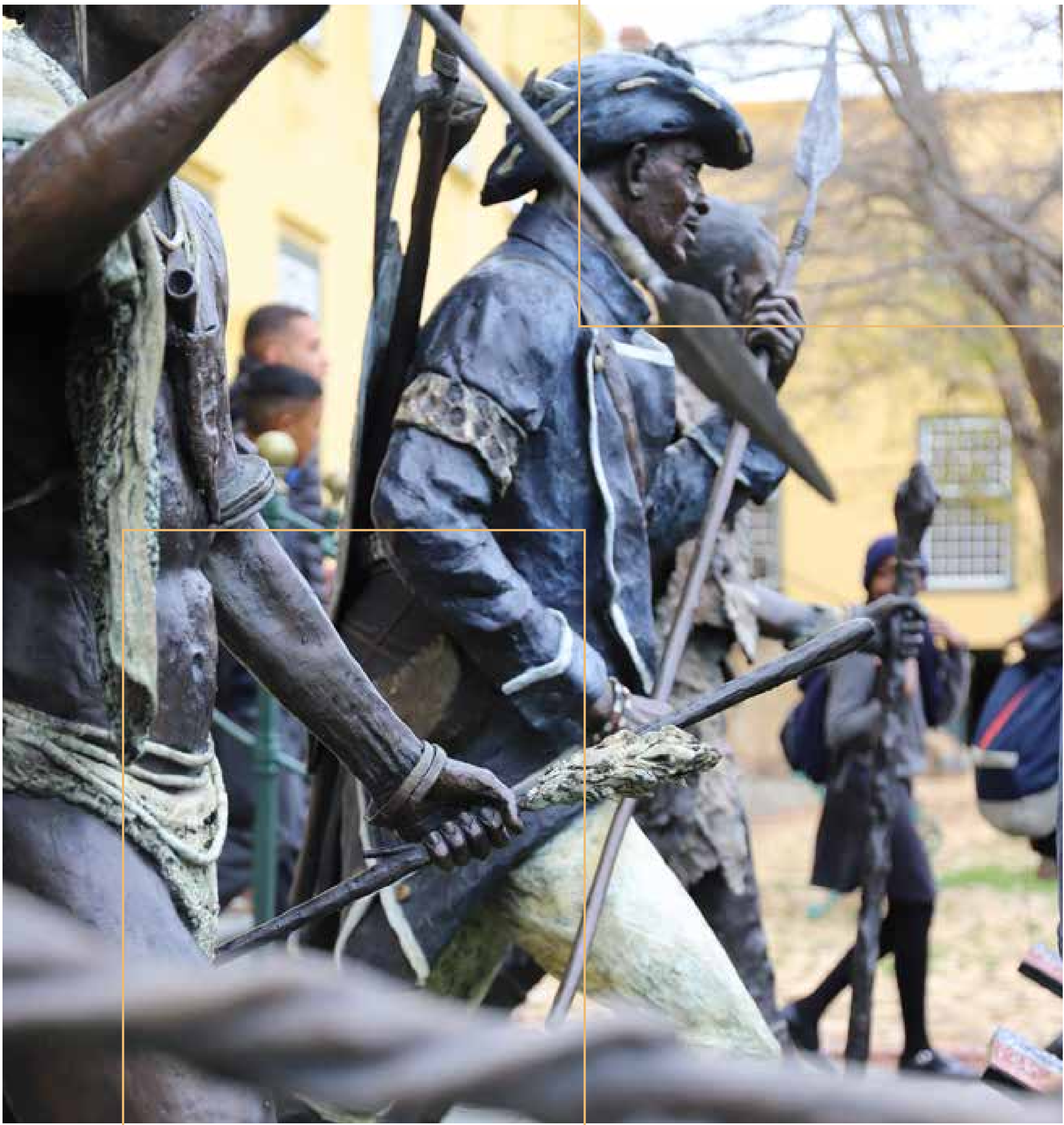
SOUTH AFRICAN HERITAGE RESOURCES AGENCY

ANNUAL REPORT

2024 2025

SAHRA

AN AGENCY OF THE DEPARTMENT OF SPORT ARTS AND CULTURE



WHO IS SAHRA?

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

WHAT WE DO?

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

CONTENTS

ANNUAL REPORT FOR 2024 - 2025

PART A: SAHRA GENERAL INFORMATION

PART B: PERFORMANCE INFORMATION

PART C: GOVERNANCE

PART D: HUMAN RESOURCES MANAGEMENT

CONTENTS

ANNUAL REPORT FOR 2024 - 2025

PART E: PFMA COMPLIANCE REPORT

PART F: FINANCIAL INFORMATION REPORT

PART A

GENERAL INFORMATION

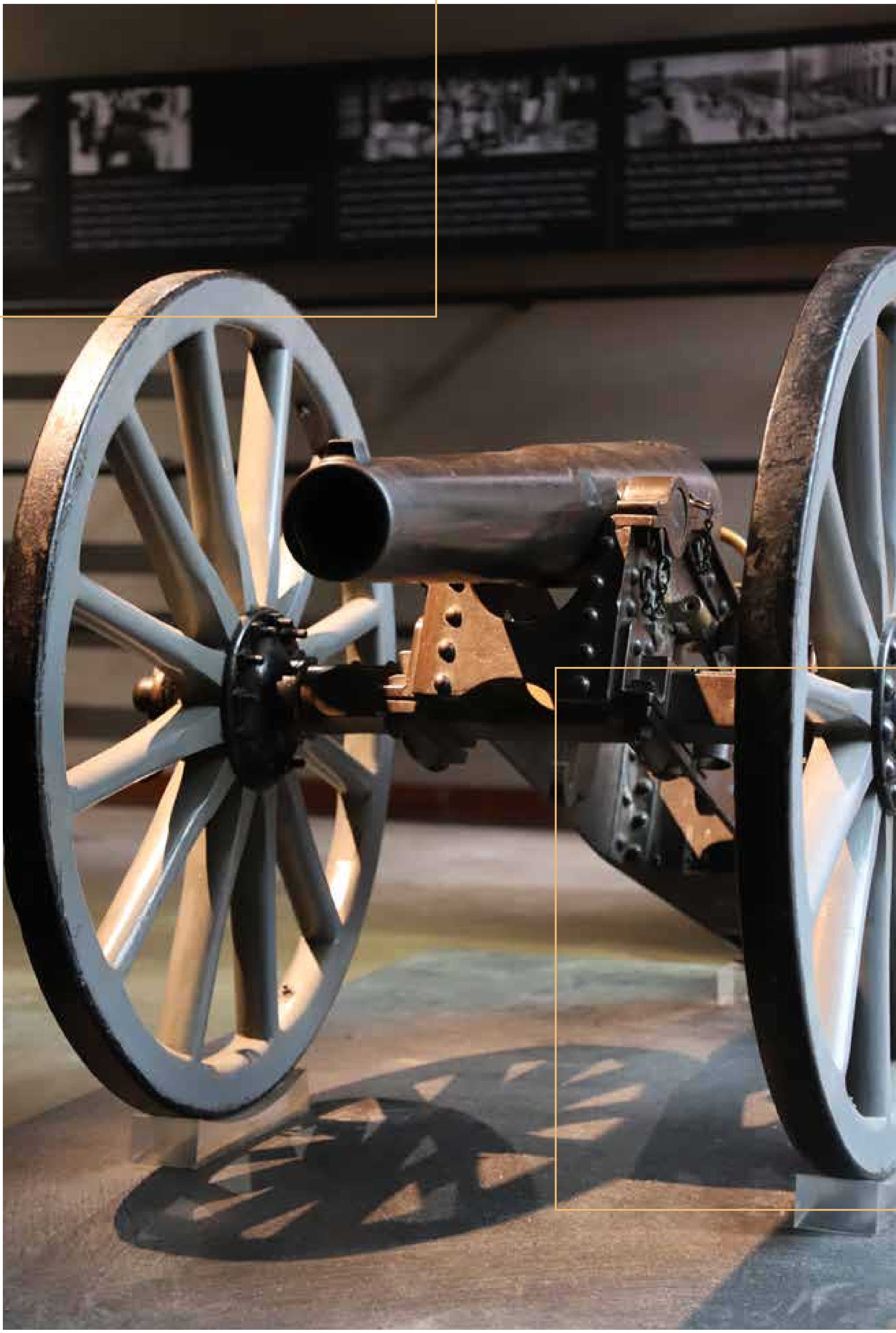
1. GENERAL INFORMATION

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

2. LIST OF ABBREVIATIONS/ ACRONYMS AND DEFINITIONS

AI	Artificial Intelligence
AGSA	Auditor General of South Africa
APM	Archaeology, Palaeontology and Meteorites
APP	Annual Performance Plan
AU	African Union
BEU	Built Environment Unit
BCF	Beijing Culture Forum
BGG	Burial Grounds and Graves
BRICS	Brazil, Russia, India, China, South Africa
CEO	Chief Executive Officer
CMP	Conservation Management Plan
CoCT	City of Cape Town
CTMCA	Cape Town Minstrel Carnival Association
COSO	Committee of Sponsoring Organisations
COVID-19	Coronavirus Disease of 2019
CRO	Chief Risk Officer
DFFE	Department of Forestry, Fisheries and the Environment
DSAC	Department of Sport, Arts and Culture
DTA	Department of Traditional Affairs
ELC	Evangelical Lutheran Church
ERM	Enterprise Risk Management
GDP	Gross Domestic Product
GIS	Geographic Information System
HA	Heritage Agreement
HIA	Heritage Impact Assessments
HRMCP	Heritage Resources Management Coordination Plan
HWC	Heritage Western Cape
KKKA	Kaapse Klopse Karnival Association
KPI	Key Performance Indicator
MoU	Memorandum of Understanding
MUCH	Maritime and Underwater Cultural Heritage
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan

NEMA	National Environmental Management Act
NHC	National Heritage Council
NHRA	National Heritage Resources Act (Act No. 25 of 1999)
NHS	National Heritage Sites
NMC	National Monuments Council
NWPHRA	Northwest Provincial Heritage Resources Authority
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act 9Act No. 1 of 1999 as amended by Act No. 29 of 1999)
PHRA	Provincial Heritage Resources Authority
PSRMF	Public Sector Risk Management Framework
SAHRA	South African Heritage Resources Agency
SAHRIS	South African Heritage Resources Information System
SCM	Supply Chain Management
SDG	Sustainable Development Goals
SETA	Sector Education Training Authority
SHM	The Spiral House Movie
SMMEs	Small and medium-sized enterprises
UCT	University of Cape Town
UNESCO	United Nations Educational Scientific and Cultural Organisation
UWC	University of Western Cape
VR	Virtual Reality



3. FOREWORD BY THE CHAIRPERSON OF THE COUNCIL

The 2024/25 financial year marks the conclusion of our 2020–2025 Strategic Plan, a key milestone in our journey toward achieving long-term organizational goals. As we reflect on our progress, we assess the four strategic outcomes aligned with the National Development Plan (NDP) Vision 2030 and the 2019–2024 Medium-Term Strategic Framework (MTSF). For over two decades, the National Heritage Resources Act (NHRA) has remained central to preserving South Africa's heritage and promoting inclusive stakeholder participation.

Commitment to fulfilling our mandate remains strong, despite challenges with varying performance levels among Provincial Heritage Resources Authorities (PHRAs) and municipalities. We are proud of the progress made, especially through the Heritage Resources Management Coordination Plan (HRMCP), which promotes stakeholder collaboration, heritage protection, streamlined processes, and social cohesion. In the past year, we achieved 77.8% of the KPIs for the second year of HRMCP implementation. Looking ahead, we remain focused on fully realizing the plan, and to fully achieve this, we have requested the assistance of the honourable Minister Gayton Mckenzie to assist our efforts, to empower PHRAs and municipalities to effectively safeguard our national heritage across the country.

Our shared heritage is more than a reflection of the past; it shapes our identity and inspires a future rooted in inclusivity and unity. As the custodian of this transformation, SAHRA is committed to ensuring our national heritage reflects South Africa's rich diversity. This commitment was demonstrated through the declaration of four heritage resources, three of which honour the histories of previously disadvantaged communities. This reaffirmed our pledge to build a heritage landscape that is equitable and truly representative of all South Africans.

Over the past four years, SAHRA has faced fiscal challenges due to reduced budget support from the Department of Sports, Arts, and Culture (DSAC). In response, the Council adopted innovative strategies to diversify income and strengthen long-term sustainability. Key initiatives included launching Heritage Coffee in partnership with Kaldista Coffee Company and Salaam Mnandi combining revenue generation with heritage awareness through branded packaging. Salaam Mnandi, based at the Castle of Good Hope, joined as a retail partner. SAHRA also partnered with Kindergarten Films to shoot Spiral House at Roggeland under a rental, restoration, and profit-sharing agreement, while additional revenue was generated through leasing SAHRA-owned properties. These ventures not only bolster SAHRA's financial base but also improve visitor experience in our sites, support heritage site restoration and deliver socioeconomic benefits to local communities, reflecting SAHRA's commitment to innovation, collaboration, and the celebration of South Africa's rich heritage.

To support operational efficiency, SAHRA has maintained a staff turnover rate of 8.6%. The rollout of a new organizational structure and an outcome-based performance management system has been key to fostering a high-performance culture. This has been further strengthened through focused leadership development and strategic talent management. SAHRA remains committed to achieving its strategic goals, including financial resilience and economic empowerment. We proudly hosted seven interns, offering them valuable hands-on experience, and created 52 indirect job opportunities through infrastructure projects such as memorial restorations and property refurbishments. These efforts reflect our dedication to preserving heritage while building a sustainable future.

3. FOREWORD BY THE

CHAIRPERSON OF THE COUNCIL

The Council extends its sincere gratitude to the Department of Sport, Arts and Culture (DSAC), under the leadership of Honourable Minister Gayton McKenzie, and the Portfolio Committee for their continued guidance in shaping SAHRA's performance. As we carry out our mandate, I also express heartfelt appreciation to the Council, Executives, Management, and Staff of SAHRA. Their innovation, dedication, and tireless efforts have been the foundation of the organisation's success and resilience. With the strong groundwork laid by our leadership and the unwavering support of the Council, I am confident SAHRA, in executing its core mandate to preserve and safeguard our national heritage, is poised for even greater achievements.

Dr. Luyanda Mpahlwa
(Chairperson)

Dr Luyanda Mpahlwa
Council Chairperson

4. CHIEF EXECUTIVE OFFICER'S

OVERVIEW

It gives me great pleasure to present the Annual Report of the South African Heritage Resources Agency (SAHRA) for the period 1 April to 31 March 2025. I am deeply honoured for my role to continue leading this organisation under the guidance of the Council, whose term is coming to an end shortly after the financial year. I would like to extend my gratitude to the Council's support and leadership in entrusting me with the stewardship of SAHRA over their term, keeping us honest in their oversight ensuring ethical conduct and good corporate governance.

It is with immense pride to reflect on the past year and look ahead to the journey that awaits SAHRA. Despite obstacles of operating under budgetary constraints, the entity has continued to show resilience and extreme agility in carrying out its good work, optimising resources in achieving operational excellence and performance and achieving a clean audit outcome. These successes are a direct result of the dedication and talent of our employees. Thank you to SAHRA staff for your hard work and commitment

GENERAL FINANCIAL REVIEW

SAHRA'S Net Asset Value as of 31 March 2025 was reported at R156,3 million in comparison to R148,8 million as at 31 March 2024. This represents a growth of 5% in value, year on year for SAHRA. Total Assets mainly comprise of Non- Current Assets with Property, Plant and Equipment and Heritage Asset making up almost 37% of this. Heritage Assets as per balance sheet make up 29% of total assets with one such heritage assets being recognised and disclosed as an Investment Property. Total expenditure for the year has increase to R88,3 million for the year period, an increase from R78,2 million in the prior year while total revenue generated amounted to R96 million, an increase from R84,2 million achieved in the 2023/24 financial year.

SAHRA is a Schedule 3A regulatory body and therefore not a revenue generating entity and thus requires significant support from DSAC and National Treasury. This support is to enable the team to adequately execute the legislated mandate to meet the operational targets while supporting growth initiative and ensure financial sustainability of the entity.

Despite the challenging market economic conditions and budgetary constraints, the entity achieved a surplus of R7,7 million in the financial year 2024/2025. The entity remains a going concern and will continue to operate and finance its future operations in the ordinary course of business and meet its financial obligations as they become due.

SPENDING TRENDS

Expenditure incurred by SAHRA is in accordance with the entity's Strategic Plan and Annual Performance Plan. Periodic reviews and cost containment measures communicated by National Treasury are adhered, in order to derive value for money spent by the entity. Operational expenditure for the year amounted to R88,3 million in 2024/2025, from R78,2million in the prior year which is an increase of 12,9% year on year. Employment cost is the biggest component of expenses, making up 58% of total expenditure in the current year. This has declined slightly from 60% in the prior year. Operational expenses comprise of core function and administrative costs, making up the balance of 42% of total expenditure. The sustainability of the entity remains top of mind, amidst budgetary constraints and cost pressures. This is further exacerbated by the need for additional staff to fill key vacancies at competitive salaries, as well as inflation. However, the entity has put measures in place to contain these by ensuring our practices and patterns continue to drive financial consciousness to drive value for money. Several infrastructure projects continue to be implemented to meet SAHRA'S mandate and programmes in despite the gap in key positions.

The entity has embarked on the refurbishment and upgrade of its Head Office space at 111 Harrington Street, Cape Town. All related services providers for professional services have been appointed and with an amount of R2 million incurred and capitalised in the 2024/2025 financial year.

CAPACITY CONSTRAINTS AND CHALLENGES

SAHRA continues to experience myriads of budget related challenges and the most significant of these challenges has been the budget cuts for an entity that is not adequately funded in terms of its mandate.

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Currently SAHRA cannot afford to pay cost of living to its employees and exposes the organisation to the likelihood of rioting, instability and low staff morale, impacting the delivery on planned targets. Despite constrained budgets, SAHRA has established programmes that are aimed at responding to development applications, aimed at resolving the energy crisis in the Country.

SAHRA's heritage resources management programmes are public engagement intensive. This requires SAHRA officials to organise on-site community consultation sessions on matters relating to formal protection of heritage resources and risks that lead to desegregation of heritage resources.

SAHRA's mandate in terms of the National Heritage Resources Act NHRA, gives the entity a clearly defined responsibility for the identification, conservation, protection, and promotion of our national heritage resources for the greater good of our society and humanity. However, the operations and funding of SAHRA continued to be affected throughout the year due to the fiscal constraints. The decaying infrastructure and cost of employment expenditure being the most continuous challenges that SAHRA has been confronted with over the last few years.

The impact of the budgetary constraints has been partially offset by increases in the entity's own revenue streams that have been unlocked over the years, in the form of Applications and Permit fees revenue, Rental revenue as well as the Interest on unused funds in the 2024/25 financial year. The property maximisation strategies in the form of leasing of Heritage properties continues, this is with the effort to broaden the revenue base of the entity. Furthermore, the capacitation of the Development and Applications Unit (DAU) will result in incremental revenue for the entity in its quest of creating significant sustainable self-generating avenues.

These contributed significantly to the continuous financial sustainability of the organisation, with the organisation being able to pay cost of living adjustment for the employees. The Programme funding allocation from DSAC continues being a challenge, with the budget allocation remaining flat in comparison to prior years, with a slight increase of 4% in the allocation for the 2025/2026 year on year budget.

Notwithstanding these challenges, the entity has performed admirably once again by achieving both a clean audit outcome and managed to achieve 95% of the set targets in the form of the Annual Performance Plan. This is all thanks to the commitment, dedication and resilience of the current staff members, whom against all odds continue giving their best in ensuring that service delivery is ameliorated in areas of SAHRA's responsibility. Looking ahead, we hope in the years to come particularly over the medium term, that DSAC will provide SAHRA with sufficient financial resources to allow SAHRA to continue to execute its mandate.

NEW OR PROPOSED KEY ACTIVITIES

The entity has as part of its financial sustainability and property maximization strategy, entered into a lease agreement in 2023/2024, with Blue Pot Renewable Energies to leverage on the portion of the Dal Josafat property. The entity continues to derive rental income from this agreement and the realisation of further benefits from the agreement are expected in the 2025/2026 financial year. There has been progress with the acquisition and upgrade of the Head Office buildings at 111 Harrington Street in the current year, with the appointment of all professional consultants already and a contractor in the 2025/2026 financial year.

REQUESTS FOR ROLL OVER OF FUNDS

Section 53 of the PFMA states that a public entity may not budget for a deficit and accumulate surpluses unless prior written approval from the National Treasury has been obtained. For the financial year 2023/24, SAHRA received approval to retain and roll over R34 453 083 to the 2024/25 financial year. In terms of the audited annual financial statements of 2024/25 financial year, SAHRA will request approval to retain a surplus of R35 184 582 for funding operational and capital commitments.

SUPPLY CHAIN MANAGEMENT

SAHRA's supply chain management (SCM) processes and systems comply with the SCM Regulations and Practices in the Public Finance Management Act (PFMA) and Treasury Regulations.

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

These policies and procedures ensure that SAHRA procures goods and services in a fair, competitive, transparent and equitable manner. The Code of Conduct for the SCM practitioners has been adopted and approved SCM policy is in place that enables fair, equitable, transparent, competitive and cost-effective procurement and provisioning. Compliance with the various laws and regulations within the SCM environment is strictly observed at SAHRA and the entity has created a strong control environment to prevent any possible irregular expenditure. There were no unsolicited bids or proposals received by SAHRA during the year under review.

CHALLENGES EXPERIENCED AND RESOLUTIONS

SAHRA is faced with on-going challenges and delivery on our mandate within budgetary constraints. As such the entity is engaged in ongoing initiatives to strengthen and grow as well as create new self-generating revenue streams, that are sustainable. This forms part of our priorities to enable us to cover the entity's fixed costs, such as those related to conservation, facilities management and offering market related staff salaries.

AUDIT REPORT MATTERS IN THE PREVIOUS YEAR AND HOW THEY WILL BE ADDRESSED

The entity has received a clean audit for the fourth consecutive year in the 2024/25 financial period and consequently there were no audit findings that require management actions. The entity, together with its accounting officer play a crucial role in enabling and institutionalising a culture of performance, transparency, accountability, and integrity at the public entity.

The entity continues to strive for the implementation of the most efficient and transparent system that contributes to clean administration, and the public entity has received a clean audit outcome for these 4 consecutive years.

OUTLOOK/ PLANS FOR THE FUTURE TO ADDRESS FINANCIAL CHALLENGES

The entity much like all the government public entities continues to experience financial constraints due to budget cuts, which subsidies remaining flat over the years.

The Business Development Unit continues to identify and pursue potential revenue generating opportunities and particularly leveraging on existing Heritage Properties the entity owns.

The revenue from these streams has made significant contribution over the last few years, and the revenue contribution to total revenue continues to increase in the right direction. There is potential for increased income from activities such as permit and application fees with revised application fees being gazetted and expected to transpire in the 2025/2026 financial year and going forward. More rental income opportunities from the use of Heritage Properties continues to be explored to maximise income from these avenues.

EVENTS AFTER THE REPORTING DATE

SAHRA have two events after the reporting date of 31 March 2025, which relate to the cancellation of two awarded bids before the signing of the audit report. These awards formed part of the commitments at year end and have been included in the commitment disclosure note 37 in the Notes to the Annual Financial Statements. The events are non-adjusting events for the Annual Financial Statements. The Service Providers cancelled the contracts on 11 June 2025 on the basis that they would not be able to undertake the projects due to financial reasons.

ECONOMIC VIABILITY

SAHRA's economic viability extends beyond financial considerations and is predicated in its constitutional and legislative mandate to identify, conserve, protect, and promote our national heritage resources for the greater good of our society and humanity. Although SAHRA's financial circumstances remain sound, the Programme funding subsidy allocated to SAHRA by the Department of Sport, Arts and Culture (DSAC) remains insufficient to meet the entity's annual operating expenses, resulting in SAHRA's dependence on donor funding and self-generated income streams to meet the operational needs.

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

Budgetary cuts is a huge business risk despite the performance of the entity and its endeavours in achieving almost all its targets in terms of the entity's operational plans in 2024/2025, after having met all of these in prior financial years. This could adversely impact future roll-out and delivery of key programmes.

SAHRA's ability to recruit and retain human resources is an identified ongoing challenging that requires attention, with the organisation having undergone a benchmarking exercise, which unfortunately cannot be implemented due to budgetary constraints. The ability to attract and retain human resources will enable the organisation to not only manage a better pool of talent but to also ensure operational efficiencies are not compromised.

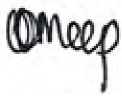
PROJECT HIGHLIGHT

Among the most profound undertakings of the year was SAHRA's leadership in the repatriation of the remains of 42 apartheid-era liberation heroes and heroines who perished in exile in Zambia and Zimbabwe. Guided by the 2021 National Policy on Repatriation and Restitution, this deeply human project brought together governments, families, and communities in a shared act of remembrance and healing. The exhumations in September 2024, and the interfaith ceremonies that followed, allowed families to reconnect with lost loved ones some for the first time in decades, offering long-awaited closure and dignity. The farewell and homecoming ceremonies, including the national reception led by President Cyril Ramaphosa, were powerful moments of collective honour, reflection, and gratitude. They reminded the nation of the sacrifices made for freedom and the enduring importance of preserving memory through heritage.

ACKNOWLEDGEMENTS

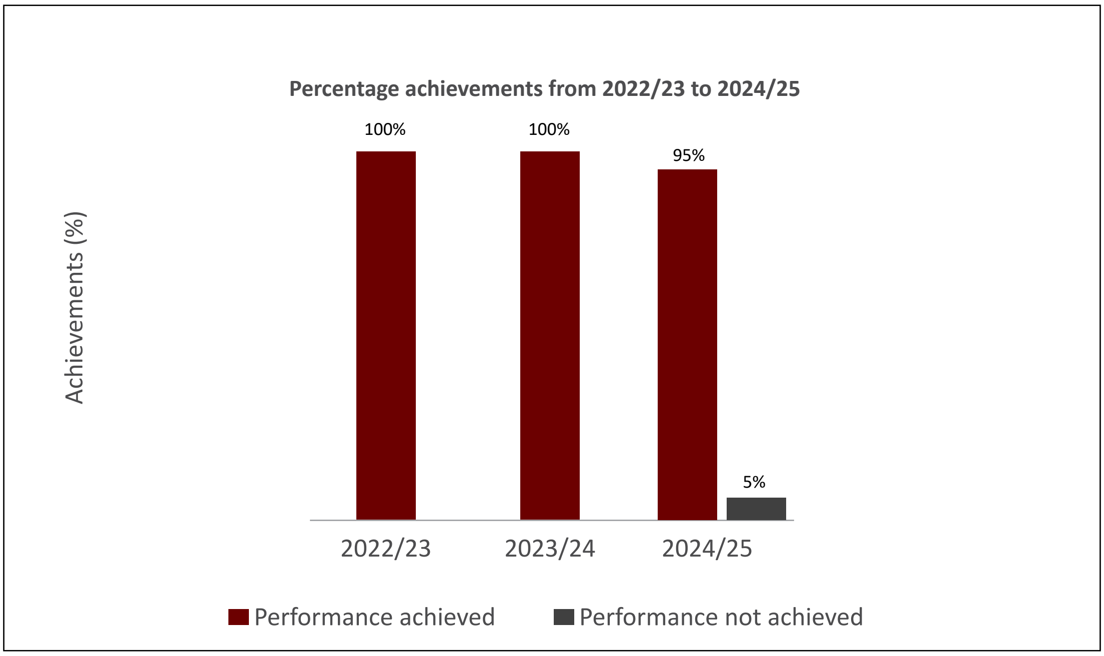
I would like to extend my sincere gratitude to the Council for their steadfast guidance and unwavering commitment to SAHRA's success over the past five years of the strategic cycle. Through your support, SAHRA achieved clean audit outcomes from 2021/22 to 2024/25 and maintained an impressive average performance rate of 96% during this period. I also wish to express my heartfelt appreciation to the Executive Management, Management, and all SAHRA staff for their exceptional dedication and outstanding performance. Your collective efforts have been instrumental in driving the organisation forward. As we embark on a new strategic cycle and fiscal year, may we remain resolute in our commitment to fulfilling SAHRA's mandate and ensuring that our rich and irreplaceable heritage is preserved for future generations.

Adv. Lungisa Malgas
(Chief Executive Officer)



Adv. Lungisa Malgas
Chief Executive Officer

COMPARATIVE ACHIEVEMENT ANALYSIS



CLEAN AUDIT 2023/24 2024/25

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

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.

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

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

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

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

Yours faithfully

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Adv. Lungisa Malgas
Chief Executive Officer
30 August 2025

6. STRATEGIC OVERVIEW

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

SAHRA conducted its last strategic review in October 2019 when developing the 2020-25 Strategic Plan, with an emphasis of pursuing the long-term four outcomes. SAHRA's 2024/2025 Annual Performance Report was developed in accordance with the new strategy which was adopted using an outcomes-based approach and it is the fifth performance report based on the current strategic plan.

VISION

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

MISSION

SAHRA exists in order to fulfil its mandate as:

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

VALUES AND BEHAVIOURS

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

- Integrity and honesty
- Accountability and professionalism
- Objectivity and consistency
- Teamwork and collaboration
- Unity of purpose

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

7. LEGISLATIVE AND OTHER MANDATES

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

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

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

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

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

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

Objectives, functions, powers and duties of SAHRA

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

The objective of SAHRA is "to co-ordinate the identification and management of the national estate".

More specifically, section 13(1) of the NHRA sets out the functions, powers, and duties of SAHRA as follows:

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

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

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

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

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

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

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

A Three-tier approach to managing heritage resources

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

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

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

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

Training and professional development

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

> “(a) the skills and capacities of persons and communities involved in heritage resources management must be developed; and
>
> (b) provision must be made for the ongoing education and training of existing and new heritage resources management workers.”

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

II. World Heritage Convention Act, 1999

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

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

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

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

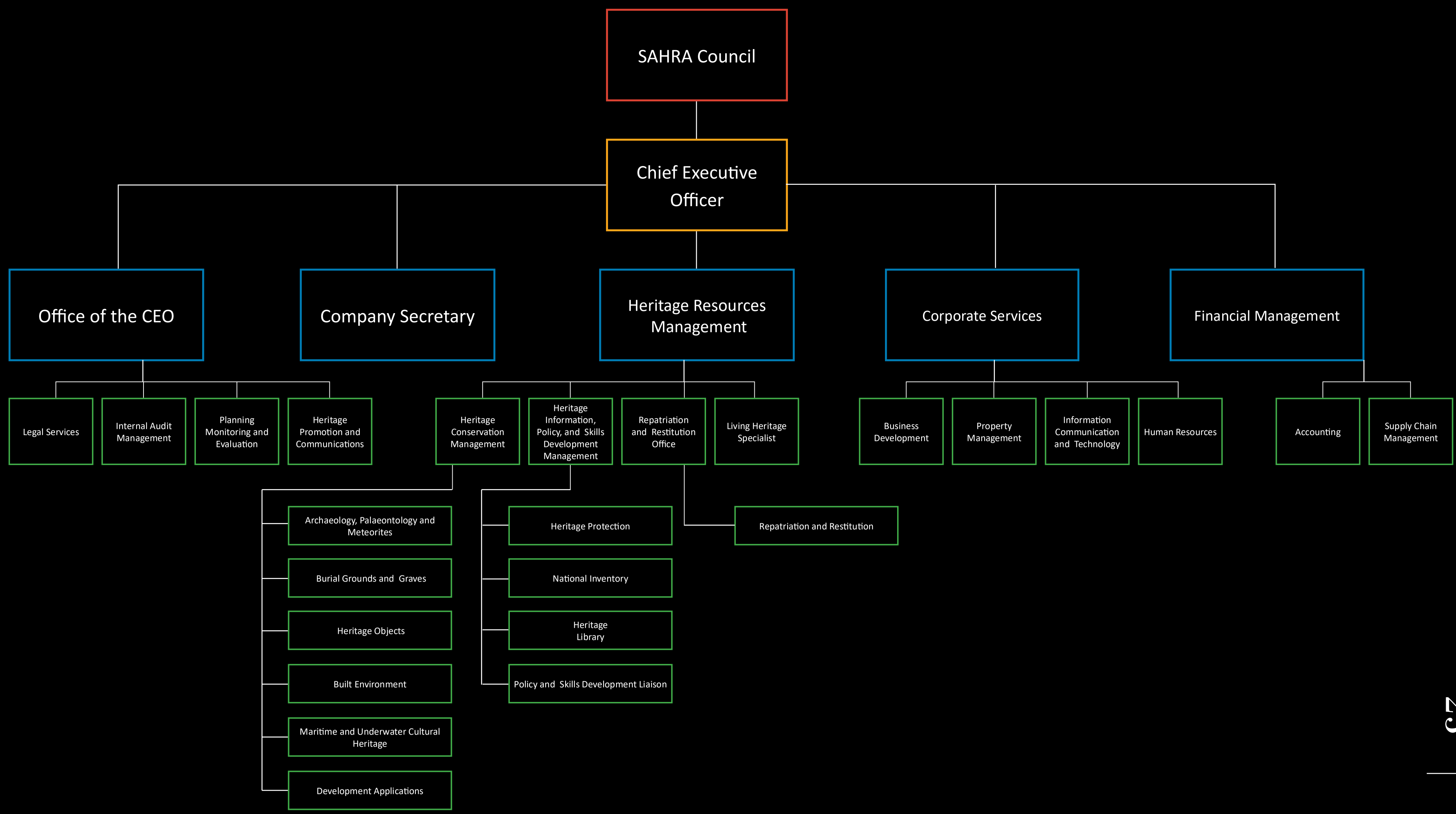
- National Heritage Council Act (Act No. 11 of 1999)
- Cultural Institutions Act (Act No. 119 of 1998)

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

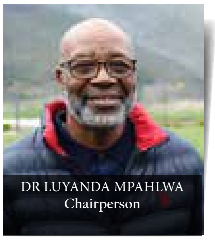
Other relevant legislations and guiding documents include:

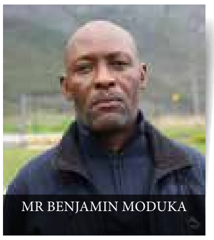
- Public Finance Management Act (Act No. 1 of 1999)
- The Division of Revenue Act (Act No. 24 of 2024)
- Basic Conditions of Employment Act (Act No. 75 of 1997 as amended)
- Employment Equity Act (Act No. 55 of 1998)
- Labour Relations Act (Act No. 66 of 1995)
- Skills Development Act (Act No. 37 of 2008)

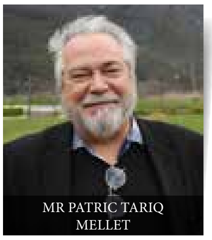
8. ORGANISATIONAL STRUCTURE

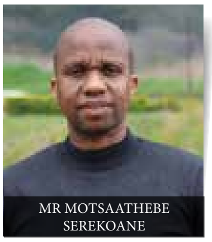


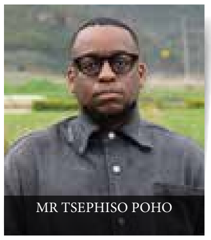
THE SAHRA COUNCIL

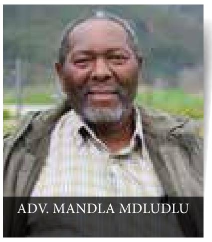

DR LUYANDA MPAHLWA
Chairperson

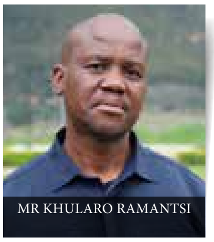

MR BENJAMIN MODUKA


MR PATRIC TARIQ MELLET

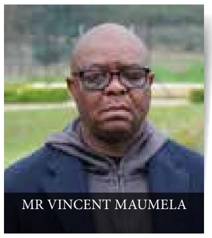

MR MOTSAATHEBE SEREKOANE

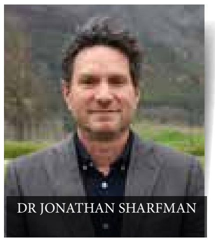

MR TSEPHISO POHO

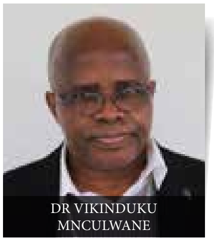

ADV. MANDLA MDLUDLU

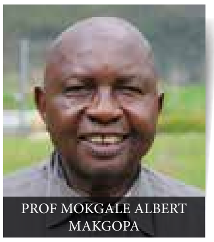

MR KHULARO RAMANTSI


MS REHANA K PARKER

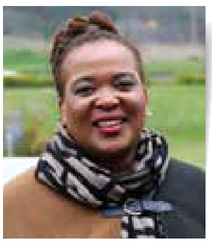

MR VINCENT MAUMELA

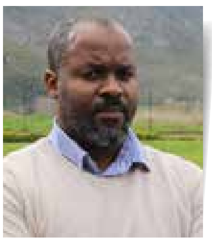

DR JONATHAN SHARFMAN


DR VIKINDUKU MNCULWANE


PROF MOKGALE ALBERT MAKGOPA

SAHRA EXECUTIVES


ADV. LUNGISA MALGAS
Chief Executive Officer

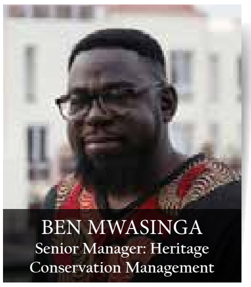

MR SIMPHIWE MOME
Head of Legal & Company Secretary, Legal Advisor

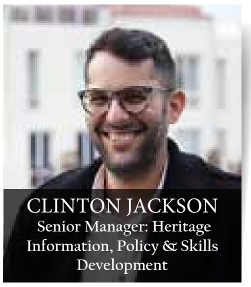

MR LENNOX TUKWAYO
Chief Financial Officer

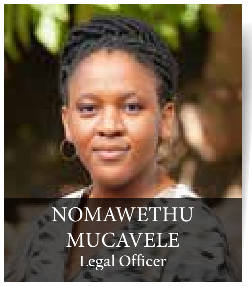

MS MAMAKOMORENG NKHASI-LESAOANA
Heritage Resources Management


MS NTOMBOZUKO MPHAMBANI
Executive Officer: Corporate Services

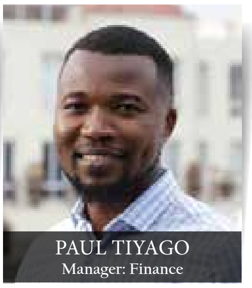
SAHRA MANAGEMENT

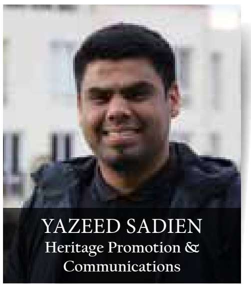

BEN MWASINGA
Senior Manager: Heritage Conservation Management


CLINTON JACKSON
Senior Manager: Heritage Information, Policy & Skills Development

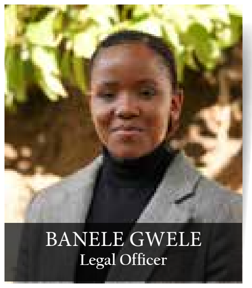

NOMAWETHU MUCAVELE
Legal Officer

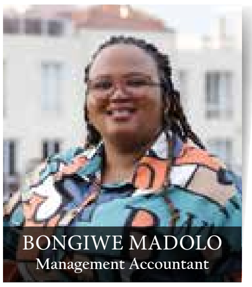

PHILLIP HINE
Manager: Archaeology, Palaeontology & Meteorites: Maritime & Underwater Cultural Heritage

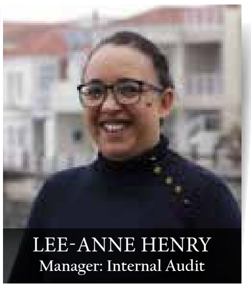

PAUL TIYAGO
Manager: Finance


YAZEED SADIEN
Heritage Promotion & Communications


LESA LA GRANGE
Manager: Policy and Skills Development

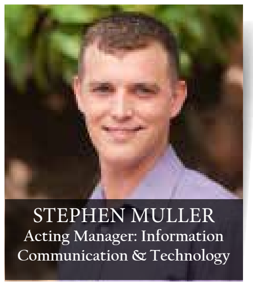

BANELE GWELE
Legal Officer

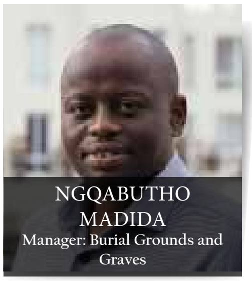

BONGIWE MADOLO
Management Accountant

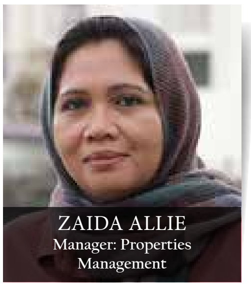

LEE-ANNE HENRY
Manager: Internal Audit


DEVON BRUINERS
Manager : Business Development

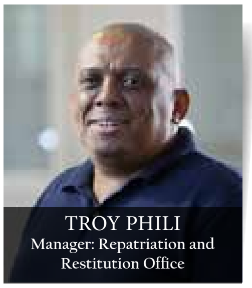

NATASHA HIGGITT
Manager: Development Applications


STEPHEN MULLER
Acting Manager: Information Communication & Technology


NGQABUTHO MADIDA
Manager: Burial Grounds and Graves


ZAIDA ALLIE
Manager: Properties Management

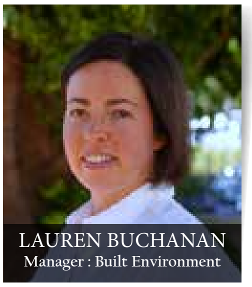

YONELA SOMTSEWU
Manager : Supply Chain


TROY PHILI
Manager: Repatriation and Restitution Office


NKOSAZANA QUEENIE MACHETE
Manager: Heritage Protection


MARGARET MAZYAMBE
Acting Manager : PME


LEOMILE MOFUTSANYANA
Acting Manager: Heritage Objects


LAUREN BUCHANAN
Manager : Built Environment


JAKE HARDING
Manager: National Inventory


MASIYE PILUSA
Manager: Human Resources

PART B

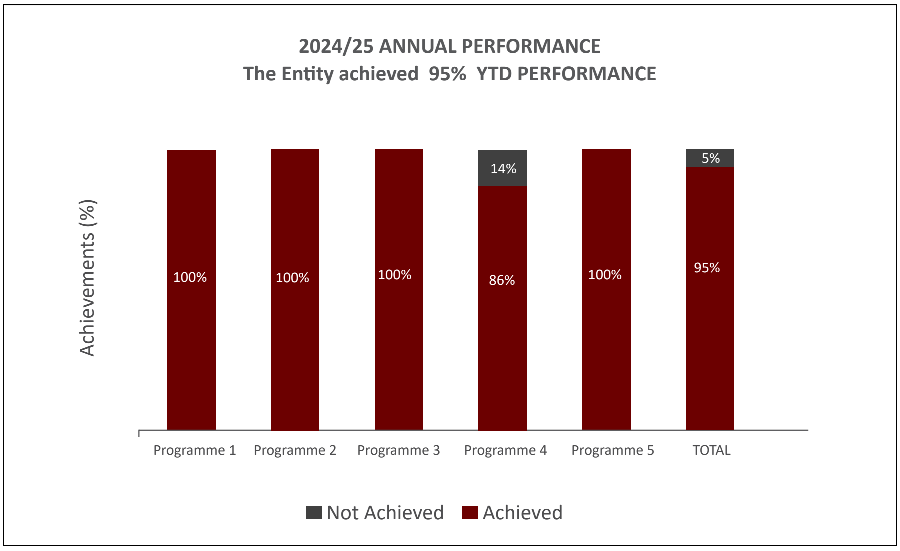
PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General has conducted audit procedures for usefulness and reliability of the reported performance information against predetermined objectives for selected material performance indicators in the annual report. Refer to page 91 of the report for the Auditor General's Report, included in Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

SAHRA has managed to continue to co-ordinate and promote the management of South Africa's heritage resources. The Entity managed to deliver 95% (18 out of 19) of its applicable outputs for the 2024/25 financial year.



Discussed below are the salient external and internal environmental analysis influencing the entity's performance.

2.1 SERVICE DELIVERY ENVIRONMENT

SAHRA, faces a multitude of challenges stemming from the dynamic landscape of politics, economics, social disparities, technological advancements, environmental threats and legal challenges.

Political

Changes in government funding allocations for heritage conservation have a profound effect on the SAHRA, with budget reductions directly undermining its capacity to retain skilled personnel and maintain essential operations. SAHRA's effectiveness is also shaped by the broader political environment, including shifts in diplomatic relations that can either enhance or hinder international collaboration and support. The emergence of a coalition Government introduces new political dynamics, often altering national priorities and potentially sidelining heritage concerns. Moreover, the instrumentalization of heritage for political gain reflects evolving narratives and agendas, which can distort the preservation and interpretation of cultural assets. The establishment and functionality of PHRAs are similarly contingent on political will, making SAHRA's operational landscape highly sensitive to governmental changes and political commitment.

Economic

South Africa faces a complex web of socio-economic and institutional challenges that significantly impact the preservation and promotion of its heritage. Inflation and exchange rate volatility, combined with sluggish economic growth and a rising cost of living, have contributed to a decline in Gross Domestic Product (GDP) growth, further straining public resources.

High unemployment rates exacerbate social unrest, often manifesting in vandalism and neglect of cultural heritage. With limited disposable income, many citizens are unable to afford visits to heritage sites, reducing public engagement and revenue generation. At the same time, financial constraints hinder the SAHRA from fulfilling its mandate effectively, as budget limitations lead to staffing issues and high turnover due to uncompetitive compensation. The development of the renewable energy sector introduces new opportunities but also raises concerns about the financial sustainability of heritage conservation. These issues are compounded by competing governmental priorities and the disruptive influence of the Fourth Industrial Revolution and digital economic shifts, which demand adaptive strategies to safeguard South Africa's rich cultural legacy.

Social

Poverty, characterized by low or no income and limited employment opportunities, continues to pose a serious challenge in society. This economic hardship is compounded by deep-rooted inequality, which alienates many individuals and communities, making it difficult for them to access important heritage resources such as Constitution Hill and Robben Island. The lack of social capital and cohesion further intensifies these issues, as communities struggle to unite around shared values and goals. High levels of crime and a pervasive sense of insecurity add additional strain, diverting attention and resources away from cultural preservation. In the face of urgent needs like healthcare and education, heritage often becomes a low priority. Moreover, disunity, identity struggles, and weakened social bonds erode the collective strength needed to foster inclusive access to heritage and build a more equitable society.

Technological

Emerging technologies, particularly the integration of artificial intelligence, hold immense potential for advancing the promotion and preservation of South African cultural heritage. Social media platforms and digital tools could significantly boost public engagement, enabling wider participation in cultural storytelling and heritage awareness. Digitization and digital archiving may become vital strategies for protecting historical artifacts, documents, and oral traditions from physical deterioration, while also broadening access through online platforms. Technologies such as 3D scanning and modelling have the potential to create accurate digital replicas of heritage sites and artifacts, making them accessible to global audiences. Immersive experiences through Virtual Reality (VR) and Augmented Reality (AR) could offer interactive learning opportunities, including virtual tours and reconstructions of historical events.

Geographic Information Systems (GIS) might support heritage mapping and cultural landscape management, helping to ensure that urban development respects and preserves historical areas. Blockchain technology could provide secure methods for safeguarding indigenous knowledge and cultural assets, empowering communities to retain control over their heritage. Artificial intelligence and machine learning may enhance the analysis of large archival datasets, revealing patterns and supporting preservation efforts. Mobile technologies and apps could facilitate access to digital archives, educational content, and virtual experiences, while also encouraging local community involvement.

E-governance tools, such as digital platforms for monitoring compliance and conducting Heritage Impact Assessments (HIAs), have the potential to improve transparency and efficiency in heritage management. Cloud computing and big data analytics might ensure secure storage and scalable analysis of cultural data, while drone technology could aid in documenting and monitoring heritage sites, especially in remote or at-risk areas. Nonetheless, the promise of these technologies must be balanced with the need for strong cybersecurity measures to protect digital heritage assets.

Environmental

Climate change is significantly impacting South Africa's heritage sites. Rising temperatures accelerate the degradation of historical buildings, archaeological sites, and artifacts, especially those made of organic materials like wood, paper, or textiles. Extreme weather events, such as more frequent storms, floods, and droughts, pose additional threats. Floods can erode archaeological sites, while droughts can cause the cracking and deterioration of rock art, including ancient San paintings. Coastal heritage sites are also at risk due to rising sea levels, which can lead to the loss or damage of historical structures and archaeological remains, such as shipwrecks and coastal settlements.

Erosion and soil degradation further threaten these sites, with natural erosion undermining the stability of ancient ruins and burial grounds, accelerating the loss of important archaeological layers, particularly in areas like Mapungubwe National Park. Biodiversity and ecosystem conservation efforts are challenged by invasive species, ecosystem changes, and the need to protect sacred natural sites.

Urbanization and land use changes, including urban expansion and the growth of informal settlements, add pressure to heritage sites. Pollution, including air, water, and soil contamination, further exacerbates the degradation of these sites. Natural disasters such as flooding, and earthquakes also pose significant risks. Water scarcity in arid and semi-arid regions affects cultural landscapes tied to traditional water sources, with droughts exacerbating the issue. Additionally, agricultural practices and rural development, including the encroachment of agricultural land and water use for agriculture, pose ongoing challenges to the preservation of South Africa's rich cultural heritage. Conservation and sustainability practices, such as green heritage conservation and balancing conservation with development, are crucial in mitigating these impacts.

Legal

Adherence to international heritage protection agreements can significantly influence SAHRA's policies and practices. Changes in South African laws and regulations also impact SAHRA's operations and authority. Legal disputes, including conflicts over heritage management, can lead to potential litigation both externally (against SAHRA) and internally (debt collection). SAHRA must comply with all relevant legislation, often implementing instructions from DSAC and National Treasury (NT) with limited autonomy. The effectiveness of law enforcement in protecting heritage resources is crucial, determining whether enforcement is "toothless" or impactful.

2.2 ORGANISATIONAL ENVIRONMENT

Strengths

SAHRA boasts several strengths that contribute to its success. The expertise, experience, and passion of its workforce are pivotal, with specialists in all respective fields driving the organization forward. SAHRA's recruitment strategy promotes diversity, enhancing its capabilities. The entity's robust compliance procedures and systems, along with strong legislation under the NHRA, ensure accountability and support. SAHRA's unique tool, South African Heritage Resources Information System (SAHRIS), plays a crucial role in the heritage landscape. Organizational stability is reinforced by the absence of amalgamation threats with the National Heritage Council (NHC), solidifying its existence. SAHRA has demonstrated adaptability in response to challenges such as coronavirus disease 2019 (COVID-19), budget cuts, and political instability. The leadership is strong and collaborative, fostering good governance and a strong relationship with DSAC and key stakeholders. Internal collaboration is emphasized, avoiding a silo mentality, and the organization operates under a supportable mandate.

Weaknesses

SAHRA faces several significant challenges that impact its effectiveness. The legislation remains uncosted and unreviewed, and it is not well known in the judiciary. The approach to legislation is myopic, focusing solely on the NHRA while neglecting other relevant laws. Additionally, the organization lacks the authority for magistrate rulings, with limited case law available. Another weakness is the reactive approach to conservation management and an overemphasis on identification rather than site management, resulting in National Heritage Sites (NHS) not being monitored effectively. Other challenges evident in the organization include uncompetitive salaries and a mandate that is too large for the entity's size. The organizational structure, based on the National Monuments Council (NMC), is not aligned with professional services, causing a division between core and support services. In managing heritage resources, it is imperative to enforce penalties for contraventions, but these penalties are often ineffective, and enforcement relies on at times lengthy debt collection processes and costly legal action. Additionally, intergovernmental integration and networking are weak, particularly with SAPS and customs.

Opportunities

SAHRA's stakeholder engagement and partnership efforts are extensive and multifaceted. They are relevant within sports, both nationally and internationally, and at the municipal level, involving various stakeholders with mutual objectives. Key partners include the police, institutions of faith, higher education institutions, and organizations focused on women and children. SAHRA also fosters partnerships in tourism, both locally and internationally, to create jobs and diversify revenue streams. Enhancing community involvement through digital tools and virtual realities to promote entrepreneurial opportunities for youth through cultural games is an avenue being explored. Knowledge dissemination initiatives include heritage in sport and diverse cultures, while monitoring contemporary popular culture. Heritage Month is utilized to boost knowledge dissemination activities and engagement.

Threats

The organization relies primarily on budget allocations from DSAC, which have decreased over the years, threatening its ability to fulfil its mandate effectively. Competing government priorities mean that areas like housing, healthcare, education, and social development are prioritized over the heritage resources sector, affecting both funding and focus across all levels of government. Non-functional strategic partnerships, including those with key government departments like the South African Police Service, hinder SAHRA's ability to coordinate the identification, management, and protection of heritage resources. Additionally, non-functional PHRAs pose a significant threat, as legislation without enforcement is ineffective. Changes in political principals can disrupt momentum on important projects, and political interference further threatens SAHRA's work. The salary freeze for senior officials increases the risk of losing experienced employees to the private sector, while non-competitive remuneration makes it difficult to attract and retain high performers. There is also a shortage of specialist skills in the heritage sector, such as archaeologists and palaeontologists. Lastly, climate change, particularly increasing temperatures, poses a threat to the protection of certain heritage structures.

2.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There have been no key policy developments or legislative changes that impacted the entity functions during the 2024/25 financial year.

2.4 PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACT AND OUTCOMES

SAHRA' s Strategic Plan 2020–2025, approved by Council in 2020, was updated to align with SAHRA's mandate, the NDP Vision 2030, the Constitution, sector legislation, policies, and both international and regional development trends. The plan set forth the SAHRA's long-term four outcomes, which were developed on an outcomes-based approach.

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

Outcome 1: Improved Organisational Capacity (Human And Financial)

OUTCOME INDICATOR	5 YEAR TARGET
Increase in funding from streams other than the budget allocation over the five-year period.	5 partnerships that financially benefit SAHRA.
Retaining the staff turnover rate.	Maintain the staff turnover rate at or below 10%.
Implementation of a robust Human Resources and Performance Management Framework. This will include the development and approval of the framework over the 5-year period as detailed in the APPs. Emphasis will be placed on structured employee performance management and development and alignment to SAHRA's strategic intent over the five-year planning period (2020 to 2025).	50% implementation of the new performance management framework

PROGRESS

Outcome 1 focuses on identifying and converting additional sources of funding to augment the budget allocated to SAHRA by DSAC and strengthening SAHRA's human resources management practices (including training).

During the 2024/25 financial year, SAHRA launched a strategic initiative with Kaldista Coffee Company and Salaam Mnandi to develop and distribute Heritage Coffee, aimed at generating sustainable revenue and promoting heritage awareness. Salaam Mnandi, operating from the Castle of Good Hope, was onboarded as a retail partner under the broader SAHRA-Kaldista agreement. The model allows SAHRA to earn a percentage of sales revenue while enhancing its visibility through branded packaging. Additionally, SAHRA partnered with Kindergarten Films to film the Spiral House Movie at Roggeland, with a signed agreement covering rental, restoration, and profit-sharing. Other income-generating efforts included leasing two properties: Old Gaol and Mooimeisiesfontein.

SAHRA successfully maintained a staff turnover rate below 10% for the 2024/25 financial year, achieving a rate of 8.6%. This stability supported the effective functioning of the organisation. The functional organisational structure and performance management system were designed to enhance performance through leadership development, talent management, and a culture of recognition. These systems were based on outcome-driven scorecards aligned across all organisational levels. SAHRA successfully managed to implement these frameworks and achieve its strategic goals.

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

OUTCOME INDICATOR	5 YEAR TARGET
The implementation, by SAHRA and other relevant organs of State, of the Strategic Co-ordination Plan. This will include the development and approval of the Strategic Co-ordination Plan over the 5-year period as detailed in the APPs and will include the roles, responsibilities and KPIs of SAHRA and other organs of State in the integrated management and protection of the country's heritage resources.	20% of the approved Strategic Co-ordination Plan implemented. The plan will be communicated in its development phase (year 1).
Improvement in knowledge of the communities on the importance of managing and protecting the country's heritage resources.	25% improvement in the communities' knowledge of the importance of managing and protecting the country's heritage resources.
Increase in the number of community members formally engaging with SAHRA in matters pertaining to the management and protection of heritage resources.	25% increase in the number of formal engagements with SAHRA in matters pertaining to the management and protection of heritage resources. A 5% increase in SAHRIS applications received.

PROGRESS

In terms of s13(1)(b) of the NHRA, SAHRA's main obligation under the NHRA is the requirement to "co-ordinate the management of the national estate by all agencies of the State and other bodies and monitor their activities to ensure that they comply with national principles, standards and policy for heritage resources management". The NHRA further explains that these activities should be performed across all three spheres of Government as follows:

- SAHRA is responsible for the management of heritage resources at the national level,
- PHRAs are responsible for the management of heritage resources at the provincial level, and
- Heritage resource management at the local level is the responsibility of municipalities.

The multifaceted nature of heritage resource management impacts on SAHRA's ability to effectively deliver on its mandate. The ineffective performance of certain PHRAs and municipalities in fulfilling their obligations poses a significant obstacle to SAHRA's ability to fulfil its mandate. The NDP's Vision 2030 emphasizes the importance of community involvement in efforts to overcome obstacles hindering personal growth. Therefore, encouraging individuals closely connected to their heritage to engage in managing and safeguarding the nation's heritage resources is deemed essential for effective heritage preservation and management.

In recognition of the multifaceted nature of heritage resources management, outcome 2 seeks to enhance collaboration between SAHRA, the relevant state entities responsible for heritage resource management and the community at large. The entity developed a Heritage Resources Management Coordination Plan (HRMCP) to enhance coordination among stakeholders to enforce heritage legislative frameworks in South Africa. This plan is aligned with broader national and international agendas such as the NDP 2030, the African Union (AU) Agenda 2063, and United Nations Educational Scientific and Cultural Organisation (UNESCO's) Sustainable Development Goals (SDGs). This alignment ensures that heritage management efforts are integrated into larger developmental goals.

In the 2024/25 fiscal year, SAHRA aimed to achieve 10% implementation of the nine Key Performance Indicators (KPIs) set for year two of its Heritage Resources Management and Coordination Plan (HRMCP) across five objectives. Seven of the nine KPIs were successfully met, resulting in a 77.8% achievement rate. Notable accomplishments included evaluating the adoption and use of the South African Heritage Resources Information System (SAHRIS) and assessing the significance of provincial heritage sites recognized as national monuments under Section 58(11)(a). These outcomes reflect meaningful progress toward the goals of the HRMCP. In response to both successes and shortfalls, SAHRA has reviewed and adjusted KPIs and targets for future implementation phases.

SAHRA endeavours to engage individuals closely connected to their heritage (geographically, historically, or culturally) in actively participating and learning about heritage management and protection. Since the implementation of this strategy, the organization has conducted knowledge dissemination activities, witnessing an increase of 90% in comparison to the year in which the strategy was first implemented. Building on previous years' efforts, ongoing knowledge dissemination activities and training interventions led to a 16% increase in the number of applications received on SAHRIS during the 2024/2025 financial year compared to the previous period. Continued work on updating the SAHRIS system is expected to further boost the number of applications received through the system.

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

OUTCOME INDICATOR	5 YEAR TARGET
Increase in the percentage of recently declared heritage resources relating to previously disadvantaged groups.	95% of recently declared heritage resources relate to previously disadvantaged groups.

PROGRESS
SAHRA's strategic approach acknowledges the importance of diversity for the collective enrichment of the nation, as outlined in Chapter 15 of the NDP) and Outcome 14 of the Medium-Term Strategic Framework (MTSF). Numerous studies have demonstrated that heritage, when effectively managed, can significantly contribute to social inclusion, shape the identity of communities or countries, and foster social cohesion. This underscores the necessity for inclusive growth to address inequalities in South Africa, with heritage playing a pivotal role in addressing this challenge. Therefore, SAHRA, through its mandated activities, seeks to uphold its responsibility in identifying, managing, and safeguarding heritage resources while advocating for the rights of underrepresented groups within the national estate. Outcome 3 is thus designed to advance a more transformed South Africa by not only increasing the number of identified heritage resources but also by enhancing the representation of the country's diverse populace within the national estate. To gauge progress towards this goal, SAHRA utilizes the percentage increase in recently declared heritage resources associated with previously disadvantaged groups as a metric. This measure reflects the entity's commitment to achieving a more equitable and transformed representation of South Africa's population through heritage-related initiatives, such as the grading and declaration of various heritage resources. In the 2024/25 fiscal year, the entity has declared Four (4) heritage resources, three of which represent previously disadvantaged groups.

Outcome 4: Economic empowerment, including employment opportunities, for local communities through SAHRA's activities

OUTCOME INDICATOR	5 YEAR TARGET
Implementation of an employment strategy by SAHRA to actively empower communities economically through SAHRA's heritage resources management and protection activities. This will include the development and approval of the strategic plan over the 5-year period as detailed in the APPs.	10% of the employment strategy is implemented according to the employment plan developed and approved.

PROGRESS
SAHRA has offered many opportunities for students to gain experience through internships. The entity has employed seven (7) interns in 2024/25. Also, SAHRA offered fifty-two (52) indirect employment opportunities through the rehabilitation, refurbishment and erection of memorials, properties, and other infrastructure projects.

2.5 PROJECT HIGHLIGHT: Repatriation of Apartheid Liberation Heroes

One of impactful projects that SAHRA implemented during the year under review was the repatriation of skeletal mortal remains of the 42 apartheid liberation heroes and heroines who died while in exile in Zambia and Zimbabwe. The implementation of this project is informed by the National Policy on Repatriation and Restitution of human remains and heritage objects. This Policy, approved by the South African cabinet in 2021 calls on inter-governmental cooperation amongst various stakeholders and role players. This project tested the effectiveness this cooperation.

The work technical team comprised of the South African Heritage Resources Agency (SAHRA) and the Missing Persons Task Team (MPTT), was initiated with consultation with various stakeholders, highlighting a significant role of families for facilitation of closure and healing of memories. Engagements with the Zambia and Zimbabwe governments facilitated by the Department of Sport, Arts and Culture (DSAC) 's International Relations Directorate through the South African High Commissions demonstrated commendable support and cooperation from these host Countries.

The exhumations conducted between 4th of September to the 13th of September 2024, recovered 26 mortal remains in Lusaka. And 16 graves were recovered in Zimbabwe with the assistance of two Archaeologists, a Pathologist and two Archivists for documentation of the entire process. Death certificates and reburial orders were issued in addition to a repatriation permit for sixteen mortal remains exhumed for facilitation of issuance of import permits within South Africa.

Fifty-two (52) family representatives of twenty-six graves in Lusaka visited and were shown the respective graves and participated in the interfaith healing and cleansing ceremonies. In Livingstone ten family members representing five of the families of seven cadres that died in the drowning accident in September 1988, came on the 9th of September and on the 10th of September 2023, performed the cleansing and healing ceremony at the Zambezi riverbank, followed by a visit to the graveyard. In Harare, thirty family representatives came on the 14th of September 2024 and a visit to the graveyard took place on Sunday 15th September 2024, where an interfaith service was observed.

The farewell ceremonies were held simultaneously in Zambia and Zimbabwe on the 25th of September 2024. This was not only a gesture of honour to the individuals and their families but also an effort to strengthen the bonds of friendship, solidarity, and development with the host countries through memorialisation. And reception ceremony was held on the 25th of September 2024, at Waterkloof Airforce Base and President Cyril Ramaphosa officiated the homecoming ceremony of South African freedom fighters who lost their lives in Zambia and Zimbabwe during the apartheid era on Friday, 27 September 2024. The ceremony formed part of Heritage Month which was observed under the theme "Celebrating the Lives of Our Heroes and Heroines Who Laid Down Their Lives for Our Freedom."

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1 Programme 1: Administration and Governance

Outcome: Improved Organisational Capacity (Human and Financial)

Programme 1 aims to build and maintain sound organisational financial and human capacity within SAHRA. The programme managed to achieve 100% of its output indicators.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS INFORMATION

PROGRAMME 1 – ACTUAL ACHIEVEMENTS

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 1 - Administration and Governance								
Improved organisational capacity (human and financial)	Partnerships that can financially benefit SAHRA	1.1 Number of revenue generating streams implemented	1 Revenue generating streams implemented	3 Revenue generating stream implemented	3 Revenue generating streams implemented	5 Revenue generating streams implemented	2	Additional revenue generating streams were implemented
	A revised organisational structure that supports the implementation of SAHRA's 2020-2025 strategy	1.2 Maintain the annual turnover rate at or below 10%	Annual turnover rate is at 8.6%	Annual turnover rate is at 8,9%	Maintain the annual turnover rate at or below 10%	8.6%	N/A	N/A
	Staff training/ development opportunities	1.3 % of training interventions rolled out according to the HR training plan.	100%	100%	100%	100%	N/A	N/A
	Development of an electronic individual performance management system	1.4 % implementation of the performance management system	100% of the new individual performance management system implemented	100% of the new performance management system implemented	100% implementation of the performance management system	100% of the performance management system implemented	N/A	N/A

The entity implemented 5 revenue generating streams. We draw your attention to a few examples of the income streams discussed below

Financial Sustainability

Kaldista Coffee Company - SAHRA, mandated by the National Heritage Resources Act to conserve and promote the nation's heritage, partnered with Kaldista, a coffee roaster known for quality and community engagement. A Memorandum of Understanding (MoU)signed between the two outlines a three-year collaboration beginning in January 2025, detailing roles in product development, marketing, and a revenue-sharing model where Kaldista contributes a portion of profits to SAHRA. These funds will support heritage conservation initiatives. To broaden the impact, SAHRA plans to collaborate with key heritage sites such as Robben Island, the Castle of Good Hope, and the Drakenstein Mandela Family House, enhancing both the visibility of these sites and the reach of Heritage Coffee.

Kindergarten Films – SAHRA recently received a proposal from Kindergarten Films, a South African production company, to film a historical drama titled the Spiral House Movie at its Roggeland property. To support the project, Kindergarten Films established a dedicated production entity, the Spiral House Movie (SHM), and signed a MoU with SAHRA. The agreement includes a rental arrangement, upfront restoration of the Roggeland barn with SHM also committing to promote SAHRA through the film's website, premiere, and credits. This collaboration aligns with SAHRA's heritage promotion mandate and ensures financial benefit while preserving the site's integrity. By adhering to all legislative requirements, SHM has demonstrated respect for Roggeland's historical value, with the partnership expected to bring renewed attention to the site and South African history through cinema.

Staff turnover, training, and performance management

The operational effectiveness of SAHRA remained stable by maintaining an annual turnover rate below 10%, achieving a rate of 8.6%. The organisation demonstrates a strong commitment to employee development, focusing on agility and adaptability to change, and prioritising human capital enhancement through comprehensive training programmes utilising various models. All essential training initiatives were successfully executed as per the HR Training Plan, achieving a 100% rollout. The Supply Chain Management (SCM) Unit actively engages and appoints diverse service providers to facilitate training aligned with the plan, covering areas such as Financial Management, Policy Development, and GIS. Beyond individual skill enhancement, these training sessions are poised to contribute significantly to SAHRA's overall effectiveness in fulfilling its mandate. Notably, SAHRA achieved a 100% compliance rate in the recordable performance management framework during the reporting period, reflecting its continuous efforts in improving both individual and organisational performance through the implementation of the performance management system.

3.2 Programme 2: Strategic Coordination

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

Programme 2 is strategically focused in strengthening existing and newly formed external partnerships in the Heritage Resources Management sector. SAHRA as the national regulatory body for heritage resources management is interested in the further integration of its national management framework and is actively seeking partners that can assist with realizing its strategic objectives and creating a sustainable heritage sector in South Africa. The entity achieved 100% performance of its output indicator for the programme.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS ACTUAL ACHIEVEMENTS INFORMATION

PROGRAMME 2 – ACTUAL ACHIEVEMENTS

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 2 - Strategic Coordination								
The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Finalised Co-ordination Strategy with Critical Stakeholders	2.1 Percentage implementation of the Heritage Resources Management Coordination Plan	1 developed and finalised Heritage Resources Management Coordination Plan	28.6% of the Heritage Resources Management Coordination Plan was Implemented	10% of the Heritage Resources Management Coordination Plan implemented	77,8%	67,8%	SAHRA hosted an engagement session with representatives from the nine Provincial Heritage Resources Authorities (PHRAs) to foster cooperation and support among heritage authorities. The event aimed to share experiences and discuss solutions to common challenges. Following the session, SAHRA continued engaging with the PHRAs, achieving the HRMCP year 2 goals. Additionally, the launch of the latest version of SAHRIS allowed SAHRA to effectively address the KPI related to the adoption and use of SAHRIS, resulting in enhanced performance.

Over the span of more than twenty years of implementing NHRA, the importance of involving a variety of stakeholders in the heritage sectors cannot be emphasised enough. The aim of the HRMCP is to bring together different stakeholders to work together seamlessly and cooperatively in preserving the national heritage. Through this ongoing endeavour, the goal is to improve the efficiency of heritage resources management, thereby fostering social harmony and national solidarity. In achieving this, the objectives of the NHRA can be realized through each instance of collaboration, partnership, program, project, and initiative aimed at protecting and celebrating our diverse cultural heritage.

As part of the 2024/25 fiscal year, the target set for accomplishment was "10% implementation of the HRMCP". Year two of the HRMCP introduced nine KPIs across the five objectives. By the end of the 2024/2025 fiscal year, seven out of nine of the planned KPIs have been attained, resulting in a total achievement of 77.8% for year two of the HRMCP. SAHRA hosted an engagement session with representatives from the nine PHRAs to foster cooperation and support among heritage authorities. The event aimed to share experiences and discuss solutions to common challenges. Following the session, SAHRA continued engaging with the PHRAs, achieving the HRMCP year two goals. Additionally, the launch of the latest version of SAHRIS allowed SAHRA to effectively address the KPI related to the adoption and use of SAHRIS, resulting in enhanced performance.

3.3 Programme 3: Public Engagement

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

The purpose of programme 3 is to enhance and showcase diverse community participation in heritage related engagements. The entity was able to continue to disseminate knowledge and act as a leading heritage resources management regulative body by providing advisory support to stakeholders on the available platforms and thus achieved 100%.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS ACTUAL ACHIEVEMENTS INFORMATION

PROGRAMME 3 – ACTUAL ACHIEVEMENTS

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 3 - Public Engagement								
The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Knowledge dissemination events and activities	3.1 Number of knowledge dissemination activities	24	21	15	25	10	Additional knowledge dissemination activities took place due to easier access and usage of digital platforms as a means of disseminating information
	Diverse representation at SAHRA hosted heritage events	3.2 % of women, youth and persons with disabilities attending SAHRA-hosted events	% of people in the following groups attending SAHRA hosted events: Women: 57% Youth: 38% Rural: 4%	% of people in the following groups attending SAHRA hosted events; Women: 59% Youth: 41% Persons with disabilities: 1%	Minimum % of people in the following groups attending SAHRA hosted events: 50% Women or 40% Youth or 2% Persons with disabilities	Minimum % of people in the following groups attended SAHRA hosted events; 56% Women; 33% Youth; 1% Persons with disabilities	N/A	N/A

The relevant organs of state and communities participate actively in the identification, management and protection of heritage resources	Engagement with communities when declaring a national heritage resource	3.3 Average number of community engagements/ consultations while declaring a national heritage resource	Average of 12 engagements/ consultations during declaration of national heritage resources	13 Average engagements/ consultations during declaration of national heritage resources	Minimum 1 engagement/ consultation per national heritage resource declared	An Average of 40 community engagements/ consultations while declaring a national heritage resource were held	N/A	N/A
	Engagement with communities when developing HRM policies	3.4 Average number of community engagements/ consultations for developed/revised HRM policies	Average 1 engagement/ consultation per developed/ revised HRM policy	1 Average advocacy engagement/ consultation per developed/revised HRM policy	Minimum 1 engagement/ consultation per developed/revised HRM policy	An Average of 41 community engagements/ consultations per developed/revised HRM policy were held	N/A	N/A
	Engagement with communities when rehabilitating and erecting memorials/ monuments	3.5 Average number of community engagements/ consultations while rehabilitating/ erecting memorials/ monuments	Average 13 engagement/ consultation while rehabilitating/ erecting memorials/ monument	4 Average engagements/ consultations while rehabilitating/ erecting memorials/ monuments	Minimum 1 engagement/ consultation per rehabilitated/erected memorial/monument	An Average of 3 community engagements/ consultations were held while rehabilitating/ erecting memorials/ monuments	N/A	N/A

SAHRA has a responsibility to promote and regulate heritage by disseminating knowledge at hosted or participatory conferences, workshops, seminars, and lectures both at a national and international level and in this regard, the entity overperformed. The entity conducted a total of 25 knowledge dissemination activities with 10 additional activities from the planned 15 activities during the 2024/25 financial year. These were part of the efforts by the entity in improving communities' knowledge of the importance of managing and protecting their resources. Some of the knowledge dissemination activities are highlighted as follows:

Workshops/Conferences/Seminar Webinar

The Beijing Culture Forum (BCF) - The Beijing Culture Forum (BCF), established in 2022, is an international platform focused on Inheritance, Creativity, and Mutual Learning, aiming to promote Chinese culture while fostering global cultural exchange. In 2024, South Africa participated for the first time, with SAHRA presenting the Miles Barton shipwreck case; an 1861 maritime incident possibly linked to looted Chinese artefacts, as part of a broader discussion on maritime heritage and international cooperation. SAHRA granted Chinese researchers a permit to investigate the site, marking a significant step in collaborative archaeology and shared heritage protection. SAHRAs contributions through its representative included a media interview with Xinhua News Agency and a speech at the BCF Professional Salon, both of which highlighted South Africa's historical role in global trade and the importance of preserving underwater cultural heritage. The event generated strong interest, and it is recommended that SAHRA continue fostering partnerships with Chinese institutions and participate in future BCF events to build on this momentum.

Witsand Primary School - As part of Heritage Month celebrations, the SAHRA Library hosted a book display and exhibition for Grade 7 learners at Witsand Primary School, with 30 learners selected due to space limitations. The event aimed to raise awareness about SAHRA and heritage through an engaging slide presentation featuring heritage sites, which sparked enthusiastic participation and thoughtful questions. Highlights included a curated display of 24 age-appropriate books, educational posters, the distribution of 50 heritage booklets, interactive quizzes with prizes, and guided tours led by library staff. The exhibition was well-received, with the teacher praising its impact and learners demonstrating respect and curiosity, despite having limited prior knowledge of heritage. SAHRA remains committed to expanding outreach to underprivileged schools in the Western, Eastern, and Northern Cape, with continued collaboration and support from its communication team to enhance future initiatives.

Lectures

University of the Western Cape - SAHRA's Built Environment Unit (BEU) was invited to present at the University of the Western Cape (UWC) Department of Geography, Environmental Studies, and Tourism to introduce students and academics to the heritage aspects of the built environment. The presentation covered SAHRA's role, the NHRA, the three-tier system of heritage management in South Africa and UNESCO World Heritage Sites, with a focus on Robben Island as a case study. Discussions explored the evolving nature of heritage management, including site declarations, alterations, and links to tourism and environmental sectors. Students were also introduced to potential research topics such as heritage governance, adaptive reuse, and the integration of Artificial Intelligence (AI) in heritage management. The session emphasized best practices, global linkages, and the importance of digitisation in preserving and presenting heritage.

SAHRA Hosted Events

Heritage Month Webinar - SAHRA proudly hosted its 2024 Heritage Month Webinar from 10 to 13 September 2024. This virtual event, which included a hybrid physical session on the final day, brought together heritage professionals, academics, policymakers, and members of the public to reflect on 30 years of heritage management in South Africa's democracy. A major highlight of the event was the official launch of SAHRIS 2.0, a next-generation digital platform for heritage resources management. A comprehensive account of each day's sessions, participant feedback, and key insights is discussed below.

Reflecting on 30 years of heritage management in South Africa. SAHRA's CEO opened the session, highlighting key developments since 1994. Presentations covered policy evolution, community engagement, and major milestones in heritage site protection. Challenges such as funding, climate change, and inclusivity were also discussed. A panel showcased successful community-led heritage initiatives.

A dialogue themed Towards the Next 30 Years of Heritage Management was held to explore how heritage practices can evolve to stay relevant, resilient, and inclusive. Presentations examined global trends such as sustainable conservation, the integration of cultural and natural heritage, and the growing influence of technology in preserving intangible heritage. Speakers shared strategies to enhance community participation and improve accessibility, particularly for youth and marginalized communities. A key presentation highlighted the importance of balancing heritage preservation with pressing societal needs, including climate change, urban development, and economic transformation.

Presenters explored the theme Digital Cultural Heritage to examine how technology is reshaping the preservation and promotion of heritage. They showcased innovative projects involving digital archives, 3D scanning of heritage sites, and the application of artificial intelligence to manage and interpret cultural data. One notable project featured the digitization of previously inaccessible historical documents, now publicly available online. The discussions also addressed ethical considerations, including issues of ownership, cultural sensitivity, and equitable access to digital heritage. Emphasis was placed on the importance of community consultation when digitizing culturally significant materials to ensure respectful and inclusive representation.

The final day featured the much-anticipated launch of SAHRIS 2.0, held both in person and online. SAHRIS 2.0 offers real-time data updates, interactive maps, and user-friendly tools for researchers and the public. Demonstrations showcased its improved interface, mobile accessibility, and enhanced data visualization capabilities, positioning it as a key tool for democratizing access to heritage information.

The 2024 Heritage Month Webinar was a resounding success, providing a platform for reflection, innovation, and collaboration. It celebrated 30 years of democracy and heritage while laying the foundation for the next 30 years of progress. The event fostered meaningful engagement with the heritage community and strengthened partnerships that will benefit the sector in the long term. The participation of local and international partners underscored SAHRA's role in the global heritage landscape. Collaborations with universities and institutions of higher learning continue to support the development of skilled heritage practitioners, ensuring a strong future for heritage management in South Africa.

Attendance at SAHRA Hosted Events

In its commitment to align its goals with the MTSF, SAHRA made sure to invite women, youth and people living in rural areas to attend SAHRA hosted events. The Heritage Week Webinar was an opportunity for inclusion of this specific subgroup of stakeholders as their participation in heritage related activities is vital as they are an important part of custodianship of South Africa's Heritage. The minimum targeted attendees were achieved with women and youth yielding majority of the attendees at the webinar.

3.4 Programme 4: Business Development and Transformation

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

Programme 4 is aimed at implementing SAHRA's mandate through inclusive identification, conservation, promotion, and management of heritage resources. Programme 4 achieved 86% of the expected outputs for this financial year.

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS ACTUAL ACHIEVEMENTS

PROGRAMME 4 – ACTUAL ACHIEVEMENTS

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 4 - Business Development and Transformation								
A national estate that is representative of South Africa's diverse heritage	Engagements/ consultations with communities when formally protecting heritage resources	4.1 Number of heritage resources assessed for grading	12	5	5	5	N/A	N/A
		4.2 Number of heritage resources declared	9	7	4	4	N/A	N/A
		4.3 Number of heritage resources inspected	68	61	25	58	33	Additional heritage resources were inspected/monitored due to: • Possible contravention complaints of damaged resources • Saving financial resources by combining activities at heritage sites

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 4 - Business Development and Transformation								
A national estate that is representative of South Africa’s diverse heritage	Engagements/ consultations with communities when formally protecting heritage resources	4.4 % of received contravention complaints that SAHRA has responded to	100%	100%	100%	100%	N/A	N/A
		4.5 Number of monuments and memorial sites rehabilitated and erected	5	4	4	2	-2	This was due to delays inthe SCM processes
		4.6 Number of formal partnership agreements with identified strategic institutions	6	4	4	6	2	Additional Partnerships were entered into
		4.7 % of heritage resources representative of previously disadvantaged people through heritage activities	100%	100%	80%	89%	N/A	N/A

The National Heritage Resources Act 25 of 1999 mandates SAHRA to protect, manage, grade, declare and conserve the national estate. This mandate has been carried out successfully as the entity overachieved having assessed 5 sites for grading and declared four (4) heritage resources. A few of the heritage resources are highlighted below.

Declarations

Gats River Fossil Site - On 20 March 2025, SAHRA officially declared the Gats River Fossil Site, located in the riverbed at Nieu Bethesda, a National Heritage Site. This site, where rocks from the late Permian Dicynodont Assemblage Zone of the Karoo Supergroup are prominently exposed, has produced a wealth of significant fossil discoveries, particularly those of mammal-like reptiles (therapsids). These fossils represent a crucial evolutionary phase marking the divergence between reptilian and mammalian lineages, ultimately leading to the emergence of mammals and, distantly, humankind. Notable fossil taxa recovered from the site include Youngina capensis, Dicynodon leoniceps, Oudenodon baini, Cynosaurus kitchingi, Ictidosuchops intermedius, Theriognathus, and Procynosuchus delaharpeae. The Gats River Fossil Site already serves as a valuable educational resource for local communities, an increasing number of visitors to the area, and students of geology and palaeontology. Its accessibility and fossil-rich deposits make it an ideal location for field studies, offering opportunities to uncover new specimens and gain deeper insights into ancient palaeoenvironments.

Thulamela Archaeological Site - On 13 September 2024 SAHRA officially declared the Thulamela Archaeological Site, located on Farm Thulamela Ruin No. 7-MU in the Vhembe District of Limpopo, within the Pafuri region of the Kruger National Park, a National Heritage Site. Thulamela, meaning “Place of Giving Birth”, is a dry stone-walled hilltop settlement overlooking the Luvuvhu River floodplain. It was inhabited from the 13th to the 17th centuries by the ancestors of the Shangaan, Tsonga, and Venda peoples. The site was a central hub in a flourishing ivory and gold trade network, as evidenced by the discovery of glass beads, bronze artifacts, Chinese porcelain, ivory bangles, gold, and textiles.

Similar archaeological sites have been identified nearby at Makahane, Matjigwili, and Shilowa, and further afield in Zimbabwe, Mozambique, Botswana, and Mapungubwe. Collectively, these sites illustrate the influence of East African coastal trade, which fostered the rise of powerful chieftaincies along the Limpopo corridor. These societies exchanged gold, ivory, and leather for glass beads, porcelain, and cloth, indicating a sophisticated and far-reaching economic system.

The Royal Palace is believed to have stood atop Thulamela hill, and the site’s layout reflects a clear social hierarchy that emerged from these trade dynamics. However, the prominence of these settlements declined following the Portuguese discovery of the sea route to India and the subsequent rise of the East African slave trade.

Thulamela is a vital chapter in the broader narrative of the “peopling of Southern and South Africa.” It is a living archaeological record that continues to evolve through ongoing research. The site affirms the existence of complex pre-colonial state systems, challenging colonial and apartheid-era myths of an uncivilized past. The rich material culture uncovered at Thulamela has significantly deepened our understanding of early African political structures and contributes to the reclamation and celebration of indigenous heritage.

Assessments

Dr Neil Aggett - Dr Neil Aggett was a prominent medical doctor, trade unionist, and anti-apartheid activist. Born in Nanyuki, Kenya, he moved to South Africa in 1970. He completed his schooling at Kingswood College in Makhanda (formerly Grahamstown), Eastern Cape, and graduated as a medical doctor from the University of Cape Town (UCT) in 1976.

Dr Aggett became deeply involved in labour activism, advocating for workers' rights and unionisation. His activism led to his unjust detention on 27 November 1981 under Section 6 of the Terrorism Act of 1967. He was held without trial for 70 days at John Vorster Square Police Station (now Johannesburg Central Police Station), where he died on 5 February 1982. Although his death was officially ruled a suicide, it was overturned by the Johannesburg High Court but had been killed by members of the apartheid-era Security Branch.

Dr Aggett's grave is in West Park Cemetery, Montgomery Park, Johannesburg. A site assessment conducted by Burial Grounds and Grave unit (BGG) on 26 October 2023 confirmed that the grave remains in good condition. It is managed by Johannesburg City Parks and Zoo, with controlled public access. The tombstone was erected by Dr Aggett's family, correcting a previous attribution to the Ahmed Kathrada Foundation. Dr Aggett was the 51st person and the first white South African to die in detention during apartheid. His death became a powerful symbol of the regime's brutality, and the sacrifices made in the struggle for democracy. His grave serves as a site of memory and reflection, particularly on issues of labour rights, justice, and human dignity. The site holds historical, political, and social significance, representing the broader impact of apartheid and the resilience of those who opposed it. It also provides a platform for public engagement on trade unionism and democratic rights in contemporary South Africa. SAHRA acknowledged the grave's profound significance and supported its nomination as a Grade I site.

Blue Mine - The Archaeology, Palaeontology and Meteorites (APM) unit submitted the Blue Mine in Springbok, Northern Cape, for Grade I National Heritage Site consideration. Established in 1852, it is South Africa's first commercial industrial mine, located within the Namaqualand Metamorphic Complex and rich in copper-bearing Koperberg Suite dykes. Though no longer operational, the site features distinctive blue-turquoise oxidized copper and two sealed historical shafts. The mine represents a significant shift from pre-colonial small-scale mining to industrialized extraction and reflects the influence of Cornish mineworkers and broader socio-economic changes. SAHRA recognized its cultural, historical, scientific, and aesthetic value, noting a possible link to the heritage locomotive Clara. Despite being recognized by the NMC in 1979, the site was never formally declared. A recognition plaque remains in place. The site's multi-layered significance including themes of migration, labour, and economic development was acknowledged, but concerns were raised about the limited demonstration of national impact. The Committee recommended applying the Thematic Framework and conducting further research to strengthen the case for national significance.

Inspections of Heritage Resources

The entity inspected a total of 58 heritage resources, some amongst them that hold significant importance. We wish to draw your attention to these particular heritage resources by providing a more detailed explanation about them.

Kgoshi Mampuru II - The statue of Kgoshi Mampuru II, located in Sekwati Village in Limpopo Province under the Makhuduthamaga Local Municipality, was inspected. Commissioned by SAHRA in partnership with the Department of Traditional Affairs (DTA), the 1.9-meter statue commemorates Kgoshi Mampuru II, a traditional leader and early anti-colonial resistance figure who opposed the oppressive hut tax laws of the 1860s–1880s and was executed for his defiance, making him one of South Africa's earliest liberation icons. The statue, erected under Section 44 of the NHRA to honour victims of conflict, followed extensive consultation with the Pedi Mamone Traditional Council and was introduced to local and district municipalities in March 2016, with construction completed in 2017, though it remains officially unveiled. Site observations noted recent enhancements, including a donated aluminium gate, spotlights, and family-constructed ablution facilities for tourists, while erosion and heavy rainfall have damaged the paving around the memorial, posing a threat to the site. Despite this, the statue is in good condition and well maintained by the family. Recommendations include regular site monitoring and the installation of an interpretive plaque to explain the site's protection under the NHRA. To ensure sustainable management and future development, SAHRA and the Limpopo Heritage Resources Authority (LIHRA) are encouraged to strengthen collaboration with local authorities.

The Cape Minstrels Cultural Heritage Route - The Cape Minstrels Cultural Heritage Route, located in Cape Town, Western Cape, is home to the annual Cape Town Minstrel Carnival, also known as the Kaapse Klopse or Tweede Nuwe Jaar, celebrated on January 2nd. This vibrant tradition, rooted in the celebration of freedom by formerly enslaved people, is one of South Africa's longest-standing cultural practices and holds deep historical, social, and aesthetic significance. The route begins in Hanover Street District Six, and proceeds through Adderley Street, past the Castle of Good Hope, into Bo-Kaap via Wale and Rose Streets, ending at the Green Point Track. While SAHRA typically declares built environments as heritage sites, this route, recognized as a place of cultural significance under the NHRA No. 25 of 1999, demonstrates living heritage through oral traditions, music, costume, and performance. Notable buildings along the route include 64 Rose Street and the Green Point Track. The route is nationally significant for its artistic innovation, historical associations with slavery, and its role in shaping community identity. However, challenges persist, including the lack of interpretive signage, absence of formal route demarcation, and ongoing conflicts between the Cape Town Minstrel Carnival Association (CTMCA), the Kaapse Klopse Karnival Association (KKKA), and the City of Cape Town (CoCT), particularly around permits and sponsorships. These tensions, along with visible gentrification in Bo-Kaap, threaten the spontaneity and authenticity of the practice. Despite these issues, the route remains in good physical condition, with well-maintained roads, though security and visitor interpretation are lacking. The Cape Minstrels Route is a strong candidate for UNESCO Intangible Cultural Heritage recognition, given its unique role in commemorating the history of slavery and its enduring cultural relevance. SAHRA is encouraged to engage further with the CoCT to resolve permitting concerns and support the formal recognition and preservation of this culturally rich and historically significant route.

Evangelical Lutheran Church (ELC) - The purpose of the site visit by the was to inspect recent additions or alterations made to Allure Restaurant, situated on the grounds of the ELC, a declared National Heritage Site. The primary concern raised had been the alteration of the restaurant's roof structure. It was noted that the roof had already been modified by the time the consultant approached SAHRA which prompted the need for an on-site inspection. The inspection revealed that the original roof consisted of a tensile fabric stretched over a steel frame, providing cover for the outdoor seating area. The new structure had been replaced with a fixed dome roof, significantly altering the visual impact of the site. Photographs taken from Waterkant Street and the Lutheran Church clocktower confirmed the extent of the changes. In accordance with Section 27(18) of the NHRA, any maintenance, alterations, or additions to structures within a declared heritage site were required to be approved by SAHRA through a formal application on SAHRIS. As the alteration had been made without prior approval, the matter constituted a contravention of the Act and was subject to internal review. SAHRA undertook to assess the situation in light of the MoU and to determine whether further consultation with other heritage bodies was necessary. It was recommended that a qualified architect or heritage consultant with appropriate experience be appointed to oversee any future work.

The Jewish Cemetery - The site visit aimed to inspect the historic cemetery and meet with the landscape architect regarding site management and a restoration application. Discussions included general maintenance and the deteriorating boundary walls. It was noted that the site lacked a Conservation Management Plan (CMP). An application for wall repairs was initially submitted to Heritage Western Cape (HWC) in March 2023 but was referred to SAHRA after the site was declared a National Heritage Site on 31 March 2023, as part of a serial declaration including eight District Six sites. Although located in Woodstock, the cemetery is historically linked to District Six, as many interred individuals had settled there. The site commemorates Cape Town's first Hebrew Congregation, dating to the 1800s. Used from 1844 to 1887, the cemetery contains 58 recorded burials. A Taharah House, believed to be the first dedicated Jewish building in sub-Saharan Africa, once stood at the entrance and only its foundation remains today.

Now situated at the busy corner of Lower Church Street and Albert Road, the cemetery remains a valuable heritage site despite changes in its surroundings. The inspection revealed that the walls were built at different times. The Albert Road-facing wall, made of stone and plaster, was in good condition. The left wall, made of vibracrete, also required no repairs. However, the right wall had partially collapsed, damaging graves. The neighbouring property had repaired their side, limiting access. A non-functional mosaic fountain was also noted. The rear wall was unstable, with sections collapsed and temporary supports in place. The gable was at risk due to a weakened base.

Originally, the cemetery had lower stone-and-plaster walls, later raised to prevent vandalism and preserve sanctity. The applicant proposed demolishing the unstable rear wall, replacing it with a waist-high brick wall and Clearview fencing, and repairing the adjacent wall and fountain (without reconnecting water). It was recommended that a qualified heritage consultant oversee the work, with a close-out report submitted to SAHRA within 30 days of completion. A Heritage Agreement (HA) was also proposed to ensure long-term site management, with a meeting recommended between SAHRA and the Cemetery Maintenance Board to formalize this.

Madzunya Grave – The purpose of site visit to the grave of Mr. Ratshilumela Madzunya in Tshidzini Village, Limpopo Province, was to assess its condition and identify conservation needs. The grave, located within his residential yard under Thulamela Local Municipality, is part of a memorial completed in 2016 and protected under Section 36(5)(a) and (b) of the NHRA. The site was found to be in generally good condition, with clear inscriptions and well-maintained landscaping featuring flowers, cycads, and white pebbles. However, issues were noted, including a damaged corner of the foundation slab likely due to moisture or poor grading and cracks on the porcelain tiles bearing SAHRA and DSRAC logos, possibly caused by weathering. Access to the site remains a concern and requires prior arrangement. It was recommended that SAHRA engage with the family to address these issues, replace the damaged logo tiles, implement regular monitoring, and install an interpretive plaque to highlight the site's significance and protected status. These actions are essential to preserve the integrity and heritage value of the Ratshilumela Madzunya grave site.

The SAS Pietermaritzburg - The SAS Pietermaritzburg, originally commissioned as HMS Pelorus in June 1943, was an Algerine-class ocean minesweeper that gained prominence for clearing the route to Juno Beach during the D-Day invasion on 6 June 1944. Later, she was among the first Allied vessels to enter Singapore following Japan's surrender in 1945. Sold to the South African Navy in 1947 and renamed HMSAS Pietermaritzburg in 1948, she served as a training and dormitory ship until her decommissioning in 1991. Efforts to preserve her as a museum ship were ultimately abandoned due to high costs, and she was scuttled off Miller's Point on 19 November 1994, where she became a popular dive site and artificial reef. Following damaging salvage activities in 2012, the wreck was declared South Africa's first underwater National Heritage Site in February 2013 under the NHRA.

A site inspection was conducted by the APM and Maritime and Underwater Cultural Heritage (MUCH) unit, accompanied by the UCT Research Dive Unit and SAPS trainees. Two dives were undertaken to assess the wreck's condition. The midship section, previously weakened by salvage, showed further deterioration, with hull plating now detached and lying on the seabed. The bow, partially collapsed and filling with sand, has lost visibility of some features. A notable artifact, a ceramic toilet, had been moved from the bow to the aft deck. The port-side access ladder, intact in 2022, was found broken and displaced. A 2024 multibeam survey confirmed ongoing structural decline, though marine life continues to thrive. Coral damage on the starboard bow was also observed, possibly due to diver activity or natural causes. The inspection concluded that the wreck's condition continues to deteriorate, exacerbated by past salvage and seasonal sea conditions. Given its popularity among divers and vulnerability to further damage, it is recommended that the site be monitored annually, with particular attention to previously compromised areas.

Monuments and Memorial Sites Rehabilitated and Constructed

The entity rehabilitated and constructed a total of 2 monuments and memorial sites, some amongst them that hold significant importance. We draw your attention to one site discussed below.

Alexander Obelic - The obelic located in the Alexander Park Concentration Camp in Potchefstroom, Northwest Province, is recognized as part of South Africa's national estate due to its cultural and historical significance. These obelic-style memorials, found throughout the country, honor those who perished during the Anglo-Boer War. Routine site assessments conducted by SAHRA in 2016 and 2023 identified the obelisk as vandalized and in urgent need of restoration. In response, SAHRA launched a rehabilitation project in collaboration with the Northwest Provincial Heritage Resources Authority (NW PHRA), Dr Kenneth Kaunda District Municipality, and Heritage Potch.

The project focused on restoring the structure while maintaining its original design, with minor enhancements to improve its longevity. Following the 2023 assessment, SAHRA secured funding and initiated procurement processes, leading to the successful completion of the rehabilitation. The obelisk has now been restored to a stable and dignified condition. To ensure its long-term preservation, it is strongly recommended that SAHRA partner with a local community-based heritage structure to promote awareness and help prevent future vandalism. Community involvement will be essential in safeguarding this important site of national memory.

Partnerships

The entity entered into a total of 6 partnerships, some amongst them that hold significant importance. We wish to draw your attention to some of these partnerships by providing a more detailed explanation.

National Cultural Heritage Administration of the People's Republic of China - In a spirit of mutual respect and shared commitment to preserving the cultural legacies of their nations, the South African Heritage Resources Agency (SAHRA) and the National Cultural Heritage Administration of the People's Republic of China entered into a landmark agreement to strengthen cooperation in the field of cultural heritage. This partnership, rooted in the long-standing friendship between South Africa and China, aims to deepen mutual understanding and foster people-to-people connections through the shared appreciation of cultural history.

Guided by the principles outlined in the 10-Year Strategic Programme of Cooperation (2020–2029), signed in March 2022, the agreement draws upon key provisions that emphasize mutual political trust, strategic cooperation, and cultural exchange. Specifically, it aligns with Article 4 of Chapter 1 on Mutual Political Trust and Strategic Cooperation, Article 4.4 of Chapter 3 on People-to-People Exchanges, and Article 4 of Chapter 6 on the BRICS Mechanism.

Through this agreement, both parties committed to encouraging and supporting collaborative efforts in cultural heritage preservation. They agreed to develop joint plans and design cooperative projects that reflect the values of equality and mutual benefit. These initiatives will include knowledge exchange, technical cooperation, and shared research in areas such as conservation, restoration, and the management of heritage sites and collections.

This partnership marks a significant step forward in international cultural diplomacy, reinforcing the role of heritage as a bridge between nations and a foundation for future collaboration. It is a testament to the enduring value of cultural heritage in shaping identity, fostering unity, and building a shared global legacy.

Department of Forestry, Fisheries and the Environment (DFFE) - In a collaborative effort to strengthen the protection and sustainable management of South Africa's heritage and environmental resources, SAHRA and the DFFE entered into a MoU focused on the responsible sharing of confidential heritage data. Recognizing the interconnectedness of environmental and heritage conservation, the two institutions acknowledged the importance of integrating heritage considerations into environmental decision-making. Sections 2, 23, and 24 of the National Environmental Management Act (NEMA) underscored the need for sustainable development to account for heritage impacts, while Section 38 of the NHRA mandated HIAs as part of development planning.

SAHRA held sensitive information regarding the location of heritage resources, which was protected from public disclosure under Section 39(6) of the NHRA. DFFE expressed the need to access this confidential data to better assess the potential impacts of development projects on heritage sites. In response, SAHRA agreed to grant DFFE access to this information under clearly defined terms and conditions. This MoU represented a significant step toward integrated heritage and environmental governance. It established a framework for cooperation that respected the confidentiality of sensitive heritage data while enabling DFFE to fulfil its mandate more effectively. Through this agreement, both parties reaffirmed their commitment to protecting South Africa's rich cultural and natural heritage through informed, collaborative, and sustainable practices.

Engagements

Stakeholder engagements and consultations assist SAHRA to fulfil its mandate with relation to empowering communities to participate in management of heritage resources. These engagements take place during the process of declaring national heritage resources, developing HRM policies and rehabilitating memorials /monuments. SAHRA engaged the communities and stakeholders using letters, meetings, and emails. The minimum targeted engagements took place accordingly and as such the outputs relating to declarations, policies and rehabilitations were met.

3.5 Programme 5: Economic Empowerment

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

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

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS ACTUAL ACHIEVEMENTS

PROGRAMME 5– ACTUAL ACHIEVEMENTS

Outcome	Output	Output Indicator	Audited Actual Performance		Planned Annual Target	Actual Achievements	Deviation from planned target to Actual Achievement	Reasons for deviations
			2022/23	2023/24	2024/25	2024/25	2024/25	
Programme 5 - Economic Empowerment								
Outcome 4: Economic empowerment, including employment opportunities for local communities through SAHRA's activities	Increase in the number of employment opportunities created through partnerships with SETAs	5.1 Number of employment opportunities created through internships	6	8	5	7	2	Additional internship opportunities were created
	The number of employment opportunities for local communities created, indirectly, through SAHRAs memorials and/ or infrastructure projects	5.2 Number of employment opportunities for local communities created, indirectly, through SAHRA's memorials and/or infrastructure projects	23	33	10	52	42	Additional employment opportunities were created for local communities through SAHRA's memorials and infrastructure projects

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In collaboration with Sector Education Training Authority (SETA), SAHRA has offered opportunities for students to gain experience through internships. Many of these interns have even gained further internal opportunity through contracts, and some have even been provided permanent positions within the Entity. The Entity employed 7 interns during the 2024/25 financial year.

SAHRA offered indirect employment opportunities through the rehabilitation, refurbishment, and erection of memorials, properties, and other infrastructure projects. The Entity provided opportunities to Small and medium-sized enterprises (SMMEs) and other businesses that often source local labour to complete these projects with a total of 52 individuals employed.

4. LINKING PERFORMANCE WITH BUDGETS

	2023/2024			2024/2025		
Programme/Activity/Objective	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration and Governance	87 073	44 294	42 779	79 002	55 127	23 875
Programme 2: Strategic Coordination	1 314	1 314	0	3 869	5 070	(1 201)
Programme 3: Public Engagement	2 106	2 106	0	9 455	2 558	6 897
Programme 4: Business Development and Transformation	34 211	27 126	7 085	34 242	25 625	8 617
Programme 5: Economic Empowerment	22 964	3 324	19 640	33 208	5 293	27 914
Total	147 668	78 164	69 504	159 776	93 673	66 103

The adjusted budget shows that the Entity has spent 59% of its budget in achieving 95% of its predetermined objectives. The expenditure for the period under review is R93.7 million including the project funds and personnel costs. The variance is R66.1 million attributable to the projects which could not be fully implemented during the financial year. Cost containment measures were strictly adhered to.

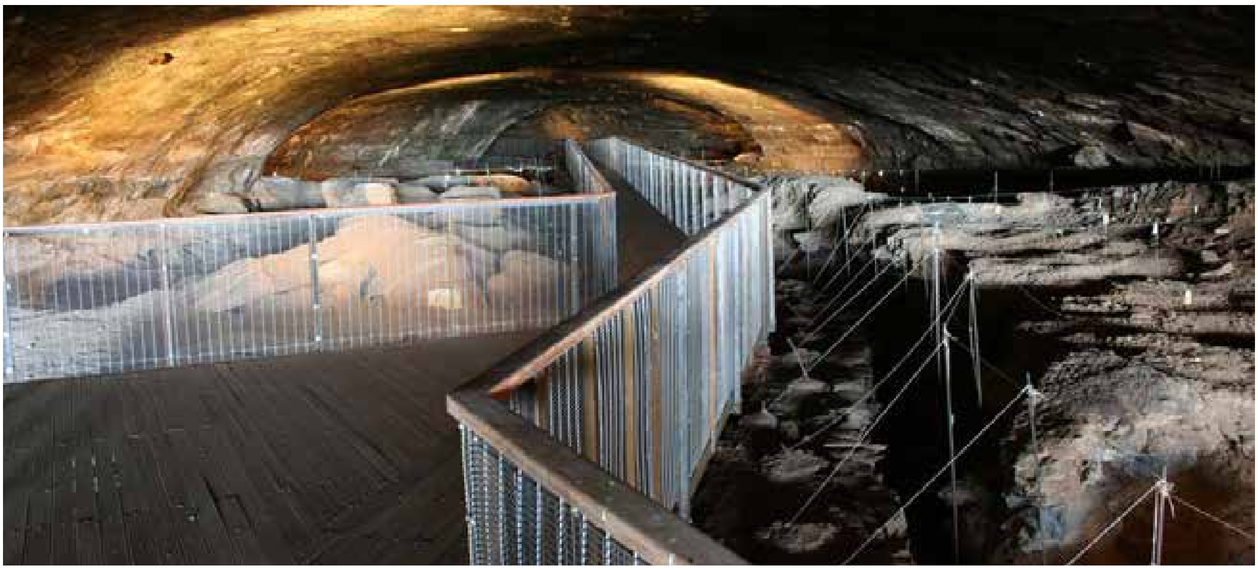
5. REVENUE COLLECTION

	2023/2024			2024/2025		
Source 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
Grant from DSAC	62 207	62 207	-	66 339	66 339	-
Interest	850	7 529	- 6 679	900	7 456	(6 556)
Rent Revenue	1 850	2 449	- 599	2 350	4 672	(2 322)
Permit Fees and Other Income	5 302	7 284	- 1 982	5 022	12 058	(7 036)
Realisation of Deferred Revenue	77 459	4 774	72 685	85 165	5 515	79 650
Total	147 668	84 243	63 425	159 776	96 040	63 736

Funding for the Agency comprises of grants received from DSAC, project funds and own generated income from rentals with interest earned on investments in deposit accounts. Rental income is generated from properties owned by SAHRA. Included in the permit fees and other is legal fees re-imbursement, re-imbursement of patriation expenditure and insurance claim process. The variance on deferred revenue and interest is due to delays in implementations of the projects.

6. CAPITAL INVESTMENT

	2023/2024			2024/2025		
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
Restoration and repurposing of Heritage Properties	4 169	1 103	3 066	17 624	2 603	15 021
Restoration Delvillewood	14 674	-	14 674	14 674	-	14 674
Upgrade of Head Office	30 938	46	30 892	33 448	2 184	31 264
Fencing and Security	7 258	1 202	6 056	9 542	574	8 968
Total	57 039	2 351	54 688	75 288	5 631	69 927



PART C

GOVERNANCE

1. INTRODUCTION

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

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

2. PORTFOLIO COMMITTEE

There was one (1) meeting held with the Portfolio Committee on the 15 October 2024 in the 2024/25 financial year.

3. EXECUTIVE AUTHORITY

Reports Submitted to Executive Authority	Dates
Quarter 1 Performance Report	31st July 2024
Quarter 2 Performance Report	31st October 2024
Quarter 3 Performance Report	31st January 2025
Quarter 4 Performance Report	30th April 2025
Annual Report	29th August 2025

4. THE ACCOUNTING AUTHORITY/ THE COUNCIL

Responsibilities and duties of the council

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

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

Function of the Council

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

- Run the affairs of SAHRA in line with the NHRA, the PFMA, DAC priorities, Medium Term Strategic Framework (MTSF), Medium Term Expenditure Framework (MTEF), the National Development Plan (NDP) and other relevant government strategies and policies.
- Setting broad strategy for the SAHRA to meet its objectives and performance targets.
- Ensure proper preparation of and approve Strategic and Annual Performance Plans, compliance reports, key procedures, and policies.
- Approve decisions related to strategic initiatives such as commercial ventures, significant acquisitions, internal restructures, and disposals.
- Approve the annual budget of the SAHRA.
- Ensure that SAHRA follows corporate planning provided by the Minister of Arts & Culture, National Treasury and the DSAC.
- Set SAHRA's values and standards of conduct and ensuring that these are adhered to, in the interest of stakeholders, employees, customers, suppliers and communities in which it operates and generally safeguarding the reputation of SAHRA.
- Provide leadership of SAHRA within a framework of prudent and effective controls which enable risk to be assessed and managed.
- Set the direction, strategies and financial objectives and ensure that the necessary resources are available for SAHRA to meet its mandate and obligations.
- Always act in the best interest of SAHRA.

Council Charter

The Council Charter that sets out the roles, responsibilities, membership, and other key governance information is reviewed at least annually. The Council Charter was accordingly reviewed and approved by Council on the 31st March 2024.

Composition of Council

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees e.g.: Audit committee)	No. of Meetings attended
Dr Luyanda Mpahlwa	Chairperson	1 August 2019	Term ended 31 July 2022 & reappointed 1 August 2022	M.Sc. Arch/ Dipl.-Ing	Architecture	SAHRA & NHC	Council	9
Mr Benjamin Moduka	Council Member	1 August 2019	Term ended 31 July 2022 & reappointed 1 August 2022	B. A Dramatic Art (Hons), Integrated Heritage Resources Management Cert, Government Policy Formulation Course (NQF 5), Applied Heritage and Time Travel Course	Heritage Resources Management	SAHRA	Business Development (BDC) Chairperson & Corporate Services (CSC) Appeals Committee	13
Mr Tariq Patrick Mellet	Council Member	1 August 2019	Term ended 31 July 2022 & reappointed 1 August 2022	Masters degree (MSc), MSc Tourism Development & Management, Dip Human Resources Management, Dip Offset Lithographic Printing & Publishing, Certificate in Lithographic Printing, Certificate Mechanical Engineering & NTC 3	Historian	SAHRA, Camissa Museum	Corporate Services (CSC) Chairperson	10
Mr Motsaathebe Serekoane	Council Member	1 August 2019	Term ended 31 July 2022 & reappointed 1 August 2022	B.Soc.Sc (Social Work and Psychology)	Medical Anthropology	SAHRA	Heritage Resources Management (HRM) Chairperson and Business Development (BDC) & Appeals Committee	13
Mr Tshepiso Poho	Council Member	1 August 2022	31 July 2025	Chartered Accountant (SA) B Compt Hons (Certificate in Theory	Chartered Accountant (SA)	SAHRA	Audit and Risk Committee (ARC) & Business Development (BDC)	14
Adv Mandla Mdludlu	Council Member	1 August 2022	31 July 2025	BIURIS, LLB	Law	SAHRA, Health Professions Council of South Africa, West Coast (TVET) College Council,	Corporate Services (CSC)	11
Mr Khularo Ramantsi	Council Member	1 August 2022	31 July 2025	BA Education	Education	SAHRA	Heritage Resources Management (HRM) and Business Development (BDC)	9
Ms Rehana K Parker	Council Member	1 August 2022	31 July 2025	Degree - B.Proc, admitted attorney & Acting Judge	Law	SAHRA, SOUTH AFRICAN GEOGRAPHICAL NAMES COUNCIL, LEGAL AID SOUTH AFRICA	Audit and Risk Committee (ARC) & Corporate Services (CS) & Appeals Committee	1
Mr Vincent Maumela	Council Member	1 August 2022	31 July 2025	Postgraduate Diploma in Heritage and Museum Studies, Bachelor of Arts, Education Diploma	Bachelor of Arts	SAHRA	Heritage Resources Management (HRM) and Business Development (BDC) & Appeals Committee	9
Dr Jonathan Sharfman	Council Member	1 August 2022	31 July 2025	PhD Maritime and Underwater Cultural Heritage Management in Sub-Saharan Africa, Masters in Maritime Archaeology, BA(Hons) Archaeology, specialising in Maritime Archaeology	Maritime Archaeology	SAHRA, Founder/ Director: African Centre for Heritage Activities,	Corporate Services (CSC) and Heritage Resources Management (HRM) & Appeals Committee Chairperson	10
Dr Vikinduku Mnculwane	Council Member	1 August 2022	31 July 2025	PdD Public Administration	Public Administration (Public Policy Implementation)	SAHRA & Amafa	Heritage Resources Management (HRM)	7
Professor Mokgale Albert Makgopa	Council Member	27 January 2025	31 July 2025	Doctor of Literature and Philosophy (DLitt et Phil) (African Languages; Northern Sotho) Master of Arts (MA) (African Languages; Northern Sotho) BA HONS ((African Languages; Northern Sotho) BA	Literature & Philosophy	Limpopo Provincial Heritage Resources Authority	None	3

Committees of Council

Committee	No. of meetings held	No. of members	Name of members
Business Development Committee (BDC)	2	6 (Current from 01 Aug 2022)	Mr Benjamin Moduka (reappointed as Chairperson of BDC from 1 Aug 2022)
			Mr Vincent Maumela (Council member from 01 August 2022)
			Mr Khularo Ramantsi (Council member from 01 August 2022)
			Mr Tshepiso Poho (appointed from 01 July 2022)
			Mr Motsaathebe Serekoane (from 1 Aug 2022)
			Mr Vincent Maumela (Council member from 01 August 2022)
Corporate Services Committee (CSC)	2	5 (Current from 01 Aug 2022)	Mr Tariq Patrick Mellet (Committee Chairperson following re-appointment as Council member from 01 August 2022)
			Mr Mandla Mdludlu
			Ms Rehana Parker (Council member from 01 August 2022)
			Dr Jonathan Sharfman
			Mr Benjamin Moduka (reappointed as Chairperson of BDC from 1 Aug 2022)
Heritage Resources Management Committee (HRM)	5	5 (Current from 01 Aug 2022)	Mr Motsaathebe Serekoane (reappointed as Chairperson of HRM from 1 Aug 2022)
			Dr Jonathan Sharfman
			Dr Vikinduku Mnculwane (appointed as a Council member from 01 August 2022)
			Mr Khularo Ramantsi (Council member from 01 August 2022)
			Mr Vincent Maumela (Council member from 01 August 2022)
Audit & Risk Committee (ARC)	7	5 (Current from 01 Aug 2022)	Mr Khotso James Sello
			Mr Isaac Dlhomo
			Ms Reyhana Gani
			Ms Rehana K Parker (representative of Council)
			Mr Tshepiso Poho (representative of Council)

Remuneration of Council members

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

Remuneration of Council members

Name		Total Remuneration (R)
1.	Dr Luyanda Mpahlwa	R138 507
2.	Mr Benjamin Moduka	R151 841
3.	Mr Tariq Patrick Mellet	R138 793
4.	Mr Motsaathebe Serekoane	R178 984
5.	Mr Tshepiso Poho	R82 710
6.	Adv Mandla Mdludlu	R104 940
7.	Mr Khularo Ramantsi	-
8.	Ms Rehana K Parker	R26 676
9.	Mr Vincent Maumela	-
10.	Dr Jonathan Sharfman	R113 950
11.	Dr Vikinduku Mnculwane	R56 034
12.	Prof MA Makgopa	-

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

5. RISK MANAGEMENT

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

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

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

- Ongoing risk assessments and review of risk management activities that includes the review of strategic risk registers on a quarterly basis by the Audit and Risk Committee and Council;
- Facilitating/attending risk training workshops;
- Facilitating and co-ordinating the development of risk registers at strategic and operational levels and aligned to the Entity's strategic objectives;
- Entrenching risk management as a standard agenda item in key governance committees across the organisation; and
- Review of the ERM Policy to reflect the current risk assessment methodology, including the risk tolerances that the Entity is willing to pursue and the allowable appetite across risk categories.
- The Internal Audit Unit's three-year rolling plan and annual risk-based plan is informed by the Entity's Strategic, Financial Operational & Compliance Risk identified.

6. INTERNAL AUDIT

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

The SAHRA complies with these sections of the act where the accounting authority ensures that an Internal Audit Function is maintained and under direction and oversight of an audit committee thus ensuring its independence and aligned with best practices in governance, accountability, and financial management.The Internal Audit Unit provides management with independent, objective assurance and advisory services designed to add value and improve the Entity's operations. Internal Audit assists the Entity in achieving its objectives by applying a systematic, disciplined approach to evaluate and enhance the effectiveness of risk management, control, and governance processes. In alignment with the 2025 Global Internal Audit Standards, the function operates with integrity, independence, and strategic foresight — guided by principles of ethics, professionalism, and stakeholder trust. It delivers assurance and advisory services that are risk-based, technology-enabled, and responsive to the evolving expectations of the Council, Senior Management, and other key stakeholders.

The following key activities are performed in this regard:

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

The functions of the Internal Audit Unit are executed by a co-sourced arrangement between the in-house Internal Audit Manager with the assistance of the professional services firm Khulagro, an independent audit and assurance firm which was appointed for a period of three years to provide SAHRA with comprehensive internal audit services. Internal Audit has carried out its activities in accordance with its Internal Audit Charter which is reviewed annually considering any significant changes within the Entity and changes within the regulatory and compliance frameworks. This process is led by the Head of internal Audit considering input from Senior Management and the Audit and Risk Committee and approved by the Chairpersons of the Audit and Risk Committee and Council.

7. AUDIT AND RISK COMMITEE

The NHRA para 18 Committees of Council ‘Council may establish committees to assist it in the performance of its functions and, in addition to any members, it may appoint to such committees’ persons whom the Council considers competent or who possess specific skills and expertise.’

Additionally, the PFMA treasury regulations, para 27.1 states ‘Audit committees [Sections 51(1)(a)(ii) and 76(4)(d) of the PFMA’ and para 27.1.1’ The accounting authority of a public entity must establish an audit committee as a sub-committee of the accounting authority.’

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

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

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

Name	Qualifications	Internal or External	Date appointed	Date Resigned/ Term ended	No. of Meetings attended
Mr Khotso James Sello	Certified Information Systems Auditor (CISA); Certifications in Risk and Information Systems Control (CRISC); General Accountant ACCA (Association of Chartered Certified Accountants); Technician Accountant ACCA (Association of Chartered Certified Accountants); General Internal Auditor (IIA SA) (Institute of Internal Auditors South Africa);	External	Previous term ended on 31 July 2022 and reappointed from 27 August 2022	N/A	7
Ms Reyhana Gani	Chartered Accountant (SA)	External	Previous term ended on 31 July 2022 and reappointed from 27 August 2022	N/A	6
Ms Rehana K Parker	B-Proc Degree, Certificate in Labour Law	External	1 August 2022	N/A	3
Mr Tshepiso Poho	Chartered Accountant (SA)	External	1 August 2022	N/A	6
Mr Isaac Dhlomo	Computer Systems Engineering, Information Technology and Computing	External	Previous term ended on 31 July 2022 and reappointed from 27 August 2022 and resigned from the last meeting in October 2024	N/A	6
Mr D Ramuedzisi	CA (SA) Registered Auditor Senior Business Rescue Practitioner Independent Director, Trustee and Curator Golden Key International Honour Society	External	28 March 2025		(nil in the 2024-25 financial year, only attended from April 2025)

8. COMPLIANCE WITH LAWS AND REGULATIONS

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

9. FRAUD AND CORRUPTION

SAHRA has adopted the Fraud Prevention Strategy which confirms the Entity's zero tolerance stance towards fraud and corruption. Various channels for reporting allegations of fraud and corruption exist, which includes, amongst others, the SAHRA Fraud hotline email address fraud@sahra.org.za; which one can also access via SAHRA's website. The Fraud Prevention process is managed by the Internal Audit unit within SAHRA and all allegations received through the various reporting channels is recorded in a Fraud Register which is used as a tool to monitor and report on progress made. These cases are reported quarterly to the Audit and Risk Committee. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the representative to whom they report the matter(s) to.

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

- Documented Fraud prevention strategy which includes Entity wide operational strategies and whistle blowing policy.
- Fraud prevention communication sessions and induction.
- Branding the Entity with banners and posters.
- Fraud prevention email communications.
- Awareness raised on SAHRA's social media platforms.

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

10. MINIMISING CONFLICT OF INTEREST

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

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

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

11. CODE OF CONDUCT

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

12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Entity has an Occupational Health and Safety Policy and continues with its Occupational Health and Safety system implementation by conducting training for all Safety Representatives including first aiders and fire marshals. The OHS Act is displayed in designated areas across all offices of the Entity where staff are located to ensure that the Entity's Employees are well informed thus ensuring an organisational culture that is aware, complies with guidance set out by the Department of Labour. SAHRA has a very active Occupational Health and Safety Committee that often make constructive suggestions in addressing health and safety issues in the office environment. The Committee reviews SAHRA's health and safety practices on a quarterly basis in accordance with an industry-accepted checklist. Regular maintenance of the buildings, systems and equipment where SAHRA's employees are located is carried out according to a plan to ensure the health and safety of all employees.

13. COMPANY SECRETARY

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

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

14. SOCIAL RESPONSIBILITY

In the execution our mandate for the protection of heritage resources in communities, the entity engages with key communities in the protection of their heritage. Such is displayed by SAHRA's commitment to 100% response to complaints which is key performance indicator that the entity has achieved. In our engagements with stakeholders such as higher learning institutions, nominating, grading and declarations processes we promote conservation of heritage resources. The advocating of protection and management of heritage resources creates awareness by communities and allows protection of these resources for generations to come.

The entity contributed towards nation building, social cohesion and economic empowerment which form part of the national development plan priorities of the South African government. Although SAHRA is not a job creation entity, the entity has created indirect employment opportunities for interns and local communities through its memorial and infrastructure projects. These have been the entity's commitment and key performance indicators, having created 7 internships and employed 52 individuals from local communities through its memorial and infrastructure projects opportunities during the 2024/25 financial year.

15. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

The Audit and Risk Committee (ARC) plays an important role in ensuring that the South African Heritage Resources Agency (SAHRA) functions adhere to the implementation of the strategy approved by the Council, good governance, accounting, and audit standards. It also monitors the adoption of appropriate risk management framework that helps SAHRA to identify, assess, and manage risks that could impact the operations and objectives. It provides guidelines for systematically addressing potential threats, ensuring compliance, and improving overall security and efficiency; risk measurement and assessment; risk mitigation; risk reporting and monitoring; and risk governance, risk tolerance levels, and risk appetite.

Primary Responsibilities of the Audit Committee

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

The ARC Charter is updated regularly and complies with the principles of good governance as per the King IV guidance and with the requirements of the PFMA treasury regulations. The Audit Committee reported and made recommendations to the Accounting Officer and Council in its oversight function covering:

- Financial Management
- Performance Management
- IT Governance
- Risk Management and Internal Audit
- Compliance with relevant Laws, Regulations and Ethics
- Reporting Practices
- External Audit

In the meetings of the ARC, among other matters we have monitored and exercised an oversight aligned to the duties of our charter and in compliance with the PFMA, we have fulfilled our responsibilities with the following key activities:

- Reviewed the execution of the Entity Mandate and Strategy by the Executive of SAHRA as approved by the Council.
- Reviewed the quarterly reports on Financial Performance including the Entity's analysis of Budget versus Expenditure, the registers of unauthorised, fruitless, wasteful, and irregular expenditure.
- Reviewed the quarterly performance information reports, as well as the annual report which were recommend for approval to the Council for submission to the Auditor General of South Africa (AGSA).
- Monitored and reviewed the activities of the Internal Audit as per the approved audit plan in conformance with the Institute of Internal Auditors (IIA) Standards.
- Considered the Internal Audit plans and reports and made recommendations as appropriate.
- Monitored progress with the Internal Audit coverage plans as well as management's follow-up on matters requiring attention.
- State any specific investigations undertaken in the entity and whether adequately resolved
- Monitored and reviewed the Risk Management activities and measures instituted by the Entity to enhance Risk Management Framework, and also its mitigating action plans in support of the Business Continuity, Internal Control and Ethics management within SAHRA.
- Monitored and reviewed the implementation of the Information Communication and Technology (ICT) plans and the measures put in place to accelerate modernisation and enhancement of cybersecurity
- Continued to report the ICT and cyber security challenges to the Accounting Officer and Council.
- Provided guidance to the Council and Accounting Officer on the IT Governance issues and alignment to applicable legislation.
- We monitored and reviewed the implementation of the Legal Services and Compliance plans.
- Monitored compliance with policies and applicable legislation.
- Considered and approved the AGSA's Audit Strategy and Engagement letter and recommended it to the Council for approval. Also monitored the interaction between AGSA and Internal Audit as part of the combined assurance plan to bring about efficiencies, effectiveness, economies of scale, and synergies.
- We monitored and reviewed the implementation of the Action Plan of the AGSA's external audit findings as well as the findings of the Internal Audit function along with the intervention plans that have been put in place by management.
- We have monitored the independence of the External, Internal Auditor and co-sourced Internal Auditors
- The Audit Committee has considered and reviewed the technical competence of the finance team at SAHRA

The Council is also satisfied that together, the members of the Audit and Risk Committee, bring a broad range of relevant skills, experience, aptitude, and expertise, from a wide variety of industries and backgrounds, and have competencies relevant to the SAHRA business model in which it operates.

Audit and Risk Committee Meetings

The Committee met seven (7) times during the year. Typically, the EXCO which includes amongst others, the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer who is also the SAHRA's Company Secretary and the Head of Internal Audit, as well as representatives of the external auditor are invited to attend meetings of the Committee as an when appropriate. When required, other key executives and senior management are invited to attend to present and provide deeper insight on various topics as are required by the Committee to discharge its duties. The External auditor and the Head of Internal Audit always have a direct access to the Committee Chairperson. After each Committee meeting, the Chairperson of the Committee reports to the Council on the key issues which have been discussed.

Internal Control and Risk Management

The system of controls within the Entity is designed to provide reasonable assurance but not absolute that assets are safeguarded and that liabilities and working capital are properly managed in line with the PFMA and the protocol on corporate governance. This is achieved by a risk-based Internal Audit Plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

We have noted the adequacies and effectiveness of the internal controls, internal control deficiencies, the associated compensating (controls) measures, and the challenges reported to the Committee by Management, the AGSA, and the Internal Audit in the past financial year.

We remain committed to providing the Entity with assurance in terms of the Committees' role in the oversight of and monitoring the controls of the Entity.

The Audit Committee supports the Council in its duties to review and monitor, on an ongoing basis, the adequacy and effectiveness of the Entity's risk management framework, and internal control systems.

Throughout the year, the Committee:

- Reviewed and recommended the approval of the Risk Framework including risk tolerance and appetite to the Council.
- Reviewed and recommended the approval of the assessment of the principal risks and uncertainties, including consideration for climate change and emerging risks, that could impact the achievement of the Entity's strategic objectives.
- We received presentations on a selection of Strategic risks and discussed with Senior management the material internal controls that exist to mitigate these to levels within the Entity's risk appetite
- We further considered and made recommendations on the Strategic Risk reports presented by the Entity's Chief Risk Officer that included quarterly updates on the planned actions that are set out by the Entity for mitigation of Risks as well as for the improvement of controls of the Entity.
- Reviewed quarterly reports from the Head of Internal Audit based on internal audits completed outlining non-compliances with Entity controls and managements' action plans to address them
- We considered the Business Updates by the Accounting Officer that provided the Committee with detailed insight into the Entity's strategy implementation, internal control, risk management and updates on ongoing investigations.
- We considered reports from the Head of Internal Audit as well as from Senior Management on incidents of reported fraud and the resultant preliminary investigations or other significant control matters which occurred during the year and approved plans by all key stakeholders to address and remediate the issues identified.
- As well as reviewed the report from the External Auditor (AGSA) in respect of significant financial accounting and reporting issues, together with significant internal control weakness observations.

- We have considered the quarterly updates from ICT management with regard to the Entity's ICT governance and information security programme and its ability to address cybersecurity threats particularly in the context of its criticality to the business and an increase in the global risk level.

From the Committee's review of the reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, and the Management Report of the Auditor General of South Africa (AGSA), we can conclude that the system of internal control as applied over financial matters and enterprise risk management at the Entity is satisfactory. The Committee has noted management's commitment to address the lack of control effectiveness. The Committee will be monitoring management's progress in resolving these issues on a quarterly basis to ensure that errors are minimised and that the quality of the AFS is reliably and consistently enhanced.

The Entity removed one (1) risk pertaining to the impending merger of entities which mayhave seen significant changes to the operating structure of the Entity.

There were no other major incidents or losses attributable to the failure of risk management or any major successes or gains achieved or losses or incidents avoided through applying a rigorous risk management process. In saying that the residual risks of the Entity remained significantly high during the financial year due to the Entity's inability to adequately retain staff, fund ICT projects, generate its own revenue and manage project management risk.

INTERNAL AUDIT

The Accounting Officer is obliged, in terms of the PFMA, to ensure that the Entity has a system of internal audit under the control and direction of the Audit Committee. The Internal Audit Unit operated objectively and independently and assisted the Entity within their limited capacity with value added services.

The internal audit unit's performance against the approved plan:

Number of approved Audits	Additions or replacement on the Plan	Internal Audits Completed	Work in progress at financial year end	Not Completed / Deferred
16	1	8	5*	2*

**The unit has had some challenges during the year with executing its plan, due to amongst other things; the readiness of business units to commence reviews as planned as well as 1 replacement project that took longer than expected to complete. For audits missed and partially commenced and not completed, the unit commits to ensuring that audits are completed within the next cycle as well as strengthening the internal audit business units collaboration with other business units to enhance audit timeline*

Quality of In-Year Management and Monthly/ Quarterly Reporting

The Entity's Accounting Authority has complied with the National Treasury regulations 27.1, 29.3.1, & 30.2.1 as well as the guidelines for public entities for submitting quarterly performance reports to the Council and has instituted procedures to facilitate the monitoring, evaluation, and corrective action of quarterly performance reporting.

During the year under review, the Audit and Risk Committee considered and recommended amongst other reports the Annual Financial Statements, Quarterly Financial Performance Reports that included reporting of expenditure against budget, Quarterly Non-Financial Performance Reports as well as the quarterly ICT Reports that were recommended to Council for approval.

Challenges with reducing budget allocation

We have noted the ongoing challenges pertaining to the lack of growth of the budget allocated to the Entity. We acknowledge that this challenge is not unique to SAHRA, however we are concerned that the risks of ongoing budget cuts may result in amongst other things; the possible instability of the Entity due to its inability to increase the cost-of-living adjustments to meet the SAHRA Employees needs as well as limit the Entity's ability to fulfil its mandate and meet performance targets. We remain committed to monitoring the performance of the Entity and to continue to provide support with our recommendations to the Management of the Entity.

External Auditor (The Auditor General of South Africa ("AGSA")

On behalf of the Council, the Audit Committee has primary responsibility for overseeing the relationship with, and performance of, the external auditor. This includes making recommendations to the Council on assessing their independence and effectiveness and approving the audit fee.

The Committee is responsible for ensuring that the external auditor is independent and for implementing appropriate safeguards where the external auditor also provides non-audit services to the Entity.

The AGSA is the mandated External Auditors of SAHRA, who by its nature is an Entity of government in terms of the Public Audit Act and the Constitution of South Africa.

The AGSA has elected to contract the services of the Pannell Kerr Forster (PKF), a professional service firm that specialises in amongst other services audit and advisory assurances for the audit of SAHRA's Annual Financial statements for the 2024-2025 financial year.

We have noted that it is the fourth (4th) year that PKF has undertaken the External Audit of SAHRA with the oversight of the AGSA's Senior Management. In their presentation of the Audit Engagement letter and Strategy, including the fees, the Committee was comfortable with the composition, qualifications, experience, and independence of the audit team as well as the independence of PKF as a firm from the general operations of the Entity, and were recommended for approval by the Council.

Whistleblowing and Fraud Arrangements

In accordance with the Fraud prevention strategy, the responsibility for overseeing whistleblowing is within the remit of the Council. During the 2024-2025 financial year the Committee considered the Entity's whistleblowing arrangements and assisted the Council in its assessment of the adequacy of these arrangements. Details of the Entity's whistleblowing arrangements are outlined in Part C Governance within the Annual Report. The Committee also considered the Entity's procedures for fraud prevention and detection to ensure that these arrangements allow for the proportionate and independent investigation of such matters and appropriate follow up action. Following this review, the Audit Committee confirmed to the Council that it was satisfied that the Council's fraud prevention procedures which were found to be adequate, but this is not an absolute assurance.

Evaluation of Financial Statements

The Audit and Risk Committee has reviewed and held discussions on the audited financial statements prepared by the Entity which is included in this Annual Report with the AGSA and the Accounting Officer.

- Reviewed the AGSA's Management Report and Management's response thereto.
- Reviewed accounting policies and practices as reported in the Annual Financial Statements.
- Reviewed the Entity's processes for compliance with legal and regulatory provisions.
- Reviewed the information on predetermined objectives as reported in the Annual Report.
- Reviewed adjustments resulting from the audit of the Entity.
- Reviewed and where appropriate, recommended changes to the Annual Financial Statements as presented by the Entity for the year ending 31 March 2025.
- The quality and timeliness of the financial information availed to the audit committee for the oversight purposes during the year such as in year financial reports and business cases presented to the Committee.

We have also assessed the review by key assurance providers in line with King IV code including the SAHRA Executive, Internal Audit, and the External Auditors. We are satisfied that the reports in all material respects, reflect the state of affairs for the financial year under review.

There were no significant matters that the audit committee considered in relation to the AFS - all matters raised were addressed to the satisfaction of the Audit Committee.

The Audit and Risk Committee, having considered the Annual Financial Statements (AFS), has not identified any issues to indicate that the going concern assumptions applied by management that were inappropriate.Given the insights and details provided by management, the Audit and Risk Committee is thus supportive of the going concern assumption being appropriate.

Given the insights and details provided by management, the Audit and Risk Committee is thus supportive of the going concern assumption being appropriate.

Having considered the above, in conjunction with the consistency of the various elements of the reports, the narrative reporting and the language used, the Committee confirmed to the Council that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholder to assess the Entity's position, performance, business model and strategy

The Internal Audit unit undertook the review of the following during the year:

- Review of the Annual Financial statements
- Review of Quarterly Performance information
- SMART Review of the APP
- Review of Occupational health and safety
- Leave management Review
- Supply Chain Management Review
- Review of project expenditure on the repatriation of human remains from Zambia and Zimbabwe
- ICT Vulnerability Assessment
- Ethics and Organisational Culture Review

Follow-up of prior years' findings reported:

Summary of Resolution Status	No.
Resolved	11
Partially Resolved	16
Unresolved	3

Challenges with resolution of prior years' internal audit findings:

Some matters are long outstanding, stemming from as far back as 2014/2015; particularly pertaining to matters requiring capacity or in areas where a vacuum in capacity is created where matters were not fully resolved with employees leaving, as well as the lack of financial resources and budget constraints to strengthen control measures as well as the complexities of budget required to invest in systems, training or ICT infrastructure to resolve matters flagged partially or unresolved.

The Committee remains committed to monitoring the action plans set out by management to monitor and address these issues to ensure strengthened accountability particularly in the areas of compliance and financial control to ensure that the Entity's risk exposure is at an acceptable level and effectively managed.

Overall Audit Outcome from the audit done AGSA

The Audit Committee concurs and accepts the opinion of the external auditor on the Annual Financial Statements and conclusion on the Annual Performance Report and is of the opinion that the audited Annual Financial Statements and Annual Performance Report be accepted and read together with the Report of the External Auditors.

We congratulate the Council, and Management of the Entity for maintaining an unqualified without material findings (a clean audit) issued for a fourth (4th) consecutive year, the financial statements are free from material misstatements and there are no significant findings regarding performance objectives and or compliance with legislation and reported by the external auditor (AGSA). This indicates a high level of financial integrity and accountability.

We further convey our appreciation to the AGSA audit team for holding the Entity to account in all material aspects with the utmost professionalism within the budget and timelines.

CONCLUSION

We wish to express our sincere gratitude to the Minister and Deputy Minister for their leadership and guidance. In addition, we also extend our admiration and appreciation to The Council, the Executive Management and staff for their support during the year, as well as AGSA and Internal Audit for their co-operation and assistance in enabling us to discharge our responsibilities.

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Mr. Khotso James Sello
Chairperson of the Audit and Risk Committee
South African Heritage Resources Agency

Date: 18/08/2025

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Criteria	Response YES/ NO	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	N/A	SAHRA does not issue licences, concessions, or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	SAHRA has developed and implemented an enterprise and supplier development (ESD) strategy in accordance with new Preferential Procurement Regulations (2022 Regulations) under the Preferential Procurement Policy Framework Act, 2000 (PPPFA). In the review of SAHRA procurement policy we also included points to be awarded for specific goals as stipulated in the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	SAHRA is not in the business associated with the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	SAHRA does not have development criteria in place for entering into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	N/A	SAHRA does not award incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment


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PART D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

As an organ of state, SAHRA must continue to exercise good governance as required by the different legislations (such as PFMA, LRA, OSH Act, BBBEE Act, EE Act). Amendments to existing legislation (such as changes to the Conditions of Service) and new legislation, for example the Protection of Personal Information Act, need to be embedded within the organisation through training and awareness initiatives. The Human Resource focused on the development and implementation of training plans during the 2023/24 financial year with the intent, firstly, to increase compliance to legislation, policies and procedures, and secondly, to mitigate audit findings and minimise risks of non-compliance.

Employee performance management framework

During the reporting year, the recordable performance management framework compliance was 100%. SAHRA continues to improve individual and organisational performance using the newly developed performance management system.

Employee wellness programmes

SAHRA's Employee Health and Wellness programme is a comprehensive employee health and wellness promotion programme that focuses on the most crucial needs of the organisation as a way of improving the overall well-being of employees.

The following programmes took place:

Activity
Longevity (Nutrition)
2 Pot System
Retirement annuity and TAX
Team-building event (cooking)
Women's Day
Accept the unexpected
Cancer Awareness Day
Resilience following loss / change in mental health
Resilience and healthy ageing
Aids Day
Physical Activity wellness day

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel Cost by programme/ activity/ objective

Programmes/ activity/ objective	Total Expenditure for the Entity (R)	Personnel Expenditure (R)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R)
Ofice of the CEO	12 277 054	9 008 643	10.20%	15	600 576
Finance	9 250 703	6 790 508	7.69%	16	424 407
Corporate	13 263 084	9 028 989	10.22%	23	392 565
HRM	53 521 399	25 997 016	29,44%	45	577 711
Total	**88 312 240**	**50 825 156**	**57,55%**	**99**	**513 385**

Personnel cost by salary band

Level	Personnel Expenditure (R')	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee (R')
Top Management	8 174 313	16.08%	5	1 634 863
Senior Management	2 671 094	5.26%	3	890 365
Middle Management	13 220 641	26.01%	18	734 480
Skilled	22 643 243	44.55%	55	411 695
Semi-skilled	2 889 507	5.69%	12	240 792
Unskilled	1 226 358	2.41%	6	204 393
Total	**50 825 156**	**100.00%**	**99**	**513 385**

Performance Rewards

Programme/activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	0	N/A - no performance awards were granted during the year under review.
Senior Management	0	0	
Skilled	0	0	
Semi-skilled	0	0	
Unskilled	0	0	
TOTAL	**0**	**0**	

Training Cost

Programmes/ activity/ objective	Total Expenditure for the Entity (R)	Training Expenditure (R)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee (R)
Office of the CEO	9 008 643	35 880,00	0,07%	7	5 125,71
Finance	6 790 508	9 500,00	0,02%	4	2 375,00
Corporate	9 028 989	144 007,00	0,28%	18	8 000,39
HRM	25 997 016	112 000,00	0,22%	12	9 333,33
Total	**50 825 156**	**301 387,00**	**0,59%**	**41**	**7 350,90**

Employment and Vacancies

Programme/activity/objective	2024/2025 No. of Employees	2024/2025 Approved Posts	2024/2025 Vacancies	% of vacancies
CEO	15	17	2	12%
FINANCE	16	17	1	6%
CORPORATE	23	25	2	8%
HRM	45	46	1	2%
TOTAL	**99**	**105**	**6**	**6%**

Programme/activity/objective	2024/2025 No. of Fixed Term Contracts	2024/2025 No. of Employees	2024/2025 Approved Posts	2024/2025 Vacancies	% of vacancies
Top Management	0	5	5	0	0%
Senior Management	0	3	3	0	0%
Middle Management	2	16	18	1	6%
Skilled	8	47	55	3	5%
Semi-skilled	7	5	12	1	8%
Unskilled	1	5	6	1	17%
TOTAL	**18**	**81**	**99**	**6**	**6%**

During the 2024/2025 reporting period, SAHRA's staff turnover rate decreased to 8.6%. To address vacancies and support operational needs, SAHRA has consistently made new appointments and engaged fixed-term contract staff. Some of these appointments were funded through fees and other revenue streams outside the approved budget, ensuring the organisation remains on track to meet its strategic objectives.

Employment Change

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	5	0	0	5
Senior Management	3	0	0	3
Middle Management	16	4	2	18
Skilled	57	5	7	55
Semi-skilled	6	12	6	12
Unskilled	8	0	2	6
TOTAL	**95**	**21**	**17**	**99**

Building a diverse talent and a sustainable future supply, which recognises the critical role that human capital has in meeting the immediate talent demands of SAHRA and responding to the strategy demands in addressing long- and short-term talent requirements. This encompasses building and retaining our own talent. SAHRA new organisational structure contributed in occupational levels split to align with the strategy and departmental deliverables.

Reasons for Staff Leaving

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	8	47%
Dismissal	0	0%
Retirement	3	18%
Ill health	0	0%
Expiry of contract	6	35%
Other	0	0%
TOTAL	**17**	**100%**

The drive to retain high-potential staff is delivered through the roll out of the new organisational structure which supports the organisational strategy. SAHRA is committed to the development of potential staff and succession planning and continues to invest and put stringent measures in place to attract highly skilled talent. There are two (2) Involuntary terminations which comprises death, dismissal and retirement. SAHRA continues to strive for developing and ensuring filled positions in department for smooth operation to support the organisational structure.

Labour Relations: Misconduct and disciplinary action

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

Equity Target and Employment Equity Status

SAHRA recognises that, from a business and ethical perspective, it is important to entrench employment equity and diversity in the workplace, and to comply with legislative requirements. To further this end, SAHRA has established an Employment Equity and Skills Development Committee and Consultative Forums. These platforms represent SAHRA employees with the view to effectively address strategic employment equity and skills development issues. SAHRA seeks to address, through the committee and forums, the inequalities in racial, gender and skills development which, in the past, have created barriers to full and equal participation of the majority of the population in economic life. There were no major variances compared to the previous year.

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	1	0	0	0	0	0	0
Senior Management	1	0	1	0	0	0	1	0
Middle Management	3	0	2	0	0	0	1	0
Skilled	20	16	3	5	0	0	3	5
Semi-skilled	3	3	1	3	0	0	0	0
Unskilled	2	0	1	3	0	0	0	0
TOTAL	**31**	**20**	**8**	**11**	**0**	**0**	**5**	**5**

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	3	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Middle Management	7	4	1	0	1	0	3	0
Skilled	22	17	3	5	0	0	4	0
Semi-skilled	6	0	2	0	0	0	0	0
Unskilled	2	3	1	1	0	0	0	0
TOTAL	**40**	**27**	**6**	**6**	**1**	**0**	**7**	**0**

Levels	DISABLED STAFF							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-
Middle Management	-	-	-	-	-	-	-	-
Skilled	-	-	-	-	-	-	-	-
Semi-skilled	1	-	-	-	-	-	-	-
Unskilled	-	-	-	-	-	-	-	-
TOTAL	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

PART E

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

(a) Reconciliation of irregular expenditure

Description	2024/25	2023/24
Opening balance		
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
Closing Total	**0**	**0**

No irregular expenditure was incurred in the current and previous year, i.e., SAHRA complied with all applicable legislation in the procurement processes.

Reconciling Notes

Description	2024/25	2023/24
Irregular expenditure that was under assessment in 2022/23	0	0
Irregular expenditure that relates to 2022/23 and identified in 2022/23	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	2024/25	2023/24
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	**0**	**0**

No Irregular Expenditure was incurred in the current and previous year; i.e. SAHRA complied with all applicable legislation in the procurement processes.

1 Group similar items

2 Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

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

Description	2024/25	2023/24
Irregular expenditure condoned	0	0
TOTAL	**0**	**0**

No irregular expenditure was incurred in the current and previous year, i.e. SAHRA complied with all applicable legislation in the procurement processes. However, the entity has applied to the National Treasury for the condonment of irregular expenditure of R3 420 145 incurred in the 2020/21 financial period. Reasonable steps have been taken to confirm that such irregular expenditure did not result in any losses or damages to the entity and that the entity did obtain value from such a transaction having noted the disciplinary processes of the responsible official.

(d) Details of current and previous year irregular expenditure removed - (notcondoned)

Description	2024/25	2023/24
Irregular expenditure NOT condoned and removed	0	0
TOTAL	**0**	**0**

No irregular expenditure was incurred in the current and previous year, i.e. SAHRA complied with all applicable legislation in the procurement processes. There is no irregular expenditure removed - (not condoned).

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

Description	2024/25	2023/24
Irregular expenditure recovered	0	0
TOTAL	**0**	**0**

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

Description	2024/25	2023/24
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
N/A - SAHRA has not entered into an inter-institutional arrangement in the 2024/2025 financial year.

(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	2024/25	2023/24
N/A - SAHRA has not entered into an inter-institutional arrangement in the 2024/2025 financial year.	0	0
TOTAL	**0**	**0**

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

Disciplinary steps taken
Not Applicable- No irregular expenditure was incurred in the current nor prior financial year, thus no disciplinary or criminal steps were taken in any of these two periods.

1.2 Fruitless and wasteful expenditure

(a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
Opening balance	1.826	1.825
Add: Fruitless and wasteful expenditure confirmed	0	65
Less: Fruitless and wasteful expenditure written off	0	0
Less: Fruitless and wasteful expenditure recoverable	0	(63)
Closing balance	**1.826**	**1.826**

No fruitless and wasteful expenditure was incurred in the 2024/2025 financial year. None of the prior year fruitless and wasteful expenditure were recovered or written off.

Reconciling notes

Description	2024/2025	2023/2024
Fruitless and wasteful expenditure that was under assessment in 2022/2023	0	0
Fruitless and wasteful expenditure that relates to 2022/2023 and identified in 2023/24	0	0
Fruitless and wasteful expenditure for the current year	1826	1826
Total	**1826**	**1826**

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

Description	2024/2025	2023/2024
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	1826	1826
Fruitless and wasteful expenditure under investigation	0	0
Total	**1826**	**1826**

Fruitless and wasteful expenditure under determination in the previous year relate to interest on late submission of EMP201s to SARS.

(c) Details of current and previous year irregular expenditure recovered

Description	2024/25	2023/24
Fruitless and wasteful expenditure recovered	0	0
TOTAL	**0**	**0**

(d) Details of current and previous year irregular expenditure not recovered and written off

Description	2024/2025	2023/2024
Fruitless and wasteful expenditure recovered	0	0
Total	**0**	**0**

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

Disciplinary steps taken
No disciplinary or criminal steps were taken as a result of fruitless and wasteful expenditure.

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
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
Total	**0**	**0**

No material losses occurred through criminal conduct in the current and previous year.

(b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
No material losses occurred through criminal conduct in the current and previous year	0	0
Total	**0**	**0**

No material losses occurred through criminal conduct in the current and previous year.

(c) Other material losses recovered

Nature of losses	2024/2025	2023/2024
No material losses occurred in the current and previous year	0	0
Total	**0**	**0**

No material losses occurred in the current and previous year.

(d) Other material losses written off

Nature of losses	2024/2025	2023/2024
No material losses occurred in the current and previous year	0	0
Total	**0**	**0**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
Valid invoices received	146	9 080 751
Invoices paid **within** 30 days or agreed period	144	9 056 266
Invoices paid **after** 30 days or agreed period	2	24 485
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

Invoices paid after 30 days or agreed period:

1. 1. Invoice paid after 30 days or agreed period relates to invoices for supply and installation of a new electric gate motor for R24 270 at SAHRA Head Office entered between South African Heritage Resources Agency (SAHRA) and 366 Degrees (Pty), the delay was due to a dispute regarding the services billed that were, unfortunately, not delivered.

2. Invoice of R215 paid after 30 days or agreed period relates to invoice for supplier of qualification verification ITC credit record checks and criminal police clearance entered between South African Heritage Resources Agency (SAHRA) and Managed Integrity Evaluation, the delay was due to the fact that the invoice was sent to a former employee's email address.

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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
The annual renewal of insurance for divers in the MUCH unit	Divers Arlet Network	Deviation	PO16217	15 300,00
Drafting and compilation of a valuation report for the Dal Josafat Farm	DDP Valuers (Pty) Ltd	Deviation	PO16245	14 375,00
Annual software license renewal and maintenance for the library database system	Mindex	Deviation	PO16368	47 541,00
Publication of a notice in the Government Gazette declaring the Thulamela archaeological site as a National Heritage site	Government Printing Works	Deviation	PO16413	1 513,17
Upgrade of biometric access control software and migrate system to virtual platform	Smart Guard Monitoring (Pty) Ltd	Deviation	PO16442	4 048,00
Catering services at the Homecoming ceremony	Freedom Park a heritage destination	Deviation	PO16479	748 266,00
Relocation of printing machines to 79 Roeland Street	Altron TMT (Pty) Ltd	Deviation	PO16588	7 284,01
Rental of ten parking bays in Pretoria	Live Easy Madiba	Deviation	PO16589	204 000,00
Publication of a notice in the Government Gazette declaring the UmQwashu Memorial site as a National Heritage site	Government Printing Works	Deviation	PO16611	5 043,90
Publication of a notice in the Government Gazette to provisionally protect a portion of the Thyspunt cultural landscape for two years	Government Printing Works	Deviation	PO16665	4 791,70
Publication of a notice in the Government Gazette declaring Bo Kaap sites	Government Printing Works	Deviation	PO16654	2 017,56
Storage of coffins	D Ndulula Log (Pty) Ltd	Deviation	PO16643	80 000,00
Publication of a notice in the Government Gazette declaring the Gats River Fossil site as a National Heritage site	Government Printing Works	Deviation	PO16690	2 017,56
Publication of a notice in the Government Gazette declaring the grave of Adam Kok III as a National Heritage site	Government Printing Works	Deviation	PO16691	2 017,56
Total				**R 1 138 215,46**

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
Dive Gear servicing for the MUCH unit	Orca Industries (Pty) Ltd	Variation	PO16251	4 079,00	0,00	481,38
Storage and placement of salvaged items	Ravale General Trading (Pty) Ltd	Variation	PO16257	30 000,00	0,00	2 500,00
Storage of items from the Pretoria office	Ontonda Projects & Supply Service (Pty) Ltd	Variation	PO16267	54 600,00	0,00	45 000,00
Polokwane concentration camp additional works	Mokoneat (Pty) Ltd	Variation	PO16298	747 505,00	0,00	51 975,00
Provision of short term insurance	Africa Risk Insurance Services (Pty) Ltd	Expansion	PO16343	937 485,69	0,00	198 373,14
Fibre transfer of internet services	Vox Communication (Pty) Ltd	Expansion	PO15285	2 016 138,04	0,00	21 791,35
Provision of security services – Old residency	District Law Enforcement (Pty) Ltd	Variation	PO16350	358 200,00	0,00	35 410,00
Provision of security services – Roggerland	District Law Enforcement (Pty) Ltd	Variation	PO16371	368 400,00	35 410,00	35 410,00
Hosted private branch exchange	Voice Telephone Communication (Pty) Ltd	Variation	N/A	2 016 138,43	0,00	56 986,88
Transportation and Storage of coffins	D Ndulula Log (Pty) Ltd	Expansion	PO16507	371 910,00	0,00	50 082,50
Total				**5 256 717,00**	**35 410,00**	**498 010.25**

PART F

FINANCIAL INFORMATION

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

Report on the audit of the financial statement

Opinion

1. I have audited the financial statements of the South African Heritage Resources Agency set out on pages 102 to 167, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African Heritage Resources Agency as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Impairment – receivables from exchange transactions

7. As disclosed in note 4 to the financial statements, the public entity has provided for the impairment of trade and other receivables from exchange transactions amounting to R3 166 169 (2023-24: R2 943 591).

Responsibilities of the accounting authority for the financial statements

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

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

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

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

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description is located on page 95, forms part of my auditor's report.

Report on the audit of the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

13. I selected the following material performance indicators related to programme 4: business development and transformation presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of heritage resources assessed for grading
- Number of heritage resources declared
- Number of heritage resources inspected
- % of received contravention complaints that SAHRA has responded to
- Number of monuments and memorial sites rehabilitated and erected
- Number of formal partnership agreements with strategic institutions

14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:

• the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives

• all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritized functions and planned objectives are included

• the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

• the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

• the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

• the reported performance information is presented in the annual performance report in the prescribed manner

• there is adequate supporting evidence for the achievements reported and for the reasons provided for any over-or underachievement of targets.

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

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

Other matter

I draw attention to the matter below

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-or underachievements.

19. The table that follows provides information on the achievement of planned targets and lists the key indicator that was not achieved as reported in the annual performance report. The reason for any underachievement of targets included in the annual performance report on page 46.

Business development and transformation

Targets achieved: 86% *Budget spent: 36%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of monuments and memorial sites rehabilitated and erected	4	2

Report on compliance with legislation

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

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

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

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

Other information in the annual report

24. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

25. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

26. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Internal controls and deficiencies

28. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

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

Auditor-General

Cape Town

30 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

• The auditor-general's responsibility for the audit

• The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

Financial statements

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

• identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public's internal control

• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

• conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention to my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However future events or conditions may cause a public entity to cease operating as a going concern.

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

Communication with those charged with governance

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

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

Compliance with legislation - selected legislative requirement

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii);51(1)(e)(iii); 53(4); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A 6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A8.3; 16A8.4; 16A9.1(b)(ii);16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2(a)(ii) Regulation 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 33.1.1; 33.1.3
Construction Industry Development Board (CIDB) Act 38 of 2000	Section 18(1)
CIDB Regulations, 2004	Regulation 17; 25(7A)
Second Amendment National Treasury Instruction No. 5 of 2020-21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020-21	Paragraph 2
National Treasury Instruction No. 5 of 2020-21	Paragraph 4.8; 4.9
National Instruction No. 1 of 2021-22	Paragraph 4.1
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016-17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021-22	Paragraph 4.1; 4.2 (b); 7.2
National Treasury SCM Instruction No. 2 of 2021-22	Paragraph 3.2.1; 3.2.4; 3.3.1
Practice Note 5 of 2009-10	Paragraph 3.3
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations (PPR), 2017	Paragraph 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.8; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1
PPR, 2022	Paragraph 4.4; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Legal form of entity	Public Entity Schedule 3A
Nature of business and principal activities	SAHRA is a schedule 3A public entity as defined in the Public Finance Management Act, No. 1 of 1999 (PFMA). It identifies, conserves, protects, and promotes our national heritage resources for the greater good of our society and humanity (National Heritage Act, No. 25 of 1999 (NHRA).
Accounting Authority	Makgopa, MA (Prof) Mdludlu,M Mellet, PWT Moduka, B Mpahlwa, L (Dr) (Chairperson) Mphomela,I Mnculwane,V (Dr) Parker,RK Poho,T Ramantsi,K Serekoane, MJ Sharfman, J (Dr) Maumela, VK
Business address	111 Harrington Street Cape Town 8001
Postal address	P.O. Box 4637 Cape Town 8000
Bankers	ABSA Bank Limited South African Reserve Bank Nedbank Limited

INDEX

LIST OF ABBREVIATIONS

PFMA	Public Finance Management Act
NHRA	National Heritage Resources Act
SAHRA	South African Heritage Resources Agency
DSAC	Department of Sport Arts and Culture
GRAP	Generally Recognised Accounting Practice
IFRS	International Financial Reporting Standards
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
DPW	Department of Public Works
SAHRIS	South African Heritage Resources Information System
WCA	Workmen`s Compensation Act
DFC	Discounted Cash Flow
ECL	Expected Credit Losses

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

The council is required by the Public Finance Management Act (Act 1 of 1999) to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the council to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the period 31 March 2025 and the results of the entity`s operations and cash flows for that period. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

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

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

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

The Council has reviewed the entity's cash flow forecast for the year ending 31 March 2026 and, in the light of this review and the current financial position, have every reason to believe that South African Heritage Resources Agency (SAHRA) will be a going concern in the year ahead and has continued to adopt the going concern basis in preparing the financial statements.

The Council is primarily responsible for the financial affairs of the entity.

The financial statements set out on pages 101 to 167, which have been prepared on the going concern basis, were approved by

the Council on 30 May 2025 and were signed on its behalf by:

Dr Luyanda Mpahlwa
Council Chairperson

ACCOUNTING AUTHORITY'S REPORT

The members of the council submit their report for the period ended 31 March 2025.

1. REVIEW OF ACTIVITIES

1.1 Main business and operations

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

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

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

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

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

1.2 Going concern

As at 31 March 2025, the entity had an accumulated surplus of R108 159 233 and a positive total net assets value of R156 300 044. Management has considered its cash and cash equivalent position against both the short-term and long-term obligations and concluded that the liquidity position is sufficient to settle obligations to stakeholders as they become due.

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

1.3 Subsequent events

The Council is not aware of any matter or circumstance arising since the end of the financial period that requires adjustment to or disclosure in the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Operating lease asset	3	2 122 677	1 233 081
Receivables from exchange transactions	4	6 008 503	3 993 576
Prepayments	5	479 391	168 251
Cash and cash equivalents	6	98 279 023	99 002 337
		106 889 594	**104 397 245**
Non-Current Assets			
Operating lease asset	3	26 894 531	25 192 124
Property, plant and equipment	7	25 815 439	24 797 870
Intangible assets	8	246 579	298 308
Heritage assets	9	56 593 985	53 435 089
Investment property	10	9 200 000	9 200 000
		118 750 534	**112 923 391**
Total Assets		**225 640 128**	**217 320 636**
Liabilities			
Current Liabilities			
Operating lease liability	3	27 161	22 043
Payables from exchange transactions	11	6 073 662	5 411 131
Unspent conditional grants and receipts	13	59 610 528	59 562 783
Short-term - Employee benefits	14	3 391 593	3 337 189
		69 102 944	**68 333 146**
Non-Current Liabilities			
Operating lease liability	3	21 094	4 170
Other financial liabilities	15	216 046	194 205
		237 140	**198 375**
Total Liabilities		**69 340 084**	**68 531 521**
Net Assets		**156 300 044**	**148 789 115**
Reserves			
Revaluation reserve	16	48 140 811	48 358 117
Accumulated surplus		108 159 233	100 430 998
Total Net Assets		**156 300 044**	**148 789 115**

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Actuarial gain	12	-	5 732
Gain on derecognition of employee benefits	12	-	1 836 268
Insurance refund	19	82 357	21 480
Interest received	20	7 201 731	7 294 444
Other income	17	230 472	111 347
Permit fees		1 846 235	1 825 439
Reimbursement - Legal fees	18	1 151 158	3 394 988
Reimbursive repatriation expenditure	18	8 747 862	-
Rental income		4 672 408	2 448 945
Reversal of debt impairment	4	-	88 679
Total revenue from exchange transactions		**23 932 223**	**17 027 322**
Revenue from non-exchange transactions			
Transfer revenue			
Trust funds - Interest received		254 344	234 095
Other grants	21	5 514 906	4 774 155
Government grants and subsidies	22	66 339 000	62 207 000
Total revenue from non-exchange transactions		**72 108 250**	**67 215 250**
Total revenue	21	**96 040 473**	**84 242 572**
Expenditure			
Loss on disposal of assets		(47 168)	(439 935)
Loss on foreign exchange		-	(68 844)
Repairs and maintenance	7&9	(1 560 808)	(1 535 950)
Impairment loss	8	-	(486 675)
Salaries and benefits	23	(50 825 156)	(47 058 832)
Depreciation and amortisation	24	(971 397)	(966 145)
Finance costs	25	(25)	(146 051)
Bad debts expense	4	(222 578)	-
General expenses	26	(34 685 108)	(27 549 857)
Total expenditure		**(88 312 240)**	**(78 252 289)**
Surplus for the year		**7 728 233**	**5 990 283**

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand		Revaluation reserve	Accumulated surplus	Total net assets
Opening balance as previously reported		43 535 885	94 492 639	138 028 524
Adjustments				
Correction of errors	33	-	36 738	36 738
Balance at 01 April 2023 as restated*		**43 535 885**	**94 528 377**	**138 064 262**
Changes in net assets				
Revaluation of a Heritage Asset		5 092 496	-	5 092 496
Depreciation on asset directly recognised in net assets		(217 307)	-	(217 307)
Impairment losses on revalued capital assets		(52 957)	-	(52 957)
Net income recognised directly in net assets		4 822 232	-	4 822 232
Surplus for the period		-	5 990 283	5 990 283
Correction of errors			(88 662)	
Total recognised income and expenses for the year		4 822 232	5 901 621	10 723 853
Total changes		4 822 232	5 901 621	10 723 853
Restated* Balance at 01 April 2024 as restated*		**48 358 117**	**100 430 998**	**148 789 115**
Changes in net assets				
Depreciation on asset directly recognised in net assets.		(217 306)	-	(217 306)
Net income (losses) recognised directly in net assets		(217 306)	-	(217 306)
Surplus for the period.		-	7 728 233	7 728 233
Total recognised income and expenses for the year		(217 306)	7 728 233	7 510 927
Total changes		(217 306)	7 728 233	7 510 927
Balance at 31 March 2025		**48 140 811**	**108 159 231**	**156 300 042**
Note		16		

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Grants		71 901 651	75 058 712
Interest income		7 477 916	7 548 475
Other cash receipts		11 908 984	4 648 066
		91 288 551	**87 255 253**
Payments			
Employee costs		(50 770 752)	(47 260 738)
Suppliers		(35 880 484)	(28 209 899)
Finance costs		(25)	(41)
		(86 651 261)	(75 470 678)
Net cash flows from operating activities	28	**4 637 290**	**11 784 575**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(2 183 594)	(786 673)
Purchase of intangible assets	8	-	(22 137)
Heritage property improvements	9	(3 177 010)	(3 194 699)
Net cash flows from investing activities		**(5 360 604)**	**(4 003 509)**
Cash flows from financing activities			
Net movement Finance lease obligation		-	(6 929)
Net increase in cash and cash equivalents		**(723 314)**	**7 774 136**
Cash and cash equivalents at the beginning of the year		99 002 337	91 228 201
Cash and cash equivalents at the end of the year	6	**98 279 023**	**99 002 337**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Rental Income- facilities and equipment	1 500 000	-	**1 500 000**	2 080 406	**580 406**	36.1.1
Adjustment of fair value -Lease straightlining	850 000	-	**850 000**	2 592 002	**1 742 002**	36.1.2
Reimbursement - repatriation expenditure	-	-	-	8 747 862	**8 747 862**	36.1.3
Other Income	2 022 000	3 000 000	**5 022 000**	2 076 707	**(2 945 293)**	36.1.4 & 36.2.3
Reimbursement - Legal fees	-	-	**-**	1 151 158	**1 151 158**	36.1.5
Insurance refund	-	-	**-**	82 357	**82 357**	36.1.6
Interest received - investment	900 000	-	**900 000**	7 201 731	**6 301 731**	36.1.7
Total revenue from exchange transactions	**5 272 000**	**3 000 000**	**8 272 000**	**23 932 223**	**15 660 223**	
Revenue from non-exchange transactions						
Realisation of deferred transfers	1 570 000	83 595 000	**85 165 000**	5 514 906	**(79 650 094)**	36.1.8 & 36.2.2
Transfer revenue						
Government grants & subsidies	60 339 000	6 000 000	**66 339 000**	66 339 000	-	36.2.1
Trust Funds - Interest received	**-**	-	**-**	254 344	**254 344**	36.1.9
Total revenue from non-exchange transactions	**61 909 000**	**89 595 000**	**151 504 000**	**72 108 250**	**(79 395 750)**	
Total revenue	**67 181 000**	**92 595 000**	**159 776 000**	**96 040 473**	**(63 735 527)**	
Expenditure						
Salaries and benefits	(47 604 000)	(3 000 000)	**(50 604 000)**	(50 825 156)	**(221 156)**	36.1.10 & 36.2.3
Depreciation and amortization	(2 082 000)	-	**(2 082 000)**	(971 397)	**1 110 603**	36.1.11
Finance costs	-	-	**-**	(25)	**(25)**	36.1.12
Bad debts written off	(64 000)	-	**(64 000)**	(222 578)	**(158 578)**	36.1.13
Loss on disposal of assets	(68 000)	-	**(68 000)**	(47 168)	**(20 832)**	36.1.14
Acquisition - Heritage assets	-	(41 840 000)	**(41 840 000)**	(3 177 010)	**38 662 990**	36.1.15 & 36.2.4
Acquisition of PPE	-	(33 448 000)	**(33 448 000)**	(2 183 594)	**31 264 406**	36.1.16 & 36.2.5
Repairs and maintenance	(677 000)	-	**(677 000)**	(1 560 808)	**(883 808)**	36.1.17
General expenses	(16 686 000)	(14 307 000)	**(30 993 000)**	(34 685 108)	**(3 692 108)**	36.1.18 & 36.2.6
Total expenditure	**(67 181 000)**	**(92 595 000)**	**(159 776 000)**	**(93 672 844)**	**66 103 156**	
Operating Surplus	**-**	**-**	**-**	**2 367 629**	**2 367 629**	
Heritage asset additions	-	-	-	**3 177 010**	**3 177 010**	36.1.19
PPE assets additons	-	-	-	**2 183 594**	**2 183 594**	36.1.20
Surplus for the year	**-**	**-**	**-**	**7 728 233**	**7 728 233**	
Budget adjustment per programme objective						
Objective/Activity						
Administration	38 801 000	51 265 000	**90 066 000**	**67 094 881**	**(22 971 119)**	36.1.21 & 36.2.7
Business development	26 230 000	41 161 000	**67 391 000**	**24 268 967**	**(43 122 033)**	36.1.22 & 36.2.8
Public engagement	2 150 000	169 000	**2 319 000**	**2 308 996**	**(10 004)**	36.1.23 & 36.2.9
	67 181 000	**92 595 000**	**159 776 000**	**93 672 844**	**(66 103 156)**	

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999). These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. All monetary information and figures presented in these financial statements are stated in South African Rand rounding to the nearest Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP. A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

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

1.1.1 Judgements

Rental of property

The entity considers the new Dal Josafat tenant a strategic partner in terms of revenue generation. The entity had taken a decision to unbundle one of its key strategic assets, in order to lease out the vast portion of agricultural land that had been laying idle. This is one of the heritage properties that contains old Heritage buildings that require major refurbishment and restoration. The unbundling of the property resulted in the property being demarcated separately for rental income. The heritage nature of the property is influenced by the ancient buildings, and thus management has used significant judgement in the classification of the demarcated portion of land as an Investment Property. The fair value of the Investment Property has been determined using the future discounted cash flows (DCF).

Trade receivables

Trade receivables consist mainly of amounts receivable for rental of heritage properties, amount owing by the Department of Sports, Arts and Culture and other sundry debtors.

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

Provision for Expected credit losses

The entity uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables and other receivables. The provision rates are based on days past due and historic default rates.

The provision matrix is initially based on the entity's observed default rates. The entity will calibrate the matrix to adjust the historical credit loss experience with forward looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the property portfolio, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historically observed default rates, forecasted economic conditions and ECLs is a significant estimate.

The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions.

The entity's historical credit loss experience and forecast of economic conditions may also not be representative of debtors' actual default in the future. The information about the ECLs on the entity's trade receivables and other receivables is disclosed in note 4.

ECLs for other receivables are based on management's best estimate of the recoverability of the other receivables at year end. Management anticipates formulating a provision matrix for the ECLs on other receivable once there is enough data to do so.

1.1.2 Estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below

Impairment testing

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

Investment Property

Investment Property is recognised when it is probable that the future economic benefits or service potential that is associated with the Investment Property will flow to the entity.

Significant uncertainty also remains on the contingent rental of 10% of reported profit of the tenants operations. Management anticipates including the 10% profit share consideration only once there is enough data to do so (The rental of property was introduced in the current year and therefore there is no collection data available at year end). The tenant has not yet fully established its operations fully on the property,

Additional details on these significant judgements are provided in note 10. The remainder of the Heritage property which includes the Heritage Buildings remains as part of the Heritage Assets asdisclosed in Note 9.

Useful lives of property, plant and equipment and other assets

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

Depreciation

At the end of each financial year management reviews property, plant and equipment to assess whether the estimated useful lives and estimated residual values applied to each asset are appropriate. The useful lives of assets are estimated by reviewing the degree to which assets are fully depreciated but still remain on the asset register and are in use. The entity for the most part uses its asset until there are no further future economic benefits or service potential expected from an asset. Additional details on these assumptions are provided in note 7.

These assets are assessed as having no residual value when calculating the depreciable amount because assets are of little value at the time they are sold or derecognised.

Post-retirement benefits

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

This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations.

The most appropriate discount rate that reflects the time value of money is with reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve. Additional details on these significant estimates are provided in note 12.

Effective interest rate

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

Allowance for doubtful debts

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

Operating Lease

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Factors considered include the useful lives compared against the lease term and present value of the lease payments. The effect of straighlining on operating leases has been presented as operating lease asset or operating lease liabilities and categorised into current and non current

1.2 Property, plant and equipment

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

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

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

Property, plant and equipment are initially measured at cost.

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

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

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

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

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

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management. Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

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

Any remaining inspection costs from the previous inspection are derecognised. Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for Land and Buildings at 111 Harrington Street which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Land and buildings are revalued every three to five years.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset. Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value. The useful lives of items of property, plant and equipment have been assessed as follows:

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

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimates.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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

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

1.3 Intangible assets

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

An asset is identifiable if it either:

• is separable, i.e., is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or

• arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations. A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

• it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and

• the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist overthe useful life of the asset.

Where an intangible asset is separately acquired it shall be measured at cost.

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

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

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life. The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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

(a) there is a commitment by a third party to acquire the asset at the end of Issued its useful life; or

(b) there is an active market for the asset and:

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

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

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

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

Intangible assets are derecognised:

• On disposal; or

• When no future economic benefits or service potential are expected from its use or disposal.

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

1.4 Heritage assets

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

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

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

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

SAHRA has adopted the following criteria in accessioning heritage assets:

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

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

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

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

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

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

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

Classification of Heritage Assets

Assets valued have been categorised under the following headings:

a) Arts and Artifacts including objects and artwork

b) Library Books Heritage

c) Building and Monuments

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

i) The books are scarce copies from various sources and limited copies are available.

ii) No publishers are willing to reproduce these books

iii) The books will only be available for research purposes.

iv) The general public will not be allowed to take them out; they can only be viewed in the library.

v) The books will be held for an indefinite period, unless destroyed by circumstances beyond human control.

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

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

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

Recognition

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

If the entity holds assets that might be regarded as heritage assets but which, on initial recognition, do not meet the recognition criteria of a heritage asset because it cannot be reliably measured, information on such a heritage asset is disclosed in note 8 of Heritage assets.

Initial measurement

For the purpose of initial measurement for the adoption of GRAP 103, the fair value of the subject assets has been applied to determine deemed costs in accordance with Directive 7 Application of Deemed Costs. Directive 7 is used to determine the cost of assets that were acquired prior to the measurement date outlined in paragraph .04, and only if information about the historical cost of those assets is not available. Measurement is the date that an entity adopts the Standards of GRAP and is the beginning of the earliest period for which an entity presents full comparative information, in its first financial statements prepared using Standards of GRAP.

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

Valuation of heritage assets and library books

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

The fair value of a heritage asset can be determined from market-based evidence arrived at by appraisal. An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. GRAP 103 provides the following methods of valuation with regard to the valuation of heritage assets:

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

i) An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. The fair value will be ascertained by reference to quoted prices in an active and liquid market (GRAP 103.43).

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

Subsequent measurement

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

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

Impairment

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

Useful lives of Heritage Assets have been assessed as follows:

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

Derecognition

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

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

1.5 Investment property

Investment property is property that comprises of land and building held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired at no cost or for a nominal cost, its cost is its fair value as at the date of acquisition. The residual value is assumed to be zero.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The investment property shall be revalued every 3 years.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises. w

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

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

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.6 Financial instruments

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

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

Classification

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

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

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

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Other financial liabilities	Financial liability measured at amortised cost

Initial recognition

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

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

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

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

Subsequent measurement of financial assets and financial liabilities

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

• Financial instruments at amortised cost.

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

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

Fair value measurement considerations

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

Reclassification

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

• combined instrument that is required to be measured at fair value; or

• an investment in a residual interest that meets the requirements for reclassification.

Gains and losses

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

Impairment and uncollectability of financial assets

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

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

Financial assets measured at amortised cost:

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

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

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

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

• the contractual rights to the cash flows from the financial asset expire, are settled or waived;

• the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset or

• the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has

transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:

- derecognises the asset; and

- recognises separately any rights and obligations created or retained in the transfer

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

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

Financial liabilities

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

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

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

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

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

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

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

1.7 Leases

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

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

Finance leases - lessee

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

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

Operating leases - lessor

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

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

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. Any contingent rents are recognised separately as revenue in the period in which they are received.

Operating leases - lessee

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

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

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

1.8 Components of cash and cash equivalents

An entity shall disclose the components of cash and cash equivalents and shall present a reconciliation of the amounts in its cash flow statement with the equivalent items reported in the statement of financial position.

We have assessed and established the cash and cash equivalents to the bank balances on both operating activities as well as projects activities. No other cash component has been identified.

Included in the cash and cash equivalents are restricted funds and are held in short term deposits and may only be used in accordance with agreements with various transferors for non-exchange revenue recognition.

Bank balances contains cash and cash equivalents of the Main Bank account, and another operational bank account for permit fees. The permit fees bank account was opened in order to avoid possible unallocated deposits.

The short term deposit relate to the bank balances with restrictions and requirements for ring fencing such as the unspent conditional grants, as well as the trust funds. Also included are the funds for rental of properties to be considered for future maintenance of properties.

1.9 Impairment of cash-generating assets

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

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

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

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

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Useful life is either:

• the period of time over which an asset is expected to be used by the entity; or

• the number of production or similar units expected to be obtained from the asset by the entity.

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

Identification

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

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

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

Value in use

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

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

Recognition and measurement (individual asset)

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

An impairment loss is recognised immediately in surplus or deficit.

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

Reversal of impairment loss

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

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

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

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

1.10 Impairment of non-cash-generating assets

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

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

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

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

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

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

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

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

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

Useful life is either:

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

Identification

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

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

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

Value in use

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

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

Depreciated replacement cost approach

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

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

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

Restoration cost approach

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

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

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

Reversal of an impairment loss

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

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

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

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

1.11 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. Termination benefits are employee benefits payable as a result of either:

• an entity's decision to terminate an employee's employment before the normal retirement date; or

• an employee's decision to accept voluntary redundancy in exchange for those benefits.

Short-term employee benefits

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

Short-term employee benefits include items such as:

• wages, salaries and social security contributions;

• short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

• bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and

• non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

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

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

• as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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

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

Other post-retirement obligations

The entity used to provide post-retirement health care benefits upon retirement to some retirees. The council however took a decision to cease payment of these benefits.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

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

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

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

• estimated future salary increases;

• the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those

terms) at the reporting date; and

• estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit

plan, if, and only if, either:

• those changes were enacted before the reporting date; or

• past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

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

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

• Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and

• Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.13 Provisions and contingencies

Provisions are recognised when:

• the entity has a present obligation as a result of a past event;

• it is probable that an outflow of resources embodying economic benefits or service potential will be required tosettle the obligation; and

• a reliable estimate can be made of the obligation.

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

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

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

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

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

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time.

This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating expenditure.

If the entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is:

• a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

• a present obligation that arises from past events but is not recognised because:

- it is not probably that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;

- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 29.

1.14 Revenue from exchange transactions

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

Measurement

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

Interest

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

• it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and; or

• the amount of the revenue can be measured reliably.

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

1.15 Revenue from non-exchange transactions

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

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

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

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

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

Recognition

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

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

Measurement

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

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

When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Gifts and donations, including goods in-kind

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

1.16 Investment income

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

1.17 Finance costs

Finance costs are interest and other expenses incurred by an entity in connection with the discounting of financial liabilities.

Finance costs are recognised as an expense in the period in which they are incurred.

1.18 Fruitless and wasteful expenditure

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

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

1.19 Irregular expenditure

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

(a) this Act; or

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

1.20 Segment information

A segment is an activity of an entity:

• that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);

• whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and

• for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

The entity has satellite offices in Gauteng province as well as Eastern Cape however management has determined the operations as one of a single segment because decision making and all operating activities affecting revenue and expenditure are determined, directed and implemented centrally as such no geographical or business segments are recognised.

1.21 Budget information

The approved budget is prepared on an accrual basis.

The approved budget covers the 12 months ending 31 March 2025.

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

The budget included in the Statement of Comparison of Budget and Actual Amounts is the budget as included in the Annual Performance Plan which was approved by the Accounting Authority.

1.22 Related parties

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENT

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

The entity has not adopted any standard and interpretation for the current financial year.

Background

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

GRAP 104 (as revised): Financial Instruments

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

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

The most significant changes to the Standard affect:

• Financial guarantee contracts issued

• Loan commitments issued

• Classification of financial assets

• Amortised cost of financial assets

• Impairment of financial assets

• Disclosures

• Interest Rate Benchmark Reform - Amendments to provide a practical expedient not to treat changes in

contractual cash flows as a modification.

• Disclosure of Accounting Policies: Changes from "significant accounting policies" to "material accounting policies" because the Standards of GRAP do not define the term "significant".

• Remove encouraged disclosures with limited information value.

• Amendments to clarify the fees that an entity includes when it applies the "10 percent" test to derecognise afinancial liability.

The effective date of the revisions is for years beginning on or after 1 April 2025. It is unlikely that the standard will have a material impact on the entity's annual financial statements.

GRAP 2023: Improvements to the standards of GRAP 2023

Every three years, the Accounting Standards Board undertakes periodic revisions of the Standards of GRAP, in line with best practice internationally among standard setters. Improvements to Standards of GRAP are aimed at aligning the Standards of GRAP with international best practice, to maintain the quality and to improve the relevance of the Standards of GRAP.

Amendments include:

GRAP 1 - Presentation on Financial Statements

• Disclosure of Accounting Policies: Changes from "significant accounting policies" to "material accounting policies" because the Standards of GRAP do not define the term "significant".

• Provide clarity to the terms "publicly available" and "publicly accountable".

• Remove encouraged disclosures with limited information value.

GRAP 2 – Cash Flow Statements

• Amend disclosures to read as "useful additional information that may be disclosed" as opposed to "encouraged disclosures".

GRAP 3 – Accounting Policies, Changes in Accounting Estimates and Errors

• Change in the definition of an accounting estimate because the previous definition was not sufficiently clear.

GRAP 13 – Leases

• Remove encouraged disclosures with limited information value.

GRAP 17 – Property, Plant and Equipment

• Amendments are made to prohibit proceeds from selling items produced before that asset is available, to be deducted from the cost of property, plant and equipment.

GRAP 19 – Provisions, Contingent Liabilities and Contingent Assets

• Remove encouraged disclosures with limited information value.

GRAP 20 – Related Party Disclosures

• Update the definition of “significant influence” to align with the Standard of GRAP on Investments in Associates and Joint Ventures (GRAP 36).

GRAP 24 – Presentation of Budget Information in Financial Statements

• Provide clarity to the terms “publicly available” and “publicly accountable”

• Disclosure of Accounting Policies: Changes from “significant accounting policies” to “material accountingpolicies” because t ards of GRAP do not define the term “significant”.

• Simplify the disclosures on the presentation of a reconciliation to improve the quality of reporting, by not prescribing the line items to reconcile to.

• Re-instate the Illustrative Examples that were deleted when GRAP 24 became effective.

GRAP 31 – Intangible assets

• Remove reference to fully depreciated assets.

• Remove encouraged disclosures with limited information value.

Directive 12 – Directive on The Selection of an Appropriate Reporting Framework by Public Entities

• Disclosure of Accounting Policies: Changes from “significant accounting policies” to “material accounting policies” because the Standards of GRAP do not define the term “significant”.

Guideline: Guideline on The Application of Materiality to Financial Statements

• Disclosure of Accounting Policies: Changes from “significant accounting policies” to “material accounting policies” because the Standards of GRAP do not define the term “significant”.

• Amendments resulting from the review of the Standard of GRAP on Cash Flow Statements (GRAP 2) and the Standard of GRAP on Presentation of Budget Information in Financial Statements (GRAP 24).

The effective date of this amendment is yet to be determined by the Minister of Finance.

It is unlikely that the revisions will have a material impact on the entity’s annual financial statements.

GRAP 103: Heritage Assets

Key amendments

Changes to the following definitions were made:

• Cultural significance

• Heritage assets

C**hanges to the following sections were made:**

- Cultural significance was added
- Heritage assets with more than one use
- Recognition of heritage assets
- Measurement of cost
- Measurement after recognition
- Impairment
- Derecognition
- Disclosure
- Transitional provisions

The effective date of this amendment is yet to be determined by the Minister of Finance.

It is unlikely that the revisions will have a material impact on the entity's annual financial statements.

Figures in Rand	2025	2024 Restated*
3. Operating lease asset / liability		
Operating lease asset		
Non-current assets	26 894 531	25 192 124
Current assets	2 122 677	1 233 081
	29 017 208	**26 425 205**
Operating leases as lessor (income)		
Minimum lease payments due		
Within 1 year	1 262 581	793 256
In 2nd to 5th year inclusive	6 817 024	6 166 011
Later than 5 years	100 877 254	102 790 848
	108 956 859	**109 750 115**

Operating lease income represents rentals received by the entity from a heritage building (Valkenburg) leased to UCT as well as land classified under investment property lease to Blue Pot (Pty) Ltd.

Leases have terms between 1 and 65 years, with the option to extend for a further period. The rentals escalate at a rate of 8 to 10% per year on average.

Operating lease liability		
Current operating lease	27 161	22 043
Non-current operating lease liability	21 094	4 170
	48 255	**26 213**
Operating leases as lessee (expense)		
Minimum lease payments due		
Within 1 year	1 876 383	1 848 497
In 2nd to 5th year inclusive	693 899	2 506 330
	2 570 282	**4 354 827**

Operating lease liability

Leases have terms between 1 and 5 years, with no option to extend for a further period. The rentals escalate at 8% per year on average. The current and non current portion of the operating lease liability represents the effect of the lease stratghtlining from the rental of the 79 Roeland street offices.

The minimum operating lease payments comprise of the:

Printers - rental payable by the entity for the renting of printers for a period of 36 months. There is no escalation on the lease
Head Office - rental payable by the entity for the renting of its Head Office space in 79 Roeland Street. The lease was negotiated for a period of 36 months with the option to renew. The rentals escalate at a rate of 8% per annum.
The lease rentals on operating leases recognised in the general expenses note 26 amounts to R3 612 415 (2024: R2 245 901)

Figures in Rand	2025	2024 Restated*
4. Receivables from exchange transactions		
Trade receivables	278 104	313 280
Deposits	163 071	163 071
Sundry receivables	268 388	122 237
DSAC Receivable	5 298 940	3 394 988
	6 008 503	**3 993 576**

Reconciliation of receivables from exchange transactions

Trade receivables	3 062 115	2 874 713
DSAC receivables	5 298 940	3 394 988
Sundry receivables	650 546	504 395
Deposits	163 071	163 071
Less impairment allowances	(3 166 169)	(2 943 591)
	6 008 503	**3 993 576**

No trade and other receivables were pledged as security.

Credit quality of trade and other receivables

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

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*
Detailed reconciliation of receivables from exchange transactions		
Gross balances		
Trade receivables	3 062 115	2 874 713
Sundry receivables	650 546	504 395
DSAC Receivable	5 298 940	3 394 988
Deposits	163 071	163 071
	9 174 672	**6 937 167**
Less: Allowance for impairment		
Trade receivables	(2 784 010)	(2 561 433)
Sundry receivables	(382 159)	(382 159)
	(3 166 169)	**(2 943 592)**
Net balance		
Trade receivables	278 105	313 280
Sundry receivables	268 387	122 236
DSAC Receivable	5 298 940	3 394 988
Deposits	163 071	163 071
	6 008 503	**3 993 575**
Trade receivables		
Current (0 - 30 days)	40 083	51 940
31- 60 days	30 667	45 844
61 - 90 days	29 667	43 038
More than 90 days	2 961 698	2 733 891
	3 062 115	**2 874 713**
Sundry receivables		
Current (0 - 30 days)	-	99 862
More than 90 days	650 546	404 533
	650 546	**504 395**
DSAC receivable		
Current (0 - 30 days)	**-**	3 394 988
61-90 days	**1 903 952**	-
More than 90 days	**3 394 988**	-
	5 298 940	3 394 988
Deposits	**163 071**	163 071
Receivables from exchange transactions		
Current (0 - 30 days)	40 083	3 546 790
31- 60 days	30 667	66 423
61 - 90 days	29 667	43 038
More than 90 days	9 074 255	3 280 915
	9 174 672	**6 937 166**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*

Trade and other receivables past due but not impaired

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

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

30 days	-	103 446
More than 90 days	447 634	344 188
	447 634	**447 634**

Trade and other receivables impaired

As of 31 March 2025, trade and other receivables of R3 050 699 (2024: R3 228 154) were impaired and provided for.
The amount of the impairment allowance was R(3 166 164) as of 31 March 2025 [2024: R(2 943 591)].

The ageing of these receivables is as follows:

30 days	29 667	849
60 days	29 667	66 423
90 days	29 667	43 038
More than 90 days	2 961 698	3 117 844
	3 050 699	**3 228 154**

Reconciliation of allowance for impairment of trade and other receivables

Opening balance	2 943 591	3 032 270
Provision for impairment	222 578	-
Reversal of bad debt impairment	-	(88 679)
	3 166 169	**2 943 591**

5. Prepayments

Prepaid expenses	406 242	158 710
Internal advances	73 149	9 541
	479 391	**168 251**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*

6. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	4	4
Bank balances	17 327 760	26 003 843
Short-term deposits	80 951 259	72 998 490
	98 279 023	**99 002 337**

Restrictions on use of cash and cash equivalents

Included in bank balances and short-term deposits are amounts held that may only be used in accordance with agreements with various transferors for non-exchange revenue.

These restrictions include funds ringfenced for unspent conditional grants refer to Note 13, trust funds donated refer to Note 15 with special conditions and retained accumulated surpluses as approved by National Treasury. The accumulated surpluses to be retained are included in the contingencies in Note 29.

7. Property, plant and equipment

	2025			2024		
	Cost/Valuation	Accumulated depreciation and accumulaated impairment	Carrying Values	Cost/Valuation	Accumulated depreciation and accumulaated impairment	Carrying Values
Land	9 000 000	-	9 000 000	9 000 000	-	9 000 000
Buildings	13 645 903	(651 923)	12 993 980	11 563 308	(434 615)	11 128 693
Leasehold property	891 478	(889 282)	2 196	1 631 500	(1 628 395)	3 105
Plant and equipment	2 044 644	(1 422 841)	621 803	2 029 195	(1 301 540)	727 655
Furniture and fixtures	2 003 309	(1 300 106)	703 203	2 084 851	(1 248 387)	836 464
Motor vehicles	776 097	(635 524)	140 573	776 097	(567 960)	208 137
IT equipment	4 411 305	(2 082 689)	2 328 616	4 344 196	(1 488 810)	2 855 386
Library books	582 666	(557 598)	25 068	582 666	(544 236)	38 430
Total	**33 355 402**	**(7 539 963)**	**25 815 439**	**32 011 813**	**(7 213 943)**	**24 797 870**

Reconciliation of property, plant and equipment - 2025

	Opening Balance	Additions	Disposals	Depreciation revalued asset	Depreciation	Totals
Land	9 000 000	-	-	-	-	9 000 000
Buildings	11 128 693	2 082 595	-	(217 308)	-	12 993 980
Leasehold property	3 105	-	-	-	(909)	2 196
Plant and equipment	727 655	31 396	(1 051)	-	(136 197)	621 803
Furniture and fixtures	836 464	2 495	(28 002)	-	(107 754)	703 203
Motor vehicles	208 137	-	-	-	(67 564)	140 573
IT equipment	2 855 386	67 108	-	-	(593 878)	2 328 616
Library books	38 430	-	-	-	(13 362)	25 068
Total	**24 797 870**	**2 183 594**	**(29 053)**	**(217 308)**	**(919 664)**	**25 815 439**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Reconciliation of property, plant and equipment - 2024

	Opening Balance	Additions	Revaluations	Depreciation revalued asset	Depreciation	Totals
Land	9 000 000	-	-	-	-	9 000 000
Buildings	11 300 000	46 000	-	(217 307)	-	11 128 693
Leasehold property	70 812	-	-	-	(67 707)	3 105
Plant and equipment	849 877	25 515	(15 738)	-	(131 999)	727 655
Furniture and fixtures	1 028 994	10 051	(87 728)	-	(114 853)	836 464
Motor vehicles	341 841	-	(66 140)	-	(67 564)	208 137
IT equipment	2 866 089	705 107	(189 082)	-	(526 728)	2 855 386
Vessels	53 500	-	(53 500)	-	-	-
Library books	51 847	-	-	-	(13 417)	38 430
Non-Current Assets held for sale	492	-	(492)	-	-	-
Total	**25 563 452**	**786 673**	**(412 680)**	**(217 307)**	**(922 268)**	**24 797 870**

Pledged as security

A register of land and buildings is available for inspection at the business address. The entity is not permitted to dispose of, or otherwise alienate, its land and buildings without the approval of the Minister of the Department of Sports, Arts and Culture. In addition, there are further restrictions on the alienation of certain properties held by the entity due to the ordinances and other specific restrictions from the donors.

There were no items of Property, Plant and Equipment pledged for security for liabilities.

There are commitments to the value of R18 815 897 for the acquisition, maintenance and restoration of the Property, Plant and Equipment - Buildings. Refer to Note 37.

Reconciliation of Work-in-Progress 2025	Included within Buildings PPE	Total
Opening balance	46 000	46 000
Additions/capital expenditure	2 082 535	2 082 595
	2 128 595	**2 128 595**

Reconciliation of Work-in-Progress 2024	Included within Buildings PPE	Total
Additions/capital expenditure	46 000	46 000

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Restrictions on use of cash and cash equivalents

The additions/capital expenditure included under work in progress relates to the project of the Upgrade and Acquisition of the SAHRA Head Office. All service providers for professional services have been appointed and the contractor is expected to be appointed in the second quarter of 2025/2026 financial reporting period after the Council approval of the final designs. Minimal delays have been encontered due to the finalisation on the approval of the design. There have not been any instances where the projects have been halted.

The reconciliation of work in progress was not disclosed in the 2024 financial statements and has been corrected as a 2024 restatement for disclosure purposes.

Figures in Rand	2025	2024 Restated*
Repairs and Maintenance to property, plant and equipment		
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Buildings	149 134	-
IT Equipment	-	5 159
Motor Vehicle	870	228 136
Plant and Equipment	198 115	128 512
Leasehold property	147 087	271 638
	495 206	**433 445**

8. Intangible assets

	2025			2024		
	Cost/Valuation	Accumulated and accumulated impairment	Carrying Values	Cost/Valuation	Accumulated and accumulated impairment	Carrying Values
Software	396 491	(289 206)	107 285	396 491	(253 864)	142 627
Website (Internally generated)	650 550	(511 256)	139 294	650 550	(494 869)	155 681
Total	**1 047 041**	**(800 462)**	**246 579**	**1 047 041**	**(748 733)**	**298 308**

Reconciliation of intangible assets - 2025

	Opening Balance	Amortisations	Totals
Computer software	142 627	(35 342)	107 285
Website (Internally generated) SAHRIS	155 681	(16 387)	139 294
Total	**298 308**	**(51 729)**	**246 579**

Reconciliation of intangible assets - 2024

	Opening Balance	Additions	Amortisations	Impairment Loss	Totals
Computer software	178 311	-	(35 684)	-	142 627
Website (Internally generated) SAHRIS	628 413	22 137	(8 194)	(486 675)	155 681
Total	**806 724**	**22 137**	**(43 878)**	**(486 675)**	**298 308**

The factors considered in determining the useful life were based on the stability of the industry in which the asset operates and changes in the market demand for the products or services output from the asset where by the Heritage Sector is considered stable and being a National Entity, no fluctuation exist as the entity is mandated with the National Estate. However, due to the possibility of technological changes and other similar factors it was indeed considered prudent to amortise the SAHRIS intangible asset over 10 years.

There were no items of Intangible assets pledged for security for liabilities

9. Heritage assets

	2025			2024		
	Cost/Valuation	Accumulated and accumulated impairment	Carrying Values	Cost/Valuation	Accumulated and accumulated impairment	Carrying Values
Art and artifacts	220 018	-	220 018	220 018	-	220 018
Library books	1 704 104	-	1 704 104	1 722 218	-	1 722 218
Land and buildings	54 669 863	-	54 669 863	51 492 853	-	51 492 853
Total	**56 593 985**	**-**	**56 593 985**	**53 435 089**	**-**	**53 435 089**

Reconciliation of heritage assets 2025

	Opening Balance	Additions	Disposals	Totals
Art and artifacts	220 018	-	-	220 018
Library books	1 722 218	-	(18 114)	1 704 104
Land and buildings	51 492 853	3 177 010	-	54 669 863
Total	**53 435 089**	**3 177 010**	**(18 114)**	**56 593 985**

Reconciliation of heritage assets 2024

	Opening Balance	Additions	Disposals	Transfers	Revaluation increase/ (decrease)	Impairment losses (recognised)/ reversed directly in Net assets	Totals
Art and artifacts	247 273	-	(27 255)	-	-	-	220 018
Library books	1 722 218	-	-	-	-	-	1 722 218
Land and buildings	52 458 614	3 194 698	-	(9 200 000)	5 092 496	(52 955)	51 492 853
Total	**54 428 105**	**3 194 698**	**(27 255)**	**(9 200 000)**	**5 092 496**	**(52 955)**	**53 435 089**

Reconciliation of Work-in-Progress 2025	Included within Buildings Heritage Property	Total
Opening balance	3 194 698	3 194 698
additions during the year	3 177 010	3 177 010
	6 371 708	**6 371 708**

Reconciliation of Work-in-Progress 2024	Included within Buildings Heritage Property	Total
Additions/capital expenditure	3 194 698	3 194 698

The additions/capital expenditure included under work in progress relates to the projects on the restoration of SAHRA properties, Welcome cottage, Simon`s Town and the fencing projects at the Dal Josafat Farms, Paarl. The service providers for the projects have been appointed and the atge of completion is within the timeframe for the completion by the set dates.There have not been any instances where the projects have been halted.

The reconciliation of work in progress was not disclosed in the 2024 financial statements and has been corrected as a 2024 restatement for disclosure purposes.

Library books

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

Art and artefacts

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

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*
Land and Buildings		
Woustersen Wessel Vault, Green Point	880 000	880 000
Van Riebeek`s Hedge, Bishopscourt	2 200 000	2 200 000
Hugo Family Vault, Simon's Town	300 000	300 000
Klein Bosch Cemetery, Dal Josafat	70 000	70 000
Groenberg School, Wellington	1 200 000	1 200 000
Erf 56, Tulbagh	671 850	671 850
Erf 225, Tulbagh	711 900	711 900
The Lookout, Uitenhage	220 000	220 000
Old Congregation Church, Cradock	2 319 647	2 271 124
Old Residency, King Williamstown`s Town	1 330 000	1 330 000
Garden of Remembrance, Aliwal North	1 350 000	1 350 000
Burgher Monuments, Boomplaats	75 000	75 000
Union Masonic Temple, Kimberley	1 518 015	1 101 259
Moorddrift Monument, Potgietersrus	26 000	26 000
Old English Fort, Marabastad	104 000	104 000
Verduin Ruins, Soutpansberg District	20 500	20 500
Powder Magazine, Potchesfstroom	62 000	62 000
Old Fort and Cemetery, Potchefstroom	200 000	200 000
Site of Dr. David Livingstone's House, Marico District	7 500	7 500
Blarney Cottage, Richmond	373 000	373 000
Birth Place of General Louis Botha, Greytown	95 000	95 000
Spioenkop Battlefield, Ladysmith	1 100 000	1 100 000
Elandslaagte Memorial, Ladysmith	34 000	34 000
Piet Retief's Grave, Ulundi	187 000	187 000
Mapoch's Caves, Roossenekal	1 023 800	1 023 800
Krugerhof, Waterval-Boven	350 000	350 000
Fisherman Cottage, Struisbaai	3 567 930	3 567 930
Welcome Cottage, Simon`s Town	7 358 568	5 037 049
Mooimeisiesfontein, Grahamstown	2 119 874	2 119 874
Dal Josafat Farms, Paarl	9 774 280	9 384 068
Valkenburg, Observatory City of Cape Town	5 900 000	5 900 000
Het Posthys, Muizenburg	4 900 000	4 900 000
Onderdal School, Wellington	2 200 000	2 200 000
Old Gaol, Grahamstown	2 420 000	2 420 000
	54 669 864	**51 492 854**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Repairs and maintenance - Heritage assets

Other Heritage and Memorials	1 065 602	1 102 505

There are commitments to the value of R6 048 255 for the acquisition, maintenance and restoration of the Heritage Land and Buildings. Refer to Note 37.

A register of land and buildings is available for inspection at the business address. The entity is not permitted to dispose of, or otherwise alienate, its land and buildings without the approval of the Minister of the Department of Sports, Arts and Culture. In addition, there are further restrictions on the alienation of certain properties held by the entity due to the ordinances and other specific restrictions from the donors. Another portion of Heritage land and buildings is leased to third parties. Refer to note 3 for further information.

The Valkenburg property is subject to an operating lease with UCT as the leasee and this has been disclosed under operating lease asset note 3.

There were no items of Heritage assets pledged for security for liabilities.

10. Investment property

	2025			2024		
	Cost/Valuation	Accumulated depreciation and accumulaated impairment	Carrying Values	Cost/Valuation	Accumulated depreciation and accumulaated impairment	Carrying Values
Land	9 200 000	-	9 200 000	9 200 000	-	9 200 000

Reconciliation of investment property - 2024

	Opening Balance	Closing Balance
Land	9 200 000	9 200 000
Rental revenue earned on the Investment Property	2 411 895	602 973

The value of investment properties is per the valuation done on the 01 January 2024. The land included in investment property are listed above. The land was revalued as at 01 January 2024 by an independent valuer. The method of valuation employed was discounted cashflow method.

A register of land and buildings is available for inspection at the business address. The entity is not permitted to dispose of, or otherwise alienate, its land and buildings without the approval of the Minister of the Department of Sports, Arts and Culture. In addition, there are further restrictions on the alienation of certain properties held by the entity due to the ordinances and other specific restrictions from the donors. Another portion of Heritage land and buildings is leased to third parties. Refer to note 3 for further information.

The investment property is subject to an operating lease with Blue Pot (Pty) Ltd as the leasee, this has been disclosed under operating lease asset note 3.

No commitments were incurred for investment property.

There were no items of Investment Property pledged for security for liabilities.

Figures in Rand	2025	2024 Restated*
11. Payables from exchange transactions		
Trade payables	-	2 232 552
Sundry payables	697 395	760 514
Deposits received	154 395	146 395
Accruals	5 221 872	2 271 670
	6 073 662	5 411 131

The amounts disclosed in the trade payables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

12. Employee medical benefit obligations		
The amounts recognised in the statement of financial position are as follows:		
Changes in the present value of the employee benefit obligation		
Opening accrued liability	-	1 841 569
Gain on derecognition of employee benefits	-	(1 836 268)
Current interest cost	-	146 031
Medical contributions subsidies for continuation pensioners	-	(145 600)
Actuarial gains	-	(5 732)
	-	-
Net expense recognised in the Statement of Financial Performance		
Interest cost	**-**	**146 031**
Actuarial gains	**-**	**(5 732)**
	-	**140 299**
Medical contributions subsidies for continued pensioners:		
Medical contribution	**-**	**(145 600)**
Net change in accrued liability		
Net expense recognised in Statement of Financial Performance	**-**	**140 299**
Medical contribution	**-**	**(145 600)**
Derecognition of employee benefits	**-**	**(1 836 268)**
	-	**(1 841 569)**

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

The council however took a decision in October 2023 to cease payment of these benefits effectively from December 2023. The decision resulted in the derecognition of the Employee medical benefit obligation of approximately R1,8 million. At the time of derecognition the entity had incurred finance costs of R146,031 medical contributions of R145,600 as well as realising actuarial gains of R5,732.

No further disclosure has been made in the current year relating to Employee medical benefit obligation.

Figures in Rand	2025	2024 Restated*
13. Unspent conditional grants and receipts		
Unspent conditional grants and receipts		
Unspent grants	59 562 783	59 562 783
Movement during the year		
Balance at the beginning of the year	59 562 783	51 485 220
Condition met and transferred to revenue	(5 514 906)	(4 774 155)
Additions during the year	5 236 886	12 541 998
Interest earned during the year	325 765	309 720
	59 610 528	**59 562 783**
Reconciliation of unspent conditional grants and receipts		
13.1 Makapans		
Balance at the beginning of the period	2 658 653	2 457 909
Conditions met and transferred to Revenue	(1 125)	(1 080)
Interest earned during the year	212 360	201 824
	2 869 888	**2 658 653**
Reconciliation of unspent conditional grants and receipts		
13.2 Makgabeng		
Balance at the beginning of the period	1 443 290	1 337 917
Conditions met and transferred to Revenue	(1 125)	(1 080)
Interest earned during the year	111 970	106 453
	1 554 135	**1 443 290**
Reconciliation of unspent conditional grants and receipts		
13.3 Dutch projects	420 167	418 724
Balance at the beginning of the period	(170 053)	-
Conditions met and transferred to Revenue	1 435	1 443
Interest earned during the year	**251 549**	**420 167**
Reconciliation of unspent conditional grants and receipts		
13.4 Acquisition/ upgrading of SAHRA Head Office		
Balance at the beginning of the period	33 447 643	30 938 426
Addition during the year	-	2 555 217
Conditions met and transferred to Revenue	(3 177 579)	(46 000)
	30 270 064	**33 447 643**

Figures in Rand	2025	2024 Restated*
Reconciliation of unspent conditional grants and receipts		
13.5 Presidential Employment Stimulus Package		
Balance at the beginning of the period	**2 526 103**	**2 526 103**
Reconciliation of unspent conditional grants and receipts		
13.6 Dubai Expo		
Balance at the beginning of the period	**340 019**	**340 019**
Reconciliation of unspent conditional grants and receipts		
13.7 CATHSSETA		
Balance at the beginning of the period	112 000	157 204
Condition met and transferred to revenue	(58 970)	(157 204)
	53 030	**-**
Reconciliation of unspent conditional grants and receipts		
13.8 Fencing and Security		
Balance at the beginning of the period	8 542 407	7 882 529
Addition during the period	1 000 000	1 862 403
Condition met and transferred to revenue	(573 791)	(1 202 525)
	8 968 616	**8 542 407**
Reconciliation of unspent conditional grants and receipts		
13.9 Eastern Seaboard Smart City Development		
Balance at the beginning of the period	3 424 172	5 000 000
Conditions met and transferred to revenue	(1 230 119)	(1 575 828)
	2 194 053	**3 424 172**
Reconciliation of unspent conditional grants and receipts		
13.10 Department of Military Veterans Botswana Graves		
Balance at the beginning of the period	130 181	130 181
Reconciliation of unspent conditional grants and receipts		
13.11 Survey of graves of fallen heroes		
Balance at the beginning of the period	2 793 604	-
Addition during the period	4 124 886	2 793 604
Condition met and transferred to revenue	(300 000)	-
	6 618 490	**2 793 604**
Reconciliation of unspent conditional grants and receipts		
13.12 Chief Bungeni Memorial		
Balance at the beginning of the period	36 550	36 550
Reconciliation of unspent conditional grants and receipts		
13.13 Duncan village		
Balance at the beginning of the period	3 800 000	-
Addition during the period	-	3 800 000
Condition met and transferred to revenue	(2 154)	-
	3 797 846	**3 800 000**

13.1 Makapans

Makapans Valley Development
(Agreement signed in 28 August 2003, no required completion date noted).
The grant agreement indicates that money paid to SAHRA must be used for the specific purpose.
The National Lottery Distribution Trust Fund (NLDTF) has the right to withhold or reclaim the funds from the entity if the money is not used in the manner agreed.
Unspent funds at end of the project are to be paid back to the NLDTF.

13.2 Makgabeng

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

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

13.3 Dutch Projects

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

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

13.4 Acquisition / upgrading of SAHRA head office

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

13.5 Presidential Employment Stimulus Programme

The project is between SAHRA and Department of Sport, Arts and Culture for the Presidential Employment Stimulus Program (PESP) as approved by the Director General on 23 October 2020. Under the agreement the money paid to SAHRA must be used for specific purpose. During the financial year 2022/2023 an amount of R2 526 103 was approved for roll over and will be applied in accordance with term of a memorandum to be entered into between the Department and SAHRA. At 31 March 2025 no agreement had been concluded.

13.6 Dubai Expo

The project is between SAHRA and Department of Sport, Arts and Culture for the Dubai World Expo 2020. Under the agreement the money paid to SAHRA must be used for specific purpose.

13.7 CATHSSETA

This relates to a discretionary grant to SAHRA from CATHSSETA.

13.8 Fencing and Security

This relates to a DSAC funded infrastructure project for the fencing and security of SAHRA properties.

13.9 Eastern Seaboard Smart city Project

This relates to a DSAC funded audit of Cultural Heritage asset for the Smart city project in the Eastern Seaboard region.

13.10 Department of Military Veterans - Botswana Graves Project

This relates to a Department of Military Veterans funded project for the rehabilitation of the Botswana 4 graves project.

13.11 Survey of foreign graves of fallen heroes

This grant is funded by DSAC for the Survey and mapping of heritage resources and graves in the SADC region.

13.12 Chief Bungeni Memorial

This is a DSAC funded project for the construction of a memorial of Chief Bungeni.

13.13 Duncan Village

This grant is funded by the DSAC for the memorial Restoration and Declaration of the Grave sites of the Victims of theDuncan Village 1985 Massacre - Commemorating the Resistance & Liberation Heroines and Heroes of Duncan Village.

Figures in Rand	2025	2024 Restated*
14. Short-term Employee benefits		
Accrued leave pay	2 553 514	2 405 482
Accrual for 13th cheque	838 079	931 707
	3 391 593	**3 337 189**
15. Other financial liabilities		
Designated at fair value		
Trust liabilities	216 046	194 205

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

16. Revaluation reserve		
Opening balance	48 358 117	43 535 885
Adjustment on assets directly recognised in net assets	(217 306)	(270 264)
Revaluation surplus	-	5 092 496
	48 140 811	**48 358 117**
17. Other income		
Other income	230 472	111 347
18. Reimbursement		
Reimbursement legal fees	1 151 158	3 394 988
Reimbursement repatriation expenditure	8 747 862	-
	9 899 020	3 394 988
19. Insurance refund		
Insurance refund	82 357	21 480
20. Interest received		
Interest revenue		
Interest received - SAHRA bank accounts	7 201 731	7 294 444

Figures in Rand	2025	2024 Restated*
21. Revenue		
Permit fees	1 846 235	1 825 439
Rental of facilities and equipment	4 672 408	2 448 945
Operating grants received	8 747 862	-
Income from reversal of provision	-	88 679
Other Income	230 472	111 347
Actuarial gain	-	5 732
Reimbursement legal fees	1 151 158	3 394 988
Insurance refund	82 357	21 480
Gain on derecognition of employee benefits	-	1 836 268
Interest received	7 201 731	7 294 444
Government grants and subsidies	66 339 000	62 207 000
Trust funds - Interest received	254 344	234 095
Other grants	5 514 906	4 774 155
	96 040 473	**84 242 572**

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

Permit fees	1 846 235	1 825 439
Rental income	4 672 408	2 448 945
Reimbursement repatriation expenditure	8 747 862	-
Reversal of debt impairment	-	88 679
Other income	230 472	111 347
Actuarial gain	-	5 732
Reimbursement legal fees	1 151 158	3 394 988
Insurance refund	82 357	21 480
Gain on derecognition of employee benefits	-	1 836 268
Interest received	7 201 731	7 294 444
	23 932 223	**17 027 322**

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

Government grants and subsidies (Department of Sport, Art and Culture)	66 339 000	62 207 000
Trust funds - Interest received	254 344	234 095
Other grant revenue	5 514 906	4 774 155
	72 108 250	**67 215 250**

22. Government grants and subsidies

Government grants and subsidies (Department of Sport, Arts and Culture)	**66 339 000**	**62 207 000**

This related to transfer allocation for operational activities and is not conditional.

Figures in Rand	2025	2024 Restated*
23. Salaries and benefits		
Acting allowances	637 166	741 222
Basic	40 502 938	37 000 051
13th cheque	1 547 476	1 542 116
Housing benefits and allowances	893 179	837 290
Leave pay charge	339 249	447 452
Long-service awards	70 000	35 000
Medical aid - company contributions	1 604 774	1 431 742
Provident fund	3 937 819	3 782 918
Relocation and removal costs	129 541	163 114
SDL	433 347	400 110
Travel, motor car, accommodation, subsistence and other allowances	452 606	413 416
UIF	198 380	186 693
WCA	78 681	77 708
	50 825 156	**47 058 832**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Executive committee remuneration -March 2025	Annual Remuneration	Long Service award	Once off bonus	13th Cheque	Allowances	Total
L. Malgas Chief Executive Officer Employment date: 01.03.2020 Term 2025: 12 months	1 937 906	-	55 961	-	24 000	2 017 867
K. Nkhasi-Lesaoana Executive Officer: Heritage Information Policy and Skills Development - Employment date: 01.12.2017 Term 2025: 12 months	1 235 018	-	38 494	93 890	12 000	1 379 402
S. Mome Company Secretary Employment date: 01.08.2020 Term 2025: 12 months	1 221 682	5 000	35 831	-	12 000	1 274 513
L Tukwayo Chief Finance Officer Employment date:01.04.2022 Term 2025: 12 months	1 457 457	-	46 350	-	161 760	1 665 567
N. Mphambani Acting Executive Officer: Corporate Services Employment date: 09.10.2020 Term 2025: 12 months	1 204 745	-	34 789	-	12 000	1 251 534
Total	**7 056 808**	**5 000**	**211 425**	**93 890**	**221 760**	**7 588 883**

Executive committee remuneration -March 2024	Annual Remuneration	Long Service award	Once off bonus	13th Cheque	Allowances	Total
L. Malgas Chief Executive Officer Employment date: 01.03.2020 Term 2024: 12 months	1 865 364	-	54 331	-	24 000	1 943 695
K. Nkhasi-Lesaoana Executive Officer: Heritage Information Policy and Skills Development - Employment date: 01.12.2017 Term 2024: 12 months	1 222 048	10 000	37 373	89 532	12 000	1 370 953
S. Mome Company Secretary Employment date: 01.08.2020 Term 2024: 12 months	1 194 407	-	34 789	-	12 000	1 241 196
L Tukwayo Chief Finance Officer Employment date:01.04.2022 Term 2024: 12 months	1 401 000	-	45 000	-	156 000	1 602 000
N. Mphambani Acting Executive Officer: Corporate Services Employment date: 09.10.2020 Term 2024: 12 months	1 602 000	-	33 776	-	12 000	1 205 423
Total	**6 842 466**	**10 000**	**205 269**	**89 532**	**216 000**	**7 363 267**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*
Council - Fees		
Mellet, PWT. Mr	138 793	113 387
Mpahlwa, L. (Dr) (Chairperson)	138 507	184 243
Serekoane, MJ. Mr	178 984	282 181
Moduka, B. Mr	151 841	118 296
Makgopa, MA. (Prof)*	-	-
Maumela, VK. Mr*	-	-
Mdludlu, M. Mr	104 940	64 926
Mnculwane, V. (Dr)	56 034	26 235
Parker, R. Mrs	26 676	42 696
Poho, T. Mr	82 710	74 259
Sharfman, J.(Dr)	113 950	86 906
	992 435	**993 129**

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

Audit and Risk Committee - Fees		
Gani, R. Ms	59 514	45 780
Sello, K. Mr (Chairperson)	155 049	111 953
Parker, R. Mrs	4 005	12 015
Dhlomo, I. Mr*	24 030	-
Poho, T. Mr	24 030	32 040
	266 628	**201 788**

* No remuneration for the year under review because the member works for the public sector
** Member`s term terminated during the 2023 financial year.

24. Depreciation and Amortisation		
Property, plant and equipment	919 668	922 268
Intangible assets	51 729	43 877
	971 397	**966 145**

25. Finance costs		
Employee benefit obligation -current interest cost	25	146 051

Figures in Rand	2025	2024 Restated*
26. General expenses		
Administrative expenses	62 500	50 145
Advertising	173 580	162 308
Auditors` remuneration	1 917 752	1 928 340
Bank charges	77 687	68 796
Catering and refreshments	418 980	245 681
Cleaning	203 068	214 675
Computer expenses	1 626 692	1 470 260
Conference costs	27 200	6 600
Consulting and professional fees	6 877 530	7 691 429
Consumables	4 079	6 968
Council Fees	1 290 531	1 194 917
Insurance	402 763	407 170
Internal audit	132 532	219 207
Lease rentals on operating lease	3 612 415	2 245 901
Motor vehicle expenses	101 477	147 411
Postage and courier	61 567	25 844
Printing and stationery	102 692	142 863
Publications	192 062	16 675
Security	1 933 967	2 561 063
Staff bursaries	181 050	142 094
Staff membership fees	34 875	19 000
Staff welfare	50 152	75 677
Telephone and fax	1 178 280	940 007
Travel expenditure	11 701 254	5 134 394
Uniforms	-	90 167
Water and electricity	1 989 230	1 978 717
Workshops	331 193	363 548
	34 685 108	**27 549 857**
27. Auditors' remuneration		
Audit fees	**1 917 752**	**1 928 340**

Figures in Rand	2025	2024 Restated*
28. Cash generated from operations		
Surplus / (Deficit)	7 728 233	5 990 283
Adjustments for:		
Depreciation and amortisation	971 397	966 145
Actuarial gain	-	(5 732)
Loss on disposal of assets and liabilities	47 168	439 935
Impairment loss	-	486 675
Provision for doubtful debts	222 578	-
Movements in operating lease asset and accruals	(2 592 003)	(1 250 650)
Movements in retirement benefit assets and liabilities	-	(1 836 268)
Reversal on debt impairment	-	(88 679)
Current interest cost	-	146 030
Medical contributions subsidies for continuation pensions	-	(145 600)
Changes in working capital:		
Receivables from exchange transactions	(2 237 545)	(1 989 150)
Prepayments	(311 140)	101 731
Payables from exchange transactions	662 532	935 216
Short-term - Employee benefits	54 404)	(56 306)
Unspent conditional grants and receipts	47 745	8 077 557
Operating lease liability	22 080	(6 552)
Other financial liability	21 841	19 940
	4 637 290	**11 784 575**

29. Contingencies

The entity has requested permission to retain accumulated surpluses R35 184 582 (2024: R34 453 083).

a) A possible obligation exists due to a matter brought before the High Court by Midnight Storm Investments against the Minister of Department of Sport, Arts and Culture where SAHRA has been listed as the fourth defendant on a matter relating to the expropriation of a property by Midnight Storm Investment. The matter has not been finalised at 31 March 2025.

b) Litigation is in the process against South African Heritage Resources Agency relating to a dispute with former employees of the entity.

(i) The former employee Mr K Sekhabisa (former Chief Financial Officer) is challenging the termination of this employment contract and claiming unfair dismissal. The former employee approached the Labour Court after the CCMA had given SAHRA notice on the matter. In the worst-case scenario, which is doubted, section 194 of the Labour Relations Act limits compensation to 12 months of gross salary in these cases. Therefore the settlement amount he is claiming is estimated to be R751 280 should the Labour Court find in favour of the former employee.

As of 31 March 2025, SAHRA still has not received a notice of set down indicating a date of the hearing of the review (it being noted that the former CFO is dominis litis or is the master of the litigation in that the movement will be determined by him)

NOTES TO THE ANNUAL FINANCIAL STATEMENT

ii) The former employee Ms Seetelo (former Manager Burial Grounds and Graves) is challenging the entity on unfair labour practice alleging and citing constructive dismissal. The employee tendered her resignation with immediate effect after SAHRA had received a recommendation to dismiss her subsequent to a disciplinary hearing which had found her guilty of misconduct. The former employee approached the CCMA for constructive dismissal. In the worst-case scenario, which is doubted, section 194 of the Labour Relations Act limits compensation to 12 months of gross salary in these cases. Therefore the settlement amount she is claiming is estimated to be R366 503 should the Labour Court find in favour of the former employee.

The matter of alleged constructive dismissal, arbitration of the matter is still ongoing at Pretoria CCMA. It was part heard during the year wherein in September 2023, Ms Seetelo arrived late and at that time SAHRA had received a default judgment against her which was later set aside following her motivation. It was then set down for hearing which continued in 2024.

c) Litigation is in the process after South African Heritage Resources Agency received a notice of set down for inspection in loco of properties that were subject to claims.

On the 24th of February 2023, SAHRA received a notice of set down for inspection in loco of properties that were subject to claims. The properties listed in the claim were Rhenosterfontein 1051 (Spioenkop Battlefield) Brakfontein 1046 (Elandslaagte Memorial). At this point SAHRA is waiting to be joined to the proceedings when the matter is set down. SAHRA was initially erroneously left out from the proceedings even though it is one of the owners of properties listed in the matter. SAHRA is yet to be joined in the proceeds, however, should worst case scenario happen, the claim would be granted and the two properties would be transferred in favour of the claimants.

The inspection in loco was set down for 3 April 2023. SAHRA awaits service of pleadings joining it in the proceedings. SAHRA has not been served with further Court papers, as an affected party, herein.

d) Following the litigation initiated by SAHRA (SAHRA with DSAC and Robben Island Museum initiated proceedings againstDr Makaziwe Mandela and others), Dr Mandela served Summons against SAHRA on the 3rd of May 2023.

The litigation by SAHRA involved initiating proceedings for the return of the heritage objects that belonged to or are associated with the late President Nelson Mandela that were exported out of South Africa illegally. The Summons were in claiming defamation.

The litigant is claiming damages of approximately R1 million.

As of 31 March 2025, SAHRA had filed responding Court documents (Plea) in this matter. It has not been set down for hearing yet.

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*
30. Related parties		
Related party balances		
Unspent conditional grants and receipts		
Makapans (National Lottery fund)	2 869 888	2 658 653
Makgabeng (National Lottery fund)	1 554 135	1 443 352
Presidential Employment Stimulus Package	2 526 103	2 526 102
SAHRA office accommodation	30 270 064	33 447 643
Dubai Expo	340 019	340 019
Fencing and Security	8 968 616	8 542 407
Eastern Seaboard Smart City Development	2 194 053	3 424 172
Survey of graves	6 618 490	2 793 604
Chief Bungeni	36 550	36 550
Duncan	3 797 846	3 800 000
SETA		
CATHSSETA	53 030	-
Department of Military Veterans		
Botswana 4 project	130 181	130 181
Amounts owed to the entity by Department of Sport, Arts and Culture		
DSAC Receivable	5 298 940	3 394 988
Related party transactions		
Department of Sport, Arts and Culture		
DSAC Operation Grant received	66 339 000	62 207 000
DSAC Survey of graves	4 124 886	2 793 604
DSAC Chief Bungeni	-	500 000
DSAC Duncan Village	-	3 800 000
Fencing and Security	1 000 000	1 862 403
Office Accommodation	-	2 555 217
Eastern Seaboard smart city Development	-	5 000 000
DSAC Re-imbursement of legal fees	1 151 158	3 394 988
DSAC Re-imbursement Repatriation expenditure	8 747 862	-
SETA		
CATHSSETA - Discretionary Grant	112 000	157 204
Department of Military Veterans		
Botswana 4 Project	-	900 000

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Relationships

Members of key management - Refer to council fees' report note 23
Dr. L. Mpahlwa (Council Chairperson)
Mr. T. Mellet (Corporate Services Committee Chairperson)
Mr. J.M. Serekoane (Heritage Resources Management Chairperson)
Mr. B.T Moduka (Business Development committee Chairperson)
Adv. L. Malgas (Chief Executive Officer)

Government Departments & Entities
Department of Sports Arts and Culture
Department of Military Veterans
Department of Tourism
National Treasury
National Lottery Commission

Department of Sport, Arts and Culture
Controlling Department of the agency.

Agency of the department of Trade and Industry
National Lottery Fund

Department of Tourism
Project funder

Department of Military Veterans
Project funder for the Botswana 4 project.

Cathsetta
Discretionary Grant and Mandatory Grant

Management
The members of council and the Executive committee as disclosed under Note 23 are related parties.

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

Figures in Rand	2025	2024 Restated*

31. Fruitless and wasteful expenditure

Details of current and previous year Fruitless and wasteful expenditure

There was no fruitless and wasteful expenditure identified in the current financial year.

32. Irregular expenditure

Details of irregular expenditure

No Irregular Expenditure was incurred in the current financial period; i.e., SAHRA complied with all applicable legislation in the procurement processes.

Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure.

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

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

Details of current and previous year irregular expenditure condoned

No irregular expenditure was condoned in the current financial year however the entity has applied to the National Treasury for the condonement of irregular expenditure of R3 420 145 incurred in the 2020/21 financial year. Reasonable steps have been taken to confirm that such irregular expenditure did not result in any losses or damages to the entity and that the entity did obtain value from such a transactions having noted the disciplinary processes of the responsible official.

33. Prior period errors

33.1 Amortisation

During the asset verification process of the 2024 financial period, it was identified that the amount of depreciation was understated by an amount of R1 231. This was due to the correction of the amortisation of the intangible asset being computer software of R1 231. The error was corrected retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the increase in accumulated amortisation of R1 231 and the corresponding decreae of intangible asset balance by R1 231.

NOTES TO THE ANNUAL FINANCIAL STATEMENT

33.2 Heritage assets

During the 2024 financial period, it was identified that the heritage assets was overstated by R205 517, this was due to overstatement of R205 517 in the 2023 financial year as a result of incorrect accruals on retentions relating to the additions on heritage assets invoices for the 2023 finanial year. The effect of these errors resulted in overstatement of heritage assets balance by R205 517 and overstatement of the payables from exchange transactions by R205 517. The error was corrected retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the decrease in the balance of heritage assets by R205 517 and the corresponding decrease in payables from exchange transactions by R205 517.

33.3 Property, Plant and Equipment

During the 2024 financial period, it was identified that the amount of property, plant and equipment was overstated by an amount of R87 430. This due to disposal accounting errors. The effect of the error in accounting for disposal was the overstament of property, plant and equipment by R87 430 and the understatement of disposal amount of R66 139 and understatement of depreciation of R21 287. The error was corrected retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the decrease in the property plant and equipment balance by R87 430 and an increase in the depreciation and amortisation amount by R21 287 and an increase in the loss on disposal of R66 139.

33.4 Intangible assets

During the 2024 financial period it was identified that the balance of intangible assets was overstated by an amount of R3 824 due to an incorrect amortisation calculation by an amount of R3 824 in addition the same assements confirmed that the items of property plant and equipment were understated due to incorrect depreciation calculation with the impact of corrrection through the accumulated surplus effected. The error was corrected retrospectively. The effect of the correction of the error on the individual line items in the financial statements is an decrease in the intangible assets by an amount of R3 824 and an increase in the property, plant and equipment by and amount of R40 563 and an increase in accumulated surplus by an amount of R36 739.

33.5 Payables from exchange transaction

During the 2024 financial period, it was identified that the payables from exchange transactions was overstated by R205 517, this was due to overstatement of R205 517 in the 2023 financial year as a result of incorrect accruals on retentions relating to the additions on Heritage assets invoices for the 2023 accrual listing. The effect of these errors resulted in overstatement of trade and other payables balance by R205 517 and overstatement of the general expenditure by R205 517. The error was corrected retrospectively. The effect of the correction of the error on the individual line items in the financial statements is the decrease in the balance of payables by R205 517 and the corresponding decrease in heritage assets by R205 517.

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*
The correction of the error(s) results in adjustments as follows:		
Statement of Financial Performance		
Depreciation and amortisation	-	22 522
Loss on disposal of assets	-	66 139
	-	**88 661**
Statement of Financial Position		
Property, plant and equipment	-	46 868
Heritage assets	-	(205 518)
Intangible assets	-	5 055
Payables from exchange transactions	-	205 518
		-
Accumulated surplus	-	36 738
	-	**88 661**

Presented below are those items contained in the statement of financial position, statement of financial performance and cashflow statement that have been affected by prior year adjustments.

Statement of Financial Performance for the year ended 31 March 2024	Balance as previously reported	Prior period error	Restated balance
Depreciation and amortisation	943 623	22 522	966 145
General expenditure	373 795	66 139	439 934
		88 661	

Statement of Financial Position as at 31 March 2024	Balance as previously reported	Prior period error	Restated balance
Property, plant and equipment	24 844 738	(46 868)	24 797 870
Intangible assets	303 363	(5 055)	298 308
Heritage assets	53 640 607	(205 518)	53 435 089
Payable from exchange transactions	(5 616 648)	205 518	(5 411 130)
		(51 923)	

Net assets	Balance as previously reported	Prior period error	Restated balance
Accumulated surplus	(94 492 639)	(36 738)	(94 529 377)
		(36 738)	

34. Risk management

Financial risk management

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

Liquidity risk

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

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

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

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	6 073 662	-	-	-
Other financial liabilities	-	216 046	-	-

At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	5 411 131	-	-	-
Other financial liabilities	-	194 205	-	-

Credit risk

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

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

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

Figures in Rand	2025	2024 Restated*
Financial instrument		
Trade and Other receivables before impairment	3 062 115	2 874 713
Deposits	163 071	163 071
Cash and cash equivalents	98 279 023	99 002 337

The balance for Cash and cash equivalents includes actual cash on hand balance in 2022 of R4.
Impairment of trade and other receivables has been based on percentage non-payment and is detailed under note 4.
The ageing of trade and other receivables is detailed under note 4.

Market risk
Interest rate risk

The entity's interest rate risk arises from short - term deposits. Short - term deposits issued at variable rates expose the entity to cash flow interest rate risk. On the other hand, short-term deposits issued at fixed rates expose the entity to fair value interest rate risk. During 2025 and 2024, the entity's deposits and bank balances at fixed rate were denominated in the Rand.

Banks		
ABSA (Baa2)	36 178 710	41 643 821
Nedbank (Baa2)	421 372	390 089
Reserve Bank	61 678 941	56 968 427
	98 279 023	**99 002 337**

35. Financial instruments disclosure
Categories of financial instruments
2025
Financial assets

	At amortised cost	Total
Trade and otherReceivables from exchange transactions (excluding rental debtors)	431 549	431 549
Receivables from exchange transactions (rental debtors)	278 104	278 104
DSAC Receivable	5 298 940	5 298 940
Cash and cash equivalents	98 279 023	98 279 023
	104 287 616	**104 287 616**

Financial liabilities

	At amortised cost	Total
Other financial liabilities	216 046	216 046
Trade and other payables from exchange transactions	6 073 662	6 073 662
	6 289 708	**6 289 708**

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand	2025	2024 Restated*

2024

Financial assets

	At amortised cost	Total
Trade and otherReceivables from exchange transactions (excluding rental debtors)	285 308	285 308
Receivables from exchange transactions (rental debtors)	313 280	313 280
DSAC Receivable	3 394 988	3 394 988
Cash and cash equivalents	99 002 337	99 002 337
	102 995 913	**102 995 913**

Financial liabilities

	At amortised cost	Total
Other financial liabilities	194 205	194 205
Trade and other payables from exchange transactions	5 411 131	5 411 131
	5 605 336	**5 605 336**

36. Budget differences

36.1 Differences between budget and actual amounts basis of preparation and presentation

36.1.1 The variance on rent income reflects additional units which became available for occupation as well as the new rental agreements for the Land at Dal Josafat which commenced on 01 January 2024.

36.1.2 The variance represent the effect of the lease asset straight-lining and the significant positive variance represents the additional straight-lining of the Dal Josfat farm lease.

36.1.3 The variance noted is a result of recognition of SAHRA`s billing the DSAC for the reimbursement of costs for the RRO (Restitution and Repatriation Project) for the repatriation of human remains of South African liberation stalwarts who died in exile, Zambia and Zimbawe which was undertaken during the year, these fund were reimbursed by the department.

36.1.4 Other income actual amount comprises mostly of permit fee income.The actual amount is a reflection of permit fee income earned from applications during the year. The fees are dependent on the number of applications actually received during the period. The final budget included a R3 000 000 adjustment arising from interest earned in the prior year (2024) and approved as part of the rollover of accumulated surpluses which has been allocated and applied to cover the employee cost expenditure item. The variance between the budget amount and the actual amount for other income is attributable to the R3 000 000 budget adjustment which is not recognised in actual amount as it is accrued from the 2024 financial period.

36.1.5 The variance noted is a result of recognition of SAHRA`s billing the DSAC for the reimbursement of legal fees on the Dr Makaziwe Mandela & 4 Others Matter.

36.1.6 The variance is a result of insurance refund on claimed loss of assets which include ICT equipment (Laptops) which would not have been budgeted for and whose loss would not have been anticipated or planned.

36.1.7 The variance is a result of interest earned on the bank accounts. Interest received from investments has increased because of an increase in additional government project grants specifically the infrastructure funding grants. The increase in interest is also a result of spending trends on projects whereby the current stage of the projects only allows for minimal spending resulting in more interest being earned on the funds. The interest falls under the DSAC grant stipulations and may not be appropriated without prior authorization.

36.1.8 The variance on the realisation of deferred transfers from the prior periods relating to projects that were anticipated to be completed in the 2024 but could not be completed. The variance between actual and final budget amount reflect the extent to which the projects have progressed. From the budgeted R85,1 million, the amount of R5,5 million was realised and related to recognition of revenue on conditional grants. The variance of R79,6 million reflects projects not completed during the year which comprise the following significant one which are at the planning stages of the project, R30,2 million for the acquisition and upgrade of the head office project, R8,9 million of the fencing projects,R6,6 million for the survey of graves projects, R3,7 million for the Duncan village project, R14,6 million for the Dellville Wood project, R2,2 million for the Eastern Seaboard smart city project, R2,7 million for the SIU project, R2,5 million for the PESP project, R2 million of the Welcome cottage project and R600 000 for the SAPS fire arms project.

NOTES TO THE ANNUAL FINANCIAL STATEMENT

36.1.9 This variance is a result of interest earned on trust bank accounts which was not budgeted for. Management has planned to utilise the bank balance in the 2025/2026 financial period.

36.1.10 The variance is a result of the once off salary bonus paid to empoyees as part of the wage negotiation in 2024, the amount was approved by a council resoluation to utilise SAHRA`s accrued interest from the 2024 financial period.

36.1.11 The depreciation budget was projected based on the anticipated addititions to the PPE item linked to the acquisition and upgrade of the head office project. The variance is as a result of the non-completion of building restoration projects which were planned during the budgeting process and whose completion would have increased the depreciation amount.

36.1.12 The variance is a result of purchase interest on our vehicle fleet cards which was not budgted for.

36.1.13 The variance is a result of additional provision on non performing debtors during the year.

36.1.14 The variance is a result of the actual loss on disposal of assets which was less than the projected one.

36.1.15 The variance is a result of heritage restoration projects which could not be completed during the year, these

projects form part of the infrastructure projects on the restoration and rehabilitation of SAHRA properties.

36.1.16 The variance noted was as a result of delays in the implementation of the planned Upgrades and Acquisition of the Head Office project.

36.1.17 The variance is a result of the repairs and maintenance projects which were not initially budgetd for but were undertaken during the year from the utilisation of accumulated surplus funds names the Polokwane Concentation camp rehabilitation project and Chief Adam Kok memorial rehabilitation projects.

36.1.18 The actual spending of general expenses is above the budgeted amount. The excess expenditure is attributable to the acquisition and upgrade of the head office acomodation whereby the moving and storage cost were expenses as general expenditure and are funded by the project budget. The revenue has been included under the realisation of deferred income as carried forward from the 2024 budget.

36.1.19 The variance represents an adjustment based on the actual expenditure incurred on the heritage asset additions for the Welcome cottage restoration,Union masonic and the Cradock Church.

36.1.20 The variance represents an adjustment based on the actual expenditure incurred on the acquisition and upgrade of the head office accomodation at the SAHRA head offcie, 111 Harrington office, Cape Town.

36.1.21 The variance between the actual and the final budget on the Administration programme is attributable to projects which were not completed during the financial year as planned, Head Office project

36.1.22 The variance on the actual and final budget on the Business development programme is attributable to the non completion of the planned projects which include the Fencing projects for R8,9 million, the Welcome Cottage for R2 million, the Survey of Graves project for R6,6 million, the Duncan Village project for R3,8 million, the Delvillle Wood project for R14,6 million and the heritage properties upgrades for R2 million.

36.1.23 The marginal variance on the actual expenditure and final budget on the Public engagement programme is attributable added engagements by the Marketing and Communications unit in the normal operations and is indicative of the final budget being a best estimate of the planned activities.

36.2 Changes from the approved budget to the final budget

Explanation on variances between approved budget amounts and final budget amount.

36.2.1 The variance is a result of the R6 million budget adjustment relating to the RRO allocation (Repatriation and Restitution Office).

36.2.2 The variance is a result of the inclusion of the deferred transfered from 2024 relating project which were not completed had been anticipated to complete in 2024 but were not completed. The variance between actual and final budget amount reflect the extent to which the projects have progressed. The variance of R83,6 million reflects projects not completed during the year which comprise the following significant ones which are at the planning stages, R30,2 million for the acquisition and upgrade of the head office project, R8,9 million of the fencing projects, R6,6 million for the Survey of graves projects, R3,7 million for the Duncan village project, R14,6 million for the Dellville Wood project,R2,2 million for the Eastern Seaboard smart city project, R2,7 million for the SIU project, R2,5 million for the PESP project, R2 million of the Welcome cottage project and R600 000 for the SAPS fire arms project.

36.2.3 The employee cost budget variance is a result of effecting provision of salary adjustments arising from a council approval to utilise the interest earned in the prior period of 2024.

36.2.4 The variance is a result of budget adjustment for the additions to heritage assets which include the R9,4 million fencing projects, R4,9 million welcome cottage project, R6,9 million survey of graves project, R2 million heritage property restoration projects, the R3,8 million duncan village project. and the R14,6 million Dellville wood project.

36.2.5 The variance relates to the budget adjustment for the head office acquisition and upgrades of R33,4 million.

36.2.6 The general expenditure budget variance is a result of deferred revenue recognised to cover the conclusion of the following project, R1 million for the National Invetory project, R600 000 for the SAPS project, R3,4 million for the Eastern seaboard project and R7,3 million for the (RRO) Repatriation and Restitution Office projects.

36.2.7 The variance between the approved budget and the final budget on the Administration programme is attributable to the adjustments on the project activities with the main ones being the Upgrade and acqisition of the Head Office project by R33,4 million, the RRO projects by R7,2 million, the Eastern Seaboard smart city project by R3,4 million the National inventory project by R1 million, R600 000 for the SAPS fire arms project, the salary adjustmnet of R3 million and goods and services adjustment of R3 million. In addition the cost of living adjustment was included in the budget adjustment.

36.2.8 The variance on the approved budget and final budget on the Business development programme is attributable to the adjustment on the project activities which include the Fencing projects for R9.5 million, the Welcome Cottage for R4,9 million, the Survey of Graves project for R6,9 million, the Duncan Village project for R3,8 million, the Delvillle Wood project for R14,6 million and the heritage properties upgrades for R2 million. In addition the cost of living adjustment was included in the budget adjustment.

36.2.9 The variance on the approved budget and final budget on the Public engagement programme is attributable to the adjustment of R169 000 for the cost of living adjustment for the Marketing and Communications unit.

Figures in Rand	2025	2024 Restated*
37. Commitments for expenditures		
Capital commitments		
Already contracted for but not provided for		
• Property, plant and equipment (Buildings)	18 815 897	2 735 925
• Heritage property (Buildings)	6 048 255	3 082 812
	24 864 152	**5 818 737**
Total capital commitments		
Already contracted for but not provided for	**24 864 152**	**5 818 737**
Total commitments		
Authorised capital expenditure	**24 864 152**	**5 818 737**

On 11 June 2025 a service provider, Mavhuso Service Provider submitted through email correspondence their withdrawal of the awarded two construction contracts (i) the award on bid number SAHRA/PFU/PO/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Paarl Offices for R 1 520 155,10 and (ii) the award on bid number SAHRA/PFU/GRF/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Goede Rust Farm for R 1 312 937,75. These two awards form part of the commitments at year end and have been included in the commitment disclosure note. No expenditure had been incurred from award date to cancellation date.

The effect of these two cancelled construction contracts has been disclosed as non-adjusting events under note 38.

38. Events after the reporting date

On 11 June 2025 a service provider, Mavhuso Service Provider submitted through email correspondence their withdrawal of their awarded two construction contracts (i) the award on Bid number SAHRA/PFU/PO/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Paarl Offices for R1 520 155 and (ii) the award on Bid number SAHRA/PFU/GRF/09/2024 awarded on 06 February 2025 for the construction and execution of the perimeter fence and related works to the Goede Rust Farm for R1 312 937. These two awards form part of the commitments at year end and have been included in the commitment disclosure note 37. No expenditure had been incurred from award date to cancellation date.

- **Nature of the event.**

The cancellation of the awarded bids by Mavhuso Service Provier for the two bids, bid number SAHRA/PFU/PO/09/2024 of R1 520 155 and bid number SAHRA/PFU/GRF/09/2024 for R1 312 937 is an event that occurred after year-end (31 March 2025) but before the audit report is signed. This cancellation of the two construcution contracts is indicative of a condition that arose after the reporting period of 31 March 2025 and therefore a non-adjusting event. The service provider Mavhuso Service Provider cancelled the contracts on 11 June 2025 on the basis that they would not be able to undertake the projects due to finanical reasons.

- **Estimation of its financial effect.**

The total amount for the two cancelled bids which form part of the commitments disclosure (Note 37) is R2 833 092. The commitment balances as disclosed under Note 37 has not been changed as this is a nonadjusting event.

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