the construction project due to weather and sub-contractor delays. The initial quote only allowed for 5 months of construction.

# Part F: Financial Information

## 1. Report of the External Auditor

## Report of the Auditor-General to Parliament on the Afrikaans Language Museum and Monument

### Report on the review of the financial statements

1. I have reviewed the financial statements of the Afrikaans Language Museum and Monument set out on pages 81 to 115 which comprise the Statement of Financial Position as on 31 March 2025, the Statement of Financial Performance, Statement of Changes in Net Assets, Statement of Cash Flows and Statement of Comparison of Budget and actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

### Conclusion

2. Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of the Afrikaans Language Museum and Monument as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

### Other matter

3. I draw attention to the matter below. My conclusion is not modified with respect to this matter.

#### Unaudited supplementary schedules

4. The detailed income statement set out on page 116 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not conclude on it.

## Responsibilities of the accounting authority for the financial statements

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

6. 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 the 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

7. My responsibility is to express a conclusion on the accompanying financial statements. I conducted my review in accordance with the International Standard of Review Engagements (ISRE) 2400 (Revised) *Engagements to review historical financial statements*. The standards require me to conclude on whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires me to comply with relevant ethical requirements.

8. A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I am required to perform procedures, primarily consisting of making inquiries with

management and others within the auditee, as appropriate, applying analytical procedures and evaluating the evidence obtained.

9. The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

## Report on the annual performance report

10. 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 selected material performance indicators presented in the annual performance report. The Accounting Authority is responsible for the preparation of the annual performance report.

11. I selected the following material performance indicators related to Programme 1: Administration presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the auditee's performance on its primary mandated functions and that are of significant national, community or public interest. These were as follows:

    - Number of visitors
    - Number of picnic events and concerts
    - Annual repairs and maintenance conducted (Museum, Monument, Amphitheatre, parking area, hiking trails)
    - Annual eco-management plan.

12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed in 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 auditee's planning and delivery of its mandate and objectives.

13. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives;
    - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included;
    - the indicators are well-defined and verifiable to ensure that they are easy to understand and apply consistently, and that I can confirm the methods and processes to be used for measuring achievements;
    - the targets 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 which date, 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 what was committed to in the approved initial or revised planning documents;
    - the reported performance information is presented in the annual performance report in the prescribed manner; and
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

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

### Report on compliance with legislation

16. 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 entity's compliance with legislation.

17. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

18. 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 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.

19. I did not identify any material non-compliance with the selected legislative requirements.

### Internal control deficiencies

20. I considered internal control relevant to my engagement 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.

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

## Professional ethics and quality control

22. 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 engagements in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

23. In accordance with the International Standard on Quality Management 1, the AGSA maintains a comprehensive system of quality management that includes documented policies and procedures on compliance with ethical requirements and professional standards.

Auditor - General

Cape Town

30 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure to the auditor's report

### Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

| Legislation | Sections or regulations |
|---|---|
| Public Finance Management Act No. 1 of 1999 (PFMA) | Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii)<br>Section 53(4)<br>Section 54(2)(c); 54(2)(d)<br>Section 55(1)(a); 55(1)(b); 55(1)(c)(i)<br>Section 56<br>Section 57(b)<br>Section 66(3)(c); 66(5) |
| Treasury Regulations, 2005 | Regulation 16A3.2; 16A3.2(a)<br>Regulation 16A6.1<br>Regulation 16A6.2(a); 16A6.2(b)<br>Regulation 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e)<br>Regulation 16A6.4; 16A6.5; 16A6.6<br>Regulation 16A7.1; 16A7.3; 16A7.6<br>Regulation 16A8.3; 16A8.4<br>Regulation 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii)<br>Regulation 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1<br>Regulation 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a)<br>Regulation 32.1.1(b); 32.1.1(c)<br>Regulation 33.1.1; 33.1.3 |
| Construction Industry Development Board Act 38 of 2000 (CIDB) | Section 18(1) |
| CIDB Regulations, 2004 | Regulations 17; 25(7A) |
| Second amendment of National Treasury Instruction 05 of 2020/21 | Paragraph 1 |
| Erratum National Treasury Instruction no 05 of 2020/21 | Paragraph 2 |
| National Treasury Instruction note 1 of 2021/22 | Paragraph 4.1 |
| National Treasury Instruction Note 4 of 2015/16 | Paragraph 3.4 |
| National Treasury SCM Instruction 4A of 2016/17 | Paragraph 6 |
| National Treasury SCM Instruction Note 03 of 2021/22 | Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17<br>Paragraph 7.2; 7.6 |
| National Treasury SCM Instruction Note 11 of 2020/21 | Paragraph 3.4(a); 3.4(b); 3.9 |
| National Treasury SCM Instruction Note 2 of 2021/22 | Paragraph 3.2.1; 3.2.4; 3.2.4(a)<br>Paragraph 3.3.1 |
| National Treasury Practice Note 5 of 2009/10 | Paragraph 3.3 |
| National Treasury Practice note 7 of 2009/10 | Paragraph 4.1.2 |
| Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA) | Section 1<br>Section 2.1(a); 2.1(f) |
| Preferential Procurement Regulations of 2022 (PPR) | Paragraph 4.1; 4.2; 4.3; 4.4<br>Paragraph 5.1; 5.2; 5.3; 5.4 |
| Preferential Procurement Regulations of 2017 (PPR) | Paragraph 4.1; 4.2<br>Paragraph 5.1; 5.3; 5.6; 5.7<br>Paragraph 6.1; 6.2; 6.3; 6.6; 6.8<br>Paragraph 7.1; 7.2; 7.3; 7.6; 7.8<br>Paragraph 8.2; 8.5 |

| Legislation | Sections or regulations |
|---|---|
| | Paragraph 9.1; 9.2<br>Paragraph 10.1; 10.2<br>Paragraph 11.1; 11.2 |
| Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA) | Section 34(1) |

## 2. Annual Financial Statements

**Council's Responsibilities and Approval**

Council is required 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the ATM as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with Generally Recognised Accounting Practice (GRAP) as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, 1999 (No.1 of 1999 as amended by Act 29 of 1999).

The annual financial statements are prepared in accordance with GRAP, as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, 1999 (No.1 of 1999 as amended by Act 29 of 1999), and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

Council acknowledges that they are ultimately responsible for the system of internal financial control established by the ATM, and place considerable importance on maintaining a strong control environment. To enable Council to meet these responsibilities, Council sets standards for internal control 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 institution and all employees are required to maintain the highest ethical standards in ensuring the ATM's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management at the ATM is on identifying, assessing, managing and monitoring all known forms of risk across the ATM. While operating risk cannot be fully eliminated, the ATM endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied, and managed within predetermined procedures and constraints.

Council is of the opinion, based on the information and explanations given by Management, that the system of internal control 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 control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Council has reviewed the ATM's cash-flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, it is satisfied that the ATM has access to adequate resources to continue its operational existence for the foreseeable future.

The annual financial statements set out on pages 81 to 115 which have been prepared on a going-concern basis, were approved by Council on 31 May 2025 and were signed on its behalf by:

**Approval of annual financial statements**

| | |
|---|---|
| **Ms JX Scott** | **Mr MJ Jonas** |
| **Chairperson of Council** | **Director** |

**Council's Report**

Council has pleasure in submitting their report on the annual financial statements of the Afrikaanse Taalmuseum en -monument (ATM) for the year ending 31 March 2025.

2.1 Afrikaanse Taalmuseum en -monument

The ATM is a Schedule 3A public entity established under the Cultural Institution Act, 119 of 1998 and the National Heritage Resource Act, 25 of 1999.

2.2 Nature of business

The core business of the ATM is to reinforce the role of Afrikaans as an inclusive language from which other national languages can derive lessons, especially regarding, but not limited to, language development and promotion, and how it functions in South Africa.

There have been no material changes to the nature of the ATM's business from the prior year.

2.3 Review of financial results and activities

The annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice and the requirements of the Public Finance Management Act, 1999 (No.1 of 1999 as amended by Act 29 of 1999). The accounting policies have been applied consistently compared to the prior year.

| | **2025** | **2024** |
|---|---|---|
| Surplus/(deficit) for the year | R2 309 427 | R339 794 |
| Cash flow at the end of the year | R1 503 187 | R1 746 256 |
| Net assets at the end of the year | R13 888 388 | R11 578 961 |

Full details of the financial position, results of operations and cash flows of the ATM are set out in these annual financial statements.

2.4 Council

Council in office at the date of this report are as follows:

| **Council** | **Office** | **Designation** | **Changes** |
|---|---|---|---|
| Ms JX Scott | Chairperson | Non-executive | Appointed 09 December 2024 |
| Mr ZD Anthony | | Non-executive | Appointed 09 December 2024 |
| Mr PWN Phakamani | | Non-executive | Appointed 09 December 2024 |
| Prof AC van Vollenhoven | | Non-executive | Appointed 09 December 2024 |
| Dr GL Frieslaar | | Non-executive | Appointed 09 December 2024 |
| Ms L Marais | | Non-executive | Appointed 09 December 2024 |
| Mr LR Adendorf | | Non-executive | Reappointed 09 December 2024 |
| Mr S Maharaj | | Non-executive | Reappointed 09 December 2024 |
| Mrs H Erdmann | | Non-executive | Reappointed 09 December 2024 |
| Adv JJ Meiring | | Non-executive | Term ended 08 December 2024 |
| Ms SP Tsoleli | | Non-executive | Term ended 08 December 2024 |
| Mr A Latchu | | Non-executive | Term ended 08 December 2024 |
| Dr L Munsamy | | Non-executive | Term ended 08 December 2024 |
| Mr JJ Saal | | Non-executive | Term ended 08 December 2024 |

2.5 Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the ATM or the policy regarding their use.

On 31 March 2025, the ATM's investment in property, plant and equipment amounted to R7 500 807 (2024: R4810 969), of which R3 168 225 (2024: R455 265) was added in the current year through additions.

2.6 Events after the reporting period

Council is not aware of any material event which occurred after the reporting date and up to the date of this report.

2.7 Going concern

Council believes that the ATM has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going-concern basis. Council has satisfied itself that the ATM is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. Council is not aware of any new material changes that may adversely impact the ATM. Council is also not aware of any material non-compliance with statutory or regulatory requirements, or of any pending changes to legislation that may affect the ATM.

**Director's Report**

The director presents the annual report, which forms part of the audited financial statements of the entity for the year ended 31 March 2025.

- **Legal form and country of incorporation**
  The ATM is an institution established under the Cultural Institutions Act, 119 of 1998 and the National Heritage Resources Act, 25 of 1999, and is incorporated in the Republic of South Africa.

- **Principal activities of the entity**
  The principal activities of the entity during the year were the maintenance of and presentation to the general public of the ATM as well as the advancement of the history of the Afrikaans language. The vision of the ATM is to conduct the affairs of the national Afrikaans Language Museum and Language Monument in such a way that all South Africans will respect and appreciate Afrikaans as an indigenous language.

- **Geographical location and segmentation**
  The ATM is situated at the following addresses:
  Language Museum and administration – 11 Pastorie Avenue, Paarl
  Language Monument and Amphitheatre – Gabbema Doordrift Street, Paarl Mountain

- **Statement of responsibility**
  The director is responsible for the maintenance of adequate accounting records and for the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

  The director is also responsible for the entity's system of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the director to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

  The financial statements have been prepared in accordance with the prescribed effective standards of GRAP, including any interpretations, guidelines and directives issued by the

Accounting Standards Board, including Generally Accepted Accounting Practices (GAAP), which includes any interpretations of such statements issued by the Accounting Practices Board.

- **Operating results**
  The entity's business and operations are clearly reflected in the attached financial statements.

- **Property, plant and equipment**
  There were no major changes in property, plant and equipment during the year.

- **Director and chief financial officer**
  The names of the entity's director and chief financial officer appear on the index page of the financial statements.

- **Events subsequent to the balance sheet date**
  The director is not aware of any event or circumstance that occurred since the end of the financial year that may have a material effect on the operations of the entity or the results of any such operation, and which are not dealt with in the annual financial statements.

**Mr MJ Jonas**
**DIRECTOR**
**31 July 2025**

## Annual Financial Statements for the year ended 31 March 2025

### Statement of Financial Position as at 31 March 2025

| | Notes | 2025 | 2024 (Restated*) |
|---|---|---|---|
| | | R | R |
| **ASSETS** | | | |
| ***Non-current assets*** | | **9 910 216** | **7 232 631** |
| Property, plant and equipment | 2 | 7 500 807 | 4 810 969 |
| Heritage assets | 3 | 2 389 431 | 2 389 431 |
| Intangible assets | 4 | 19 978 | 32 231 |
| ***Current assets*** | | **18 894 809** | **20 434 078** |
| Inventories | 5 | 96 188 | 79 110 |
| Receivables from exchange transactions | 6 | 153 457 | 157 514 |
| Receivables from non-exchange transactions | 7 | 290 000 | - |
| Investments | 8 | 16 851 977 | 18 451 198 |
| Cash and cash equivalents | 9 | 1 503 187 | 1 746 256 |
| ***Total assets*** | | **28 805 025** | **27 666 709** |
| **NET ASSETS AND LIABILITIES** | | | |
| ***Net assets*** | | **13 888 388** | **11 578 961** |
| Accumulated surplus | 10 | 11 500 641 | 9 191 214 |
| Revaluation reserve | 11 | 2 387 747 | 2 387 747 |
| **Liabilities** | | | |
| ***Non-current liabilities*** | | | |
| Unspent government grants and subsidies | 14 | 7 757 874 | 14 078 822 |
| ***Current liabilities*** | | **7 158 763** | **2 008 926** |
| Payables from exchange transactions | 12 | 330 821 | 279 786 |
| Employee benefit obligation | 13 | 250 596 | 248 913 |
| Unspent government grants and subsidies | 14 | 6 577 346 | 1 480 227 |
| **Total liabilities** | | **14 916 637** | **16 087 748** |
| ***Total net assets and liabilities*** | | **28 805 025** | **27 666 709** |

*See Note

## Annual Financial Statements for the year ended 31 March 2025

### Statement of Financial Performance for the year ended 31 March 2025

| | Notes | 2025<br>R | 2024 (Restated*)<br>R |
|---|---|---|---|
| **Revenue** | | | |
| Government grants and subsidies | | 15 718 367 | 11 686 613 |
| Services in kind | | 296 786 | 222 589 |
| Donations | | 381 679 | 255 424 |
| Contractual penalty income | | 290 000 | - |
| **Revenue from non-exchange transactions** | 15 | **16 686 832** | **12 164 626** |
| Entrance fees | | 1 286 512 | 1 215 147 |
| Interest received | | 429 713 | 405 272 |
| Sale of goods | | 129 187 | 75 477 |
| Other income | 16 | 522 074 | 1 321 912 |
| **Revenue from exchange transactions** | | **2 367 486** | **3 017 808** |
| **Total revenue** | | **19 054 318** | **15 182 434** |
| **Expenditure** | | | |
| Audit fees | | (608 735) | (624 489) |
| Cost of inventories sold | | (119 471) | (61 769) |
| Depreciation, amortisation and impairments | 17 | (490 442) | (492 251) |
| Employee costs | 18 | (7 767 616) | (7 296 978) |
| General expenses | 19 | (5 385 074) | (5 309 465) |
| Loss on disposal of assets and liabilities | | (48) | (4 620) |
| Operating lease charges | 20 | (829 208) | (718 492) |
| Repairs and maintenance | | (1 544 297) | (334 578) |
| **Total expenditure** | | **(16 744 891)** | **(14 842 640)** |
| **Surplus / (deficit) for the year** | | **2 309 427** | **339 794** |

*See Note

## Annual Financial Statements for the year ended 31 March 2025

### Statement of Changes in Net Assets

| | Revaluation reserve<br>R | Accumulated surplus<br>R | Total net assets<br>R |
|---|---|---|---|
| **Restated* Balance on 01 April 2023** | **2 387 747** | **8 851 420** | **11 239 167** |
| Surplus for the year | - | 339 794 | 339 794 |
| **Restated* Balance on 1 April 2024** | **2 387 747** | **9 191 214** | **11 578 961** |
| Surplus for the year | - | 2 309 427 | 2 309 427 |
| **Balance on 31 March 2025** | **2 387 747** | **11 500 641** | **13 888 388** |
| Notes | 11 | | |

*See Note

## Annual Financial Statements for the year ended 31 March 2025

### Statement of Cash Flows

| | Notes | 2025<br>R | 2024<br>Restated*<br>R |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash receipts from government grants and subsidies | | 13 452 792 | 16 181 748 |
| Cash receipts from donations | | 381 679 | 255 424 |
| Cash receipts from own income | | 1 980 368 | 2 598 311 |
| Cash paid to suppliers for goods and services | | (8 427 862) | (6 821 501) |
| Cash paid to employees | | (7 765 933) | (7 223 364) |
| Cash (used in) generated from operations | 22 | (378 956) | 4 990 618 |
| Interest income | | 1 471 459 | 1 204 310 |
| **Net cash from operating activities** | | **1 092 503** | **6 194 928** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property, plant and equipment | 2 | (2 934 943) | (455 265) |
| Sale of property, plant and equipment | 2 | 150 | 360 |
| Purchase of other intangible assets | 4 | - | (16 312) |
| Purchase of investments | | (2 730 334) | (5 112 274) |
| Proceeds from sale of investments | | 4 329 555 | 234 053 |
| **Net cash from investing activities** | | **(1 335 572)** | **(5 349 438)** |
| **Total cash movement for the year** | | **(243 069)** | **845 490** |
| Cash at the beginning of the year | | 1 746 256 | 900 766 |
| **Total cash at end of the year** | 9 | **1 503 187** | **1 746 256** |

*See Note

## Annual Financial Statements for the year ended 31 March 2025

**Statement of Comparison of Budget and Actual Amounts**

The budget is prepared on a cash basis and the financial statements is prepared on the accrual basis.

| | Approved Budget | Adjustments | Final budget | Actual amounts on comparable basis | Difference between final budget and actual | Key |
|---|---|---|---|---|---|---|
| **Receipts** | | | | | | |
| Self-generated income | 2 665 717 | (56 000) | 2 609 717 | 3 451 977 | 842 260 | N1 |
| Donations | - | - | - | 381 679 | 381 679 | N2 |
| Grant revenue | 12 123 000 | 4 556 146 | 16 679 146 | 13 452 792 | (3 226 354) | |
| | **14 788 717** | **4 500 146** | **19 288 863** | **17 286 448** | **(2 002 415)** | |
| **Payments** | | | | | | |
| Goods and services | 6 606 311 | 4 881 146 | 11 487 457 | 11 129 525 | (357 932) | N3 |
| Personnel expenditure | 8 182 406 | (381 000) | 7 801 406 | 7 765 933 | (35 473) | N4 |
| | **14 788 717** | **4 500 146** | **19 288 863** | **18 895 458** | **(393 405)** | |
| **Net Receipts** | | **N5** | | | **(1 609 010)** | |

| | |
|---|---|
| **Net receipts per the statement of comparison of budget and actual amounts** | **(1 609 010)** |
| **Basis differences** | |
| **Cash flows from operating activities** | |
| Working capital changes – inventories | 17 078 |
| Working capital changes – receivables | (4 057) |
| Working capital changes – trade payables | (51 033) |
| Working capital changes – unspent grants | 2 265 575 |
| Working capital changes – employee benefit obligation | (1 683) |
| Movement in receivables from non-exchange transactions | 290 000 |
| Interest received capitalised to unspent grants | (1 041 746) |
| Revenue – services in kind | 296 786 |
| Expenses – services in kind | (296 786) |
| Loss on sale of assets | (48) |
| Depreciation, amortisation and impairments | (490 442) |
| **Cash flows from investing activities** | |
| Purchases of property, plant and equipment | 2 934 943 |
| Proceeds on sale of property, plant and equipment | (150) |
| **Surplus per the Statement of Financial Performance** | **2 309 427** |

**N1** – Except for the government grants the ATM receives, the ATM also generates its own income to fulfil its mandate. This is by way of entrance fees, rental of its facilities and the selling of stock. The ATM had more visitors during the financial year than was initially foreseen. This was due to the Wildrunner and Absa Cape Epic events that took place at and around the Taalmonument. The ATM was able to host more picnic events that also

## Annual Financial Statements for the year ended 31 March 2025

**Statement of Comparison of Budget and Actual Amounts (continued)**

contributed to the higher-than-expected visitor numbers. On 30 November 2024 the ATM launched its 50th year celebrations with a ceremony in the morning and a picnic concert in the evening. The Taalmonument remains a popular destination for photo- and film shoots for advertising, as well as for broadcasting purposes. The ATM also rents the Amphitheatre (located near the Taalmonument) on an ad hoc basis for functions and shows. Due to it being an open-air amphitheatre with 4 200 seats, it is challenging to host events and shows. The ATM had two rentals for the financial year.

**N2** – The ATM does not budget for the receiving of any donations or sponsorships, although applications to various funds are made annually for financial assistance for specific programmes. This year the ATM received donations to the value of R155 494. The donations will be used for the promotion of Afrikaans and our educational programmes. As part of the previous year’s donation for the Let’s read! project, the ATM also continued to distributed books to schools and communities where libraries do not exist. The aim of the project is to encourage children to read more. The ATM was one of several beneficiaries of an estate and during the year received a monthly amount which accumulated to R226 605 for the 2024/2025-financial year. This will be used for the promotion of Afrikaans within the ATM’s mandate.

**N3** – The ATM concentrated on achieving its annual targets set out in the Annual Performance Plan, as well as pursuing its capital works projects. During the financial year, the ATM did various larger maintenance works, i.e. the painting of the Taalmuseum, repairs of its roof, the first phase of improving fire breaks and clearing of alien vegetation with the rehabilitation of the areas at the Taalmonument, the upgrading of the walking paths at the Taalmonument to adhere to health and safety regulations, upgrading the gate and fencing at the Taalmonument and upgrading the ablution facilities next to the bistro at the Taalmonument. The ATM received an amount of R1 329 793 for capital works funding during the last quarter of the financial year. The funding will be allocated to facilities management. As the amount was only received at the end of the financial year, the ATM could not spend the amount, which resulted in the underspending for goods and services.

**N4** – The ATM underspent on its personnel expenditure during the financial year. The ATM experienced a period of three years in which higher-than-expected staff changes occurred. The ATM appointed two staff members on a contract basis due to the planned national amalgamation process, and one staff member was dismissed. Once the amalgamation process was annulled, the staff members were appointed on a permanent basis. The position that was left vacant after the dismissal was filled, but due to the timing of the dismissal it was only filled five months later. The staff turnover stabilised by the end of 2024/2025.

N5 – The budget adjustment was made due to the following reasons: Funding from the previous financial year’s reported unspent government grants for capital works were used to cover maintenance projects and the construction of the workers’ changing rooms. This had a significant impact on the adjustments by increasing the total budget amount by R4 500 146. Adjustments were also made to the personnel expenditure due to vacant positions that the ATM had during the financial year. The funds were moved to the operational budget.

## Annual Financial Statements for the year ended 31 March 2025

### Accounting Policies

**1 Basis of preparation and summary of significant accounting policies**

The annual financial statement has been prepared on a going concern basis in accordance with Generally Recognised Accounting Practice (GRAP), as issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (No. 1 of 1999 as amended by Act 29 of 1999). The annual financial statements have been prepared on the historical cost basis, unless specified otherwise, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 Significant judgements and sources of estimation uncertainty**

**Critical judgements in applying accounting policies**

Management is required to make critical judgements in applying accounting policies from time to time. The estimates that have the most significant effect on the amounts recognised in the annual financial statements, are outlined as follow:

**Key sources of estimation uncertainty**

**Useful lives of property, plant and equipment**

The ATM reviews the estimated useful lives of property, plant and equipment when circumstances indicate that they may have changed since the most recent reporting date. During the current year, Council determined that the useful lives of certain items of furniture and fittings and motor vehicles should be revised.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to decrease the depreciation expense in the current financial year and for the next 3 years, by the following amounts:

| | |
|---|---|
| 2025 | R12 370 |
| 2026 | R12 370 |
| 2027 | R 5 749 |
| 2028 | R 3 659 |

**Allowance for slow-moving, damaged and obsolete inventory**

Management assesses whether inventory is impaired by comparing its cost to its estimated selling price less cost to complete and sell. Where an impairment is necessary, inventory items are written off to selling price minus cost to complete and sell.

## Annual Financial Statements for the year ended 31 March 2025

### Accounting Policies

**Impairment testing**

The ATM reviews and tests the carrying value of property, plant, equipment and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, Management determines the recoverable amount by performing in-use value and fair-value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, Management assesses the recoverable amount for the cash-generating unit to which the asset belongs.

**Amortisation of intangible assets**

The ATM reviews the estimated useful lives of intangible assets when changing circumstances indicate that they may have changed since the most recent reporting date. During the current financial year Council determined that the useful lives of certain items of software licenses should be revised. The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to decrease the amortisation expense in the current financial year and for the next 3 years, by the following amounts:

| | |
|---|---|
| 2025 | R1 750 |
| 2026 | R1 750 |
| 2027 | R1 750 |
| 2028 | R1 750 |

### 1.2 Property, plant and equipment

Property, plant and equipment are initially measured at cost.

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by Management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the ATM.

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

| Item | Depreciation method | Average useful life |
|---|---|---|
| Buildings | Straight line | 10 to 50 years |
| Furniture and fittings | Straight line | 3 to 50 years |
| Motor vehicles | Straight line | 5 to 20 years |

When there are indicators that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in the accounting estimate.

**Accounting Policies**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment – determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item – is included in surplus or deficit when the item is derecognised.

**1.3 Heritage assets**

**Initial recognition and measurement**

Heritage assets that qualify for recognition as an asset shall be measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as on the date of acquisition.

**Subsequent measurement**

After recognition of an asset, a class of heritage assets (whose fair value can be measured reliably) shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses. Revaluations shall be made every five years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

**1.4 Financial instruments**

**Initial recognition**

The ATM does not offset a financial asset and liability unless a legally enforceable right to set off the recognised amounts exists; the ATM also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Financial Assets – Classification**

In accordance with GRAP 104, the financial assets of the ATM are classified as follows into the three categories allowed by this standard: Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities more than 12 months, which are classified as non-current assets. Financial assets at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. After initial recognition, financial assets are measured at amortised cost, using the effective interest rate method less a provision for impairment.

The ATM has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

| **Type of Financial Asset** | **Classification in terms of GRAP 104** |
|---|---|
| Investments | Financial assets at amortised cost |
| Trade receivables from exchange transactions | Financial assets at amortised cost |
| Cash and cash equivalents | Financial assets at amortised cost |

## Annual Financial Statements for the year ended 31 March 2025

**Accounting Policies**

Cash includes cash on hand (including petty cash) and cash with banks. Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

**Financial liabilities – Classification**

| Type of Financial Liability | Classification in terms of GRAP 104 |
|---|---|
| Trade and other payables | Financial liability at amortised cost |

### 1.5 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

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

| Item | Useful life |
|---|---|
| Software licenses | 3 to 10 years |

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

### 1.6 Taxes

The ATM is exempt from income tax in terms of section 10(1)(cA)(i) of the Income Tax Act.

The ATM is not registered for value-added tax (VAT) in terms of section 24(1) of the Value Added Tax Act of 1991.

### 1.7 Leases

**Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

### 1.8 Inventories

Inventories are measured at the lower end of cost and estimated selling price, less costs to complete and sell, on the first-in, first-out (FIFO) basis.

**Initial recognition and measurement**

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost refers to the purchase price plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition.

## Annual Financial Statements for the year ended 31 March 2025

**Accounting Policies**

Where inventory is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

**Subsequent measurement**

Inventories, consisting of goods, are valued at the lower of cost and net realisable value, unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. The basis for determining cost is the first-in, first-out (FIFO) method.

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

Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction of inventories recognised as an expense in the period in which the reversal occurs.

**Derecognition**

The carrying number of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

### 1.9 Impairment of assets

The ATM assesses at each reporting date whether there is any indication that any asset may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not above the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

### 1.10 Impairment of cash-generating assets

Cash-generating assets are those assets held by the ATM with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

**Annual Financial Statements for the year ended 31 March 2025**

**Accounting Policies**

**Identification**

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired. The ATM assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the ATM estimates the recoverable amount of the asset. Irrespective of whether there is any indication of impairment, the ATM also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year.

**Value in use**

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

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

**Discount rate**

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cashflow estimates have not been adjusted.

**Recognition and measurement (individual asset)**

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit.

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

**Accounting Policies**

**Cash-generating units**

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

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the ATM uses Management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro-rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the ATM does not reduce the carrying amount of an asset below the highest of: its fair value less costs to sell (if determinable); its value in use (if determinable); and zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit before the estimation of the recoverable amount of the cash-generating unit.

**Accounting Policies**

**Reversal of impairment loss**

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

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

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

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

**1.11 Impairment of non-cash-generating assets**

**Identification**

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

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

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

**Value in use**
Value in use of non-cash-generating assets is the present value of the non-cash-generating assets' remaining service potential. The present value of the remaining service potential of a non-cash-generating asset is determined using the following approach:

**Depreciated replacement cost approach**

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential.

This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated based on such cost, to reflect the already consumed or expired service potential of the asset.

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

**Reversal of an impairment loss**

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

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

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

## Annual Financial Statements for the year ended 31 March 2025

**Accounting Policies**

### 1.12 Employee benefits

**Short-term employee benefits**

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

### 1.13 Revenue from non-exchange transactions

Government grants and subsidies that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Government grants and subsidies that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Government grants and subsidies received before the revenue recognition criteria are satisfied are recognised as a liability.

Government grants and subsidies are measured at the fair value of the asset received or receivable.

Income from donations that do not impose specified future performance conditions is recognised in income when the donation proceeds are receivable.

Income from donations that impose specified future performance conditions is recognised in income only when the performance conditions are met.

**Contractual penalty income**
Revenue derived from non-performance clauses – such as penalties for breach of contract, failure to meet delivery deadlines, underperformance, or service-level agreement (SLA) violations – is recognised as other income and not as part of ordinary operating revenue.

This income is recognised only when:

- It is probable that the economic benefits will flow to the entity;
- The amount of income can be measured reliably; and
- A contractual or legal basis exists to support the entitlement to such income.

### 1.14 Revenue from exchange transactions

Revenue is recognised to the extent that the ATM has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement, provided the amount of revenue can be measured reliably and economic benefits associated with the transaction will probably flow to the ATM. Revenue is measured at the fair value of the consideration receivable, excluding sales taxes and discounts.

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

## Annual Financial Statements for the year ended 31 March 2025

**Accounting Policies**

### 1.15 Irregular and fruitless and wasteful expenditure

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

Irregular expenditure that was incurred and identified during the current financial year and which condonement is being awaited at year-end must be recorded appropriately in the irregular expenditure register. In such instances, no further action is required except for updating the note to financial statements.

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

### 1.16 Related parties

The ATM has processes and controls in place to aid in the identification of related parties. A related party is a person or an entity with the ability to control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common or joint control. Related party relationships where control exists are disclosed, regardless of whether transactions took place between the parties during the reporting period.

Where transactions between the ATM and any one or more related parties took place, and those transactions were not within:

(a) Normal supplier and/or client/recipient relationship on terms and conditions no more or less favourable than those which is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances; and
(b) Terms and conditions within the normal operating parameters established by the reporting entity's legal mandate.

Further details about those transactions are disclosed in note 23 to the financial statements.

### 1.17 Commitments

Commitments are disclosed for:

Approved and contracted commitments, 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.

## Annual Financial Statements for the year ended 31 March 2025

**Accounting Policies**

### 1.18 Budget Information

The approved budget is prepared on a cash basis and presented by functional classification linked to performance outcome objectives.

The annual financial statements and the budget are not on the same basis of accounting and therefore a reconciliation between statement of financial performance and the budget have been included in the annual financial statements.

### 1.19 Events after the reporting date

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

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

### 1.22 New standards and interpretations

**Standards and interpretations issued, but not yet effective**

The ATM has not applied the following standards and interpretations, which have been published and are mandatory for the ATM's accounting periods beginning on or after 1 April 2025 or later periods:

| Standard/Interpretation | Effective date | Expected impact |
|---|---|---|
| GRAP1: Presentation of Financial Statements (amended 2022) | To be determined | Unlikely there will be a material impact |
| GRAP103: Heritage Assets (amended) | To be determined | Unlikely there will be a material impact |
| GRAP104: Financial Instruments (amended) | 01 April 2025 | Unlikely there will be a material impact |
| GRAP105: Transfers of Functions Between Entities Under Common Control (amended) | To be determined | Unlikely there will be a material impact |
| GRAP106: Transfers of Functions Between Entities not Under Common Control (amended) | To be determined | Unlikely there will be a material impact |
| GRAP107: Mergers (amended) | To be determined | Unlikely there will be a material impact |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

### 2. Property, Plant and Equipment

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Buildings | 8 433 253 | (1 535 655) | 6 897 598 | 5 267 671 | (1 280 256) | 3 987 415 |
| Furniture and fittings | 2 914 285 | (2 326 281) | 588 004 | 2 916 241 | (2 114 886) | 801 355 |
| Motor vehicles | 705 210 | (690 005) | 15 205 | 705 210 | (683 011) | 22 199 |
| **Total** | **12 052 748** | **(4 551 941)** | **7 500 807** | **8 889 122** | **(4 078 153)** | **4 810 969** |

**Reconciliation of property, plant and equipment – 2025**

| | Opening balance | Additions | Disposals | Depreciation | Closing balance |
|---|---|---|---|---|---|
| Buildings | 3 987 415 | 3 165 581 | - | (255 398) | 6 897 598 |
| Furniture and fixtures | 801 355 | 2 644 | (198) | (215 797) | 588 004 |
| Motor vehicles | 22 199 | - | - | (6 994) | 15 205 |
| **Total** | **4 810 969** | **3 168 225** | **(198)** | **(478 189)** | **7 500 807** |

**Reconciliation of property, plant and equipment – 2024**

| | Opening balance | Additions | Disposals | Depreciation | Closing balance |
|---|---|---|---|---|---|
| Buildings | 4 107 261 | 128 875 | - | (248 721) | 3 987 415 |
| Furniture and fixtures | 700 897 | 326 390 | (4 589) | (221 343) | 801 355 |
| Motor vehicles | 30 631 | - | - | (8 432) | 22 199 |
| **Total** | **4 838 789** | **455 265** | **(4 589)** | **(478 496)** | **4 810 969** |

**Property, plant and equipment encumbered as security**

No items of property, plant and equipment have been pledged as security.

**Changes in estimates**

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed, in line with the accounting policy. These assessments are based on historic analysis, benchmarking, and the latest available and reliable information.

Based on this analysis, the useful lives of buildings and furniture and fittings have been revised. The impact of the change is a reduction in the annual depreciation amount for the current financial year of R12 370. Useful lives of furniture and fittings were also revised in 2024, with a reduction in the annual depreciation amount for the prior financial year of R13 872.

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025 R | 2024 R |
|---|---|---|
| **Capital commitments** | | |
| Buildings | 689 194 | 711 170 |
| **Repairs and maintenance** | | |
| Expenditure incurred on repairs and maintenance to property, plant and equipment | 165 450 | 144 254 |
| **Capital work in progress included in Buildings** | | |
| Cumulative expenditure incurred | 2 791 088 | 128 875 |

The construction work should have been completed by December 2024, but was not completed by 31 March 2025. The construction work was completed after year end, but not yet handed over to the ATM.

**Detail of properties**

The buildings consist only of improvements erected on erf 11827. This property, of which the Afrikaanse Taalmuseum en -monument has the unrestricted use of, is owned by the Department of Public Works and Infrastructure.

### 3. Heritage Assets

| | Cost / Valuation | Cost / Valuation |
|---|---|---|
| Artefacts | 1 172 098 | 1 172 098 |
| Audiovisuals | 21 642 | 21 642 |
| Collection of rare books and manuscripts | 1 070 483 | 1 070 483 |
| Collection of textiles | 47 494 | 47 494 |
| Historical documents | 77 714 | 77 714 |
| **Total** | **2 389 431** | **2 389 431** |

**Reconciliation of heritage assets – 2025**

| | Opening balance | Total |
|---|---|---|
| Artefacts | 1 172 098 | 1 172 098 |
| Audiovisuals | 21 642 | 21 642 |
| Collection of rare books and manuscripts | 1 070 483 | 1 070 483 |
| Collections of textiles | 47 494 | 47 494 |
| Historical documents | 77 714 | 77 714 |
| **Total** | **2 389 431** | **2 389 431** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025 | 2024 |
|---|---|---|
| | R | R |

**Reconciliation of heritage assets – 2024**

| | Opening balance | Total |
|---|---|---|
| Artefacts | 1 172 098 | 1 172 098 |
| Audiovisuals | 21 642 | 21 642 |
| Collection of rare books and manuscripts | 1 070 483 | 1 070 483 |
| Collections of textiles | 47 494 | 47 494 |
| Historical documents | 77 714 | 77 714 |
| **Total** | **2 389 431** | **2 389 431** |

**Repairs and maintenance**

No expenditure was incurred for repairs and maintenance to heritage assets in the current and prior years.

**Pledged as security**

No heritage assets have been pledged as security. The ATM does not have any restrictions on the title of the heritage assets, nor do any contractual commitments for the acquisition, maintenance and restoration of such assets exist.

**Revaluation of heritage assets**

The valuation of the heritage assets was done as on 31 March 2022. The valuation was undertaken using the fair market value and was prepared using international guidelines as there are no South African standards board or governing bodies. According to the ATM's internal policies, a valuation is done every 5 years.

**Assets not verified**

**2025:** The continued efforts to investigate the items that were reported in the Loss Register during 2024/2025, resulted in another 17 items to the value of R1 415 found. As at 31 March 2025, 26 items to the value of R1 695 are still reported in the Loss Register.

**2024:** The ATM continued its investigation into items that were reported in the Loss Register during 2023/2024, and was able to find 33 items to the value of R5 855. As on 31 March 2024, 43 items to the value of R3 110 are still reported in the Loss Register.

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025<br>R | 2024<br>R |
|---|---|---|

### 4. Intangible assets

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated amortisation | Carrying value | Cost | Accumulated amortisation | Carrying value |
| Software licences | 76 053 | (56 075) | 19 978 | 76 053 | (43 822) | 32 231 |

**Reconciliation of intangible assets – 2025**

| | Opening balance | Additions | Disposals | Amortisation | Total |
|---|---|---|---|---|---|
| Software licences | 32 231 | - | - | (12 253) | 19 978 |

**Reconciliation of intangible assets - 2024**

| | Opening balance | Additions | Disposals | Amortisation | Total |
|---|---|---|---|---|---|
| Software licences | 30 063 | 16 312 | (390) | (13 754) | 32 231 |

**Pledged as security**

No intangible assets have been pledged as security.

**Changes in estimates**

When there are indicators that the useful lives and residual values of intangible assets have changed since the most recent annual reporting date, they are reassessed, in line with the accounting policy. These assessments are based on historic analysis, benchmarking, and the latest available, reliable information.

Based on this analysis, the useful lives of software licences have been revised. The impact of the change is a reduction in the annual amortisation charge for the current financial year by R1 758. Useful lives of software licences were also revised in 2024 with a reduction in the annual amortisation charge for the prior financial year of R1 278.

### 5. Inventories

| | 2025 | 2024 |
|---|---|---|
| Inventories for sales | 96 188 | 79 110 |

**Inventory pledged as security**

No items of inventory have been pledged as security.

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025<br>R | 2024<br>R |
|---|---|---|

### 6. Receivables from exchange transactions

| | 2025 R | 2024 R |
|---|---|---|
| Trade receivables | 14 997 | 40 972 |
| Prepayments – non-financial assets | 138 460 | 116 542 |
| | **153 457** | **157 514** |

**Trade and other receivables pledged as security**

No trade and other receivables have been pledged as security.

**Ageing of trade receivables**

| | 2025 R | 2024 R |
|---|---|---|
| Current (0 to 30 days) | 14 997 | 7 521 |
| 30 days | - | 605 |
| 60 days | - | 26 867 |
| 90 days | - | 1 704 |
| > 121 days | - | 4 275 |
| | **14 997** | **40 972** |

| | 2025 R | 2024 R |
|---|---|---|
| Amounts due in respect of trading operations | 14 997 | 40 972 |
| Amounts due in respect of other activities | 138 460 | 116 542 |
| | **153 457** | **157 514** |

**Trade and other receivables can be analysed as follow:**

| | 2025 R | 2024 R |
|---|---|---|
| Neither past nor due | 153 457 | 157 514 |

### 7. Receivables from non-exchange transactions

| | 2025 R | 2024 R |
|---|---|---|
| Other receivables | 290 000 | - |

**Ageing of other receivables**

| | 2025 R | 2024 R |
|---|---|---|
| Other receivables | 290 000 | - |

### 8. Investments

**Short-term investments**

| | 2025 R | 2024 R |
|---|---|---|
| Fixed Deposit – ABSA Bank Limited | 3 631 277 | 3 321 999 |
| Liquidity Plus – ABSA Bank Limited | 12 572 333 | 14 530 349 |
| Call Account – Corporation for Public Deposits | 648 367 | 598 850 |
| | **16 851 977** | **18 451 198** |

The call deposit account and liquidity plus account have no maturity date. The fixed deposit account has a maturity date of 22 May 2025 and will be re-invested on the same day.

The liquidity plus account is used for the capital works fund grant (refer to note 30).

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025 R | 2024 R |
|---|---|---|

### 9. Cash and cash equivalents

Cash and cash equivalents consist of:

| | 2025 R | 2024 R |
|---|---|---|
| Cash on hand | 66 773 | 31 514 |
| Bank balances | 1 436 414 | 1 714 742 |
| | **1 503 187** | **1 746 256** |

### 10. Accumulated surplus

In terms of PFMA section 53(3), National Treasury approved the cash deficit of R221 700 as at 31 March 2024 and that the cash deficit must be funded from investments.

### 11. Revaluation reserve

| | 2025 R | 2024 R |
|---|---|---|
| **Revaluation of heritage assets** | | |
| Balance at the beginning of the year | 2 387 747 | 2 387 747 |
| Revaluation during the year | - | - |
| | **2 387 747** | **2 387 747** |

Heritage assets were revalued by an independent valuator and were valued using calculations of similar and identical pieces, according to the valuator's stock list of the past 12 years. The prices are not only in terms of estimated market value but also measured in terms of factual sales value on request.

### 12. Payables from exchange transactions

| | 2025 R | 2024 R |
|---|---|---|
| Trade payables | 314 201 | 279 786 |
| Amounts received in advance – non-financial liability | 16 620 | - |
| | **330 821** | **279 786** |

**Ageing of trade payables**

| | 2025 R | 2024 R |
|---|---|---|
| Current (0 to 30 days) | 314 200 | 279 785 |
| Amounts due in respect of trading operations | 314 200 | 279 786 |

### 13. Employee benefit obligation

The amount recognised in the statement of financial position is as follows:

| | 2025 R | 2024 R |
|---|---|---|
| **Carrying value** | | |
| Leave pay | 250 596 | 248 913 |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025 R | 2024 R |
|---|---|---|
| **14. Unspent government grants and subsidies** | | |
| Government grants | 14 335 220 | 15 559 049 |
| **Split between non-current and current portions** | | |
| Non-current liabilities | 7 757 874 | 14 078 822 |
| Current liabilities | 6 577 346 | 1 480 227 |
| | **14 335 220** | **15 559 049** |

**Reconciliation of government grants**

| 2025 | Capital works fund | GRAP 103 grant | Municipal expenses grant | Leasing of private property grant | Compliance grant | Total |
|---|---|---|---|---|---|---|
| Balance at the beginning of the year | 14 570 940 | 219 052 | 427 160 | 98 941 | 242 956 | 15 559 049 |
| Grants received during the year: | | | | | | |
| Department of Sport, Arts and Culture | 1 329 793 | - | 2 136 000 | 557 000 | 1 627 000 | 5 649 793 |
| Interest received | 1 041 746 | - | - | - | - | 1 041 746 |
| Expenditure incurred during the year | (4 329 555) | - | (1 676 334) | (454 764) | (1 454 715) | (7 915 368) |
| | **12 612 924** | **219 052** | **886 826** | **201 177** | **415 241** | **14 335 220** |

| 2024 | Capital works fund | GRAP 103 grant | Municipal expenses grant | Leasing of private property grant | Compliance grant | Total |
|---|---|---|---|---|---|---|
| Balance at the beginning of the year | 10 017 207 | 247 670 | - | - | - | 10 264 877 |
| Grants received during the year: | | | | | | |
| Department of Sport, Arts and Culture | 3 982 748 | - | 2 042 000 | 533 000 | 1 557 000 | 8 114 748 |
| Interest received | 799 038 | - | - | - | - | 799 038 |
| Expenditure incurred during the year | (228 053) | (28 618) | (1 614 840) | (434 059) | (1 314 044) | (3 619 614) |
| | **14 570 940** | **219 052** | **427 160** | **98 941** | **242 956** | **15 559 049** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

### 15. Revenue from non-exchange transactions

| | 2025 R | 2024 R |
|---|---|---|
| Government grants and subsidies | 15 718 367 | 11 686 613 |
| Services in kind | 296 786 | 222 589 |
| Donations | 381 679 | 255 424 |
| Contractual penalty income | 290 000 | - |
| | **16 686 832** | **12 164 626** |

**Government grants and subsidies**

| | 2025 R | 2024 R |
|---|---|---|
| Department of Sport, Arts and Culture: Subsidy – unconditional | 7 803 000 | 8 067 000 |
| Department of Sport, Arts and Culture: Capital works grant – conditional | 4 329 555 | 228 053 |
| Department of Sport, Arts and Culture: GRAP 103 grant – conditional | - | 28 618 |
| Department of Sport, Arts and Culture: Municipal expense grant – conditional | 1 676 334 | 1 614 840 |
| Department of Sport, Arts and Culture: Leasing of private owned property grant – conditional | 454 764 | 434 059 |
| Department of Sport, Arts and Culture: Compliance grant – conditional | 1 454 714 | 1 314 043 |
| | **15 718 367** | **11 686 613** |

Services in kind

The ATM received the following services in kind from the DPWI. These services in kind were recognised in the Statement of Financial Performance.

| | 2025 R | 2024 R |
|---|---|---|
| Rent – Department of Public Works and Infrastructure | 296 786 | 222 589 |

The buildings, owned by the DPWI, are occupied by the ATM free of charge. The approved user charge amount was paid by the DSAC on behalf of the ATM to the DPWI for the use of state-owned properties. The ATM received a letter from the DSAC confirming the user charge for both the current and previous financial year instead of using the fair value determined by using property rental agents as in previous reporting periods.

### 16. Other income

| | 2025 R | 2024 R |
|---|---|---|
| Business venture | 308 520 | 745 650 |
| Course fees | 14 250 | 33 000 |
| Funding and marketing | 98 963 | 426 993 |
| Insurance claims | 99 554 | 11 399 |
| Sundry income | 787 | 104 870 |
| | **522 074** | **1 321 912** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

### 17. Depreciation, amortisation and impairments

The following items are included in depreciation, amortisation and impairments:

| | 2025<br>R | 2024<br>R |
|---|---|---|
| **Depreciation** | | |
| Property, plant and equipment | 478 189 | 478 497 |
| **Amortisation** | | |
| Intangible assets | 12 253 | 13 754 |
| **Total depreciation, amortization and impairments** | | |
| Depreciation | 478 189 | 478 497 |
| Amortisation | 12 253 | 13 754 |
| | **490 442** | **492 251** |

### 18. Employee cost

| | 2025<br>R | 2024<br>R |
|---|---|---|
| Basic and bonuses | 6 410 812 | 5 903 311 |
| Medical aid – company contributions | 214 500 | 196 978 |
| Unemployment Insurance Fund | 38 895 | 38 906 |
| Workmen's Compensation Fund | 14 909 | 11 461 |
| Leave pay provision charge | 1 683 | 73 614 |
| Housing subsidy | 156 000 | 129 640 |
| Leave gratuity | 13 034 | 43 834 |
| Pension fund contributions | 917 783 | 899 234 |
| | **7 767 616** | **7 296 978** |

### 19. General expenses

| | 2025<br>R | 2024<br>R |
|---|---|---|
| Advertising | 51 797 | 15 225 |
| Bank charges | 67 423 | 60 163 |
| Cleaning | 29 888 | 43 122 |
| Communication | 74 167 | 121 835 |
| Consultants | 551 104 | 306 774 |
| Council honorariums | 317 568 | 224 488 |
| Uniforms for staff members | 44 881 | 6 761 |
| First aid expenses | - | 1 166 |
| Association fees – SATEA | 3 460 | 1 140 |
| Archival expense | 269 | 28 618 |
| Meeting expense – research | - | 1 894 |
| Sympathy | - | 4 114 |
| Council strategic session | 95 025 | - |
| Subscriptions | 750 | - |
| Education | 334 674 | 287 698 |
| Entertainment | 56 477 | 69 635 |
| Events and functions | 530 803 | 965 321 |
| Exhibitions and conservation expenses | 10 759 | 1 578 |
| Insurance | 166 099 | 136 920 |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025<br>R | 2024<br>R |
|---|---|---|
| Marketing | 348 681 | 350 111 |
| Memberships | 8 720 | 11 836 |
| Municipal expenses and licences | 1 734 548 | 1 625 522 |
| Postage | 935 | 2 920 |
| Printing and stationery | 58 379 | 97 306 |
| Security | 651 409 | 556 999 |
| Staff training | 19 610 | 47 211 |
| Travel and subsistence | 227 648 | 341 108 |
| | **5 385 074** | **5 309 465** |

**20. Operating lease charges**

| | | |
|---|---|---|
| Premises | | |
| - Rental amount | 454 764 | 434 059 |
| - Services in kind | 296 786 | 222 589 |
| Equipment | | |
| - Contractual amounts | 77 659 | 61 843 |
| | **829 209** | **718 491** |

**21. Operating lease commitments**

| | | |
|---|---|---|
| Within one year | 96 702 | 62 247 |
| Second to fifth year inclusive | 258 485 | 148 502 |
| | **355 187** | **210 749** |

At the reporting date, the ATM has outstanding commitments under non-cancellable operating leases. Operating lease payments represent rentals for office equipment. The leases are negotiated for a term of five years and are fixed for the duration of the lease agreement.

**22. Cash generated from operations**

| | | |
|---|---|---|
| Surplus/(deficit) before taxation | 2 309 427 | 339 794 |
| **Adjustments for:** | | |
| Depreciation and amortisation | 490 442 | 492 251 |
| Loss on sale of property, plant and equipment | 48 | 4 619 |
| Interest received | (429 713) | (405 272) |
| Creditors relating to property, plant and equipment additions | (233 282) | - |
| Employee benefit obligation | 1 683 | 73 614 |
| Revenue: services in kind | (296 786) | (222 589) |
| Expenses: services in kind | 296 786 | 222 589 |
| **Changes in working capital:** | | |
| Inventories | (17 078) | (23 071) |
| Receivables from exchange transactions | 4 057 | (37 992) |
| Receivables from non-exchange transactions | (290 000) | - |
| Payables from exchange transactions | 51 035 | 51 541 |
| Unspent government grants and subsidies | (2 265 575) | 4 495 134 |
| | **(378 956)** | **4 990 618** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

### 23. Related parties

**Relationships**

| | |
|---|---|
| Executive Authority | Department of Sport, Arts and Culture |
| Member of key management | Michael Jonas, ATM Director |
| Member of key management | Tania Laing, ATM Chief Financial Officer |

| | 2025<br>R | 2024<br>R |
|---|---|---|
| **Related party balances** | | |
| **Unspent government grants and subsidies** | | |
| Department of Sport, Arts and Culture | (7 757 874) | (14 078 822) |
| Department of Sport, Arts and Culture | (6 577 346) | (1 480 227) |
| **Related party transactions** | | |
| **Grants received** | | |
| Department of Sport, Arts and Culture | (13 452 792) | (16 181 748) |
| **Compensation paid to key management** | | |
| **Director's remuneration (chief executive officer)** | | |
| Basic salary | 1 111 024 | 1 028 108 |
| Bonuses - 13th cheques | 92 377 | 85 379 |
| Performance bonus | 39 040 | 37 745 |
| Housing subsidy | 9 600 | 9 600 |
| Medical aid contribution | 13 200 | 13 200 |
| Pension fund contribution | 181 011 | 166 489 |
| | **1 446 252** | **1 340 521** |
| **Chief financial officer's remuneration** | | |
| Basic salary | 724 604 | 679 116 |
| Bonuses – 13th cheque | 60 353 | 56 593 |
| Performance bonus | 27 233 | 26 338 |
| Housing subsidy | 9 600 | 9 600 |
| Medical aid contribution | 13 200 | 13 200 |
| Pension fund contribution | 157 339 | 147 142 |
| | **992 329** | **931 989** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025<br>R | 2024<br>R |
|---|---|---|

**Transactions with associate undertakings**

The Historium Building was bought by Council of the Afrikaanse Taalraad (Afrikaans Language Committee) in a private transaction in 1990. The Historium (erven 1747, Paarl) was registered in the name of the ATM since the Afrikaans Language Committee was not a registered entity.

Council intends to consolidate the Historium Building, the Afrikaans Language Committee and Afrikaans Trust into a new private trust known as the Historium Trust to discontinue any party relationship between the ATM and the Historium Building.

The Afrikaans Language Committee was controlled by the same Council as the ATM.

The Auditor-General raised the issue of the relationship between the ATM and the private account of the Afrikaans Language Committee; it is therefore considered a matter of emphasis in the audit report. The property was registered in the name of the ATM although it is the property of the Afrikaans Language Committee, as it was originally purchased by the Afrikaans Language Committee and therefore private.

The ATM submitted a request with a draft deed of donation to the Minister of Sport, Arts and Culture (after having obtained an opinion from the State Attorney) to transfer the building to the Historium Trust in terms of Section 4(3)(a) of the Cultural Institutions Act, 119 of 1998, and the Public Finance Management Act, 1 of 1999, more specifically Section 76(1)(k) and (i) and Treasury Regulations 21.3.

The Historium Trust informed the ATM on 28 March 2024 that the Historium Building was successfully transferred onto the name of the Historium Trust.

| | 2025 R | 2024 R |
|---|---|---|
| Rent paid – Historium Trust | 452 264 | 431 559 |
| Rent paid – Department of Public Works and Infrastructure | 296 786 | 222 589 |
| | **749 050** | **654 148** |

**24. Counsellors' fees**

| 2025 | Fees | Expenses | Total |
|---|---|---|---|
| Adv JJ Meiring (Chairperson) | 13 032 | 10 182 | 23 214 |
| Ms SP Tsoleli | 7 896 | 23 022 | 30 918 |
| Mr A Latchu | - | - | - |
| Mr LR Adendorf | 45 809 | 5 604 | 51 413 |
| Mr S Maharaj | 29 025 | 17 836 | 46 861 |
| Ms H Erdmann | 40 233 | 2 545 | 42 778 |
| Dr L Munsamy | - | - | - |
| Mr JJ Saal | 44 769 | 6 549 | 51 318 |
| Prof J Rossouw (independent Audit and Risk Committee member) | 17 844 | 25 689 | 43 533 |
| Ms JX Scott | 12 300 | 2 848 | 15 148 |
| Mr ZD Anthony | 10 314 | 3 700 | 14 014 |
| Mr P Mthembu | 10 314 | 4 226 | 14 540 |
| Prof AC van Vollenhoven | 13 752 | 18 357 | 32 109 |
| Dr GL Frieslaar | 17 190 | 263 | 17 453 |
| Ms L Marais | 13 752 | 5 719 | 19 471 |
| | **276 230** | **126 540** | **402 770** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| 2024 | Fees | Expenses | Total |
|---|---|---|---|
| Adv JJ Meiring (Chairperson) | 15 204 | 54 477 | 69 681 |
| Ms SP Tsoleli | 7 896 | 2 424 | 10 320 |
| Dr A Beukes | 7 180 | - | 7 180 |
| Mr LR Adendorf | 29 962 | 15 501 | 45 463 |
| Mr S Maharaj | 33 546 | 50 820 | 84 366 |
| Ms H Erdmann | 28 508 | 4 210 | 32 718 |
| Dr L Munsamy | 32 976 | 26 279 | 59 255 |
| Mr JJ Saal | 42 974 | 6 136 | 49 110 |
| Prof J Rossouw (independent Audit and Risk Committee member) | 17 950 | 18 544 | 36 494 |
| | **216 196** | **178 391** | **394 587** |

Prof J Rossouw is the independent Audit Committee Chairperson appointed by Council for the same term as that of Council members. His term ended on 08 December 2024.

**25. Comparative figures and prior period errors**

25.1 Repairs and maintenance
Expenses previously expensed as repairs and maintenance has now been capitalised as work in progress in property, plant and equipment. Repairs and maintenance were overstated by R128 875 in the Statement of Financial Performance while property, plant and equipment were understated by R128 875 in the Statement of Financial Position.

25.2 General expenses – reclassification
Repairs and maintenance were disclosed as a category of general expenses and is now disclosed separately on the Statement of Financial Performance to align with the nature of expenses as per GRAP 1.

25.3 Note 19 – General expenses
Other expenses were broken down and reclassified based on their individual categories.

The correction of the error and reclassification results in adjustments as follows:

| **Statement of Financial Position** | **As previously reported: 31 March 2024** | **Adjustment** | **Restated: 31 March 2024** |
|---|---|---|---|
| Property, plant and equipment | 4 682 094 | 128 875 | 4 810 969 |
| Accumulated surplus | (9 062 337) | (128 875) | (9 191 212) |
| | **(4 380 243)** | **-** | **(4 380 243)** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| Statement of Financial Performance | As previously reported: 31 March 2024 | Adjustment | Reclassification | Restated: 31 March 2024 |
|---|---|---|---|---|
| General expenses | 5 772 918 | (128 875) | (334 578) | 5 309 465 |
| Repairs and maintenance | - | - | 334 578 | 334 578 |
| | **5 772 918** | **(128 875)** | **-** | **5 644 043** |

| | | |
|---|---|---|
| **Surplus previously reported at 31 March 2024** | - | 210 917 |
| General expenses – repairs and maintenance capitalised | - | 128 875 |
| **Surplus restated at 31 March 2024** | **-** | **339 792** |

| Statement of Cash Flows | As previously reported: 31 March 2024 | Adjustment | Restated: 31 March 2024 |
|---|---|---|---|
| Cash paid to suppliers | (6 950 376) | 128 875 | (6 821 501) |
| Cash generated from operations | 4 861 743 | 128 875 | 4 990 618 |
| Purchase of property, plant and equipment | (326 390) | (128 875) | (455 265) |
| Surplus for the year | (210 917) | (128 875) | (339 792) |
| | **(2 625 940)** | **-** | **(2 625 940)** |

| Other expenses | As previously reported: 31 March 2024 | Adjustment | Restated: 31 March 2024 |
|---|---|---|---|
| Other expenses | 268 181 | (268 181) | - |
| Archival expenses | - | 28 618 | 28 618 |
| Association fees | - | 1 140 | 1 140 |
| Council honorariums | - | 224 488 | 224 488 |
| First aid expenses | - | 1 165 | 1 165 |
| Meeting expenses – research | - | 1 894 | 1 894 |
| Sympathy | - | 4 114 | 4 114 |
| Uniforms for staff members | - | 6 762 | 6 762 |
| | **268 181** | **-** | **268 181** |

## Notes to the Annual Financial Statements for the year ended 31 March 2025

| | 2025<br>R | 2024<br>R |
|---|---|---|

### 26. Commitments

**Authorised capital expenditure**

| | 2025 R | 2024 R |
|---|---|---|
| **Already contracted but not provided for** | | |
| Property, plant and equipment | 689 194 | 711 170 |

This committed expenditure relates to property and will be financed by conditional government grants and subsidies.

### 27. Events after the reporting period

Council is not aware of any material event which occurred after the reporting date and up to the date of this report.

### 28. Going concern

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

### 29. Irregular expenditure and fruitless and wasteful expenditure

During the year under review, no irregular expenditure was incurred (2024: RNil).

During the year under review, no fruitless and wasteful expenditure was incurred (2024: RNil).

## 30. Risk management

**Market risk**

The ATM's activities expose it to a variety of financial risks: market risk (fair value interest risk, cash flow interest rate risk), credit risk and liquidity risk. The ATM is not exposed to market risk due to it being required to settle with creditors within 30 days of receiving an invoice as per treasury regulations and the PFMA.

**Liquidity risk**

Liquidity risk is the risk that the ATM will not be able to meet its obligations as they fall due. In terms of its borrowing requirements, the ATM ensures that adequate funds are available to meet its expected and unexpected financial commitments. All outstanding accounts payable balances are due within 30 days of the reporting date.

**Sensitivity analysis**

On 31 March 2025, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, no significant impact would have been had on the surplus for the year.

**Financial assets**

Trade and other receivables are at a fixed rate of interest. Management manages interest rate risk by negotiating beneficial rates.

**Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the ATM. The ATM has adopted a policy of only dealing with creditworthy parties.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The ATM only deposits cash with major banks with high-quality credit standings, and limits exposure to any one counterparty.

No credit limits were exceeded during the reporting year, and Management does not expect any losses from non-performance by these counterparties.

**Maximum exposure to credit risk**

The ATM's exposure to credit risk with regard to loans and receivables is limited to amounts in the Statement of Financial Position.

## Notes to the Annual Financial Statements for the year ended 31 March 2025

### 31. Categories of financial instruments

| Categories of financial instruments - 2025 | Notes | Financial assets at amortised cost | Financial liabilities at amortised cost |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Investments | 8 | 16 851 977 | - |
| Receivables from exchange transactions | 6 | 14 997 | |
| Receivables from non-exchange transactions | 7 | - | - |
| Cash and cash equivalents | 9 | 1 503 187 | - |
| | | **18 370 161** | **-** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Payables from exchange transactions | 12 | - | 314 201 |
| | | **-** | **314 201** |

| Categories of financial instruments - 2024 | Notes | Financial assets at amortised cost | Financial liabilities at amortised cost |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Investments | 8 | 18 451 198 | - |
| Receivables from exchange transactions | 6 | 40 972 | |
| Cash and cash equivalents | 9 | 1 746 256 | - |
| | | **20 238 426** | **-** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Payables from exchange transactions | 12 | - | 279 786 |
| | | **-** | **279 786** |

## Annual Financial Statements for the year ended 31 March 2025
## Detailed Income Statement

| | Notes | 2025<br>R | 2024 (Restated *)<br>R |
|---|---|---|---|
| **Revenue from non-exchange transactions** | | | |
| Commissions received | | 290 000 | - |
| Government grants | | 15 718 367 | 11 686 613 |
| Services in kind | | 296 786 | 222 589 |
| Donations | | 381 679 | 255 424 |
| | 15 | **16 686 832** | **12 164 626** |
| **Revenue from exchange transactions** | | | |
| Business venture | | 308 520 | 745 650 |
| Courses | | 14 250 | 33 000 |
| Entrance fees | | 1 286 511 | 1 215 148 |
| Funding and marketing | | 98 963 | 426 993 |
| Insurance claims | | 99 554 | 11 399 |
| Interest received | | 429 713 | 405 272 |
| Sale of goods | | 129 187 | 75 477 |
| Sundry income | | 787 | 104 870 |
| | | **2 367 485** | **3 017 809** |
| **Operating expenses** | | | |
| Advertising | | 51 797 | 15 225 |
| Auditor's remuneration | | 608 735 | 624 489 |
| Bank charges | | 67 422 | 60 162 |
| Cleaning | | 29 888 | 43 122 |
| Communications | | 74 167 | 121 835 |
| Consultants | | 551 104 | 306 774 |
| Depreciation, amortisation and impairments | | 490 442 | 492 251 |
| Education | | 334 674 | 287 698 |
| Employee costs | | 7 767 616 | 7 296 978 |
| Entertainment | | 56 477 | 69 635 |
| Events and functions | | 530 803 | 965 322 |
| Exhibitions and conservation expenses | | 10 759 | 1 578 |
| Insurance | | 166 099 | 136 920 |
| Lease rentals on operating lease | | 829 208 | 718 491 |
| Loss on sale of assets and liabilities | | 48 | 4 619 |
| Marketing | | 348 680 | 350 111 |
| Memberships | | 8 720 | 11 836 |
| Municipal expenses and licences | | 1 734 548 | 1 625 523 |
| Other expenses | | 461 953 | 268 181 |
| Postage | | 935 | 2 920 |
| Printing and stationery | | 58 379 | 97 306 |
| Purchase of inventory | | 119 471 | 61 769 |
| Repairs and maintenance | | 1 544 298 | 334 578 |
| Security | | 651 409 | 556 999 |
| Staff training | | 19 610 | 47 211 |
| Travel and subsistence | | 227 647 | 341 108 |
| | | **(16 744 889)** | **(14 842 640)** |
| **Surplus / (deficit) for the year** | | **2 309 428** | **339 795** |

# 3. Materiality and Significance Framework

**For the period ending 31 March 2025**

## 3.1 Background

In terms of Treasury Regulations (TR) 28.3: "For purposes of material [section 55 (2) of the PFMA] and significant [section 54 (2) of the PFMA], the accounting authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority."

Public Entities are required to include the Materiality and Significance Framework in the Strategic Plan to be submitted to its Executive Authority [TR 30.1.3(e)]. In terms of Treasury Regulations 8.2.1, any material losses through criminal conduct and any irregular, fruitless and wasteful expenditure must be disclosed as a note to the annual financial statement of the public entity.

SAAS 320.03 defines materiality as follows: "Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point rather than being a primary qualitative characteristic which information must have if it is to be useful." Further guidance is drawn from SAAS 320.17 from a public sector perspective: "In an audit of financial statements in the public sector, the auditor's assessment of materiality may be influenced by the public accountability of the audited entity, and the sensitivity of the entity's accounts, activities and functions regarding matters of public interest." The reference to "economic" decisions (SAAS 320.03 above) is therefore assessed as not being conclusive or wholly appropriate to a public entity such as the Afrikaanse Taalmuseum en -monument (ATM).

The Collins English Dictionary defines significance as the importance of something, usually because it will have an effect on a situation or shows something about a situation.

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

| General basis used in accounting profession | Acceptable percentage range | ATM applicability |
|---|---|---|
| Total Revenue | 0.25% - 1% | Applicable; they are grants received, entrance fees received, donations and project funds, rent received and interest received |
| Surplus | 1% - 2% | Applicable; they are excess of grants over operating and capital expenditure |
| Equity | 2% - 5% | Not applicable |
| Total Assets | 0.5% - 2% | Applicable; they are opening carrying value, revaluation surplus, additions and depreciation of assets |

## 3.2 Broad framework for the ATM

The ATM will be dealing with this framework under two main categories, namely quantitative and qualitative aspects.

### 3.2.1 Materiality level

The ATM assessed the level of a material deviation as being 1% of the total revenue.

Motivation

It is recognised that different levels of materiality can be set for different classes of transactions. The ATM has, however, taken the approach of setting a materiality level that will be used for all classes of transactions.

Factors considered

In determining the said materiality value as 1% of the total expenditure, the ATM took into account factors that include:

Nature of the ATM's business

**Revenue:** Funding for the ATM primarily comprises grants received from the Department of Sport, Arts and Culture, self-generated income from tourist activities (entrance fees), memorabilia, rent received and interest earned on investments in deposit accounts, as well as donations for projects.

**Expenditure:** Given the nature of the ATM as an entity mandated to collect, conserve, exhibit, educate and research, preference is given to gross expenditure as a basis for defining the level of materiality.

Statutory requirements applicable to the ATM

- The ATM is an institution established under the Cultural Institutions Act, 119 of 1998.
- The ATM is listed as a PFMA Schedule 3A public entity.
- Council of the ATM is required to execute the mandate in terms of the Cultural Institutions Act, 119 of 1998.

The control and inherent risks associated with the ATM

In assessing the control risk, the ATM concluded that a materiality level of 0.5% of expenditure is appropriate and prudent. This assessment is based on the fact that a sound control environment is being maintained. In this regard, cognisance was taken of amongst others:

- ❖ Proper and appropriate governance structures have been established that include a Council, Audit Committee, Director, CFO and Internal Audit Function.
- ❖ The Director and CFO's positions have been created with specific risk-management responsibilities.
- ❖ An Audit Committee that closely monitors the control environment of the ATM was established.
- ❖ The function of internal audit is sourced with a firm of professional internal auditors.
- ❖ A three-year Internal Audit plan, based on annual risk assessments, that is being performed. This is annually reviewed and agreed on by the Audit Committee.

### 3.3 ATM's general approach to qualitative aspects

Materiality is not confined to the size of the entity and the elements of its financial statements. The ATM recognises that misstatements that are large, either individually or in the aggregate, "may affect a reasonable user's" judgement. Further, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst others:

- ❖ New ventures that the ATM may enter into.
- ❖ Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof, owing to the knowledge thereof affecting the decision-making of the user of the financial statements.
- ❖ Any fraudulent or dishonest behaviour of an ATM officer or staff member.
- ❖ Any infringement of the ATM's agreed performance levels.

- Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).
- Unauthorised, irregular, fruitless and wasteful expenditure.
- Items of a non-financial nature, which would impact the continued operation and deliverables of the Entity.

### 3.4 Framework

| Section of PFMA | Description of materiality and significance | Levels of materiality and significance |
|---|---|---|
| 54 (2) | Before a public entity concludes any of the following transactions, the accounting authority for the entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction: | |
| | (a) establishment of participation in the establishment of a company; | (a) Each and every instance |
| | (b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement; | (b) Each and every instance |
| | (c) acquisition or disposal of a significant shareholding in a company; | (c) Each and every instance |
| | (d) acquisition or disposal of a significant asset; | (d) Above R500 000 |
| | (e) commencement or cessation of a significant business activity; and | (e) Each and every instance |
| | (f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement. | (f) Each and every instance |

| Section of PFMA | Description of materiality and significance | Levels of materiality and significance |
|---|---|---|
| 55 (2) | The annual report and financial statements must include particulars of: | |
| | (a) any material losses through criminal conduct and any irregular expenditure, and fruitless and wasteful expenditure that occurred during the financial year; | (a) All instances will be included in the accounting authority's annual report – amount greater than 1% of the total value of the expenditure per AFS |
| | (b) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; | (b) All instances will be included in the accounting authority's annual report |
| | (c) any losses recovered or written off; and | (c) All instances will be included in the accounting authority's annual report – amount greater than 1% of the total value of the expenditure per AFS |
| | (d) any financial assistance received from the state and commitments made by the state on the accounting authority's behalf. | (d) All instances will be included in the accounting authority's annual report |