



arts & culture

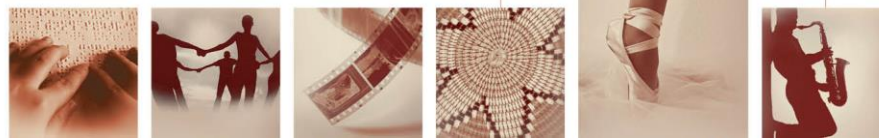
Department:
Arts and Culture
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT 2013/14

DIRECTOR-GENERAL: ARTS AND CULTURE

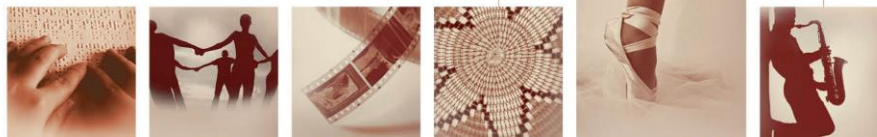
DATE: 15/10/2014

LAYING THE FOUNDATION FOR GREATNESS



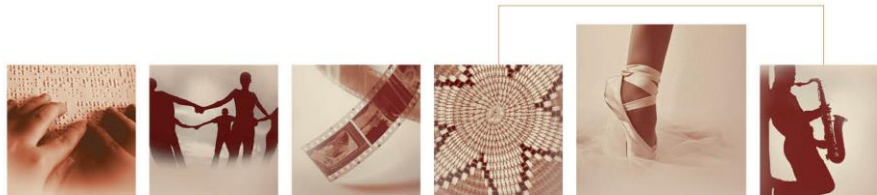
STRATEGIC OVERVIEW

LAYING THE FOUNDATION FOR GREATNESS



PRESENTATION OUTLINE

- STRATEGIC OVERVIEW
- PERFORMANCE OVERVIEW
- PERFORMANCE REVIEW OF SELECTED PROGRAMMES
- REPORT BY THE AUDITOR-GENERAL
- BUDGET VS EXPENDITURE
- EXPLANATION OF EXPENDITURE VARIANCE



VISION

We are a thriving arts, culture and heritage sector contributing to sustainable economic development, and leveraging on partnerships for a socially cohesive nation



STRATEGIC GOALS

- Development, protection, preservation and promotion of arts, culture and heritage
- Access to information
- Entrenched linguistic diversity
- Human Capital Development
- Governance and accountability
- Job creation

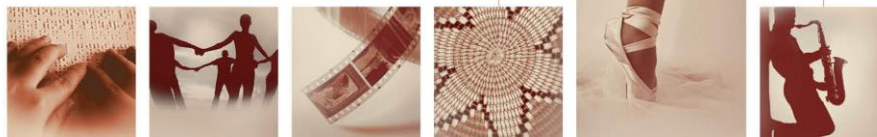
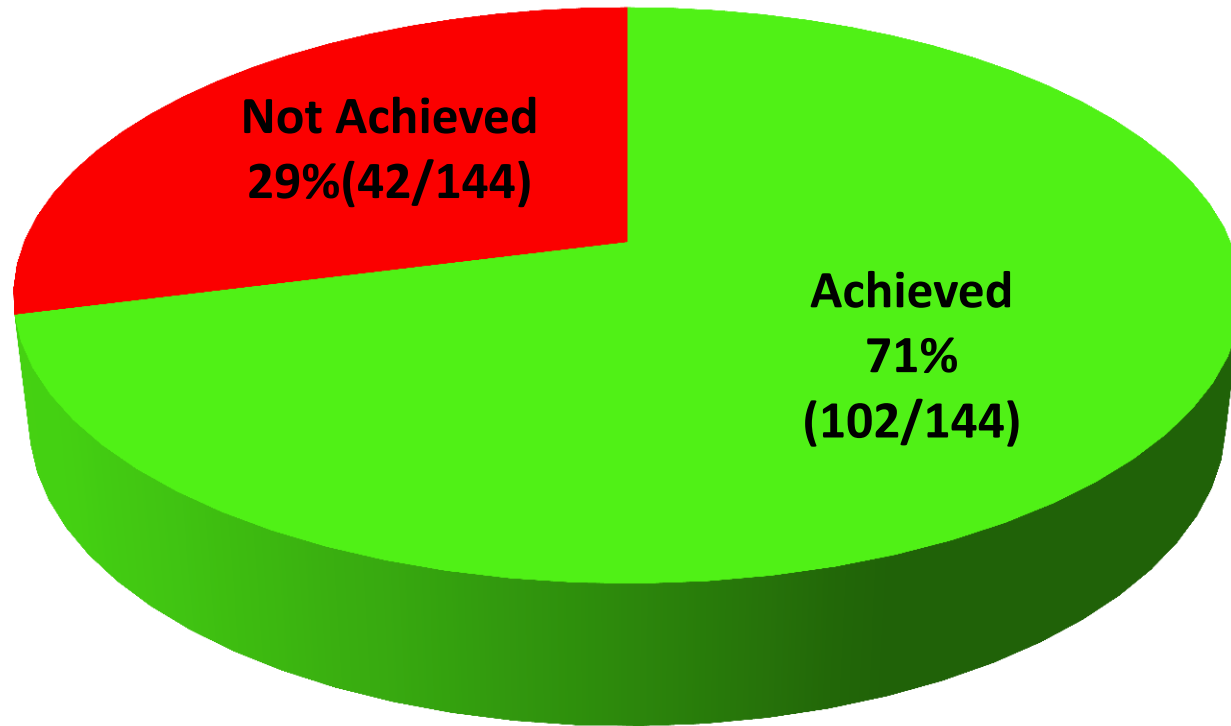


PERFORMANCE OVERVIEW

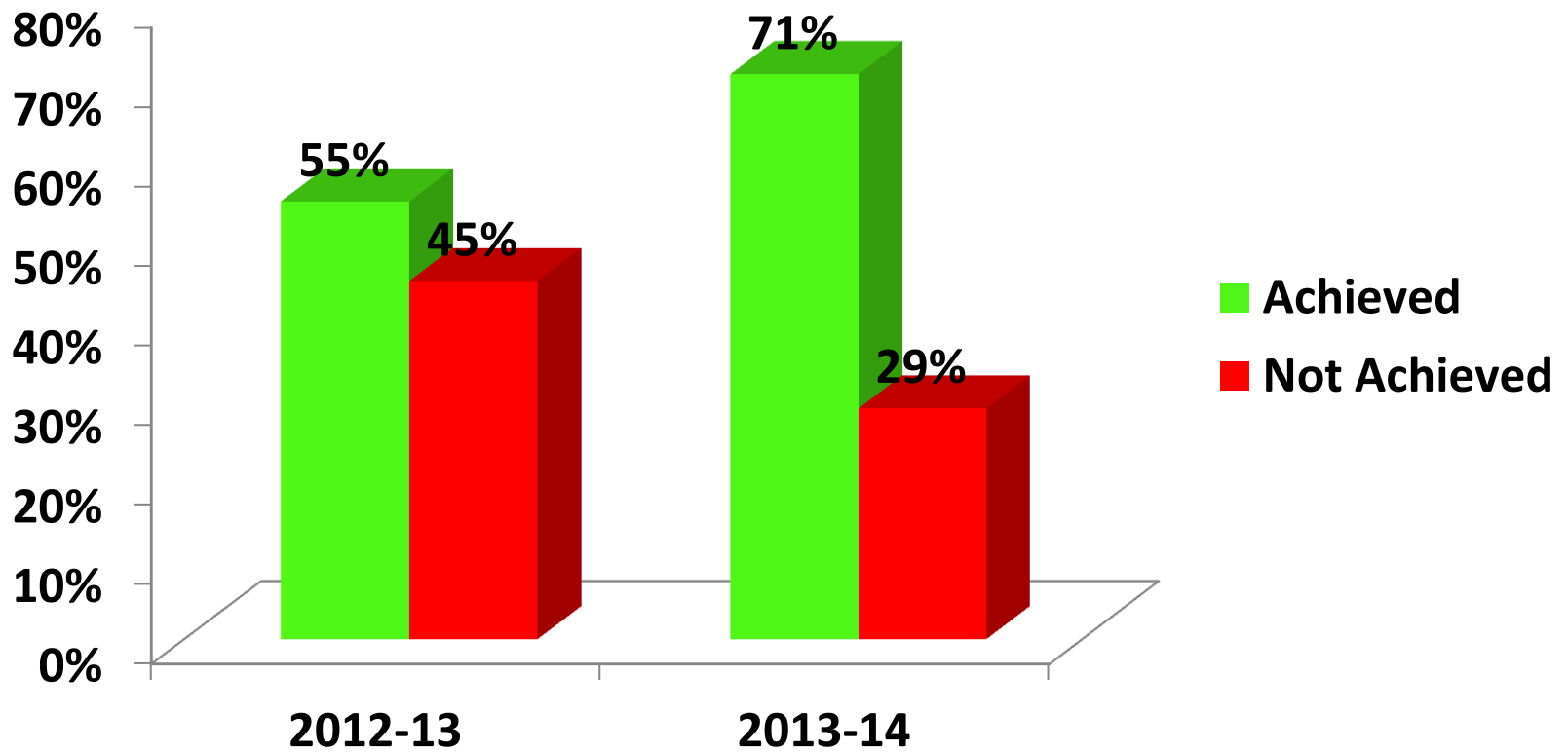
LAYING THE FOUNDATION FOR GREATNESS



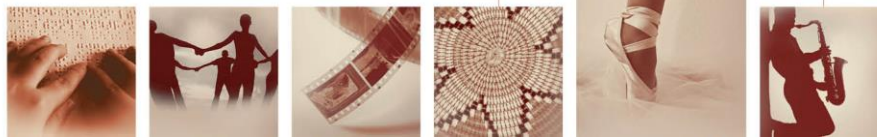
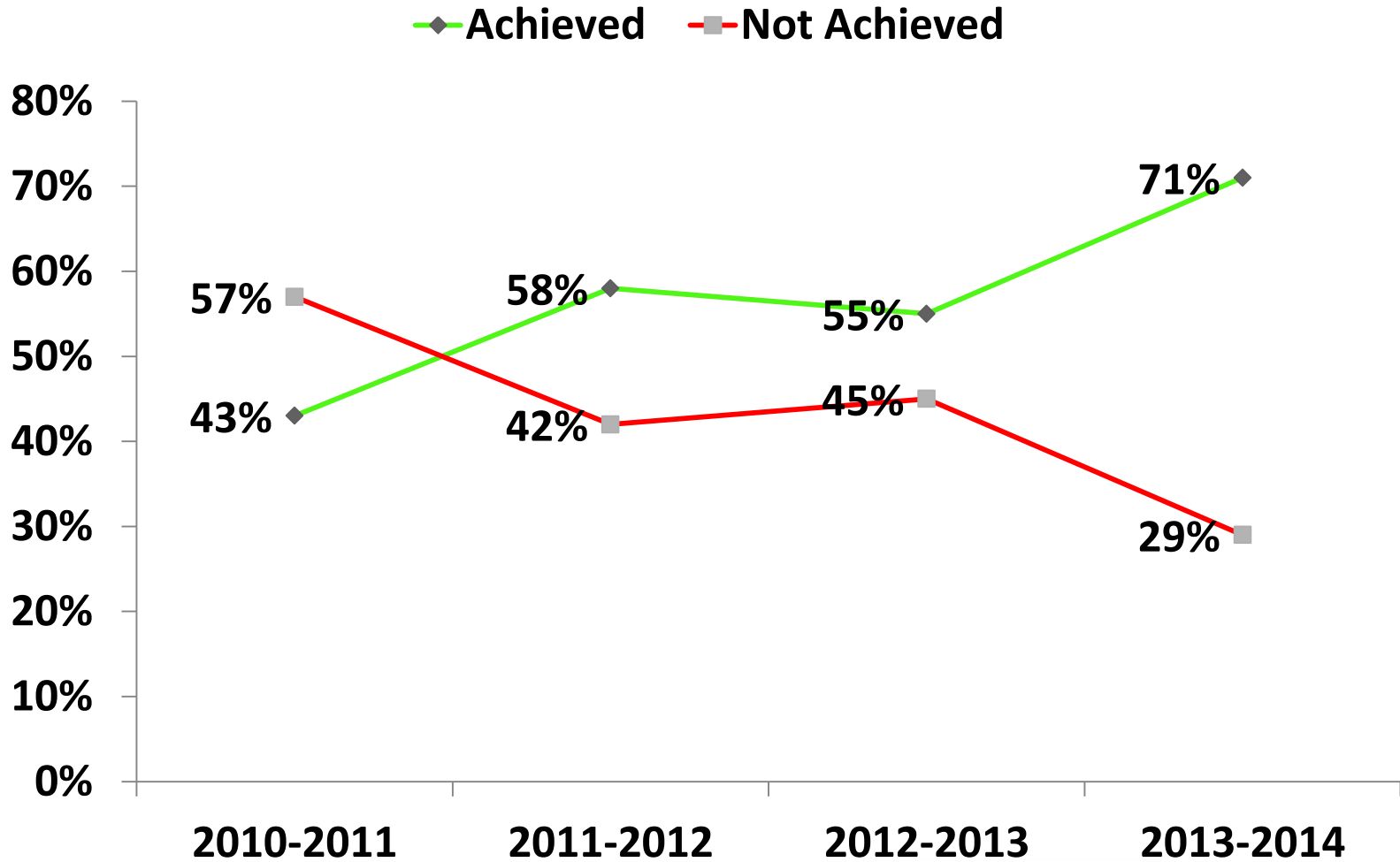
PERFORMANCE IN 2013/14



COMPARISON OF PERFORMANCE



PERFORMANCE TRENDS



PERFORMANCE REVIEW OF SELECTED PROGRAMMES CONTRIBUTING TO THE PROMOTION OF ARTS, CULTURE AND HERITAGE

LAYING THE FOUNDATION FOR GREATNESS

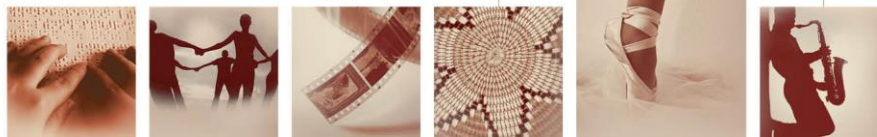


NATION BUILDING AND SOCIAL COHESION

- The social cohesion summit of 2012 endorsed and adopted a 12-point declaration, which included the hosting of provincial social cohesion summits.
- To this end, the DAC collaborated with the North-West province to host its provincial summit under the theme “Working together towards a caring and proud society.”
- The year 2013/14 also saw the appointment of social cohesion advocates and finalisation of the community conversations programme

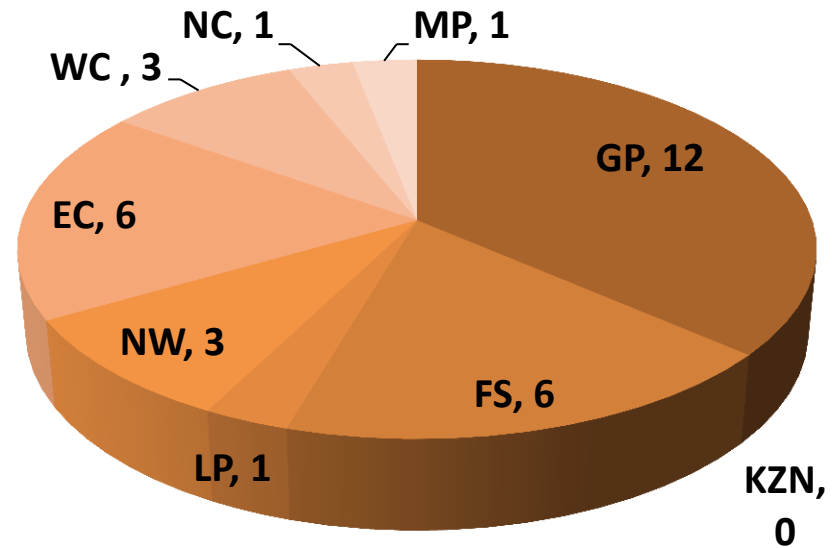
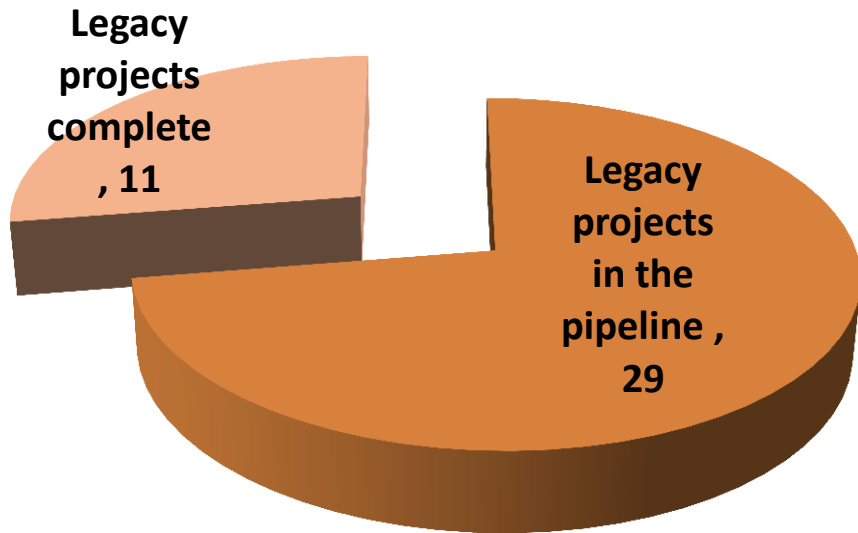


Delegate making her point during the NW social cohesion summit



LEGACY PROJECTS

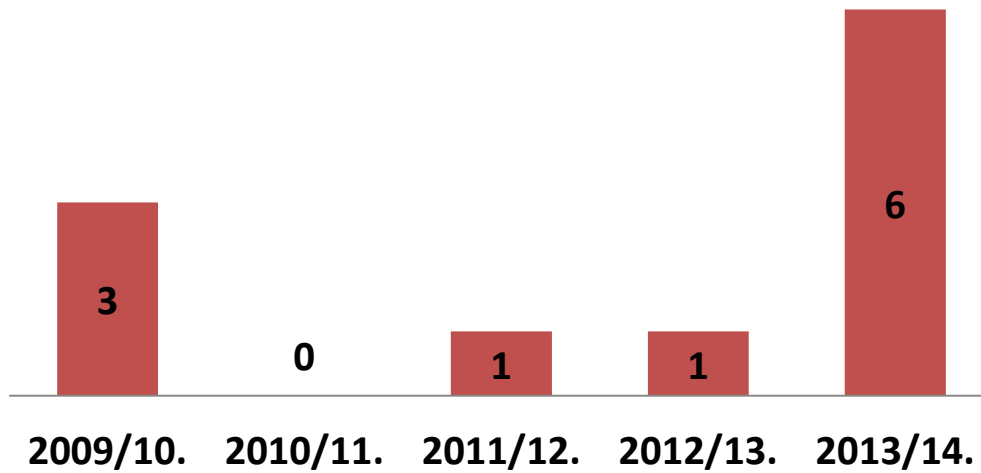
- Through legacy projects we seek to transform our heritage landscape
- 40 legacy projects have been conceptualised in the past 5 years, of which 11 have been completed and 29 are still in the pipeline
- Gauteng has the lion's share of the projects



LEGACY PROJECTS

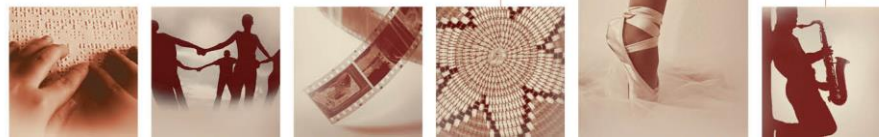
- Of the total 11 legacy projects completed in the past 5 years, 6 were completed during the 2013/14 financial period
- Projects in the pipeline are in different phases of implementation

No of legacy projects completed per annum



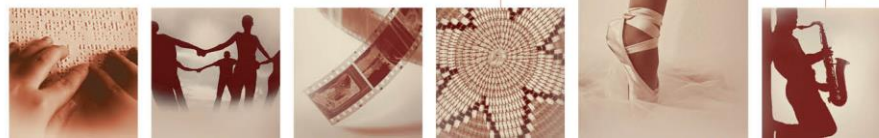
LIST OF COMPLETED PROJECTS IN 2013/14

- Nelson Mandela statue
- Ncome Phase 2
- Graves upgrade for Beyers Naude, Rahima Moosa, Nokutela Dube
- Freedom Park Exhibition
- Matola Monument and Interpretation Center
- War Museum Wall of Remembrance



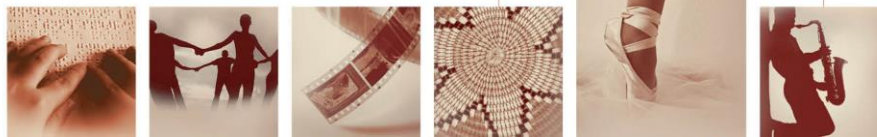
LEGACY PROJECTS

The year 2013 was the centenary of the Union Buildings. This important milestone was marked by the erection of a statue of South Africa's the first democratically elected president, former president Nelson Mandela. The unveiling of the Nelson Mandela Statue coincided with the country's celebration of the National Day of Reconciliation on 16 December 2013.



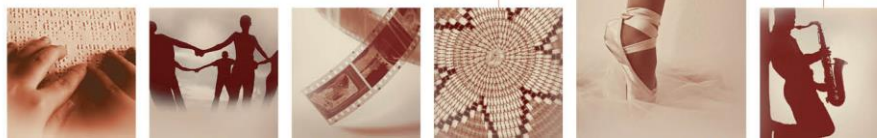
LEGACY PROJECTS

- The Department hosted the sod-turning ceremony for the John Dube project to mark the implementation of the second phase of this legacy project
- The event was held in Inanda Township, Durban on the 14 March 2014
- Phase 2 of the project includes the construction of the amphitheatre, access driveway, parking and the fencing of the homestead



GEOGRAPHICAL NAMES

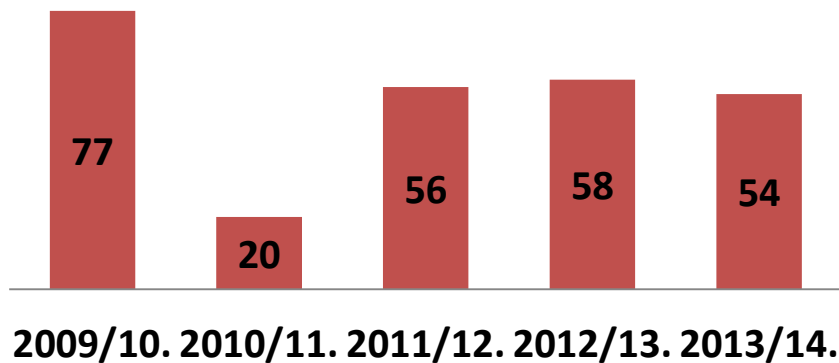
- The programme entails the naming of geographical features in SA and is part of the process of transforming our heritage landscape



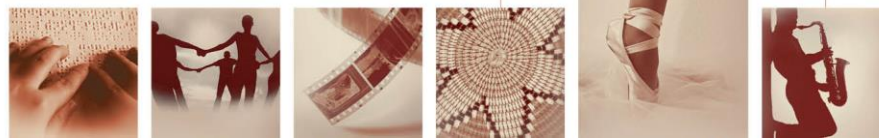
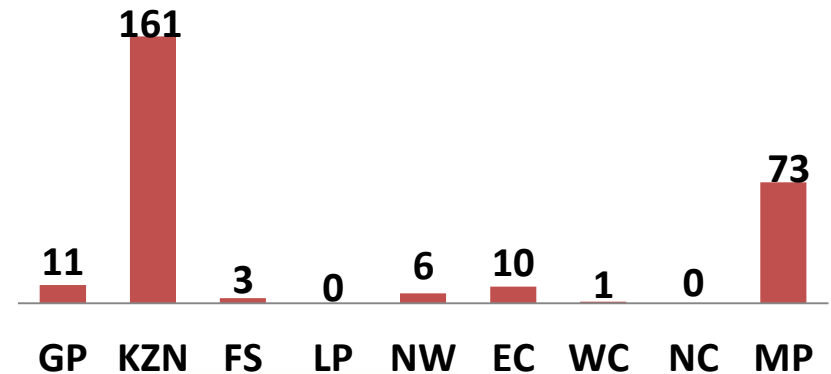
GEOGRAPHICAL NAMES

- A total of 265 geographical names have been approved in the past 5 years and more than 50% of them are in KZN
- Of the 54 names approved in 2013/14 financial year, 37 are in KZN

Geographical names approved annually

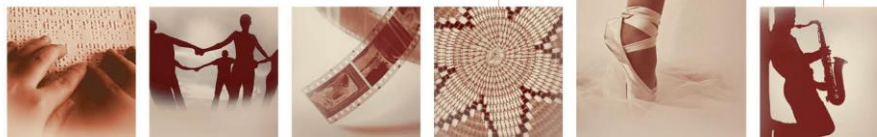


Geographical names approved in 5-years



FLAGS IN SCHOOLS

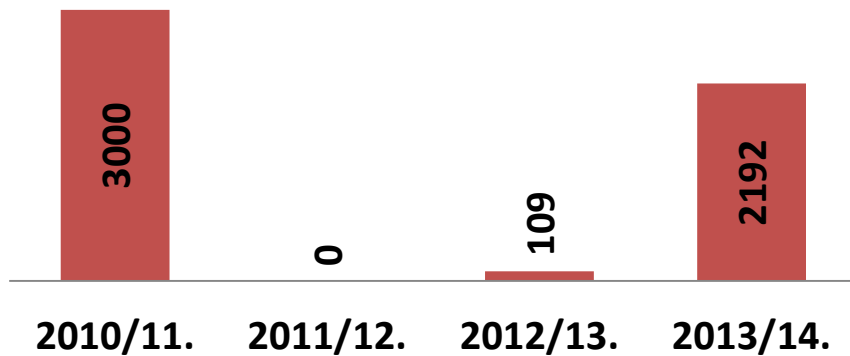
- Through the flags in school programme we seek to create awareness of and popularise our flag (as one of our national symbols)



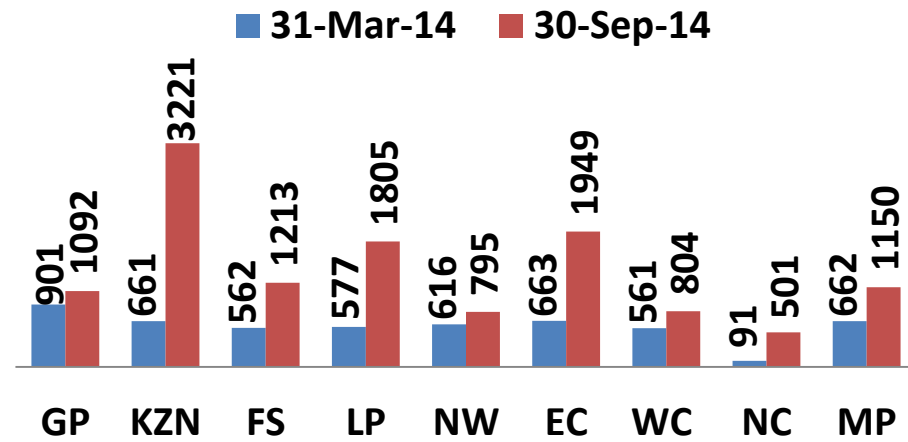
FLAGS IN SCHOOLS

- As at 31 March 2014, a total of 5301 flags were installed in schools throughout the country
- The programme has received a capital injection of R38 million in the 2014/15 financial year and the Department projects a total of 15 000 flags to be installed by March 31, 2015

No of flags distributed per annum



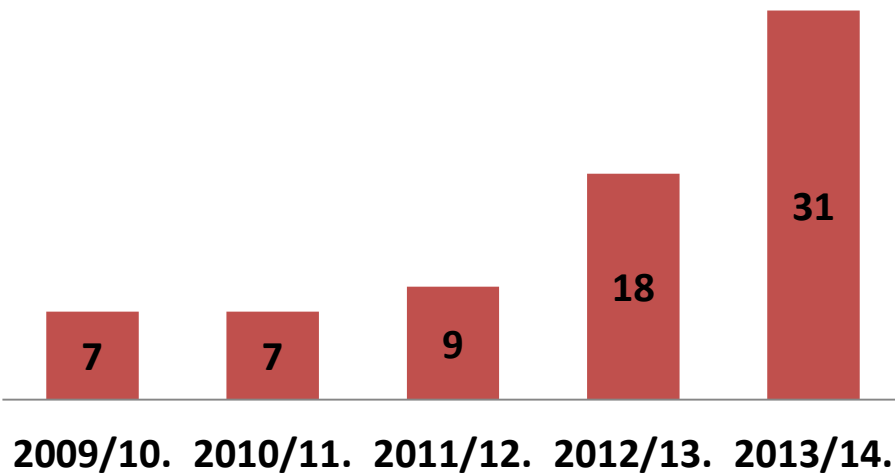
Total number of flags distributed per province



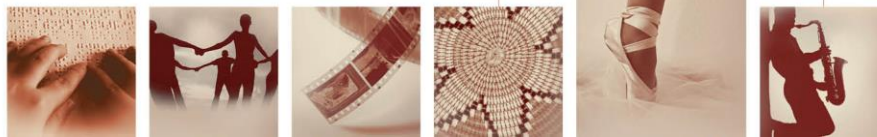
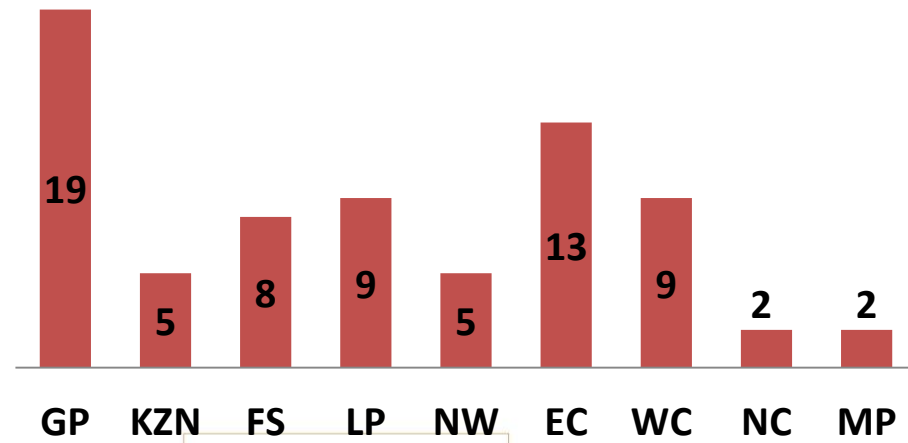
CULTURAL EVENTS

- A total of 72 cultural events were supported in the past 5 years throughout the country
- R141 000 000 has been spent over 5 years at an average unit cost of approximately R2 million

Cultural events supported



Geographical spread of cultural events



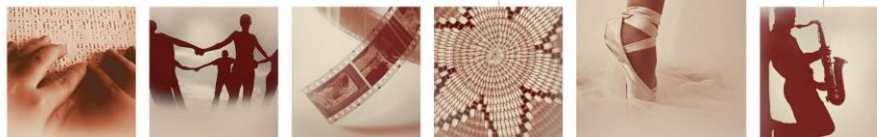
CULTURAL EVENTS

Pulo Ya Meropa Drumming Festival is one of the annual cultural events supported by the DAC

The event was held in January 2014 in Limpopo

Offerings at the event included vibrant dancing, music, food and colourful traditional items

In the 2013/14 financial year event, Imvelo Ya MaMpondo group from Lusikisiki was invited to partake in the festivities

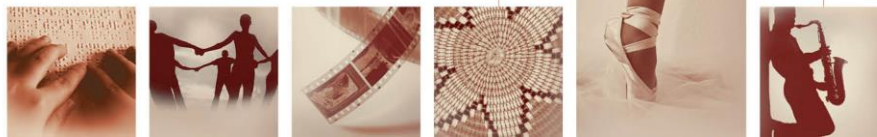


CULTURAL EVENTS

South Africa participated in the Festival for Pan African Music (FESPAM)

The event was held in July 2013 in the Republic of Congo

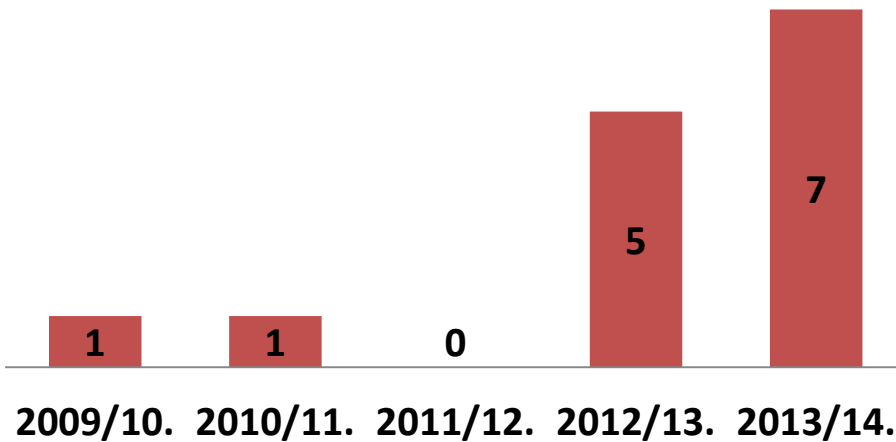
Other continental events participated in include the International Ouagadougou Craft Fair in Burkina Faso, the FISAHARA Film Festival in the Western Sahara Republic, the Fashion Show in the Desert of Niger, the International Philharmonic Festival in Algiers, and the Traditional Song and Dance Festival in Mozambique



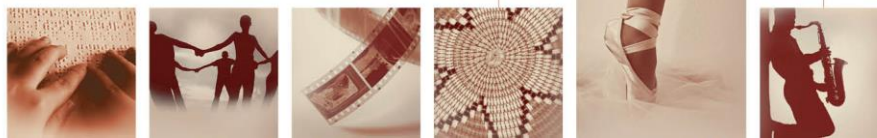
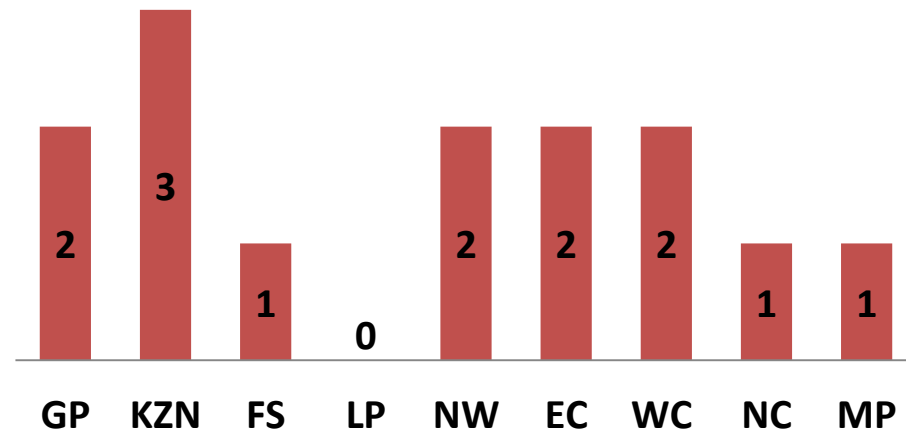
PUBLIC ART PROGRAMME

- 14 public art programmes supported over the past 5 years throughout the country
- A total budget of R5 000 000 has been spent over 5 years. The average unit cost is approximately R357 000

Public art programme



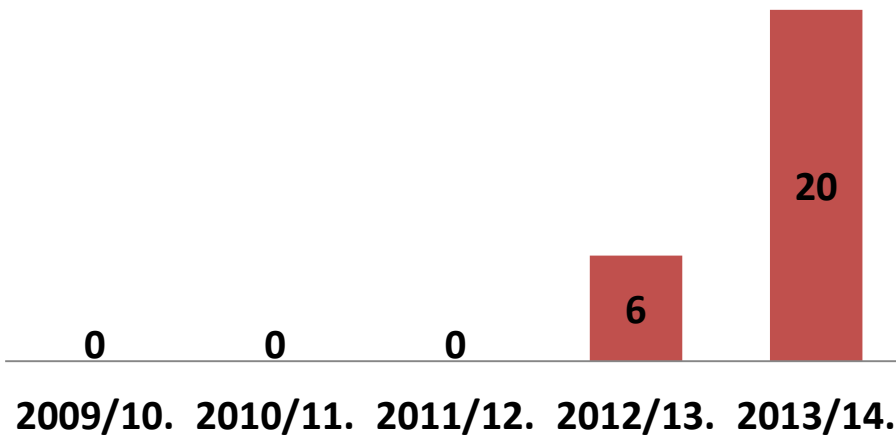
Distribution of public art projects



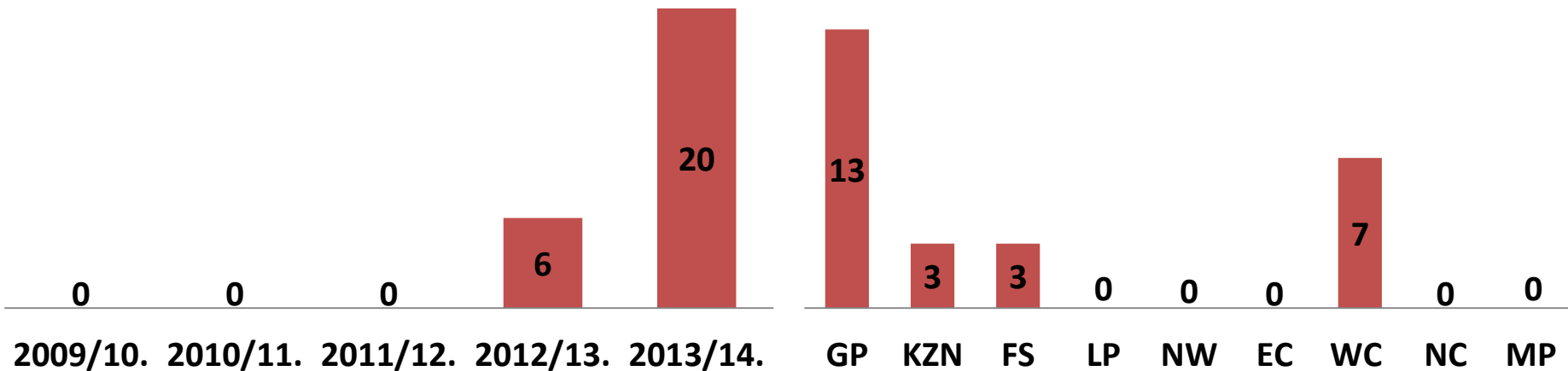
TOURING VENTURE

- Part of the MGE programme. 26 touring ventures supported over the past 2 years throughout the country
- A total budget of R7 000 000 has been spent over 2 years. The average unit cost is approximately R270 000

Touring ventures



Geographical spread of touring ventures



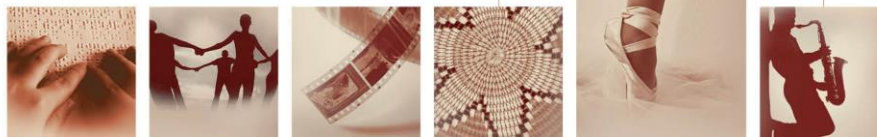
EMERGING CREATIVES PROGRAMME

The DAC partnered with Design Indaba to host the Design Indaba Expo in Cape Town

The event was held from 26 February – 2 March 2014

The event provides a platform for young and emerging creatives to showcase their innovative products to the public

The DAC support is targeted at historically disadvantaged individuals and in breaking barriers of entry to the creative industry

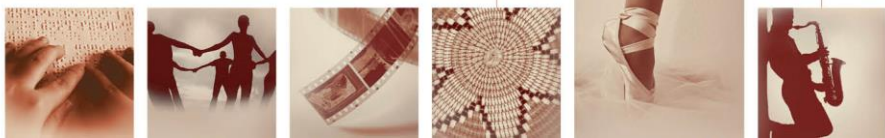


EMERGING CREATIVES PROGRAMME

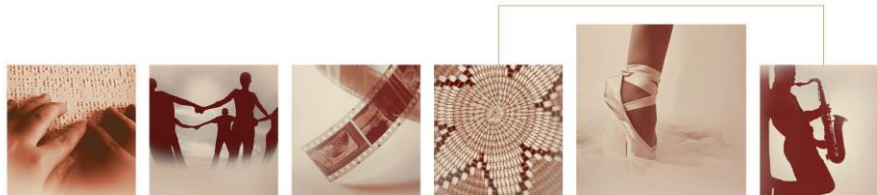
Designers supported by the DAC



LAYING THE FOUNDATION FOR GREATNESS



PERFORMANCE REVIEW OF SELECTED PROGRAMMES CONTRIBUTING TO THE PROMOTION OF ACCESS TO INFORMATION



COMMUNITY LIBRARIES

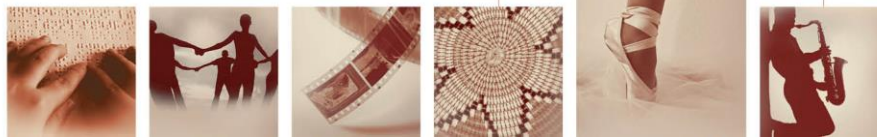
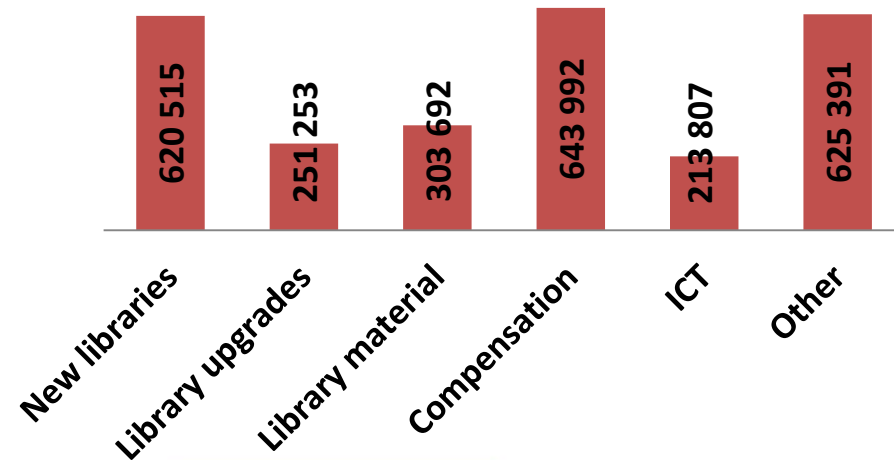
- The DAC receives a conditional library grant for the building and resourcing of community libraries across the country
- On average, the library grant increases annually by 7%
- A total of about R2.7 billion has been spent towards new libraries, library upgrades, library material, etc. in the past 5 years

Annual grant allocations



2009/10. 2010/11. 2011/12. 2012/13. 2013/14.

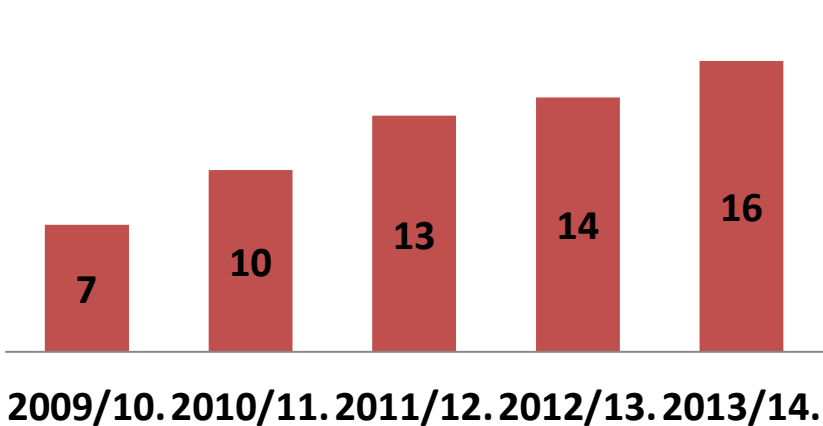
Utilisation of the library grant



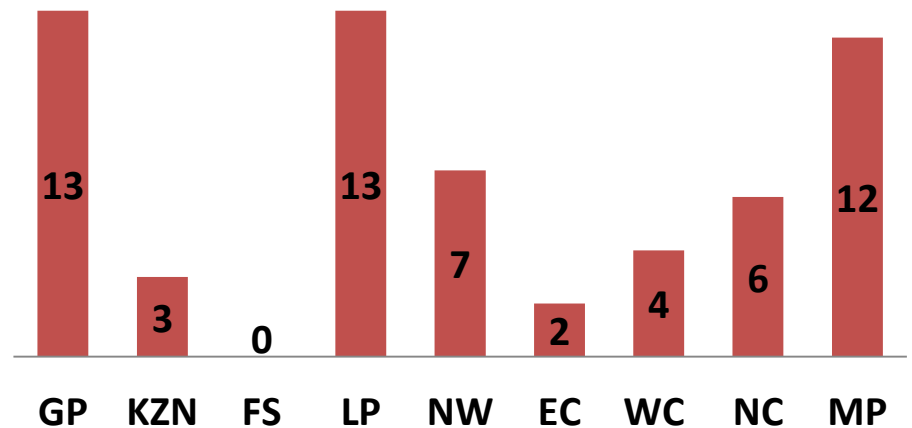
COMMUNITY LIBRARIES

- The last 5 years saw a total of 60 new libraries built throughout the country as depicted graphically below
- A total of R620 515 000 has been spent to build the 60 new libraries at an average unit cost of R10.34 million

New libraries



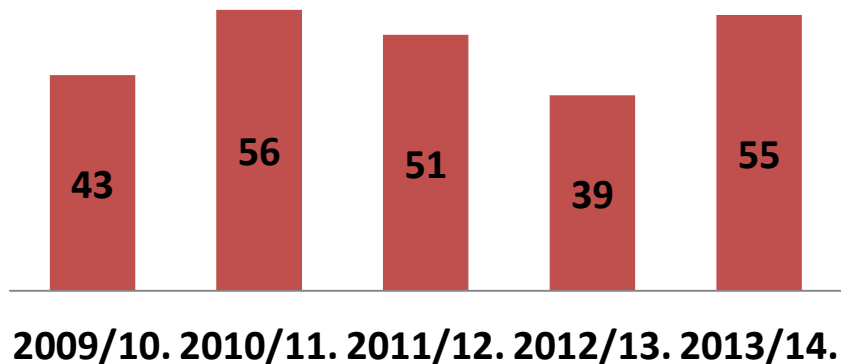
Geographical spread of newly built libraries



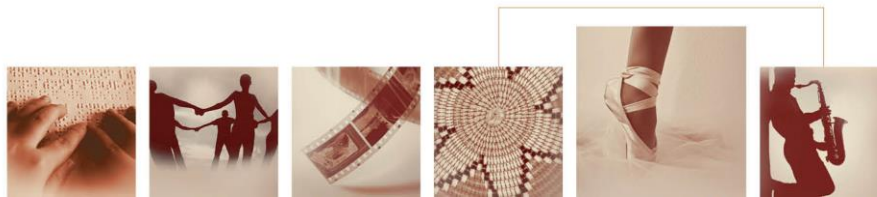
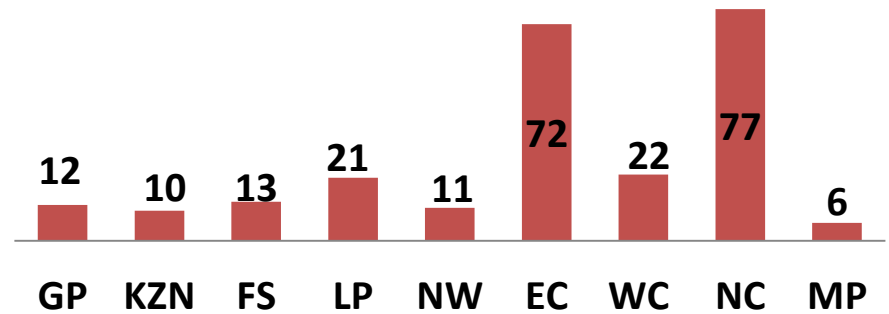
COMMUNITY LIBRARIES

- 244 libraries were upgraded in the past 5 years throughout the country
- A total of R251 253 000 was spent to upgrade libraries at an average unit cost of approximately R1.03 million

No of libraries upgraded annually

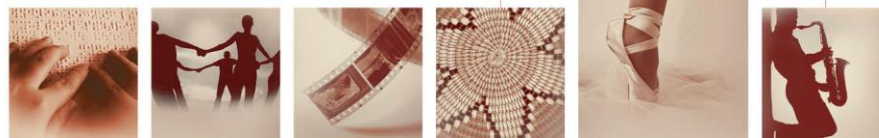


Libraries upgraded in the past 5 years



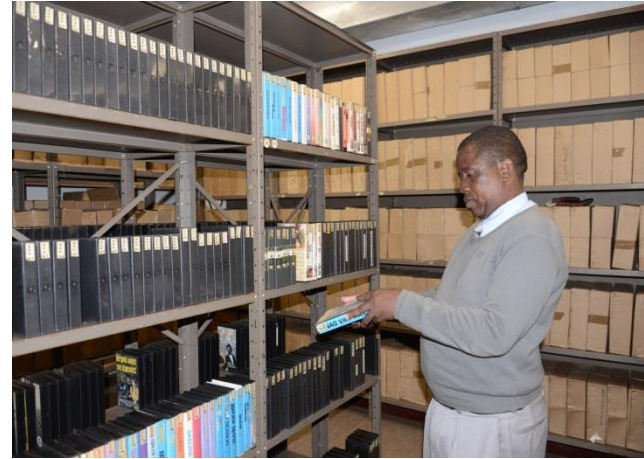
THE NATIONAL BOOK WEEK

- The National Book Week is celebrated annually to promote the culture of reading and writing
- The 2013/14 event was celebrated at the Nelson Mandela Bay Municipality in the Eastern Cape
- A key highlight of the event was the ***Reading for Redemption*** initiative for offenders as part of their rehabilitation process
- The event received wide media coverage from SABC TV and radio, including a series of interviews with authors and other book enthusiasts



THE NATIONAL ARCHIVES WEEK

- The archives week is designed to raise awareness about the importance of records management
- The theme of the 2013/14 event was ‘The role of records/archives in deepening democracy’
- Students, academics, historians, and the public visited the National Archives and learned how historical records and information are archived

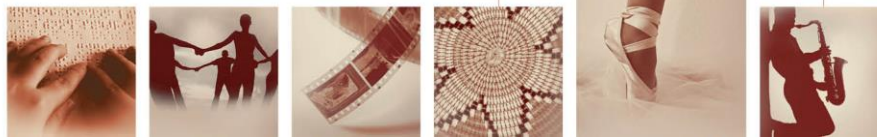
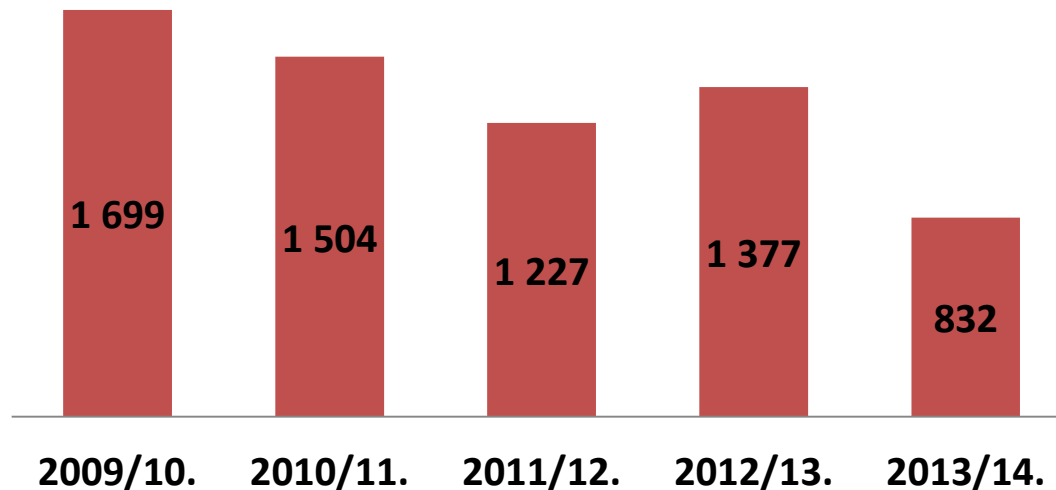


PERFORMANCE REVIEW OF SELECTED PROGRAMMES CONTRIBUTING TO THE PROMOTION OF LINGUISTIC DIVERSITY



TRANSLATION AND EDITING

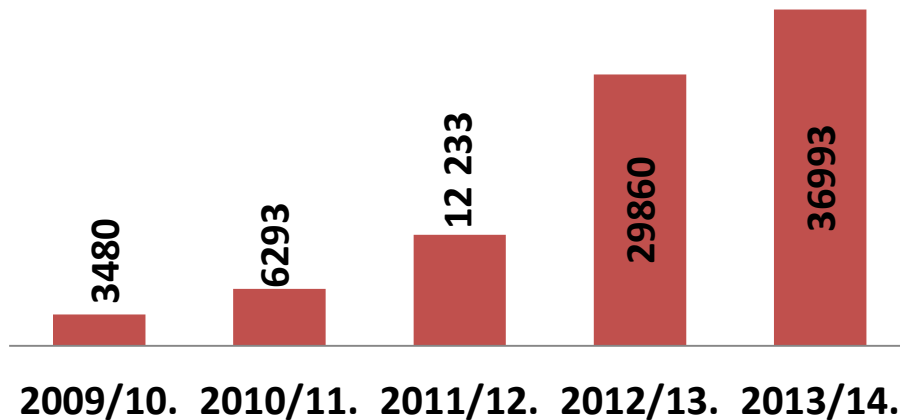
- Official documents are translated into and edited in all official languages and foreign languages.
- Moreover, official documents in foreign languages translated into and edited in all official languages
- 6639 documents translated and edited over the past 5 years



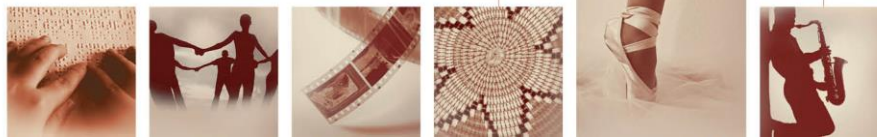
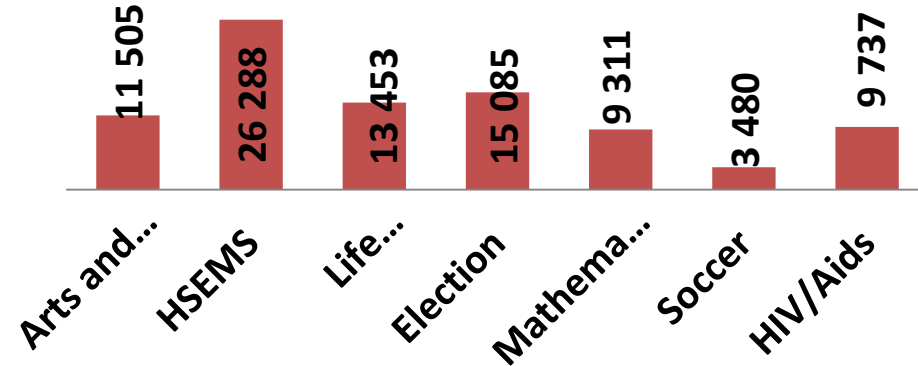
TERMINOLOGY DEVELOPMENT

- Close to 89 000 terminologies developed over the past 5 years
- Terminologies have been developed in arts and culture, HSEMS, life orientation, elections, Mathematics, soccer and HIV/Aids domains

Terminology development

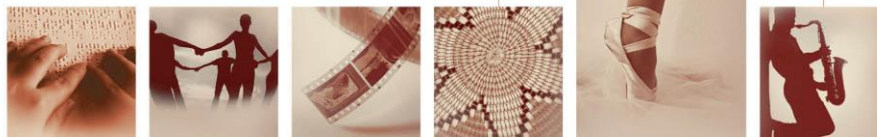


Terminologies developed in the past 5 years





During the year under review, the Department collaborated with the Independent Electoral Commission (IEC) to compile an Election Terminology List.



PERFORMANCE REVIEW OF SELECTED PROGRAMMES CONTRIBUTING TO HUMAN CAPITAL DEVELOPMENT

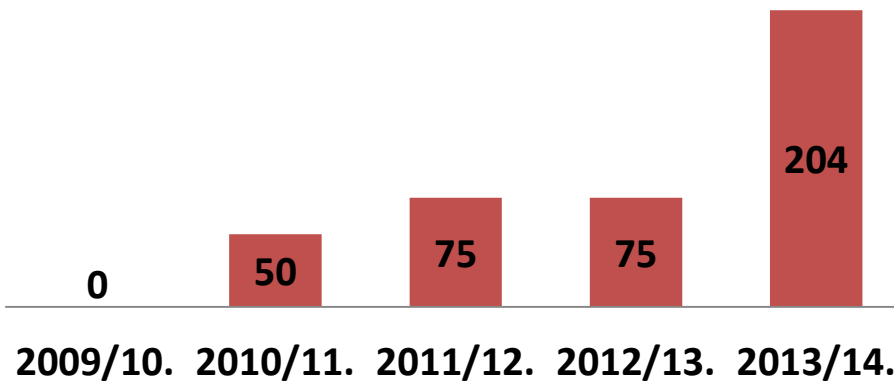
LAYING THE FOUNDATION FOR GREATNESS



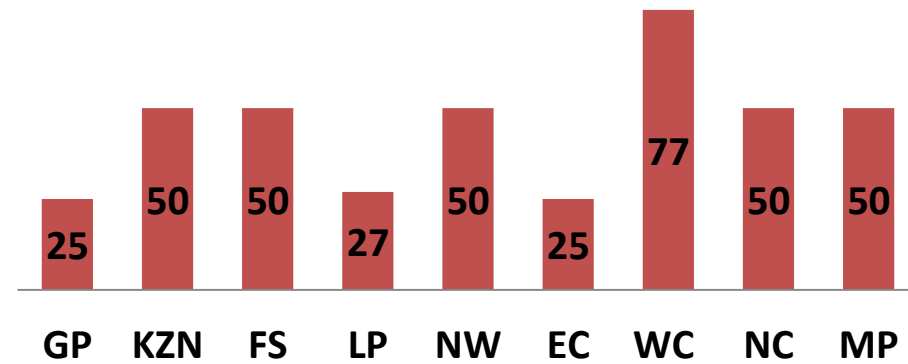
PLACEMENT OF ARTISTS IN SCHOOLS

- The DAC supports human capital development in a variety of ways; through bursaries, training programmes and programmes in the educational environment.
- 404 artists have been placed in schools over the past 5 years throughout the country
- R4 800 000 has been spent over 5 years. The average unit cost is approximately R11 881

Artists in school programme



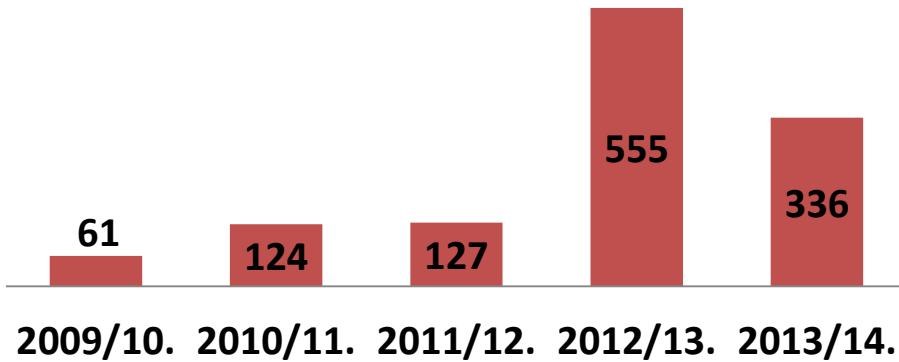
Distribution of artists



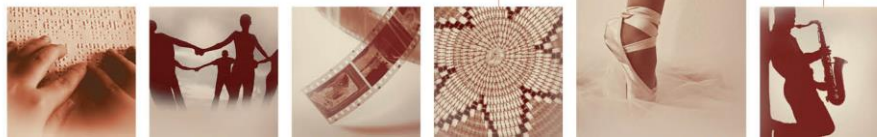
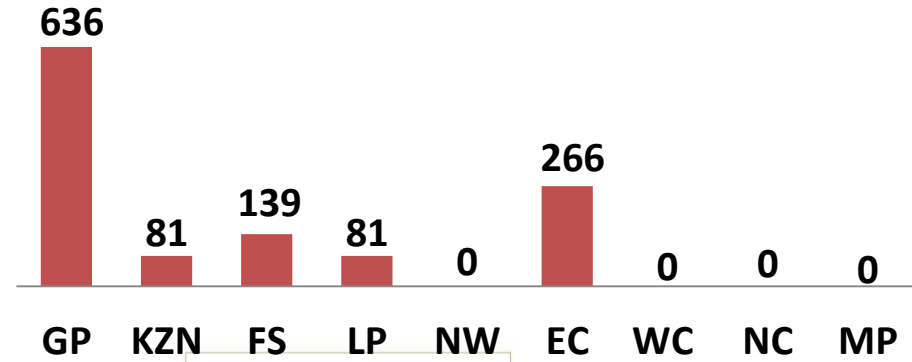
LANGUAGE BURSARIES

- 1203 bursaries have been awarded over the past 5 years
- Gauteng has been the major beneficiary followed by the Eastern Cape
- Grants are channelled to universities to redistribute

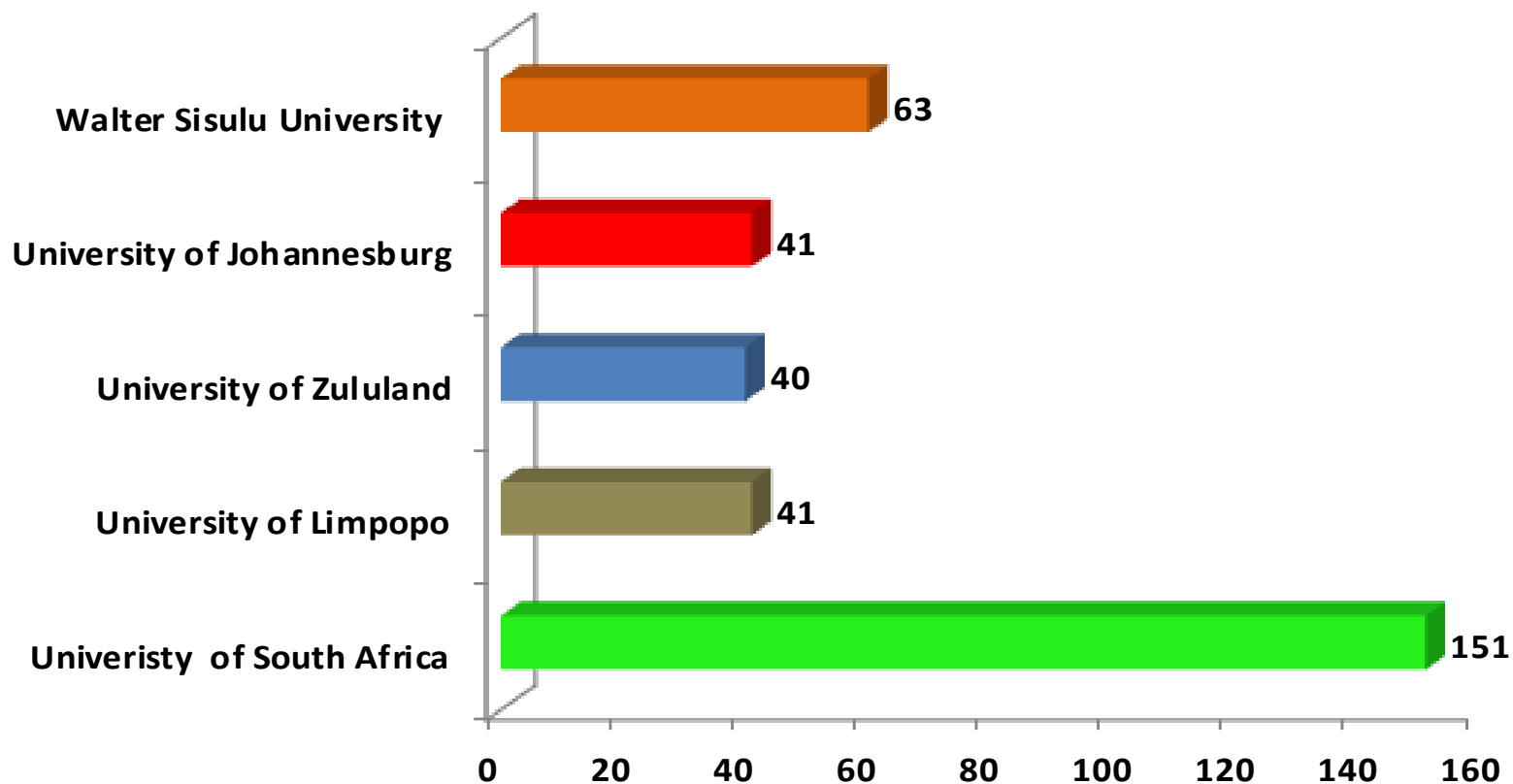
Language bursaries awarded annually



Geographical spread of universities receiving grant



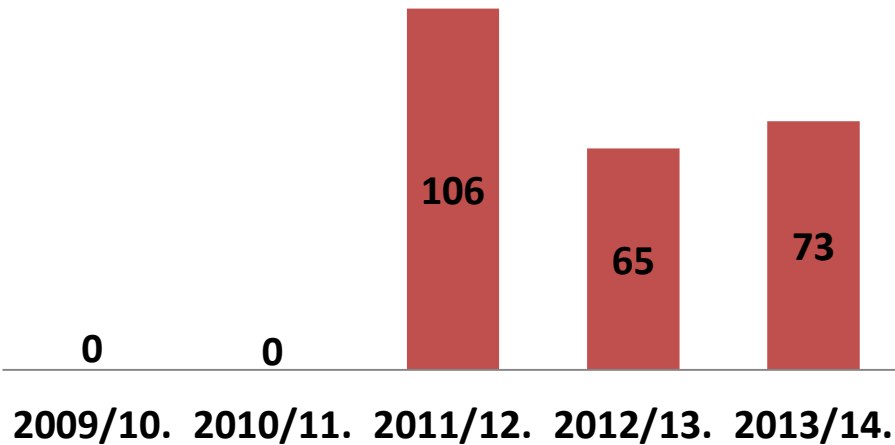
LIST OF UNIVERSITIES BENEFITTING FROM 2013/14 LANGUAGE BURSARY FUND



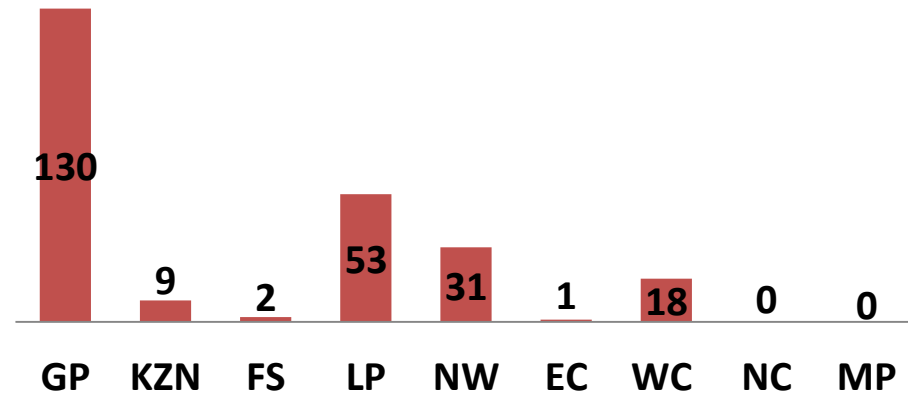
HERITAGE BURSARIES

- A total of 244 bursaries have been awarded over the past 3 years
- Gauteng has been the major beneficiary followed by the Limpopo

No of bursaries allocated annually



Geographical spread of bursary recipients



REPORT BY THE AUDITOR-GENERAL

LAYING THE FOUNDATION FOR GREATNESS



DAC AUDIT OUTCOMES

	2009/10	2010/11	2011/12	2012/13	2013/14
Clean					
Unqualified	X	X	X	X	
Qualified					X
Adverse					
Disclaimer					



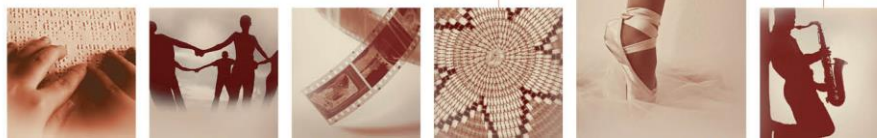
2013/14 AUDIT OUTCOME

Opinion

- Qualified Audit Report

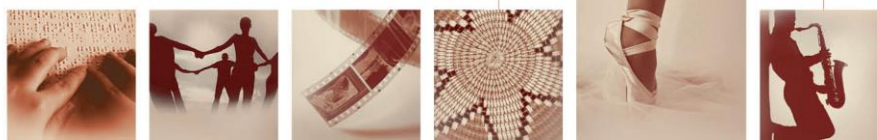
Attention was drawn on the following:

- Misstatement in the financial statements;
- Findings on non-compliance with regulations;
- Inadequate systems to prevent irregular expenditure;
- Procurement and contract management system were inadequate; and
- Findings on predetermined objectives.



UNAUTHORIZED EXPENDITURE

Financial Year	R'000
2011/12 <ul style="list-style-type: none"> •The department incurred unauthorised expenditure of R41,769,000 due to funds expended for purposes which were not in accordance with the original intended purpose. •Relates to shifting of Earmarked funds from 2010 FIFA World Cup budget during 2008/9 financial year. •The SIU pronounced upon this Unauthorised Expenditure in its final Report. 	41,769
2012/13 <ul style="list-style-type: none"> . Correction of classification of expenditure from unauthorised to irregular expenditure was done. 	-
Total	41,769



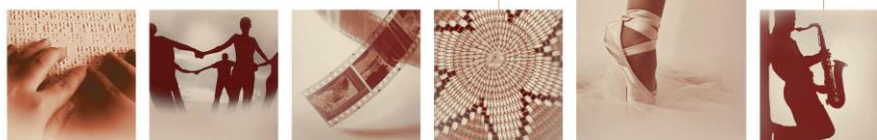
IRREGULAR EXPENDITURE

Financial Year	R'000
2010/11	64,047
No proper tender process followed to appoint Events Manager for Cultural Programme of 2006 FIFA World Cup Finale. Final Report received by SIU in May 2012.	51,388
Capital expenditure utilised to defray current expenditure.	5,968
Misrepresentation by a service provider and breach of contract	3,162
No service was rendered by the service provider – no value for money	600
No quotations were obtained.	200
Contravention of SCM regulations and processes.	3,029
Less: Irregular expenditure condoned	(300)
2011/12	
No tax clearance certificates obtained from service providers.	434
No evidence that preference point system was applied in procurement.	1,139
Contract signed between winning bidder and DAC did not detail the same services as those specified in the tender specification.	7,262
Supplier listed on National Treasury database as persons prohibited from doing business with public sector was used.	10
Less: Irregular expenditure condoned	(576)
Total	72,316



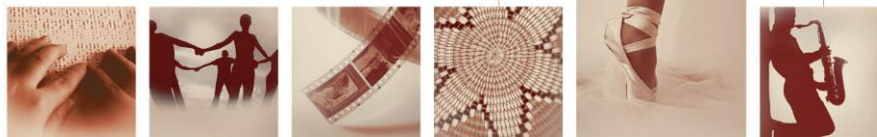
IRREGULAR EXPENDITURE (CONT...)

Financial Year	R'000
2012/13	72,316
No tax clearance certificates obtained from service providers.	394
No quotations were obtained.	3,393
Goods and services above R500 000 were not procured through a competitive bidding process and reasons provided were not justifiable.	28,574
Contract employee's services were not terminated at the end of the contract and was remunerated for the period that exceeded the contract period.	128
Funds earmarked for capital projects were utilised to pay for goods and services on a lease of space.	16,756
Funds earmarked for FIFA 2010 World Cup were not utilised for the intended purposes, it was used to pay for other DAC projects.	41,769
Funds earmarked for Investing in culture were not utilised for the intended purposes, it was used to pay for Cape Town International Jazz Festival.	4,500
Less: Irregular expenditure condoned	(70,756)
Total	97,074



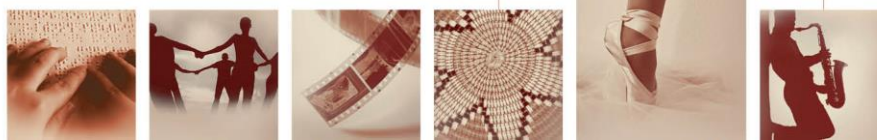
IRREGULAR EXPENDITURE (CONT...)

	R'000
2013/14 Opening Balance	97,074
Competitive bidding processes were not followed	53,757
No quotations were obtained	7,418
Contract was extended without justification	3,442
Payments have been deliberately split into orders to avoid bidding process	1,078
Official approved expenditure above the delegated amount	1,594
Supply chain management was not followed	2,768
Suppliers used were not on the database	4,287
Sub-total	74,344
Total	171,418



FRUITLESS AND WASTEFUL EXPENDITURE

Financial Year	R'000
2011/12 – Opening balance :	743
<p><i>Incorrect VAT payments made during 2008/9 financial year. SIU Report received in May 2012.</i></p> <p>Interest paid for breach of contract relating to a Service Provider not deemed to have performed adequately in a previous financial year. Court ruling was in favour of the service provider.</p> <p>Cancellation fee paid for workshop venue not utilised</p>	<p>1,294</p> <p>5</p> <hr/> <p>2,042</p>
2012/13	
<p>Breach of contract with a service provider and failure to defend a court case resulting in paying interest on overdue account.</p> <p>A service was requested on two service providers at the same time to provide catering services which was due to lack of communication.</p> <p>Event was cancelled after the DAC received correspondence from the Presidency that one of the main speakers had commitments and could not make it for the event.</p>	<p>457</p> <p>3</p> <p>215</p> <hr/> <p>2,717</p>
Closing balance	



FRUITLESS AND WASTEFUL EXPENDITURE (CONT...)

Financial Year	R'000
2013/14 – Opening balance	2,717
Department paid remuneration for services that were never rendered.	814
Department paid for third party (Government Employee Pension Fund) including interest on behalf of a former employee that never rendered a service.	112
Incorrect notch was advertised, employee was hired and paid according to a wrong notch.	2
Payment was made to a supplier with interest charges	1,091
Breach of contract – no value for money for services that was paid for.	2,500
Deposit paid to a supplier for goods that were never delivered.	126
Less: Fruitless and wasteful expenditure condoned	(1,974)
Closing balance	5,388



BUDGET VS EXPENDITURE

LAYING THE FOUNDATION FOR GREATNESS

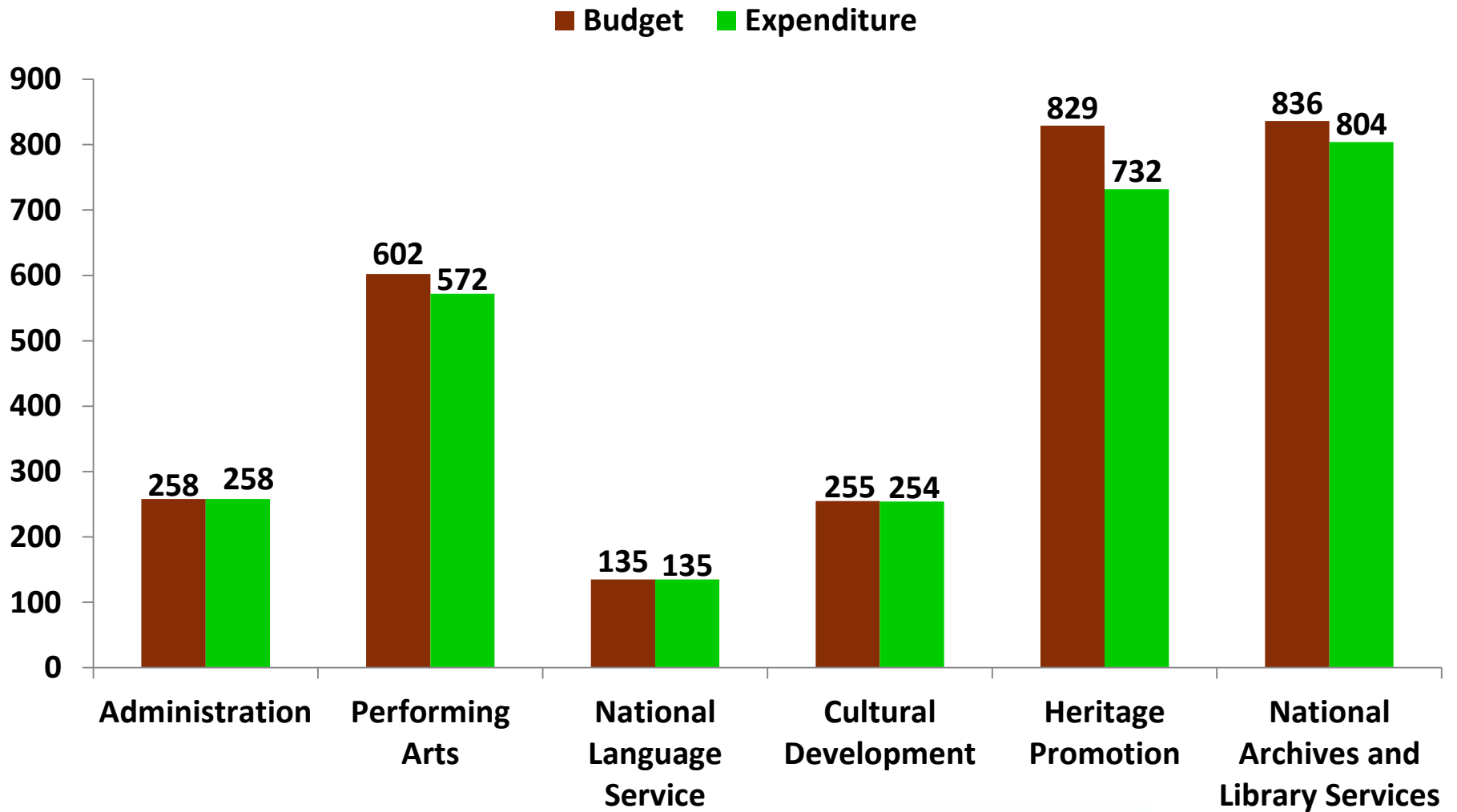


APPROPRIATION PER PROGRAMME

	Final Appropriation	Actual Expenditure	Variance	% Spent
	R'000	R'000	R'000	%
Administration	258,068	258,068	-	100%
Performing Arts	602,085	572,195	29,890	95%
National Language Service	134,616	134,616	-	100%
Cultural Development	255,195	254,129	1,066	99.6%
Heritage Promotion	829,170	731,922	97,248	88.3%
National Archives and Library Services	835,643	804,290	31,353	96.3%
Grand Total	2,914,777	2,755,220	159,557	94.5%



APPROPRIATION PER PROGRAMME

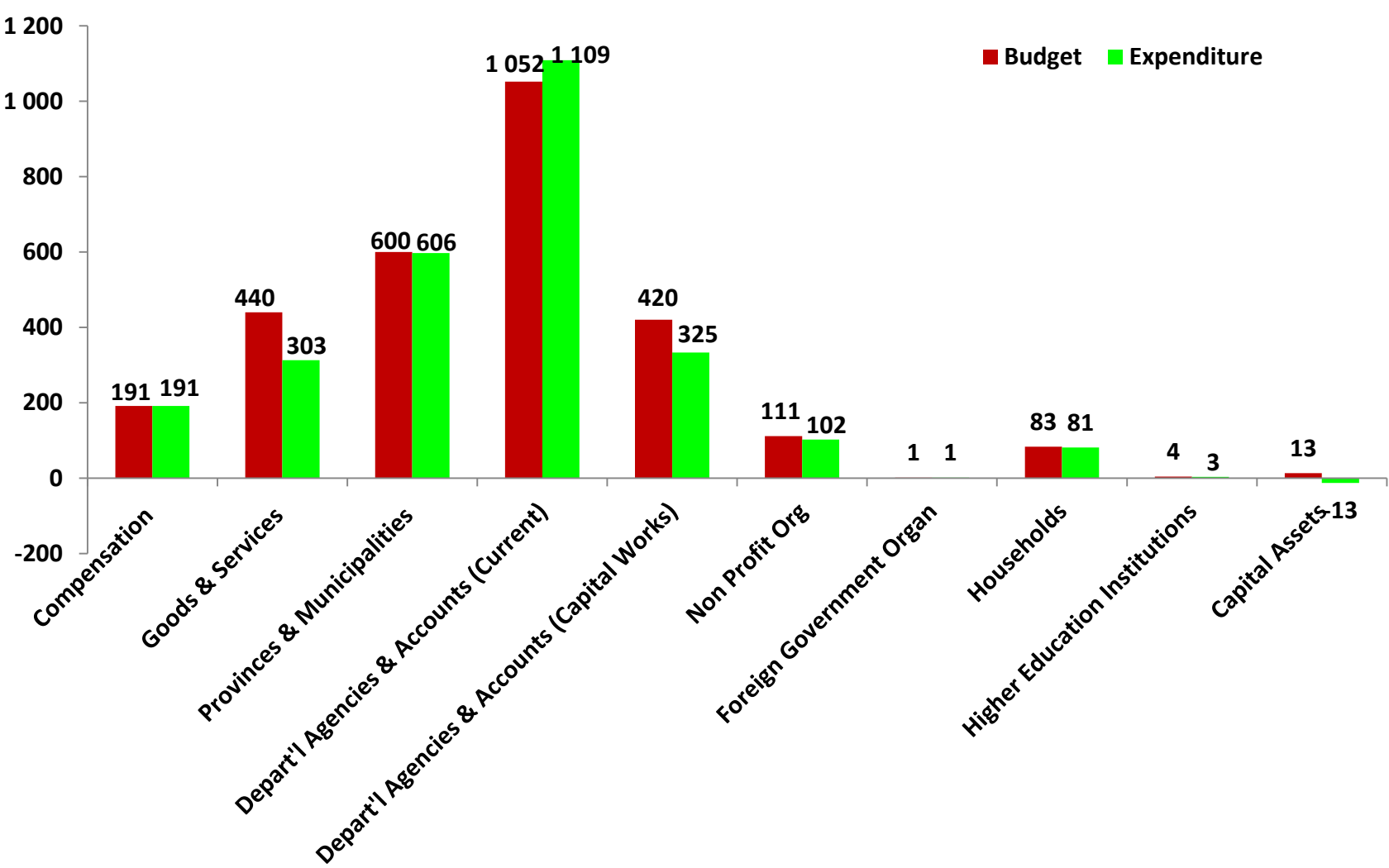


APPROPRIATION PER ECONOMIC CLASSIFICATION

	Final Appropriation	Actual Expenditure	Variance	% Spent
	R'000	R'000	R'000	%
Compensation	190,923	190,788	135	99.9%
Goods and Services	439,951	303,154	136,797	68.9%
Provinces & Municipalities (Conditional Grant)	600,286	606,286	-6,000	101%
Dept. Agencies & Accounts (Current)	1,052,488	1,108,711	-56,223	105%
Dept. Agencies & Accounts (Capital)	420,162	325,066	95,096	77.4%
Non Profit Institutions	110,512	102,252	8,260	92.5%
Foreign Government & International Organisations	1,000	1,000	-	100%
Higher Education Institutions	3,750	3,000	750	80%
Households	82,676	81,175	1,501	98.2%
Gifts and donations	92	154	-62	167.4%
Buildings & other fixed structures	5,850	14,007	-8,157	239.4%
Machinery & equipment	6,982	6,982	-	100%
Software & other Intangible assets	34	12,574	-12,540	
Payments for Financial Assets (Theft & Losses)	71	71	-	100%
Grand Total	2,914,777	2,755,220	159,557	95%



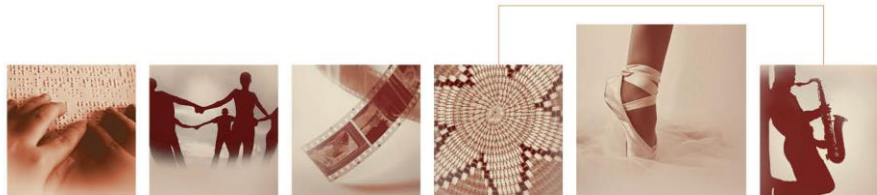
APPROPRIATION PER ECONOMIC CLASSIFICATION



LAYING THE FOUNDATION FOR GREATNESS



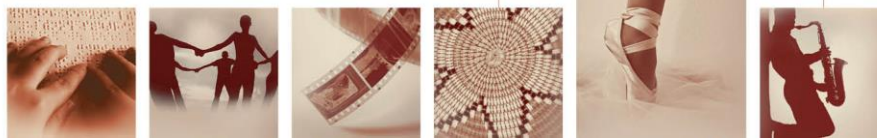
EXPLANATION OF EXPENDITURE VARIANCE PER ECONOMIC CLASSIFICATION



EXPLANATION OF EXPENDITURE VARIANCE PER ECONOMIC CLASSIFICATION - COMPENSATION OF EMPLOYEES

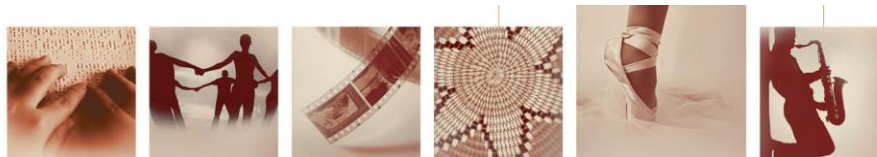
- An amount of R135 thousand was not spent under this economic classification by March 2014. The detail of spending per Programme is as follow:

	Final Appropriation	Actual Expenditure	Variance	Expenditure as a % of final appropriation
	R'000	R'000	R'000	%
Administration	90,807	90,733	74	99.9%
Performing Arts	7,114	7,114	-	100%
Nat Language Service	23,168	23,168	-	100%
Cultural Development	22,625	22,564	61	99.7%
Heritage Promotion	17,362	17,362	-	100%
Nat Archives & Library Services	29,847	29,847	-	100%
Total	190,923	190,788	135	100%



EXPLANATION OF EXPENDITURE VARIANCE PER ECONOMIC CLASSIFICATION - GOODS AND SERVICES

- A total material variance of R137 million was due to the under-expenditure of
 - (i) R44 mil for the installation of flags;
 - (ii) R26 mil for Mzansi Golden Economy;
 - (iii) R527 thousand for Community Libraries;
 - (iv) R62 mil correction of office accommodation for the institutions, which was re-classified from goods and services to transfer payments and
 - (v) R4 mil for other goods and services.
- The detail of spending per Programme are provided in the table below



EXPENDITURE PER PROGRAMME

GOODS AND SERVICES

	Final Appropriation	Actual Expenditure	Variance	% Spent
	R'000	R'000	R'000	%
Administration	159,921	96,249	63,672	60.2%
Performing Arts	26,232	18,063	8,169	68.9%
National Language Service	3,259	3,259	-	100%
Cultural Development	137,684	119,163	18,521	86.5%
Heritage Promotion	94,211	50,488	43,723	53.6%
National Archives and Library Services	18,644	15,932	2,712	85.5%
Grand Total	439,951	303,154	136,797	68.9%



EXPLANATION OF EXPENDITURE VARIANCE PER ECONOMIC CLASSIFICATION PROVINCES AND MUNICIPALITIES CONDITIONAL GRANT ON COMMUNITY LIBRARIES

- A variance of R6 million was due to the re-classification of provincial flagships from Goods and Services to Transfer Payments for the following flagships:

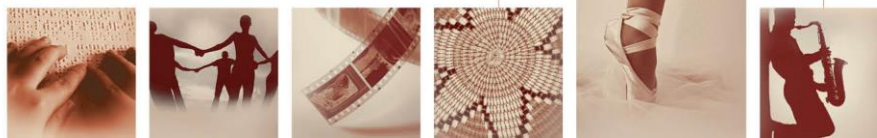
Mapungubwe Arts Festival (Limpopo)	R1,5 million
Marula Festival (Limpopo)	R1,5 million
Mine Dance Festival (Free State)	R1,0 million
Macufe Arts Festival (Free State)	R2,5 million
Pelo Ya Meropa Festival (Gauteng)	R2,0 million
Taung Calabash Art Festival (North West)	<u>R1,0 million</u>
Total	<u>(R9,5 million)</u>

- An amount of R3 million was not spent on Community Libraries

- An amount not spent on the following MGE projects:

Nelson Mandela Bay	R200 thousand
Diamonds and Dorings	<u>R300 thousand</u>
Total	<u>R500 thousand</u>

- The detail of variance per Province is as follows:



EXPENDITURE PER PROVINCE PROVINCES AND MUNICIPALITIES CONDITIONAL GRANT ON COMMUNITY LIBRARIES

Name of Province	Division of Revenue Act	Adjustments	Total available	Actual transfer by National	Amount spent by department	% Transferred by National
	R'000	R'000	R'000	R'000	R'000	%
Eastern Cape	72,492		72,492	72,492	72,492	100%
Free State	62,918		62,918	64,401	64,401	100%
Gauteng	63,470		63,470	66,470	66,470	100%
KwaZulu-Natal	63,145		63,145	63,145	63,145	100%
Limpopo	56,528		56,528	47,561	47,561	100%
Mpumalanga	72,521		72,521	72,521	72,521	100%
Northern Cape	75,596		75,596	75,596	75,596	100%
North West	64,058		64,058	64,058	64,058	100%
Western Cape	67,058		67,058	68,542	68,542	100%
Provinces & Municipalities MGE		2,500	2,500	11,500	11,500	
Total	597,786	2,500	600,286	606,286	606,286	100%

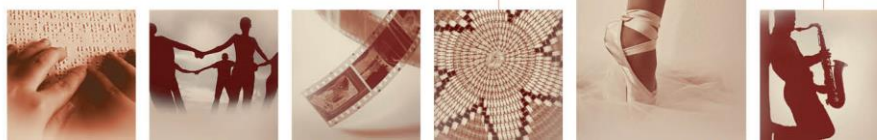


EXPLANATION OF EXPENDITURE VARIANCE PER PROVINCE

PROVINCES AND MUNICIPALITIES

CONDITIONAL GRANT ON COMMUNITY LIBRARIES

Province	Amount Received by Province	Roll-overs	Additional allocation	Total Available	Provincial actual Expenditure	Reason for Variance
	R'000	R'000	R'000	R'000	R'000	
Eastern Cape	72,492	10,019	-	82,511	79,493	<p>Under spending of R3 million was due to the following:</p> <ul style="list-style-type: none"> • Karredouw new library project due to challenges experienced with the contractor; • Non-submission of invoices on time by SITA and MINOLTA; • Staff appointments that were not concluded by the end of the financial year.
Free State	62,918	1,185	1,483	65,586	59,422	<p>Under spending of R6 million was due to the following:</p> <ul style="list-style-type: none"> • Funds that were budgeted for 2 new libraries could not be spend due to delays with appointment of contractors; • The screening of candidates caused a delay in appointing new staff



EXPLANATION OF EXPENDITURE VARIANCE PER PROVINCE PROVINCES AND MUNICIPALITIES CONDITIONAL GRANT ON COMMUNITY LIBRARIES

Province	Amount Received by Province	Roll-overs	Additional allocation	Total Available	Provincial actual Expenditure	Reason for Variance
	R'000	R'000	R'000	R'000	R'000	
Gauteng	63,470	-	3,000	66,470	66,420	Under spending of R50 thousand.
KwaZulu-Natal	63,145	-	-	63,145	63,440	Over spending of R295 thousand was sourced against the equitable share budget by the end of the financial year.
Limpopo	56,528	10,896	(8 967)	58,457	47,561	Under spending of R 14 million was due to: <ul style="list-style-type: none"> • The delays during the design phase of the 2 new libraries which resulted in the late appointment of the contractors. • The R8,9 million was stopped and re-allocated to GP, FS and WC.



EXPLANATION OF EXPENDITURE VARIANCE PER PROVINCE

PROVINCES AND MUNICIPALITIES

CONDITIONAL GRANT ON COMMUNITY LIBRARIES

Province	Amount Received by Province	Roll-overs	Additional allocation	Total Available	Provincial actual Expenditure	Reason for Variance
	R'000	R'000	R'000	R'000	R'000	
Mpumalanga	72, 521	4,884	-	77,405	76,288	Under spending: R 1 million <ul style="list-style-type: none"> Invoices for the purchasing of new vehicles for public libraries could not be captured due to the closing of the system by the end of the financial year. Retention fees were not paid for the 2 upgrades.
Northern Cape	75,596	11,093	-	86,689	73,644	Under spending of R 13 million <ul style="list-style-type: none"> Recruitment processes were not concluded by the end of the financial year; The construction of Churchill new library delayed;



EXPLANATION OF EXPENDITURE VARIANCE PER PROVINCE PROVINCES AND MUNICIPALITIES CONDITIONAL GRANT ON COMMUNITY LIBRARIES

Province	Amount Received by Province	Roll-overs	Additional allocation	Total Available	Provincial actual Expenditure	Reason for Variance
	R'000	R'000	R'000	R'000	R'000	
North West	64,058	4,572	-	68,630	55,300	Under spending of R 13 million <ul style="list-style-type: none"> Late appointments of contractors for new and upgraded libraries led to under spending. Funds budgeted for compensation was not used because no posts were filled during the year. Funds for furniture were not used due to non-deliveries by service providers.
Western Cape	67,058	-	1,484	68,542	68,542	The budget was fully spent.
Total	597,786	42,649	5,967	637,435	586,992	



EXPENDITURE PER INSTITUTION

DEPARTMENTAL AGENCIES & ACCOUNTS

- The subsidies paid over to the various Performing Arts Institutions, PanSALB, Libraries and Heritage Institutions as follows:

Name of Institution	Final Appropriation	Actual transfer
Performing Arts Institutions (Cur)	R'000	R'000
Artscape	47,821	47,821
Market Theatre Foundation	26,196	26,196
National Arts Council	87,554	87,554
National Film and Video Foundation	105,223	105,223
Performing Arts Centre of the Free State	35,487	35,487
Playhouse Company	40,570	40,570
State Theatre	42,393	42,393
Windybrow Theatre	10,082	10,082
Capital Transfer - Playhouses	86,582	84,259
Promotion of Performing Arts	7,718	1,530
Total	489,626	481,115

EXPENDITURE PER INSTITUTION DEPARTMENTAL AGENCIES & ACCOUNTS

Name of Institution	Final Appropriation	Actual transfer
Performing Arts Institutions (Cap)	R'000	R'000
Artscape	45,650	45,650
Market Theatre Foundation	22,464	22,464
Performing Arts Centre of the Free State	5,784	4,371
Playhouse Company	2,200	2,000
State Theatre	10,484	9,774
Total	86,582	84,259



EXPENDITURE PER INSTITUTION

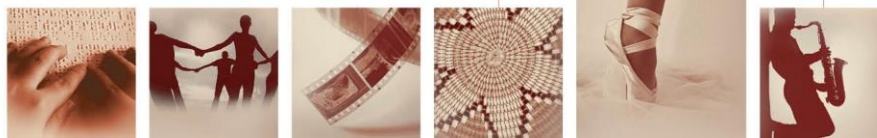
DEPARTMENTAL AGENCIES & ACCOUNTS

Name of Institution	Final Appropriation	Actual transfer
Constitutional Institution	R'000	R'000
Pan SA Language Board	95,680	95,680
Libraries (Cur/Cap)		
National Library of South Africa	68,117	68,117
South African Library for the Blind	15,626	15,626
Community Libraries	1,721	1,721
National Archives Services	2	2
Capital Transfer -Libraries	7,581	-
Total	93,047	85,466



EXPENDITURE PER INSTITUTION DEPARTMENTAL AGENCIES & ACCOUNTS

Name of Institution	Final Appropriation	Actual transfer
Heritage Institutions (Cur/Cap)	R'000	R'000
Ditsong Museum	62,450	62,450
Iziko Museums of Cape Town	61,515	61,515
War Museum of the Boer Republics	8,022	8,022
KwaZulu-Natal Museum	16,359	16,359
National Museum	38,415	38,415
Die Afrikaanse Taalmuseum	4,963	4,963
The National English Literature Museum	8,148	8,148
Voortrekker/Msunduzi Museum	11,236	11,236
Robben Island Museum	61,586	61,586
William Humphreys Arts Gallery	5,613	5,613
Nelson Mandela Museum	18,900	18,900



EXPENDITURE PER INSTITUTION

DEPARTMENTAL AGENCIES & ACCOUNTS

Name of Institution	Final Appropriation	Actual transfer
Heritage Institutions(Cur/Cap):	R'000	R'000
Freedom Park	66,372	66,372
Luthuli Museum	7,465	7,465
South African Heritage Resources Agency	43,666	43,666
National Heritage Council	53,588	53,588
<i>Capital Transfer – Heritage Institutions</i>	104,045	51,258
Total	572,343	519,556



EXPENDITURE PER ECONOMIC CLASSIFICATION

	Final Appropriation	Actual transfer
Capital Works:	R'000	R'000
Capital Works of Playhouses	4,000	-
Capital Works of Heritage Institutions	128,914	120,757
Capital Works of Libraries	89,040	68,795
Total	221,954	189,552
Non Profit Institutions:		
Business Arts South Africa	6,898	6,898
Engelenburg House Art Collection	273	273
Blind SA	6,410	6,410
Promotion of Performing Arts	15,420	7,160
Cultural Development	81,511	81,511
Total	110,512	102,252



EXPENDITURE PER ECONOMIC CLASSIFICATION

	Final Appropriation	Actual transfer
Households:	R'000	R'000
Promotion of Performing Arts	47,899	47,899
National Language Service	12,490	12,490
Cultural Development	11,852	11,085
Heritage Promotion	9,173	8,420
Service benefits	1,280	1,280
Total	82,694	81,174



EXPLANATION OF EXPENDITURE PER ECONOMIC CLASSIFICATION

High Education Institutions

- A variance of R750 thousand was not spent by 31 March 2014, and the transfer was for Rhodes University

Machinery and Equipment

- The budget was fully spent by 31 March 2014 under this economic classification

Building and Other Fixed Structures

- A variance of R8,1 million was due to the re-classification of Nelson Mandela statue as Capital Asset and not as a Transfer Payment



EXPLANATION OF EXPENDITURE PER ECONOMIC CLASSIFICATION

Gifts and Donations

- A variance of R62 thousand which shows an over-expenditure was due to the audit finding on the correction of an expenditure

Software & Other Intangible Assets

- A variance of R12,5 million over-expenditure was due to the correction of the development of IT software which was re-classified from goods and services to intangible assets and which emanate from the audit finding

Foreign Government & International Organisations

- The budget was fully spent by March 2014 and the transfer was for the African World Heritage



Corrective Actions

- **SCM issues**
 - Relook at SCM policies relating to sourcing of artists and related expenditure
 - Effective implementation of policies
 - Consequence management (Zero tolerance policy)
- **Contract Management**
 - System to be put in place
 - Ongoing monitoring of contracts and commitments
- **Consultants**
 - Implement a consultants reduction plan as required by National Treasury
 - Relook at organisational structure to ensure optimisation of resources
- **Capital Works**
 - Reevaluate at the performance of the implementing agency to get value for money
 - Relook at the process of prioritising of projects
- **MGE**
 - Streamline the application process to make MGE funding more accessible
 - Alignment of funding to the Minister's Budget Vote



THANK YOU

LAYING THE FOUNDATION FOR GREATNESS

