

Annual Report 2020-2021



Die Afrikaanse
**Taalmuseum
& -monument**

an agency of the
Department of Sport, Arts and Culture



Tasneem Ghouse 2020

Die Afrikaanse Taalmuseum en -monument
Pastorielaan 11 Pastorie Avenue
Paarl 7646
T: 021 872 3441
F: 021 871 1106
E: admin@taalmuseum.co.za
www.taalmuseum.co.za

Cover Photo: Sketch of the Taalmonument, designed by Tasneem Chilwan for the Arabic Afrikaans competition

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Part A: General Information

1. Public Entity's General Information

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|---------------------------------------------|-----------------------------------------------------------------------------------------|
| Registered name: | Afrikaanse Taalmuseum en -monument [Afrikaans Language Museum and Language Monument] |
| Registration number (if applicable): | N/A |
| Physical address: | 11 Pastorie Avenue Paarl 7646 |
| Postal address: | PO Box 498 Paarl 7620 |
| Telephone numbers: | +27 21 872 3441 |
| Fax number: | +27 21 872 1106 |
| Email address: | admin@taalmuseum.co.za |
| Website address: | www.taalmuseum.co.za |
| Internal auditors: | Nexia SAB&T |
| External auditors: | Auditor General of South Africa |
| Bankers: | Absa Bank |
| Council secretary: | Tania Laing |

2. List of Abbreviations & Acronyms

| | |
|--------|-------------------------------------------|
| AAB | Approved Annual Budget |
| AFS | Annual Financial Statements |
| AGSA | Auditor-General of South Africa |
| APP | Annual Performance Plan |
| ASP | Approved Strategic Plan |
| ATM | Afrikaanse Taalmuseum en -monument |
| B-BBEE | Broad-Based Black Economic Empowerment |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| DPW | Department of Public Works |
| DSAC | Department of Sport, Arts and Culture |
| GAAP | Generally Accepted Accounting Practice |
| GIAMA | Government Immovable Asset Management Act |
| GRAP | Generally Recognised Accounting Practice |
| HED | Higher Education Diploma |
| MBL | Master of Business Leadership |
| MEC | Member of Executive Council |
| MTEF | Medium-term Expenditure Framework |
| PAA | Public Audit Act of South Africa |
| PE | Public Entity |
| PFMA | Public Finance Management Act |
| SCM | Supply Chain Management |
| SMME | Small, Medium and Micro Enterprises |
| SMP | Senior Management Programme |
| TR | Treasury Regulations |

3. Foreword by the Chairperson



Adv Jean Johannes Meiring
Chairperson of the Afrikaanse Taalmuseum en -monument

3.1 Introduction

By any measure, the year under review was a remarkable one. At the end of 2019, outside of the medical fraternity, the word “coronavirus” was known only to those newspaper readers who followed the news on China, often hidden away on the back pages. The current Council took up the reins only at the start of 2021 once that word – and others like “Covid-19” and “lockdown” – had become commonplace and after the Management of the Afrikaanse Taalmuseum en -monument (ATM) had already performed a formidable feat in keeping the ATM alive and functioning in spite of an unprecedented array of trials. Our predecessor Council endeavoured against the odds to ensure that the ATM continued meeting the requirements of its mandate, namely to sustain the position and role of the ATM as a modern, inclusive and transforming institution, through its collections and various cultural activities and events aimed at the advancement of social cohesion and nation-building.

Fully apprised of current debates about life in a post-colony, decolonialisation and an increasing realisation of our existence in this country as Africans, at all times the Council and Management have their eyes trained on the transformation of that what they offer the public. This is to better reflect, on the one hand, the inherently African nature of Afrikaans as a language woven from many disparate strands here on the soil of Africa and, on the other, the wide diversity of those who speak it, whether as a mother tongue or as a second or even third language. To this end, over the past several years already, the exhibitions and public events of the ATM have celebrated – and continue to celebrate – this diversity as well as that of our country as a whole. Especially over the past year, which has seen the Covid-19 pandemic wreak havoc in all quarters of South Africa, both on a personal and economical level, the ATM has become even more acutely aware of the importance of its mandate and fulfilling it as diligently as possible.



**The top twelve entries
of the Institutions'
corona competition,
exhibited in the
outdoor 'Groen Gallery'**

Despite the difficulties that have marked the past roughly 16 months, the Council has not relented in pursuing its strategic aim of repositioning and rethinking the ATM as a living and ever-evolving heritage space. While, for the reasons adverted to above and in light of the closure mandated by the disaster-management regulations at the start of the first quarter, in-person events occurred comparatively sparsely in the financial year under review, the ATM had no choice but to amend its Annual Performance Plan (APP) and budget, to accommodate what was then already estimated would be an annual loss of more than R600 000 (but which, in due course, proved to be an amount of just more than R166 000). This was attributable directly to a decrease in admission fees and rental amounts payable. What is more, the ATM had to expend money on safety planning and training, and on the acquisition of safety equipment for members of staff.

Owing to the pandemic, therefore, in the first two quarters of the financial year under review, much of the life of the ATM had to happen online. The ATM has managed to find ways of achieving its mandate through a significant social media presence, which, while a priority before, now became more crucial to its life than ever before. This is a shift of focus and activity that the Management and staff achieved with



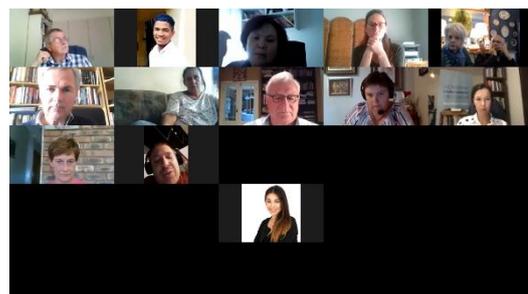
**Virtual Picnic on Fire in celebration of
Nelson Mandela Day**

commendable vim. Thus, instead of in-person events came an array of online activities, including virtual tours of the Museum and “Groen Galery”, an outdoor exhibition space at the Monument. In that space, in the period in question, there were exhibitions exploring, among others, the themes of the ‘Bible in Kaaps’ and ‘Arabic Afrikaans’, the latter of which displayed the winning works in the ground-breaking and innovative competition, launched as part of the ATM’s 45th birthday celebrations, seeking Afrikaans texts transliterated into Arabic script, harking back to the very first texts created in Afrikaans; hopefully the first of many. A writing competition on the theme of the pandemic was also held, culminating in the announcement of the winners, on Afrikaans Language Day, 14 August 2020. As the ATM became more adept at presenting this type of event, their number and diversity increased. Highlights, among many others, included the ‘Dans van die Vlamme’ video, streamed throughout August 2020, and the Ommitafel discussion with the ATKV and Afrikaans.com.

On 1 October 2020, after a closure of about six months, the ATM was able again to open its actual, non-virtual doors to the public, naturally with strict adherence to Covid-19 regulations and protocols. At the Monument, two mobile food trucks were contracted in so that visitors might enjoy snacks during their visit. Picnics and open-air concerts resumed, with those in attendance limited to 500.

While in the financial year under review, for the reasons mentioned above, both the Monument and the Museum drew significantly fewer visitors than in previous years, through its new focus on online activities, the ATM has continued enjoying considerable positive visibility on cutting-edge social media as well as in the traditional media. By way of example, the ATM’s very busy and vibrant Facebook page now has more than 21 000 followers.

In the second half of 2020, a milestone was reached with the ATM’s celebration of its 45th birthday: the Museum had been inaugurated on 14 August 1975; the Monument on 10 October 1975. While, at the start of 2020, the Council and Management set in place an ambitious programme to celebrate these events, this had to be hemmed in in light of the prevailing public



Virtual Poetry Workshop

health crisis. Yet, on 10 October 2020, the fourth Neville Alexander memorial lecture took place at the Historium adjacent to the Museum, delivered by the outgoing chairperson, Dr Elvis Saal, a scholar of Afrikaans at Unisa. One institution, the Stigting vir Bemagtiging deur Afrikaans, and two individuals, namely the writer and writing teacher Gaireyah Fredericks as well as the academic, commentator and language activist, Prof Michael le Cordeur, were honoured for their contributions to Afrikaans.

On a sector-wide level, a significant occurrence in the previous financial year – which is still developing – was the publication of the report on the feasibility of the amalgamation of the entities under the *aegis* of the Department of Sports, Arts and Culture (DSAC). The ATM continued its engagements on this impending development, also with the DSAC. The ATM remains concerned about the risks for it inherent in the proposals for amalgamation. The Council is grateful to the DSAC for the open door it has had for discussions over this and, as the process goes forward, it will continue to convey its views honestly and in a spirit of co-operation.

3.2 High level overview of the strategy and the performance of the ATM in its respective sector

The objectives of the Council of the ATM are grounded in a commitment to reinforcing its position as a vibrant, innovative and inclusive institution promoting the diversity of the language of Afrikaans within a multicultural society. Important strands in that diverse cord are activities that celebrate previously sidelined narratives in and of Afrikaans. What is more, through its educational programmes and cultural activities, Council reaches out to other language communities and entities, in order to foster mutual understanding and respect between Afrikaans and other languages. It is one of the remarkable attributes of Afrikaans that all South Africa's other indigenous languages have had an impact on its development. Accordingly, the Council also endeavours to create spaces in which a range of actors in the Afrikaans language community might engage with one another – in particular, the youth – ultimately to realise the goal of social cohesion.



Virtual Youth Day Programme

Throughout, the Council has borne in mind the ATM's key strategic objectives. Owing to the current state of affairs in the country and in the world, the means by which those might be attained had to be adjusted. The first pillar among those objectives is a targeted increase in the number of visitors, which includes the broadening of the geographical locales in the region from which learner-visitors are drawn by innovative and creative events. While, in the first half of the financial year under review, in-person visits were disallowed, online events sought to draw virtual visitors; after 1 October 2020, in-person visitors were again welcomed to the ATM, and online events continued too. The resultant hybrid offering went as far as conceivably possible to replicate the former reach of the institution and indeed to extend it even further. Inevitably, admission fees lost could never be recouped. A second pillar is the strengthening of the ATM's financial sustainability through programmes and visits targeted at specific audiences, in an effort to maximise the institution's income. Naturally, this objective also suffered considerably. Cheek by jowl with those two objectives are a focus on both marketing and education, the latter of which, naturally, is central to the *raison d'être* of the institution. In these newly challenging times, the ATM's commitment to enhancing sustainable service delivery through exhibitions and events, virtual where appropriate, took centre stage: most of its offering had to move online. In the post-pandemic era, the right balance will have to be struck between in-person and virtual events; hybridity of one form or another is surely the future. For this future, the ATM is well-equipped.

In sum, while Council has in previous financial years already struggled because of limited financial resources, in the year under review, this has become an even more acute difficulty. In this regard, as before, Council has provided strategic leadership on the adherence to sound fiscal policies and by promoting good

practices and initiatives to optimise the ATM's operational efficiency. As in the financial year before, Council has continued to emphasise the importance of capacity-building, both as far as its employees and infrastructure are concerned.

One of Council's key objectives – markedly sharpened by the events of the past 16 months – is the widening and deepening of its virtual footprint. The project to digitise its museum collections is done in-house and is a slow and meticulous process that must, moreover, be conducted in keeping with budgetary constraints. This project aims eventually to make its archival collection as widely accessible as possible, naturally also for purposes of professional and student researchers. What is more, the virtual tours of the Museum and Monument available, that were available in six languages even before the onset of the pandemic, is the cornerstone of the currently ever-growing online offering of the ATM. Out of necessity, the significant progress that the Council and Management had made in this regard, in the 2019/2020 financial year, serendipitously became the foundation for the online and social media presence in the immediate financial year.

What is more, Council remains firmly committed to its strategic objective of running the affairs of the institution on principles of sound governance. Council also approved the revised human resources policy and the grievance procedure. As far as obtaining a clean audit is concerned, at its meeting of 18 September 2020, Council approved the audit strategy. At its meeting of 25 November 2020, Council considered the audit findings and the audit implementation plan devised to address those findings. One of the central recurring difficulties in this regard is compliance with supply chain management (SCM) regulations (not least since the ATM is not large enough to have its own supply chain unit). Thereupon, Council engaged with National Treasury to obtain guidance on how deviation procedures were properly to be implemented to avert similar findings in the future; further training will be provided to all staff that come into contact with supply chain matters.

3.3 Strategic relationships

The ATM's affiliation with the Afrikaanse Taalraad (the Afrikaans Language Council), which comprises more than 40 bodies and associations, remains as strong as before. The same is the case as far as several other key Afrikaans cultural organisations, that subscribe to the same principles of inclusivity and respect for linguistic and cultural diversity, are concerned. These strategically important ties mean that the work that the ATM does is not done in a vacuum, but rather connects with what is happening elsewhere in the broader Afrikaans language and cultural sphere. In the financial year under review, the ATM once again hosted a range of collaborative projects with some of its key strategic partners. Examples are online workshops presented in conjunction with VivA and the ATKV.



'Tannie Poppie' from Laingsburg and the DLTA visited the Taalmonument in celebration of Heritage Month

The ATM has sound relations with many media outlets, which has meant sustained strong visibility for the ATM. The projects of the ATM, even in these straitened times, have benefitted from good media coverage in the so-called mainstream media, print and online publications as well as the broadcast media. The ATM also has an agreement with a Paarl radio station, which provides weekly slots in which the ATM can promote itself. What is more, the ATM has very good relations with the Drakenstein Municipality. Entities in the Afrikaans business community continue to provide financial support. This assists the ATM in meeting some of the objectives that might otherwise not have been possible.

Council values these ties and intends to expand and strengthen them.

3.4 Challenges faced by Council

Council acknowledges the subsidy allocation and additional grants that it received from the DSAC in the 2020/2021 financial year. However, these were subject to cuts, which, together with the lower admissions takings, pose a real threat to the financial viability of the institution. This means that the ATM is even more financially constrained than before. A central concern remains the cost of auditing, which in the financial year under review amounted to R475 000. Accordingly, Council repeats its request that the audit formula applicable to a smaller entity like the ATM, be revisited.

These financial constraints limit the entity's ability to adequately fill positions in strategic divisions, like finance, so that it might build capacity and optimise operational efficiency. A persistent difficulty referred to above is an audit finding that there is non-compliance with SCM processes. Council has adopted an audit improvement plan, which is being strictly implemented and monitored by the Audit and Risk Committee. Council remains committed to creating an enabling environment for the capacity building of staff members, to equip them with the necessary skills to better achieve the ATM's strategic goals.



Networking session with local tourism association

What is more, the financial constraints pose a sustained and serious challenge to Council as far as the ATM's infrastructure - which is older than 45 years and, therefore, requires maintenance on an ongoing basis - is concerned. The allocations that the DSAC has made for maintenance of the infrastructure have been put to good use to start the ongoing process of maintaining the facilities. Yet, both as far as the Museum building and the Monument are concerned, urgent repairs

are required, which is a priority for the institution. Owing to a dearth of resources, the installation of security cameras at the various campuses will have to be put on hold, which is a concern to Council since they are required to provide safety and security both to employees and in-person visitors. Council is, however, grateful to the DSAC for the capital works allocations for an emergency generator at the monument and for the construction of workers cloakrooms. Yet, as far as the generator is concerned, the allocation is not sufficient since the electrical infrastructure will have to be upgraded before installation.

The efforts to document the displaced and marginalised narratives in and of Afrikaans remains a central challenge for the ATM. Financial resources and personnel are limited. Yet, those efforts go to the heart of the ATM's objective to transform and to represent the full range and diversity of Afrikaans.

All of these hurdles are rendered even more challenging by the pandemic-affected world in which the ATM now functions. This brave new world has created – and continues to create – uncertainty. While the ATM has managed to remain open to the public in one way or another, quite how it will manage to do so in the years to come, is still unclear.

3.5 The strategic focus over the medium to long term period

In March 2020, what might be called a game-changing process was set in train: the Covid-19 pandemic reached South Africa and was met by a series of national lockdowns. Naturally, in compliance with the successive iterations of the regulations passed under the Disaster Management Act of 2002, at various times between then and now the ATM's doors have been closed to the public. It remains unclear when "normality" will again be attained or, indeed, whether seeking to restore the *status quo* before the pandemic will ever be possible or indeed a good thing. In practice, the shifts foisted upon the ATM and other cultural institutions have in large part entailed the use of the internet to present events that would previously have been presented in person only. While the minimising of in-person events has obviously had a deleterious effect, it has also had unintended positive effects. The national and international reach of an online event is far greater than an event presented at the premises of the ATM in Paarl. This opens up a wealth of opportunities. However, the pandemic and its aftermath has generated profound economic uncertainty. This makes planning for the future, much more than before, like gazing into a very murky crystal ball. Perforce Council adjusted downward its targets in the APP and budget; this is compounded by subsidy cuts in light of the current economic climate.

Nevertheless, as far as the 2021/2022 financial year is concerned, Council commits itself anew to these projects:

- Continuing with the digitisation project of its archival collection, with the sustained support from the DSAC, and with the growing of the institution's virtual footprint and presence
- Creating an enabling and empowering environment, focussed upon sustaining the capacity building of staff members in strategic positions
- Continuously reviewing the institution's public programmes in order to remain relevant, current and responsive, not least in the newly hybrid context
- Extending the existing collections and exhibitions through the inclusion of the "displaced", "untold" or indeed "unheard" narratives in and of Afrikaans, wherever practicable collected from the speakers of Afrikaans themselves
- On an ongoing basis maintaining the facilities of the institution, and also improving and expanding the facilities in order that larger numbers might be accommodated at any given time

Council acknowledges with gratitude the money that the DSAC made available in the 2020/2021 financial year. Without that, Council would not have been able to achieve its strategic objectives. Council is optimistic that, despite the current global economic crisis, we will be able to achieve our objectives in the year ahead with the continued support from the DSAC.

3.6 Acknowledgements and appreciation

I wish to convey my appreciation and thanks to the members of the previous and of this Council for how, in difficult circumstances, they took up their positions – most of them are new – and for their commitment to providing the strategic oversight required by the ATM, not least in these difficult times. What is more, thanks are due to the members of the two pivotal sub-committees of the Council, namely the Audit and Risk Committee and the Remuneration and Human Resources Committee for their dedication and valuable



The ATM made a donation to #1000Women1Voice's home for women and girls affected by GBV in Paarl

contributions to keeping the fabric of the ATM intact.

Of course, the ATM would not exist without the Management and the other employees of the ATM but for their commitment and dedication to the institution, and for their adaptability and agility in trying times. The achievement of Management and staff that achieved their targets, as set out in the APP for the period under review, are to be commended.

The ATM appreciates the leadership offered by Mr Nathi Mthethwa (MP), the Honourable Minister of Sports, Arts and Culture. So, too, without the annual financial allocation that the department makes in support of the work of the ATM, that work would not be possible. His continued personal interest in, and insistence on, clean audits bear out his interest in the continued success of the ATM.

Council expresses its condolences to all who have suffered bereavements in these difficult times and wish good health to all.

3.7 Conclusion

Council is committed and dedicated to sustaining and strengthening the position of the ATM as a transformed (and transforming!) and vibrant institution that at all times and in all it does promotes social cohesion and nation-building. It is crucially important for Council that the ATM continues to deliver a rich and engaging public programme – including cultural activities and events – that reflect the diversity and complexity of the Afrikaans-speaking community in this country.

It is Council's keen desire that the institution will grow, develop and transform for the benefit and in service of all South Africans.



Adv JJ Meiring
CHAIRPERSON
Die Afrikaanse Taalmuseum en -monument
31 August 2021



*ATM council (above) FLTR are Adv Jean Johannes Meiring (chair),
Ms Sibongile Tsoleli (deputy chair), Prof Anne-Marie Beukes, Ms Heidi Erdmann
Mr Jurie Saal, (below) Mr Lionel Adendorf, Dr Logan Munsamy, Mr Suren Maharaj and Dr William Langeveld*

Chief Executive Officer's Overview



Background

During the reporting period, the Afrikaanse Taalmuseum en -monument (ATM) had to make large-scale adjustments to meet the challenges posed by the Covid-19 pandemic. In the first quarter of the 2020/2021 financial year, portions of the ATM's public programmes were temporarily suspended, and budgets and the Annual Performance Plan targets adjusted while measures were put in place to minimise the risk of contracting Covid-19 in the workplace, and restrict access for the general public. These drastic steps had been taken to enable the institution to overcome the difficult period and its challenges. A loss of R166 425 was suffered due to the fact that the collection of entrance and rental fees could only take place in the last two quarters of the 2020/2021 financial year. Furthermore, Management also had to provide for additional expenses for the purchase of protective equipment, disinfection of buildings, the services of additional security guards for the Amphitheatre and Monument, as well as temporary worker(s) to assist with the application of the Covid-19 protocols. Substantial costs were also incurred in



Video recording of the Full Moon Picnic available on Paarl TV

drawing up the workplace readiness plan and providing staff with training on safety measures regarding Covid-19. All premises of the ATM were disinfected during Level 3 of the lockdown, which started on 1 June 2020.

A shift roster was followed to ensure that the physical distance and other measures are maintained. Support was



Jazz Picnic Concert

provided to staff in terms of the provision of office equipment, airtime and data to ensure that tasks could be performed from private residences until 30 August 2020. The Museum and Monument had to remain closed to visitors, and public programmes suspended, until the Minister of Sport, Arts and Culture gave his consent for the institution's reopening application. On 1 October 2020, the Museum and Monument reopened its doors to the general public, and all Covid-19 protocols and measures were strictly adhered to. Weekend staff are deployed on certain weekdays to assist with the application of the Covid-19 protocols. As a temporary measure, the services of two mobile food units were obtained to provide the guests at the Monument with takeaway food and drinks. Due to fears of the pandemic, deteriorating economic conditions and reduced visitor numbers, the services of the mobile food units were suspended on 31 March 2021. Management intends to recruit new tenants for the coffee shop through a tender process.

Where possible, picnics and music concerts continued, both online and in-person. Where concerts did take place, the number of concert-goers was limited and the price of entrance tickets was reduced to accommodate especially locals in these difficult economic times. Management also decided, as part of our contribution to stimulating the local economy, to only use local artists, technicians and service providers for the music concerts. Another measure to benefit the public, was to offer free entry to everyone under 18 until 30 September 2021, while a 20%-discount on annual permits apply until 30 September 2021. Pre-bought permits were also extended by 6 months to make up for the periods that the ATM was closed to the public.

As part of the government's efforts to get the economy back on track and create jobs, R500 000 from the Presidential Employment Stimulus Project had been promised to the ATM to hire 50 local artists for two months - the artists would be responsible for painting murals at schools, government buildings and public spaces. By 31 March 2021 no funds had been paid over, which meant that the project had to be postponed to the next financial year.

The extension of the lockdown and change from Level 1 to Level 3 later in the financial year forced the ATM to appoint additional, temporary staff to assist with the application of the stricter Covid-19 protocols. Along with the stricter measures, several of the full moon picnics and music concerts had to be cancelled or numbers limited in line with the Covid-19 measures. The direct consequence of this is that the number of visitors to the ATM has decreased by 58%. This state of affairs correlates with the norm in the national tourism, accommodation and entertainment sectors, where sales/guests/participation decreased by 64%. This situation has a ripple effect that has affected the lives of service providers, musicians and the mobile catering units. If the situation continues, it could have far-reaching consequences for the financial wellbeing of the institution.

Public Programmes

On the positive side, the institution has learned to adapt to the “new normal”. Due to the coronavirus pandemic, we have found creative solutions to keep in touch with our guests, provide services, do maintenance work and expand our global online footprint. Although we were temporarily closed to visitors from 27 March to 30 September 2020 due to Covid-19, the ATM had the opportunity to introduce our web and social media footprint to people by offering, for example, virtual tours of the ATM as well as access to the latest Green Gallery exhibitions, entitled ‘Bybel in Kaaps’, ‘Span die Kroon’ and ‘Arabies-Afrikaans’. These popular competitions are part of the communication strategy, and especially the last-mentioned competition received widespread media coverage. In a first for the ATM, its electronic newsletter was launched during the lockdown, and has seen more editions. Furthermore, we continued our public programmes by hosting webinars and virtual performances on Facebook. These include the Ommitafel discussion in collaboration with the ATKV and Afrikaans.com, the ‘Toekoms van Kaaps’ discussion in collaboration with the Afrikaanse Taalraad (Afrikaans Language Board) and LitNet, as well as the extremely popular ‘Dans van die Vlamme’ video and Youth Day celebrations that were streamed. In support of Women’s Month, staff distributed encouraging quotes and videos to each other and via social media followers in August 2020. Women's Month concluded with a gathering where women from a local place of safety were treated to a delicious lunch, gift pack and entertainment at the Taalmonument.

As part of the ATM's 45th celebrations, the public was asked out to nominate suitable candidates for the fourth Neville Alexander prestige honours, worth R20 000 each and sponsored by Naspers. These honours recognise the unsung heroes of Afrikaans and



Classical Picnic Concert

multilingualism, and promotes uplifting language projects. The winners were announced on 10 October 2020 during the celebration of the Taalmonument's birthday and the fourth Neville Alexander memorial lecture. Afterwards, a panel discussion followed regarding mother-tongue education and multilingualism in South Africa. A special honour was awarded to prof Michael Le Cordeur for his lifelong contribution to the promotion of Afrikaans. Council has decided to award this special honour very five years.



Neville Alexander Prestige awards ceremony and the Taalmonument's 45th Birthday Celebration

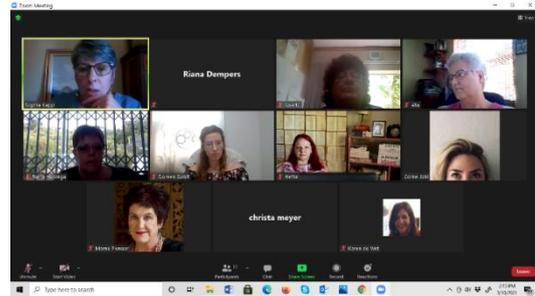
Media

During the reporting period, the institution received wide media coverage on the radio, in the printed press, as well as electronic and social media platforms. Regular radio interviews with RSG, KC Radio, Radio Tygerberg, Radio Helderberg, FM 91.3 Voice of the Cape etcetera were conducted on topics ranging from the impact of Covid-19 on the institution to competitions and presentations. Several articles appeared in Die Burger on the work that of the ATM and the Afrikaanse Taalraad. An article on the ATM's vision appeared in the digital monthly newspaper of Zuid-Afrikahuis, Amsterdam. In addition, an interview with the Belgian magazine, Knack, appeared on 26 August 2020, as well as a television insert on 'AN Nur - The Light', which is broadcast on SABC3. Targeted largely at Muslim viewers, this insert covered the Arabies-Afrikaans competition and exhibition.



The announcement of the three winners that took part in the Arabic Afrikaans competition during a lecture to commemorate Reconciliation Month

As part of the communication strategy, we strive to be involved with the local community and make our services accessible to all. With this goal in mind, the ATM has entered into an agreement with the local community radio, Radio KC, to provide content and act as a sponsor for the weekly 'Afrikaans is Tops!' programme. The deal also entails airtime, twenty live reads per month, interviews, openings and closing billboards and more. The ATM maintains its status as one of the largest tourist attractions in the Western Cape; the institution was the recipient of a bronze award in the category museums among Die Burger's readers as a favourite place to visit regularly. Truly a feather in the cap for the staff's hard work and dedication.



Virtual 'AWS' Workshop

Staff



Women's Day celebrations with a group of women from AHOS (a shelter for victims of domestic violence) in Paarl

In terms of personnel matters, the performance evaluation for the period 1 April 2020 to 31 March 2021 was completed. New performance agreements were concluded with the staff. Due to the Covid-19 pandemic and concomitant loss of revenue, no financial assistance was provided to staff to undertake further studies in the 2020/2021 financial year.

Notwithstanding the challenges posed by the Covid-19 pandemic, staff have continued to keep abreast of developments in the heritage sector, some have completed online courses, and meetings are conducted via various online platforms.

The vacancies for Facility Officer, Visitor Coordinator and Executive Personal Assistant have been advertised and filled.



Howard Heneke



Dane Otto



Rodene Williams

Mr Ernst Loth, a new staff member, was found guilty of poor work performance during a disciplinary hearing on 12 October 2020. He decided to appeal against the outcome of the disciplinary hearing. After studying the facts, reviewing some of the procedures as well as new documentation submitted by Mr Loth, the appeals committee upheld the sanction. Mr Loth's probationary period ended on 30 November 2020. He has taken the case to the Commissioner at the Commission for Conciliation, Mediation and Arbitration (CCMA) where it will be heard on 29 April 2021.

Infrastructure

One of the biggest challenges during the pandemic was to make sure the ATM's sites were compliant with Covid-19 measures. After several meetings, information sessions and accredited training to the staff, a workplace preparation plan was implemented. Along with the implementation of the plan, personal protective equipment was purchased. This was one of the preconditions before the Minister of Sport, Arts and Culture would grant permission to reopen the institution to the public.

On 1 October 2020 the ATM once again opened its doors to the public. All official regulations have been respected, and the safety and health of our staff, guests and community remains a priority. The idea is to limit visitor numbers and ensure that all Covid-19 measures are adhered to. These measures include scanning of those entering our premises, taking body temperatures, disinfecting hands, answering a health questionnaire, completing a visitor's register, and maintaining the prescribed physical distances. Additional staff have been appointed to assist with the regular disinfection of visitor areas.



Beginners Photography Workshop

Maintenance of indigenous fauna and flora

The establishment of boundaries, management of the natural fynbos, together with the removal of invasive plants that pose a large-scale fire hazard for the 101 hectares on Paarl Mountain are significant challenges and a risk. It was established that the last surveyor report was issued in 1973, and there was a suspicion that neighbours might be farming on the sections of the Taalmonument's land without permission. To confirm/refute the suspicions, a surveyor was appointed who surveyed the grounds in January 2021 and a report was issued. The report confirms that in two cases portions of the Taalmonument's lands are used by the adjoining farmers. The report and findings were sent to the Department of Public Works (DPW), as owners of the land, for comment.

Furthermore, the eradication of invasive plants and the maintenance of firebreaks remain the responsibility of owners, but the DPW has shifted its responsibility to the ATM (who is the customer) and the Department of Sport, Arts and Culture (DSAC). The biggest challenges are the scope of work, size of area, costs of the removal of invasive plants and trees, as well as maintaining the fire breaks that are (or must be) installed on the border between the Taalmonument and the adjacent farms. However, the ATM does not have the manpower or expertise to fully address this challenge.



First family receives free annual permit after the institution officially reopened to the public on 1 October 2020

Efforts to adhere to our legal obligations, by the removal of invasive plants and the construction of fire breaks in collaboration with the Drakenstein Municipality and the Paarlberg Nature Reserve, have been strongly opposed by some residents. The situation was defused by several public meetings with the interest groups and the issuing of a media statement informing the public. A process is also underway to clear forests, shred invasive biomass and draw up a control plan for invasive plants and other species. The Board is of the opinion that the situation could cause potential legal issues and that the ATM may have to obtain a legal opinion.

Acknowledgments

My sincere thanks to the Board and staff who with their expertise, dedication and selfless service play indispensable roles in developing and advancing the mandate and strategic objectives of the ATM. The staff continues unabatedly to carry out the institution's activities under difficult circumstances and to position it as a leading institution in the cultural and heritage sector.

Mr MJ Jonas
DIRECTOR
Die Afrikaanse Taalmuseum en -monument
31 August 2021

4. Statement of responsibility and confirmation of accuracy for the annual report

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

All information and amounts disclosed in the annual report 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 GRAP standards applicable to the ATM.

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 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 2021.

Yours faithfully



Mr MJ Jonas
DIRECTOR
31 August 2021



Adv JJ Meiring
CHAIRPERSON
31 August 2021

5. Strategic Overview

6.1. Vision

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

6.2. Mission

The mission of the ATM is to:

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

6.3. Values

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

The ATM's values include:

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

6. Legislative and Other Mandates

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

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

In addition, the ATM's mandate is to:

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

Constitutional mandates

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

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

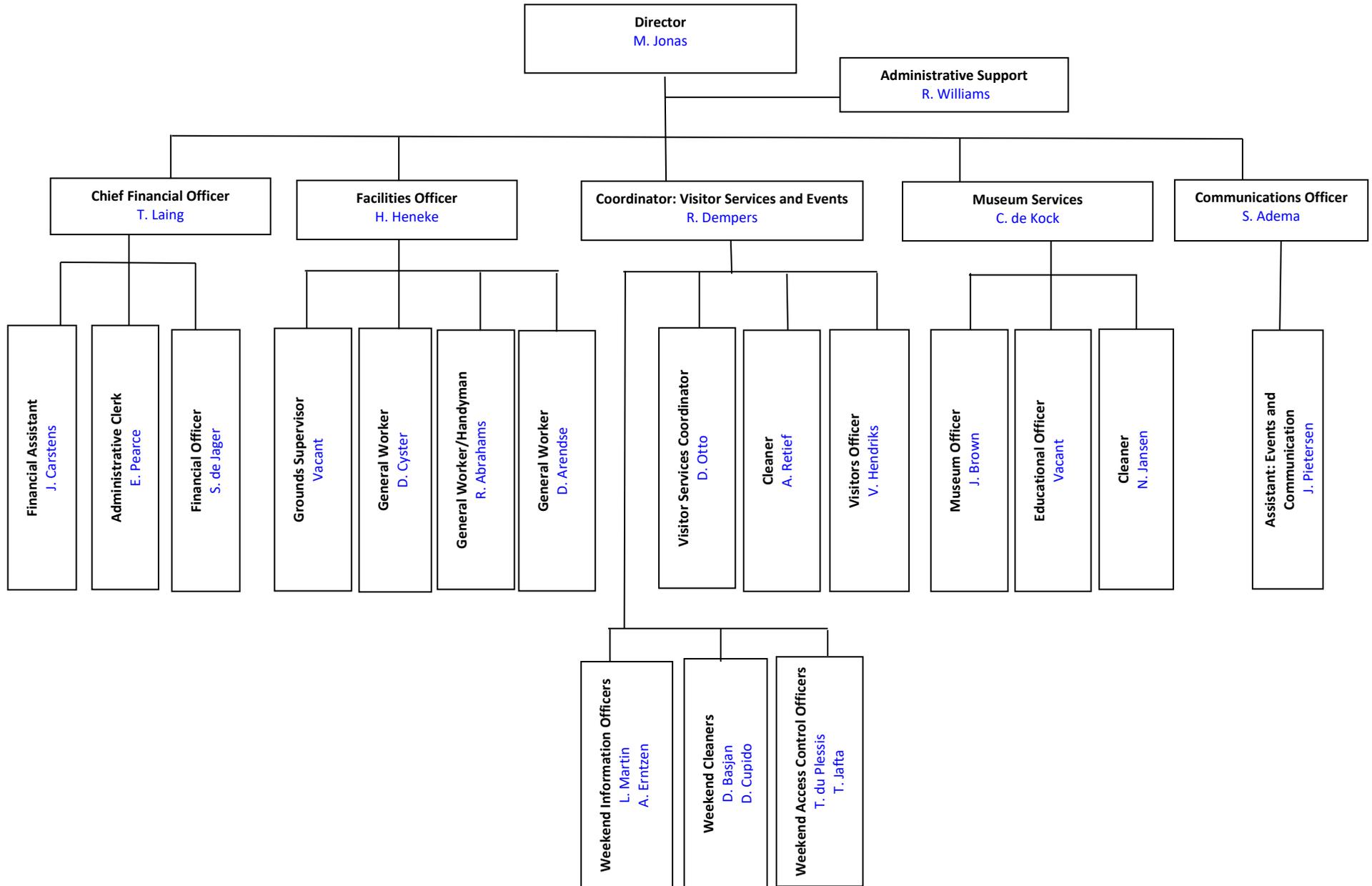
Legislative and policy mandates

| National legislation | Responsibility of the ATM |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Cultural Institutions Act (Act No. 119 of 1998) | The ATM is governed by a Council appointed by the Department of Arts and Culture with duties prescribed in this Act. |

Institutional policies and strategies governing the five-year planning period

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

7. Organisational Structure



Part B: Performance Information

1. Auditor's Report: Predetermined Objectives

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to Management, with material findings being reported under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 76 of the Report of the Auditors Report, published as Part E: Financial Information.

2. Situational Analysis

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

2.1. Service Delivery Environment

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

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

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

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

2.2. Organisational environment

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

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

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

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

2.3. Key policy developments and legislative changes

Council is in the process of revising its Asset Management Policy.

2.4. Progress towards achievement of institutional Impacts and Outcomes

During the 2020/2021 financial year, the ATM was closed to the public for the first six months due to the Covid-19 pandemic and only reopened its doors to the public on 1 October 2020. The ATM had to adjust some of its Annual Performance targets for the financial year as some was just not possible with the restrictions in movement due to Covid-19. Overall, the ATM had seen a significant decrease in visitor numbers, as well as entrance fees collected.

The ATM has a staff complement of 24 on 31 March 2021, which consists of 18 permanent staff members, 5 casual workers and 1 contract staff member. During the financial year under review one staff member left the service of the ATM, one staff member was dismissed, one staff member retired and two permanent positions were filled while two funded positions are still vacant on 31 March 2021.

Although most of the staff worked from home during April and May 2020, they started to return to the office on a rotational basis from June 2020 and on a fulltime basis from October 2020. All available funds not allocated towards the compensation of our employees is spent to ensure we have a skilled workforce, comply with necessary regulations, guarantee the functioning of core functions, and to achieve strategic goals and key outcomes.

The ATM's focus is to attract visitors and, in doing so, receive more revenue. Full moon and picnic concerts were held during the financial year (when allowed), but this year it was scaled down to accommodate relevant regulations to prevent the spread of Covid-19. We were able to give some local artists a platform to perform, whilst attracting some visitors. Any profits (if there are any) are utilised to further the ATM's projects. One of these is the 'Let's Read!' literacy project that the ATM started a few years ago. The aim of the project is to promote a culture of reading, awaken a love of books, and

to create an environment where children feel at home with books. This is mainly aimed at rural schools without reading facilities or libraries.

Management and the Audit and Risk Committee identified a risk regarding security at the Monument. They expressed their concern that the Monument should be safe place to work at, but more importantly, to visit.

During the 2019/2020 financial year the ATM received extra capital works funding from the DSAC for the construction of the workers cloakroom. Due to the outbreak of Covid-19 and South Africa being in a state of lockdown, some of the services needed to submit plans to the local authorities as well as obtaining a comprehensive tender specification, could only be done from June 2020. During the financial year, the ATM was able to submit the final plans for the construction of the workers cloakroom to local authorities with the expectation that, should the plans be approved, it will go out on tender in 2021. The fencing that needed to be extended around the parking area next to the Amphitheatre was completed at the end of the financial year.

The general infrastructure of the Museum, Monument and Amphitheatre also remains a concern for Management as it is 46 years old. The DSAC made funds available during the 2017/2018 financial year that was used for maintenance work. The ATM is looking to do further waterproofing of all the buildings, upgrading the electrical infrastructure, and performing maintenance work of the Monument itself as well as other, smaller maintenance work in 2021/2022.

On top of the activities and programmes already held at the Monument, the visitors' centre at the Monument hosts an exhibition that is an extension of the Museum exhibitions. Early in the 2021/2022 financial year, the ATM will be opening a new part of the exhibition which tells the previously untold stories of the builders of the Taalmonument. They will be honoured with lifelong passports to be used to enter the facilities and events of the ATM for free.

The centre also controls visitor flow, enquiries and visitor administrative logistics. Furthermore, its lecture hall serves as a place where groups are informed about the different activities and aspects concerning the heritage of Afrikaans, and its contribution to nation-building and social cohesion. A temporary exhibition which mainly features the works of by upcoming poets/writers is hosted in the open-air Groen Galery at the Monument. During 2020/2021 the ATM published the temporary exhibitions on our website as a virtual extension of the physical exhibit to make it accessible to e-visitors, regardless of where they may be in the world.

The ATM received extra funding from the DSAC to pay municipal charges from 2017/2018. Currently these funds are paid to the DPW, who in turn should pay the local municipality.

3. Performance Information by Programme

3.1. Programme: Administration

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

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

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Entrance to the Museum and Monument

During the 2020/2021 financial year the ATM faced a tremendous challenge to get visitors to the Taalmuseum and Taalmonument as it was closed for the first six months of the financial year and had to weather the second wave of Covid-19. The tourism sector was one of the sectors hardest hit by the restriction in movement as these businesses mostly receive national and international visitors. In the past the ATM's visitors comprised of 60% to 65% international visitors, with the rest national and local visitors. Taking this into account, the ATM adjusted its target for the 2020/2021 financial year in July 2020, with the expectation that the ATM will still be able to host events, even on a smaller scale, and that South Africa will only experience its second wave in April 2021. Unfortunately, this did not happen and resulted in the ATM not achieving its targets for 2020/2021.

Human Resources Management

The ATM strives to have a well-trained staff establishment and encourages them to attend training opportunities. During 2020 more training opportunities were presented online, at no cost or at a lower price than if attended in person. Especially during the first six months when the ATM was closed to the public, staff used this time to attend to training opportunities. This will equip them to be able to further excel in their daily tasks.

Property Management

The staff used the lockdown period while the ATM was closed to do much needed repairs and maintenance to the buildings within the ATM's capacity. The ATM also focused on completing the extension of the fence around the parking area of the Amphitheatre as this project was incomplete by the previous financial year-end. The project was finalised by 31 March 2021 and the ATM can look forward to tackling other maintenance projects.

Strategic objective 1: Entrance to the Museum and Monument

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Entrance to the Museum and Monument (From April to July 2020) | | | | | | | | | |
|------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | *Actual Achievement 2020/2021 until date of re-tabling | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations | Reasons for revisions to the Outputs / Output indicators / Annual Targets |
| To increase visitors and revenue at the Museum & Monument | Increase visitors by 2% per annum on average | Number of visitors, per annum | 72247 | 64 899 | 67320 | 0 | -67320 | Closed to the public due to Covid-19 containment regulations | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target for visitor numbers |

| Strategic objective: Entrance to the Museum and Monument | | | | | | | | |
|-----------------------------------------------------------|----------------------------------------------|-------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To increase visitors and revenue at the Museum & Monument | Increase visitors by 2% per annum on average | Number of visitors, per annum | 72247 | 64899 | 25000 | 16910 | -8090 | Target partially achieved During the summer season (December to February) South Africa experienced its second wave of Covid-19, which resulted in restrictions in movement. The restriction in movement saw a drastic decline in local tourism, not only for the ATM, but for the sector as a whole |
| | Number of events and concerts per annum | Number of picnic events and concerts, per annum | 18 | 15 | 15 | 10 | -5 | Target partially achieved During the summer season (December to February) South Africa experienced its second wave of Covid-19, which resulted in restrictions in movement. The ATM had to cancel or postpone its events that were scheduled for that period to adhere to relevant disaster management legislation |

Strategy to overcome areas of underperformance

Although the ATM has virtual tours on its website, is communicating daily with the public via social media, and is looking at different ways of presenting some of its programmes and events in such a way that it conforms to the current and changing Covid-19 regulations, the institution understands that, going forward, it will be hard pressed to achieve all its targets. This is especially true of visitor number targets while restrictions in movement is still in place or new ones may be imposed due to a third wave of Covid-19. In the meantime, the ATM has been offering free entrance to all children up to the age of 18 and discounts on its already very affordable annual entry permits.

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all staff members on occupational health and safety training, specifically regarding procedures in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

All buildings were thoroughly cleaned before staff returned to the office on a rotational basis in June 2020, with all staff returning to the offices on 1 September 2020 on a fulltime basis.

Changes to planned targets

* Adjusted its target for visitor numbers due to restrictions in movement as a result of the Covid-19 pandemic.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|---------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Events and concerts | 362 | 205 | 157 | 739 | 1032 | -293 |
| Total | 362 | 205 | 157 | 739 | 1032 | -293 |

Strategic objective 2: Human resources management

This strategic objective reports on ensuring that staff are well trained and regularly evaluated to achieve a higher level of service delivery.

Key performance indicators, planned targets and actual achievements

| Strategic objective: Human Resources Management | | | | | | | | |
|------------------------------------------------------------------|----------------------|---------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To maintain a 100% evaluation rate and ensure well-trained staff | HR plan for training | Number of staff performance evaluations done, per annum | 2 | 2 | 2 | 2 | 0 | Target achieved |
| | Evaluation schedule | Coordinate and manage training, per annum | 7 training interventions | 16 training interventions | 6 training interventions | 17 training interventions | 11 | Target exceeded During the lockdown period more online courses were presented and staff, with management, identified training interventions which are beneficial to the ATM |

The ATM strives to ensure that all staff members are evaluated twice a year and well trained. When training opportunities presents itself and the ATM and its staff will benefit from it, these opportunities will be seized upon.

Strategy to overcome areas of underperformance

None

Reporting on the Institutional Response to the Covid-19 pandemic

In order to ensure that staff were ready to receive visitors, the ATM sent all staff members on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors.

Changes to planned targets

None

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|-------------------------------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Coordinate and manage training, per annum | 66 | 51 | 15 | 62 | 116 | -54 |
| Total | 66 | 51 | 15 | 62 | 116 | -54 |

Strategic objective 3: Property management

This strategic objective reports on ensuring presentable buildings, well-kept gardens and conserving the fynbos according to an annual property maintenance work programme.

Key performance indicators, planned targets and actual achievements

| Strategic objective: Property management | | | | | | | | |
|--------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To adhere to the annual property maintenance programme | Annual repairs and maintenance done as per the annual work programme | Annual repairs and maintenance completed* - Museum - Monument - Amphitheatre - Parking area - Hiking trails | Paintwork completed – 30 Jun Repairs to buildings completed – 30 Nov | Completed: Paintwork 30 Jun 23 Jan 17 Feb Maintenance 31 Jul 30 Sep | Completed: 5 | Completed: Repairs – 2 Maintenance – 9 Total: 11 instances | 6 | Target exceeded During the lockdown period the staff performed much needed repairs and maintenance (weather permitting) as there were no visitors, which would have otherwise been their priority |
| | Annual eco-management plan managed according to work programme for eco-management | Annual eco-management plan completed* - Water ditches cleaned - Invasive alien trees cleared - Firebreaks cleared | Completed: 30 Jun 29 Mar 20 Nov | Completed: 30 Jun 31 Oct 06 Sep | Completed: 30 Jun 31 Oct 30 Sep | Completed: 30 Jun 30 Sep 30 Sep | 0 | Target reached |

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

Strategy to overcome areas of underperformance

None

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

All buildings were cleaned thoroughly before staff returned to the office on a rotational basis in June 2020, with all staff returning to the workplace on 1 September 2020 on a fulltime basis.

Changes to planned targets

None

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|---------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Property Management | 3615 | 1179 | 2436 | 4 072 | 1 047 | 3 025 |
| Total | 3615 | 1179 | 2436 | 4 072 | 1 047 | 3 025 |

Strategic objective 4: Applicable legislation

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Applicable legislation | | | | | | | | |
|---------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To fully comply with applicable legislation | Annual performance plan | Annual performance plan | 1 plan | 1 plan | 1 plan per annum | 1 plan | 0 | Target reached |
| | Quarterly reports | Quarterly reports | 4 reports | 4 reports | 4 reports per annum | 4 reports | 0 | Target reached |
| | Performance information and financial statements audited | Performance information and financial statements audited | 1 | 1 | 1 per annum | 1 | 0 | Target reached |
| | Annual report audited | Annual report audited | 1 report | 1 | 1 report per annum | 1 | 0 | Target reached |
| | Strategic plan | Strategic plan | 0 | 1 | 0 | 0 | 0 | Target reached |
| | Financial management systems and procedures updated | Financial management systems and procedures updated | 1 updated | 1 updated | 1 updated per annum | 1 updated | 0 | Target reached |
| | Number of policies reviewed | Number of policies reviewed | 2 reviewed | 1 reviewed | 1 reviewed per annum | 1 reviewed | 0 | Target reached |
| | Enterprise risk management plan reviewed | Enterprise risk management plan reviewed | 1 plan | 1 plan | 1 plan reviewed per annum | 1 plan | 0 | Target reached |

The ATM strives to ensure compliance with various applicable regulations. During the 2020/2021 financial year, the ATM reviewed its policy regarding asset management and updated its procedures regarding financial management.

Strategy to overcome areas of underperformance

None

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM appointed a senior staff member as the responsible person for the assessment and implementation of Covid-19 protocols, as determined by the amended Occupational Health and Safety Act. He compiled an implementation plan to assist staff in implementing the new protocols, and has been ensuring that the ATM follows the necessary procedures during normal operational hours and events.

Changes to planned targets

Targets in the strategic plan for 2015-2020 were adjusted to reflect measurable targets as the percentages were not clearly defined.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|------------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Applicable legislation | 18 | 9 | 9 | 65 | 32 | 33 |
| Total | 18 | 9 | 9 | 65 | 32 | 33 |

3.2. Programme 2: Business Ventures

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

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

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

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Fundraising and marketing

Although the ATM was able to take some of its courses to an online platform and, in doing so, was able to have a greater international audience, some of its courses could not be incorporated on a digital platform and had to be postponed until 2021/2022. The ATM aims to make these courses as affordable and accessible as possible.

Public programmes and communication

The ATM normally celebrates certain special days by presenting public programmes which is aimed at the youth as well as adults. During the 2020/2021 financial year it was difficult to do programmes for the youth due to Covid-19 and the challenges it presented to all sectors in South Africa. The focus was rather on adults, but with the understanding that certain programmes would be attended by both adults and youths.

Collection management

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

Research

The ATM has a few ongoing research projects which spans over a few financial years. Some of these projects came to close during the 2020/2021 financial year with following outputs:

1. A technical report on the Gariepafrikaans (Oranjerivierafrikaans) which is an historically marginalised variant of Afrikaans.

In the Afrikaans Taalmuseum we aim to give recognition to all the contributors to the development of Afrikaans and we would like to see the entire Afrikaans speaking community represented here. The focus of this oral history project is to broaden the knowledge of the history and development of Afrikaans, especially the historically marginalised variants such as Gariepafrikaans (also called Oranjerivierafrikaans). The oral history recordings were done in the Northern Cape and Namaqualand. The resulting stories were transcribed and are available on social media and the website. The research resulted in the dissemination and presentation of the information. This includes the transcriptions of recordings, the release of audio-visual material on social media and the submission of a technical report on the language aspects of the historical variant.

2. An article about the builders of the Taalmonument

The research on who the builders were and what their experiences were, draw to a close at the beginning of 2020/2021 with an article which was published in the ATM's newsletter and on the website. Building on that, the ATM produced an exhibition that will be unveiled in April 2021. By

having done this research, the ATM is now able to relay their stories while working on this iconic Monument, including the challenges they faced and successes they celebrated.

Strategic objective 5: Fundraising and marketing

This strategic objective reports on the presentation of fundraising events and skills development courses.

Key performance indicators, planned targets and actual achievements

| Strategic objective: Fundraising and Marketing | | | | | | | | |
|-----------------------------------------------------------------|-----------------------------|------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| Present skills development courses to generate additional funds | Number of courses per annum | Number of fundraising events per annum | 2 | 1 | 0 | 0 | 0 | Target excluded for this financial year as per strategic plan and APP |
| | | Number of skills development courses per annum | 5 | 4 | 4 | 3 | -1 | Target partially achieved Some of the development courses, e.g. the book repair course, is of an in-person nature. Due to Covid-19, the ATM could not present the book repair course and it had to be postponed until 2021/2022 |

Strategy to overcome areas of underperformance

The ATM was able to move some of its development courses to an online platform, but unfortunately it is not able to move the book repair courses as these involve skills that need to be taught in person. The ATM is looking forward to hosting the courses in 2021/2022, Covid-19 regulations permitting.

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

- * No longer offering fundraising events with other partners, except our Night Race partners.
- * Minimising the number of courses offered as we want to focus on subjects relevant to our mandate, and interest in heritage subjects is limited.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|---------------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Fundraising and marketing | 59 | 8 | 51 | 56 | 36 | 20 |
| Total | 59 | 8 | 51 | 56 | 36 | 20 |

Strategic objective 6: Public programmes and communication

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Public Programmes and Communication (From April to July 2020) | | | | | | | | | |
|----------------------------------------------------------------------------------------|----------------------------------|----------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | *Actual Achievement 2020/2021 until date of re-tabling | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations | Reasons for revisions to the Outputs / Output indicators / Annual Targets |
| To develop public awareness of our institution and to encourage the public to visit us | Number of special days per annum | Number of special days per annum | 9 | 10 | 6 | 1 | -5 | Closed to the public due to national lockdown. Difficulty in hosting special days due to the restriction on movement | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target for special days due to the restriction on movement |

| Strategic objective: Public Programmes and Communication | | | | | | | | |
|----------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To develop public awareness of our institution and to encourage the public to visit us | Number of special days per annum | Number of special days per annum | 9 | 10 | 3 | 5 | 2 | Target exceeded The ATM were able to host some of the special days virtually, and with the less strict restrictions on movement, were able to host 2 special events in person |
| | | Sponsor-A-Bus project: number of groups transported | 1 | 2 | 0 | 0 | 0 | Target excluded for this financial year as per strategic plan and APP |

Strategy to overcome areas of underperformance

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

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

- * Public programmes will be referred to as special days.
- * Outreach projects will form part of special days (formerly part of educational programmes) from 2017/2018.
- * The Sponsor-a-bus-project will be reported on under the educational programmes

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|-------------------------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Public programmes and communication | 41 | 146 | -105 | 95 | 148 | -53 |
| Total | 41 | 146 | -105 | 95 | 148 | -53 |

Strategic objective 7: Collection management

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Collection Management | | | | | | | | |
|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|---------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | ** Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| Ensuring the preservation of artefacts, documents and books for the future | Electronic catalogue for artefacts, books and documents. Inspection registers for collection, archive and exhibition | Number of artefacts acquired per annum | 72 | 18 | 0 | 7 | 0 | Target excluded for this financial year as per strategic plan and APP The ATM received donations from private citizens |
| | | Number of conservation, preservation and maintenance activities for Museum collection | 0 | 0 | 12 | 12 | 0 | Target achieved |
| | | Number of items restored or repaired per annum | 3 | 4 | 0 | 0 | 0 | Target excluded for this financial year as per strategic plan and APP |
| | | Maintaining the register for the textile collection per annum | 4 | 11 | 4 | 6 | 2 | Target exceeded Textile collection inspected more during the winter months to determine that the higher moisture level does not affect the collection on display |
| | | Maintaining the register for inspection | 4 | 11 | 4 | 7 | 3 | Target exceeded |

| | | | | | | | | |
|--|--|---------------------------------------------------------------------------|----|----|----|----|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | of the archives per annum | | | | | | Climatic conditions inspected more during the winter months to determine that the higher moisture level does not affect the collection, as the ATM has experienced this challenge in the past. |
| | | Maintaining the register for climatic conditions in archives per annum | 51 | 57 | 50 | 61 | 11 | Target exceeded Climatic conditions inspected more during the winter months to determine that the higher moisture level does not affect the collection, as the ATM has experienced this challenge in the past |
| | | Maintaining the register for inspection of the total exhibition per annum | 12 | 14 | 12 | 11 | -1 | Target partially achieved. Staff could not do a full inspection of the exhibition during the first month of the 2020/2021 financial year due to lockdown regulations as a result of Covid-19 |

Strategy to overcome areas of underperformance

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

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting

with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

- * Due to the ATM having a closed collection as well as limited space in its archive, all acquisitions of artefacts are limited to donations only.
- * The ATM did a complete audit of its archive in 2017/2018, which resulted in certain items being identified to be repaired. Due to limited funds available, the repair of the identified items will be done as funds become available.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|-----------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Collection Management | 7 | 0 | 7 | 7 | 1 | 6 |
| Total | 7 | 0 | 7 | 7 | 1 | 6 |

Strategic objective 8: Research

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Research | | | | | | | | |
|------------------------------------------------------|--------------------------------------|------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| Dissemination of research results in various formats | Produce content for website/Facebook | Number of articles written or lectures presented per annum | 4 | 6 | 0 | 2 | 0 | Target excluded for this financial year as per strategic plan and APP. During the lockdown period the staff made use of the time to write articles based on research conducted. Two articles written: one about Gariepafrikaans and one about the builders of the Taalmonument |
| | | Number of active research projects per annum | 0 | 0 | 4 | 4 | 0 | Target reached |
| | | Number of history snippet written for website/Facebook per annum | 42 | 13 | 6 | 9 | 3 | Target exceeded During the lockdown period the staff made use of the time to write more snippets for the website and Facebook. The research and snippets can be used as a source of information for the public and educational programmes |

Strategy to overcome areas of underperformance

The ATM communicates relevant information regarding Afrikaans and the ATM itself on a regular basis.

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

No changes were necessary.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|--------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Research | 25 | 89 | -64 | 25 | 387 | -362 |
| Total | 25 | 89 | -64 | 25 | 387 | -362 |

3.3. Programme: Public Engagement

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

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

- Exhibitions
- Education

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Exhibitions

The ATM was able to take its temporary exhibitions virtual during the lockdown period, as it severely restricted visitor movement.

Education

As the educational programmes that were planned for 2020/2021 had to be cancelled due to Covid-19, the educational division used this time to focus on preparing new, and updating current, educational programmes.

Strategic objective 9: Exhibitions

This strategic objective reports on conveying information to the public by means of exhibitions.

Key performance indicators, planned targets and actual achievements

| Strategic objective: Exhibitions | | | | | | | | |
|-------------------------------------------------------------|------------------------|-------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To convey information to the public by means of exhibitions | Exhibitions on display | Number of exhibitions held or updated per annum | 3 | 6 | 1 | 3 | 2 | Target exceeded. 3 <i>Groen Galery</i> exhibitions for 2020/2021 |

Strategy to overcome areas of underperformance

The ATM hosted 3 'Groen Galery' exhibitions (temporary open-air exhibitions) during 2020/2021. Displaying exhibitions is one of the core functions of a museum, and the ATM decided to display the 'Groen Galery' exhibitions also virtually until the public was able to visit the institution again.

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

None

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|--------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Exhibitions | 131 | 17 | 114 | 124 | 1 | 123 |
| Total | 131 | 17 | 114 | 124 | 1 | 123 |

Strategic objective 10: Education

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

Key performance indicators, planned targets and actual achievements

| Strategic objective: Education (From April to July 2020) | | | | | | | | | |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | *Actual Achievement 2020/2021 until date of re-tabling | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations | Reasons for revisions to the Outputs / Output indicators / Annual Targets |
| To educate, and to liaison and undertake outreach programmes to reach as many schools as possible | Liaise and invite schools via a database | Number of school tours conducted per annum | 129 | 129 | 80 | 0 | -80 | Closed to the public due to Covid-19. All extra-curricular activities were cancelled in 2020 | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target due to restrictions on movement |
| | Schools apply for sponsorships | Sponsor-A-Bus project: number of school groups transported per annum | 15 | 22 | 16 | 0 | -16 | Closed to the public due to Covid-19. All extra-curricular activities were cancelled in 2020 | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target due to restrictions on movement |
| | Writing and public speaking competition to stimulate learners' creativity and teaching | Number of competitions held for learners per annum | 2 | 2 | 2 | 0 | -2 | Closed to the public due to Covid-19. All extra-curricular activities | With the lockdown and the closure of the ATM for the first six months |

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Die Afrikaanse Taalmuseum en -monument*

| | | | | | | | | | |
|--|------------------------------------|--|--|--|--|--|--|------------------------|-----------------------------------------------------------------------------------------|
| | them techniques of public speaking | | | | | | | were cancelled in 2020 | of the financial year, the ATM had to revise its target due to restrictions on movement |
|--|------------------------------------|--|--|--|--|--|--|------------------------|-----------------------------------------------------------------------------------------|

| Strategic objective: Education | | | | | | | | |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|--------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome | Output | Output Indicator | Audited Actual Performance 2018/2019 | Audited Actual Performance 2019/2020 | Planned Annual Target 2020/2021 | **Actual Achievement 2020/2021 | Deviation from planned target to Actual Achievement 2020/2021 | Reasons for deviations |
| To educate, and to liaison and undertake outreach programmes to reach as many schools as possible | Liaise and invite schools by means of via a database | Number of school tours conducted per annum | 129 | 129 | 0 | 0 | 0 | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target due to restrictions on movement |
| | | Number of educational programmes developed per annum | 0 | 0 | 2 | 2 | 0 | Target achieved |
| | | Number of educational programmes upgraded per annum | 0 | 0 | 2 | 2 | 0 | Target achieved |
| | Schools apply for sponsorships | Sponsor-A-Bus project: number of school groups transported per annum | 15 | 22 | 0 | 0 | 0 | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target due to restrictions on movement. All extra-curricular |

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| | | | | | | | | |
|--|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---|---|---|---|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | | | | | activities were cancelled in 2020 |
| | Reading campaign through reading groups | Language projects: Established reading group per annum | 2 | 2 | 2 | 0 | -2 | Busy with quotations for the procurement of books. Schools are already identified and are waiting for delivery of books |
| | Writing and public speaking competition to stimulate learners' creativity, and teaching them techniques of public speaking | Number of competitions held for learners per annum | 2 | 2 | 0 | 0 | 0 | With the lockdown and the closure of the ATM for the first six months of the financial year, the ATM had to revise its target due to restrictions on movement. All extra-curricular activities were cancelled in 2020. |
| | Provide access to the Museum's activities | Number of outreach projects per annum | 1 | 0 | 2 | 1 | -1 | All extra-curricular activities were cancelled in 2020, and during the first quarter of 2021 most schools didn't allow extra-curricular activities due to restrictions on public participants entering schools. |

Strategy to overcome areas of underperformance

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

Reporting on the Institutional Response to the Covid-19 pandemic

The ATM did not receive any funding which relates to the Covid-19 pandemic. Adjustments were made to the ATM's budget to accommodate the added expenses to comply to relevant legislation. In order to

ensure that staff were ready to receive visitors, the ATM sent all members of staff on occupational health and safety training that focused specifically on Covid-19 procedures and protocols in interacting with other staff and visitors. Masks and sanitisers were supplied to all staff, and all staff and visitors to the buildings were scanned upon entry.

Changes to planned targets

- * Outreach projects formed part of special days (formerly part of educational programmes) in 2017/2018.
- * Changes to three of the planned targets had to be made due to the Covid-19 pandemic. The targets for school tours at the Taalmuseum and Taalmonument, sponsoring of busses for schools and competitions for learners were targets that had to be adjusted due to the lockdown. These targets will be included in 2021/2022, but adjusted downwards.

Linking performance with budgets

| Sub-programme name | 2020/2021 | | | 2019/2020 | | |
|--------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Education | 64 | 34 | 30 | 158 | 259 | -101 |
| Total | 64 | 34 | 30 | 158 | 259 | -101 |

4. Revenue collection

| Sources of revenue | 2020/2021 | | | 2019/2020 | | |
|-------------------------|--------------|-------------------------|-------------------------|---------------|-------------------------|-------------------------|
| | Estimate | Actual Amount Collected | (Over)/Under Collection | Estimate | Actual Amount Collected | (Over)/Under Collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Transfer received: DSAC | 12898 | 10829 | 2069 | 12 983 | 11854 | 1129 |
| Entrance fees | 1381 | 363 | 1018 | 1 800 | 1 458 | 342 |
| Rent income received | 445 | 94 | 351 | 533 | 526 | 7 |
| Interest received | 155 | 315 | -160 | 186 | 301 | -115 |
| Funding and marketing | 80 | 647 | -567 | 79 | 621 | -542 |
| Other income | 30 | 58 | -28 | 50 | 95 | -45 |
| Total | 14989 | 12306 | 2683 | 15 631 | 14855 | 776 |

Comments on revenue collection

Transfer received from the DSAC

Every financial year the ATM receives a quarterly transfer from the Department of Sports, Arts and Culture (DSAC). From this quarterly transfer we pay our staff and cover a part of the operating expenses of the Museum and Monument. Self-generated funds are used to cover the rest of the operating expenses and to generate additional funds. In the past two financial years, the ATM did not only receive a subsidy, but also transfers for capital works, municipal expenses, operational costs, rental expenses and costs of compliance.

Entrance fees

The ATM charges entrance fees at the Museum and the Monument. Apart from the subsidy we receive from the DSAC, this is normally our main income. The income we receive from entrance fees is used to cover most of the operating expenses and expenditure in terms of the ATM's core functions. Our entrance revenue decreased significantly during 2020/2021 when compared to previous financial years. This is due to the fact that we were closed from 27 March to 30 September 2020 to the public with further restrictions on movement placed during December 2020, January 2021 and February 2021 as a result of the second wave of Covid-19 in South Africa. In total, visitors to the Museum and Monument decreased by 57% from the previous year when comparing it to the same period. When considering the full financial year, the ATM had a 74%-decline in visitors (2019/2020: 64 899; 2020/2021: 17 030). This is inclusive of other events held during the financial year, which attracted 253 visitors/participants.

Rental income received

The ATM also generates income by means of monthly rent from the coffee shop on the premises of the Monument and ad hoc events held at the Amphitheatre. The Monument terrain is used by national and international companies for film and advertising productions, and for wedding and other photo shoots. The lease agreement with the tenant of the coffee shop came to an end on 31 March 2020. Although the ATM advertised the lease agreement in February 2020 and again in April 2020, no suitable candidate could be found. This may have been due to the uncertainty of when the ATM will be able to welcome visitors again, as well as the economic situation which South Africa faced as many smaller restaurants, cafeterias and coffee shops closed their doors permanently since the Covid-19 lockdown. The ATM hosted mobile catering units from October 2020 to March 2021, but with less visitors than expected it was not profitable for these vendors to longer operate at the Taalmonument.

Interest received

We receive interest on low-risk investments (fixed deposit and money market accounts). Due to the ATM being unable to spent most of the capital works funding received, the funds generated interest during the financial year and resulted in the ATM having an increase in the interest received. The interest that was received from the capital works funding will be allocated to the capital works projects.

Funding and marketing

Each year we apply to various possible private funding institutions for donations and sponsorships for specific projects. We received donations and sponsorships from private funders in 2019/2020 and in 2020/2021.

Other income

Other income mostly consists of income generated from sales of merchandise and in part from the sale of assets that have been written off, as well as from insurance claims. In 2019/2020 we had an insurance claim of R9 680, and in 2020/2021 one of R16 325.

4.1. Capital investment

The ATM only has movable and heritage assets. Movable assets are only replaced when they are beyond repair or stolen. New movable assets are budgeted for and bought as needed. The ATM does not have capital assets.

The ATM received an allocation of R580 000 in 2019/2020 for the installation of an emergency generator. The project was halted when an electrical engineer evaluated the electrical infrastructure and determined that the infrastructure will not be able to support the emergency generator. He also determined that the current electrical infrastructure may pose a fire hazard. During 2020/2021, the ATM received a further allocation of R1 687 000 towards the installation of a generator, as well as maintenance.

The ATM also received an allocation of R3 000 000 in 2019/2020 and R1 500 000 in 2020/2021 for the construction of workers cloakrooms. Draft plans were also presented to the DSAC. Some of the service providers needed for a detailed specification could not be contracted during the Level 5-lockdown period. By the end of 2020/2021, the ATM submitted the final plans and costing to the local authority and heritage organisations for approval. As soon as approval is obtained, the construction of the workers cloakrooms will go out on tender.

The ATM has no plans to close or downgrade any of its current facilities.

Maintenance is done at the Museum and Monument on a quarterly basis, according to a work schedule.

Maintenance of the visitor centre is now the responsibility of the ATM, although there is still a warranty of approximately six years on the building. Because of the warranty, this responsibility will not have an immediate effect on expenditure, but it will certainly have an effect in coming years.

The ATM uses the software program Pastel Evolution Fixed Assets to manage the database. The database is updated on a monthly basis and depreciation is calculated after the update. The assets are also counted on a quarterly basis by means of the sample method, and a full count is done annually.

Condition of the buildings:

Visitors centre, Monument – fair (some cracks suggest that the foundation of the building may have shifted)

Coffee shop, Monument – good

Ticket office, Monument – good

Museum – fair (in need of electrical work, floors need extra stabilisation)

Amphitheatre – fair (in need of some maintenance like painting etcetera)

| Infrastructure projects | 2020/2021 | | | 2019/2020 | | |
|-------------------------------------|-----------|--------------------|--------------------------|-----------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Workers cloakrooms | 1 500 | 860 | 640 | 3 608 | 802 | 2 806 |
| Emergency generator and maintenance | 1 687 | 0 | 1 687 | 581 | 0 | 581 |
| Enlargement of coffee shop | 0 | 0 | 0 | 0 | 0 | 0 |
| Maintenance | 0 | 112 | -112 | 164 | 45 | 119 |
| Total | 3 187 | 972 | 2 215 | 4 353 | 847 | 3 506 |

Part C: Governance

1. Introduction

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

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

2. Portfolio Committees

Dates of meetings

No meeting was scheduled for 2020/2021.

Areas of risk, and implementation of plans and actions

No areas of risk and implementation of plans and actions were discussed during 2020/2021.

3. Executive Authority

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

| | | |
|-------------------|----------------------------------|-----------------|
| Quarterly reports | 1 st quarterly report | 29 July 2020 |
| | 2 nd quarterly report | 30 October 2020 |
| | 3 rd quarterly report | 29 January 2021 |
| | 4 th quarterly report | 30 April 2021 |

Feedback on the quarterly report was received from the DSAC on a bi-annual basis in the form of site visits. From 2014 quarterly reports were also submitted to National Treasury. The reports were submitted on the same dates mentioned above.

| | | |
|-------------------------|-----------------------|-----------------|
| Annual Performance Plan | 1 st draft | 30 October 2020 |
| | Final | 29 January 2021 |

Feedback on the Annual Performance Plan was received from the DSAC. Due to the Covid-19 lockdown period and the extension of submission dates for the annual financial statements and reports for 2019/2020, the submission date for the 1st draft of the annual performance plan 2021/2022 was extended to 31 October 2020.

Strategic Plan 2020-2025

For the 2020/2021 financial year, the Strategic Plan 2020-2025 is applicable and no adjustments were made during 2020/2021 and submitted to Parliament.

| | | |
|---------------|-------|-----------------|
| Annual Report | Final | 30 October 2020 |
|---------------|-------|-----------------|

The Annual Report was presented to Parliament.

| | | |
|------------------------------------|--|------------------|
| Audit report and management report | | 18 November 2020 |
|------------------------------------|--|------------------|

| | | |
|----------------------------------|--------------------------|-----------------|
| Audit outcomes improvement plans | 1 st feedback | 30 October 2020 |
| | 2 nd feedback | 29 January 2021 |
| | 3 rd feedback | 30 April 2021 |

Estimated national expenditure

ENE database

9 December 2020

4. The Accounting Authority/Council

Introduction

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

The role of Council is as follows:

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

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

Council Charter

Council's Charter was reviewed, approved and signed on 7 December 2018. Council is currently reviewing the charter; it will be considered for approval on 2 July 2021.

Composition of Council

The ATM had a Council until 8 December 2020 consisting of eight members, and from 9 December 2020 a new Council that consists of nine members. The previous members were appointed by the Minister of Arts and Culture from 1 December 2017 until 30 November 2020, with an extension until 8 December 2020, and the new members from 9 December 2020 until 8 December 2023. Their term for 2020/2021 was 1 April 2020 until 31 March 2021. In 2020/2021 Council met four times.

ATM Council 1 December 2017 – 8 December 2020

| 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 or task teams (e.g. audit committee / ministerial task team) | No. of meetings attended |
|--------------|-------------------------------------------------------------|--------------------------|---------------|------------------------------------------------------|------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------|--------------------------|
| Prof EO Saal | Chairperson | 1 Dec 2017 – 30 Nov 2020 | | BA (Afrikaans, History, Linguistics) HOD, Hons MA | Afrikaans language studies (specifically sociolinguistics) | N/A | N/A | 3 |

| | | | | | | | | |
|-------------------|------------------|--------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|---|
| | | Extended to 8 Dec 2020 | | (Afrikaans), PhD (Industrial communication) | cs and document design) | | | |
| Adv P Magona | Vice Chairperson | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | Bluris, LLB, LLM (Labour Law) | Legal | N/A | N/A | 1 |
| Mr JJ Saal | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | BA Hons (Linguistics) National Diploma in Technical Financial Accounting | Human Resources Labour Relations Audit | N/A | Member of Audit and Risk Committee | 3 |
| Prof S van Wyk | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | MA, DLitt in Afrikaans Literature | Afrikaans Literature | Member of the Stigting vir Bemagtiging deur Afrikaans | Member of Audit and Risk Committee | 3 |
| Prof J Grobbelaar | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | DLitt et Phil (Sociology), MA, B Soc Sc | South African studies: African nationalism, race, class, ethnicity, the SA democratic transition, human rights, social justice and the SA Truth and Reconciliation Commission | Councillor: Tshwane University of Technology and University of Edinburgh. Liz Stanley. ESRC Professorial Research Fellow – ‘Whites Writing Whiteness’ project (South Africa 1770 – 1970) | Member of Audit and Risk Committee | 3 |
| Dr L Munsamy | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | MPA, Advanced Diploma in Disaster Risk Management, Education Diploma, Education Diploma (Specialised Education), PhD - dissertation submitted for assessment) | Public Administration and Management, Disaster Risk Management, History, Education | Member of Audit Committee of Maluti Phofung local municipality - Member of Board of Universitas/Pelonomi Academic Hospitals | Member of the Remuneration and Human Resources Committee | 3 |
| Dr W Langeveldt | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | Doctor of Philosophy (Instructional Design and Technology), MA Councillor Education and Student Development, Interaction | Research (history of Southern Africa) | N/A | Chairperson of the Remuneration and Human Resources Committee | 2 |

| | | | | | | | | |
|---------------|--------|--------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---|
| | | | | Leadership Programme for Africans, Certificate of Achievement in Diplomacy, Psychometrist, Teacher: Higher Bilingual Certificate, Bachelor of Education, Bachelor of Arts, Primary Teacher's Certificate | | | | |
| Mr C le Fleur | Member | 1 Dec 2017 – 30 Nov 2020. Extended to 8 Dec 2020 | | Diploma in Education, Diploma in Agricultural Science | Protection and Development of Culture and Heritage. Inclusion of Khoi-San Cultural Identity | Council of Chiefs – Griqua National Conference Board of Directors – Sandveld Investment Company Board of Directors/Trust – Indigenous Peoples of Africa Committee | Member of the Remuneration and Human Resources Committee | 2 |

ATM Council 9 December 2020 – 8 December 2023

| 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 or task teams (e.g. audit committee / ministerial task team) | No. of meetings attended |
|----------------|-------------------------------------------------------------|-------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------|
| Adv JJ Meiring | Chairperson | 9 Dec 2020 – 8 Dec 2023 | | BA (SU), LLB (SU), BA (Hons) (Latin) (SU), BCL (OXOA) | Law; books and literature; publishing | Council member of Stellenbosch University; Member of advisory boards of Saffli and LitNet Akademies | N/A | 1 |
| Ms SP Tsoleli | Vice Chairperson | 9 Dec 2020 – 8 Dec 2023 | | Primary Teacher Diploma, Advanced Certificate in Psychology of Education, Advance Certificate in Governance and Leadership, Post-graduate diploma in Governance | Governance and Management | South African War Museum; Masechaba Tsoleli Empowerment Foundation | N/A | 1 |
| Prof SM Beukes | Member | 9 Dec 2020 – 8 Dec 2023 | | DLitt et Phil (Applied Linguistics) | Language planning and policy, language | CEO, SA Academy for Science and the Arts | Member of the Remuneration and Human | 1 |

| | | | | | | | | |
|------------------------|--------|-------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|---|
| | | | | | politics, language sociology, sociology of translation, sociolinguistic s | | Resources Committee | |
| Dr L Munsamy | Member | 9 Dec 2020 – 8 Dec 2023 | | PhD, MPA, Disaster Risk Management | Public Sector Management, Disaster Risk Management, Strategic Management, Project Management | Council member of National Museum; Chairperson of Pension Fund; Chairperson of Governance and Legal Committee of National Museum | Chairperson of the Remuneratio n and Human Resources Committee | 1 |
| Dr W Langeveld t | Member | 9 Dec 2020 – 8 Dec 2023 | | Doctor of Philosophy – Instructional Design and Technology, MA – Councillor Education and Student Development, Interaction Leadership Programme for Africans, Certificate of Achievement in Diplomacy, Psychometrist , Teacher: Higher Bilingual Certificate, BA Education, BA Arts, Primary Teacher's Certificate | Research (history of Southern Africa) | N/A | Member of the Remuneratio n and Human Resources Committee | 1 |
| Mr JJ Saal | Member | 9 Dec 2020 – 8 Dec 2023 | | BA (Hons) (Linguistics) National Diploma in Technical Financial Accounting | Human resources; Labour relations; Audit | N/A | Member of Audit and Risk Committee | 1 |
| Mr L Adendorf | Member | 9 Dec 2020 – 8 Dec 2023 | | BTech: Journalism National Diploma: Journalism | Compliance and Ethics Marketing | N/A | Member of Audit and Risk Committee | 1 |
| Mr S Maharaj | Member | 9 Dec 2020 – 8 Dec 2023 | | BCom (Hons) BComp, CA(SA) | Finance, Audit, Risk | Boxing South Africa | Chairperson of Audit and Risk Committee | 1 |
| Ms H Erdmann | Member | 9 Dec 2020 – 8 Dec 2023 | | BA (Psychology, History, Geography) (SU) | Art / photography - curator | N/A | Member of the Remuneratio n and Human Resources Committee | 1 |

| | | | | | | | | |
|--|--|--|--|--------------------------------------------------------------------------------|--|--|--|--|
| | | | | Art History, under-graduate modules, (Unisa) Master's Degree, SU (in progress) | | | | |
|--|--|--|--|--------------------------------------------------------------------------------|--|--|--|--|

- **Alternate members**
The ATM did not have any alternate members on its Council.
- **Outgoing Council members**
The ATM did not have any outgoing Council members for the 2020/2021 financial year. The term of the previous council came to an end on 30 November 2020 in the 2020/2021 financial year, but was extended to 8 December 2020 when the new council was appointed.

Committees

| Committee | No. of meetings held | No. of members | Name of members |
|----------------------------------|----------------------|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Audit and Risk | 4 | 4 (Until 8 Dec 2020) 3 (From 16 Feb 2021) | Chairperson: Prof J Rossouw (Term expired on 8 Dec 2020) Deputy Chairperson: Mr JJ Saal (Term expired on 8 Dec 2020) Member: Prof S van Wyk (Term expired on 8 Dec 2020) Member: Prof J Grobbelaar (Term expired on 8 Dec 2020) Director: Mr MJ Jonas Chief Financial Officer: Ms T Laing Secretary: Ms S de Jager (Until 8 Dec 2020) External Auditors: Mr Jacobus Swarts (AG) Internal Auditors: Mr N de Villiers (BGR) (Term expired on 8 Dec 2020) Chairperson: Mr S Maharaj (From 16 Feb 2021) Member: Mr JJ Saal (From 16 Feb 2021) Member: Mr L Adendorf (From 16 Feb 2021) External member: Vacant (From 16 Feb 2021) Director: Mr MJ Jonas Secretary: Ms T Laing (From 16 Feb 2021) External Auditors: Mr Jacobus Swarts (AG) Internal Auditors: Ms Z Abrams (Nexia SAB&T) (From 15 Mar 2021) |
| Remuneration and Human Resources | 3 | 3 (Until 8 Dec 2020) 4 (From 16 Feb 2021) | Chairperson: Dr W Langeveldt (Term expired on 8 Dec 2020) Deputy Chairperson: Dr L Munsamy (Term expired on 8 Dec 2020) Member: Mr C le Fleur (Term expired on 8 Dec 2020) Director: Mr MJ Jonas Secretary: Ms M Visagie (Until 8 Dec 2020) Chairperson: Dr L Munsamy (From 16 Feb 2021) |

| | | | |
|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Member: Prof SM Beukes (From 16 Feb 2021) Member: Dr W Langeveldt (From 16 Feb 2021) Member: Ms H Erdmann (From 16 Feb 2021) Director / Secretary: Mr MJ Jonas (From 16 Feb 2021) |
|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Remuneration of Council Members

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

ATM Council 1 December 2017 – 8 December 2020

| Name | Remuneration | Other allowance | Other reimbursements | Total |
|-------------------|--------------|-----------------|----------------------|---------|
| Prof EO Saal | R6 327 | R0 | R7 940 | R14 267 |
| Adv P Magona | R1 917 | R0 | R2 410 | R4 327 |
| Mr JJ Saal | R10 452 | R0 | R870 | R11 322 |
| Prof S van Wyk | R8 710 | R0 | R360 | R9 070 |
| Prof J Grobbelaar | R8 710 | R0 | R2500 | R11 210 |
| Dr L Munsamy | R3 484 | R0 | R0 | R3 484 |
| Dr W Langeveldt | R3 659 | R0 | R333 | R3 992 |
| Mr C le Fleur | R3 484 | R0 | R1 666 | R5 150 |

ATM Council 9 December 2020 – 8 December 2023

| Name | Remuneration | Other allowance | Other reimbursements | Total |
|-----------------|--------------|-----------------|----------------------|---------|
| Adv JJ Meiring | R9 811 | R0 | R3 352 | R13 163 |
| Ms SP Tsoleli | R3 659 | R0 | R0 | R3 659 |
| Prof SM Beukes | R5 226 | R0 | R0 | R5 226 |
| Dr L Munsamy | R3 484 | R0 | R0 | R3 484 |
| Dr W Langeveldt | R3 659 | R0 | R0 | R3 659 |
| Mr JJ Saal | R10 452 | R0 | R0 | R10 452 |
| Mr L Adendorf | R6 968 | R0 | R0 | R6 968 |
| Mr S Maharaj | R12 719 | R0 | R0 | R12 719 |
| Ms H Erdmann | R6 968 | R0 | R0 | R6 968 |

5. Risk Management

The ATM has developed a risk-management strategy in conjunction with the internal auditors. Risks are identified throughout the year by staff members, Management, the Audit and Risk Committee as well as Council. All risks are assessed and reported to the Audit and Risk Committee, and Council. A risk assessment is also done by the internal auditors on a yearly basis. Risks identified and assessed are then managed in accordance with the risk-management strategy. The Audit and Risk Committee advises the Management and Council on risk management and monitors the effectiveness of the risk-management system. Risks identified are adequately addressed within the ATM's means.

The ATM identified the Museum building as a high risk as the floor is partly unstable and the deteriorating electrical wiring is a potential fire hazard. Procedures were put in place to mitigate the risks, but ultimately the building needs urgent repairs to properly address the risks. Unfortunately, the ATM lacks the necessary funds, and therefore the DSAC and DPW have been contacted. The DSAC made

funds available with which the ATM painted the exterior wall of the Museum and repaired the roof. A structural engineer was appointed to assess the condition of both the Museum and the Monument. In the latter cracks have formed, which allows for damp to collect in areas under the Monument that is accessible to staff. Both buildings need urgent repairs to ensure no long-term damage. In June 2018 the cost estimate was approximately R6 million for repairs.

Security at the Monument (because of its location on Paarl Mountain) remains a concern for Management, the Audit and Risk Committee as well as Council. A lack of security staff during the day can pose a threat to staff, especially at the entrance to the Monument. Security cameras are needed to monitor certain high-risk areas. The ATM has contracted more security staff during the evenings at both the Monument and Amphitheatre, and also during the day when strict Covid-19 lockdown rules were in place.

The ATM receives funds from the DSAC for payment of the municipal expenses and is paying over these funds to the DPW, who then makes payments to the local municipality. Although the payments are made, the DPW's payments are not regular. For this reason, the ATM has included this as a high-risk item as the risk remains that the electrical and water services may be disconnected. As a popular tourist attraction, the ATM cannot afford for the Monument to be without these basic services.

The ATM also included the impact that the current global Covid-19 pandemic will have in the risk register as the ATM saw a significant decrease in its income for the 2020/2021 financial year, as well as the risk that its staff members will be exposed to the virus. As the ATM is a small entity, each staff member plays a key role in the functioning of the ATM. Measures will be implemented in accordance with the amendments made to the Occupational Health and Safety Act to ensure that the ATM is a safe working environment.

6. Internal Control Unit

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

7. Internal Audit and Audit Committees

Internal Audit

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

Audit Committee

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

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

Attendance of Audit Committee meetings by Audit Committee members:

Period: 1 April 2020 – 8 December 2020

| Name | Qualifications | Internal or external | If internal, position in the public entity | Date appointed | Date Resigned | No. of Meetings attended |
|-------------------------------|-----------------------------------------------------------------------------|----------------------|--------------------------------------------|----------------|---------------|--------------------------|
| Prof J Rossouw (Chairperson) | PhD, BCom Hons, MBA, MCom (Econ) | - | - | 20 Mar 2015 | - | 3 |
| Mr JJ Saal (Vice-chairperson) | BA Hons (Linguistics) National Diploma in Technical Financial Accounting | - | Council member until 30 Nov 2020 | 1 Dec 2017 | - | 3 |
| Prof S van Wyk | DLitt in Afrikaans Literature | - | Council member until 30 Nov 2020 | 20 Mar 2015 | - | 2 |
| Prof J Grobbelaar | DLitt et Phil (sociology), MA, B Soc Sc | - | Council member until 30 Nov 2020 | 20 Mar 2015 | - | 2 |
| Mr MJ Jonas | - | Internal | Director/Chief Executive Officer | 1 June 2016 | - | 3 |
| Ms T Laing | - | Internal | Chief Financial Officer | 1 Sept 2001 | - | 3 |
| Ms S de Jager | - | Internal | Financial Officer | 1 Feb 2015 | - | 3 |
| External auditors | - | External | - | - | - | 3 |
| Internal auditors | - | External | - | - | - | 3 |

Council appointed the Audit and Risk Committee at their first meeting on the 20th of March 2015. Due to his expertise and for the sake of continuity, Prof Rossouw was reappointed as an independent member of the Audit and Risk Committee. The term of the Audit and Risk Committee is the same as that of Council.

Period: 9 December 2020 – 31 March 2021

| Name | Qualifications | Internal or external | If internal, position in the public entity | Date appointed | Date Resigned | No. of Meetings attended |
|----------------------------|-----------------------------------------------------------------------------|----------------------|--------------------------------------------|----------------|---------------|--------------------------|
| Mr S Maharaj (Chairperson) | BCom (Hons) BCompt, CA (SA) | - | Council member until 9 Dec 2023 | 9 Dec 2020 | - | 1 |
| Mr JJ Saal | BA Hons (Linguistics) National Diploma in Technical Financial Accounting | - | Council member until 9 Dec 2023 | 1 Dec 2017 | - | 1 |
| Mr L Adendorf | BTech in Journalism | - | Council member until 9 Dec 2023 | 9 Dec 2020 | - | 1 |

| | | | | | | |
|-------------------|--------------------------------|----------|------------------------------------|-------------|---|---|
| | National Diploma in Journalism | | | | | |
| External member | - | - | Vacant – to be filled by July 2021 | - | - | - |
| Mr MJ Jonas | - | Internal | Director/Chief Executive Officer | 1 June 2016 | - | 1 |
| Ms T Laing | - | Internal | Chief Financial Officer | 1 Sept 2001 | - | 1 |
| External auditors | - | External | - | - | - | 1 |
| Internal auditors | - | External | - | - | - | 1 |

8. Compliance with Laws and Regulations

The ATM strives to comply with all the laws and regulations applicable to the ATM by submitting its financial statements, performance information, strategic plan, annual performance plan and other relevant plans and reports.

9. Fraud and Corruption

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

We receive a monthly update on every allegation of fraud and corruption against officials of the ATM. No complaints were lodged against any officials of the ATM for the period under review.

10. Minimising Conflict of Interest

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

11. Code of Conduct

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

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

12. Health, Safety and Environmental Issues

For the ATM, as for any other establishment, it is important that the staff's health be optimised. The ATM has designated safety representatives and there is a health and safety committee, consisting of two staff representatives per building, that meets quarterly.

Further plans were set in motion to flatten the curve of the Covid-19 pandemic when staff returned to work. A risk-assessment of the ATM's readiness was done, a plan compiled, an information session held to inform all staff, and training scheduled to ensure compliance with the regulations of the Occupational Health and Safety Act. Extra temporary staff members were employed from October to March 2021 to ensure that the necessary protocols are followed when visitors enter the ATM's site.

13. Council Secretary

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

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

14. Social Responsibility

The ATM is involved in several social responsibility initiatives, including a women's empowerment project in collaboration with two women's groups in Paarl and Wellington. Our annual Evening Race is held in aid of the Boland School for Autism, and the ATM sponsors a school with food donations for Mandela Day as well as a free virtual concert for youngsters on Youth Day. We encourage visitors to bring books in aid of our 'Let's Read!' literacy project, and we donate books to women empowerment groups as well as schools. During the year we held two writing competitions; one was for Arabies-Afrikaans, after which we had a function to announce the winners in December and commemorate the emancipation of slaves in South Africa. In addition, staff members each year participate in a Mandela Day outreach programme, delivering food and other parcels, and adopting a local school to support them with excursions and educational aids. On Africa Day, the Taalmonument offers free entry to all visitors from other African countries.

15. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2021.

Audit Committee Responsibilities

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted within the ATM, revealed certain weaknesses, which were then raised with the ATM.

The following internal audit work was completed during the year under review:

- Reviewed supply chain process followed for the appointment of a land surveyor in November 2020
- Readiness review of 2020/2021 financial statements in May 2021

The following were areas of concern:

- Opening balance for Property, Plant and Equipment did not correspond with prior year's annual financial statements (the difference was immaterial)
- Reasonability of reconciliations for applicable balance sheet items (for Property, Plant and Equipment)

In-year Management and Monthly/Quarterly Reports

The ATM has reporting monthly and quarterly to the Treasury as required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the ATM.

Auditor's Report

We have reviewed the ATM's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved, except for following:

- there was not sufficient appropriate audit evidence regarding the revaluation of heritage assets as the ATM did not maintain adequate accounting records

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements, and is of the opinion that the audited financial statements be accepted and read together with the report of the Auditor-General.

Mr S Maharaj CA(SA)
CHAIRPERSON OF THE AUDIT AND RISK COMMITTEE
Afrikaanse Taalmuseum en -monument
31 August 2021

16. B-BBEE Compliance Performance Information

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

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

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

Part D: Human Resources Management

1. Introduction

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

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

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

2. Human Resources Oversight Statistics

Personnel Cost

| Programme | Total Expenditure for the entity (R'000) | Personnel Expenditure (R'000) | Personnel exp. as a % of total exp. (R'000) | No. of employees | Average personnel cost per employee (R'000) |
|----------------------|------------------------------------------|-------------------------------|---------------------------------------------|------------------|---------------------------------------------|
| Administration | 10635 | 5353 | 50% | 26 | 206 |
| Business Development | 1681 | 850 | 51% | 2 | 425 |
| Public Engagement | 146 | 138 | 94% | 1 | 138 |

Personnel cost by salary band

| Level | Personnel Expenditure (R'000) | % Of personnel exp. to total personnel cost (R'000) | No. of employees | Average personnel cost per employee (R'000) |
|--------------------------|-------------------------------|-----------------------------------------------------|------------------|---------------------------------------------|
| Top Management | 1 329 | 21% | 1 | 1 329 |
| Senior Management | 1 992 | 31% | 4 | 498 |
| Professionally qualified | 1 622 | 26% | 7 | 232 |
| Skilled | 726 | 11% | 5 | 145 |
| Semi-skilled | 672 | 11% | 12 | 56 |
| Unskilled | 0 | 0 | 0 | 0 |
| TOTAL | 6 341 | 100% | 29 | 2 260 |

Performance Rewards

| Level | Performance rewards | Personnel Expenditure (R'000) | % Of performance rewards to total personnel cost (R'000) |
|--------------------------|---------------------|-------------------------------|----------------------------------------------------------|
| Top management | 1 | 33 | 28% |
| Senior management | 44 | 48 | 40% |
| Professionally qualified | 7 | 31 | 26% |
| Skilled | 5 | 5 | 4% |
| Semi-skilled | 4 | 2 | 2% |
| Unskilled | 0 | 0 | 0 |
| TOTAL | 21 | 119 | 100% |

Training Costs

| Personnel Expenditure (R'000) | Training Expenditure (R'000) | Training Expenditure as a % of Personnel Cost. | No. of employees trained | Avg. training cost per employee |
|-------------------------------|------------------------------|------------------------------------------------|--------------------------|---------------------------------|
| 6341 | 51 | 1% | 21 | 2 |

Employment and vacancies

| Level | 2019/2020 No. of Employees | 2020/2021 Approved Posts | 2020/2021 No. of Employees | 2020/2021 Vacancies | % Of vacancies |
|--------------------------|----------------------------|--------------------------|----------------------------|---------------------|----------------|
| Top management | 1 | 1 | 1 | - | - |
| Senior management | 2 | 2 | 4 | - | - |
| Professionally qualified | 7 | 9 | 7 | 1 | 14% |
| Skilled | 7 | 5 | 5 | 1 | 20% |
| Semi-skilled | 18 | 14 | 12 | - | - |
| Unskilled | 0 | 0 | 0 | - | - |
| TOTAL | 35 | 31 | 29 | 2 | 7% |

The Museum Officer position is vacant since 1 December 2020 and there is an ongoing CCMA case regarding the previous Museum Officer.

Employment changes

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

| Salary Band | Employment at beginning of period | Appointments | Terminations | Employment at end of the period |
|--------------------------|-----------------------------------|--------------|--------------|---------------------------------|
| Top management | 1 | 0 | 0 | 1 |
| Senior management | 2 | 0 | 0 | 4 |
| Professionally qualified | 7 | 1 | 2 | 7 |
| Skilled | 6 | 1 | 1 | 5 |
| Semi-skilled | 14 | 0 | 0 | 12 |
| Unskilled | 0 | 0 | 0 | 0 |
| Total | 30 | 2 | 3 | 29 |

Reasons for staff leaving

| Reason | Number | % Of total no. of staff leaving |
|--------------------|----------|---------------------------------|
| Death | 0 | |
| Resignation | 2 | 7% |
| Dismissal | 1 | 3% |
| Retirement | 0 | |
| Ill health | 0 | |
| Expiry of contract | 0 | |
| Other | 0 | |
| Total | 3 | |

Two employees of the professional qualified category resigned and one employee from the skilled category was dismissed, as on 31 March 2021.

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

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

| Levels | MALE | | | | | | | |
|--------------------------|---------|--------|----------|--------|---------|--------|---------|--------|
| | African | | Coloured | | Indian | | White | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top Management | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| Professionally qualified | 0 | 1 | 2 | 2 | 0 | 0 | 1 | 1 |
| Skilled | 0 | 1 | 1 | 1 | 0 | 0 | 1 | 1 |
| Semi-skilled | 0 | 0 | 6 | 6 | | | | |
| Unskilled | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 0 | 2 | 11 | 11 | 0 | 0 | 2 | 2 |

| Levels | FEMALE | | | | | | | |
|------------------------|---------|--------|----------|--------|---------|--------|---------|--------|
| | AFRICAN | | COLOURED | | INDIAN | | WHITE | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 1 | 1 | 0 | 0 | 2 | 0 |
| Professional qualified | 0 | 1 | 3 | 3 | 0 | 0 | 1 | 1 |
| Skilled | 0 | 0 | 2 | 2 | 0 | 0 | 1 | 1 |
| Semi-skilled | 0 | 0 | 6 | 6 | 0 | 0 | 0 | 0 |
| Unskilled | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 0 | 1 | 12 | 12 | 0 | 0 | 4 | 4 |

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

Part E: Financial Information

1. Report of the External Auditor

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

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Afrikaans Language Museum and Monument set out on pages 88 to 130, which comprise the Statement of Financial Position as at 31 March 2021, the Statement of Financial Performance, Statement of Changes in Net Assets, Statement of Cash Flows and Statement of Comparison of Budget with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matter described in the 'basis for qualified opinion'-section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Afrikaans Language Museum and Monument as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for qualified opinion

Heritage assets

3. I was unable to obtain sufficient appropriate audit evidence for the revaluation of the heritage assets as the entity did not maintain adequate accounting records. I was unable to confirm the balance by alternative means. Consequently, I was unable to determine whether any adjustment was necessary relating to heritage assets of R2 363 409 as disclosed in note 3 to the financial statements.

Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of my report.
5. I am independent of the entity, in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International code of ethics for professional accountants* (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes), as well as the 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 codes.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

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

Restatement of corresponding figures

8. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2020 have been restated as a result of errors in the financial statements of the entity at, and for the year ended, 31 March 2021.

Other matters

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

Unaudited supplementary schedules

10. The detailed income statement set out on pages 129 and 130 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to the going concern and using the going-concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

13. 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.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings, but not to gather evidence to express assurance.
16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the entity for the year ended 31 March 2021:

| Programmes | Pages in the annual performance report |
|--------------------------------|----------------------------------------|
| Programme 2: business ventures | 39 to 47 |

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not identify any material findings on the usefulness and reliability of the reported performance information for programme 2: business ventures.

Other matters

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 28 to 56 for information on the achievement of planned targets for the year, and management's explanations provided for the under/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

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

Annual financial statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA.
25. Material misstatements of current assets and disclosures identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatement resulted in the financial statements receiving a qualified opinion.

Expenditure management

26. Effective and appropriate steps were not taken to prevent irregular expenditure identified in the current year amounting to R37 744, as required by section 51(1)(b)(ii) of the PFMA. The irregular expenditure was caused by non-compliance relating to procurement and contract management.

Other information

27. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information, and I do not express an audit opinion or any form of assurance conclusion thereon.
29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I have nothing to report in this regard.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the findings on compliance with legislation included in this report.
32. There was a lack of internal review mechanisms to ensure that misstatements were detected and corrected. This resulted in material misstatements as reported in the basis for qualified opinion.

Auditor General

Cape Town
31 August 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibilities for the audit

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

Financial statements

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

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

2. Annual Financial Statements

Council's Responsibilities and Approval

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

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

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

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

Council has reviewed the ATM's cash-flow forecast for the year to 31 March 2022 and, in the light of this review and the current financial position, it is satisfied that the ATM has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 88 to 130, which have been prepared on the going-concern basis, were approved by Council on 31 August 2021 and were signed on its behalf by:

Approval of annual financial statements



Adv JJ Meiring
Chairperson of Council

Council's Report

Council has pleasure in submitting their report on the annual financial statements of the Afrikaanse Taalmuseum en -monument (ATM) for the year ended 31 March 2021.

2.1 Afrikaanse Taalmuseum en -monument

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

2.2 Nature of business

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

2.3 Review of financial results and activities

The annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice and the requirements of the Public Finance Management Act, 1999 (No.1 of 1999 as amended by Act 29 of 1999). The accounting policies have been applied consistently compared to the prior year. Full details of the financial position, results of operations and cash flows of the ATM are set out in these annual financial statements.

2.4 Council

| | | | |
|-----------------|------------------|---------------|------------------------------|
| Adv JJ Meiring | Chairperson | Non-executive | Appointed 09 December 2020 |
| Ms S Tsoleli | Vice-chairperson | Non-executive | Appointed 09 December 2020 |
| Dr A Beukes | | Non-executive | Appointed 09 December 2020 |
| Mr L Adendorf | | Non-executive | Appointed 09 December 2020 |
| Mr S Maharaj | | Non-executive | Appointed 09 December 2020 |
| Ms H Erdmann | | Non-executive | Appointed 09 December 2020 |
| Dr L Munsamy | | Non-executive | Reappointed 09 December 2020 |
| Dr W Langeveldt | | Non-executive | Reappointed 09 December 2020 |
| Mr JJ Saal | | Non-executive | Reappointed 09 December 2020 |
| Prof EO Saal | | Non-executive | Term ended 30 November 2020 |
| Adv P Magona | | Non-executive | Term ended 30 November 2020 |
| Mr C le Fleur | | Non-executive | Term ended 30 November 2020 |
| Dr J Grobbelaar | | Non-executive | Term ended 30 November 2020 |
| Prof S van Wyk | | Non-executive | Term ended 30 November 2020 |

2.5 Property, plant and equipment

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

At 31 March 2021 the ATM's investment in property, plant and equipment amounted to R3 560 618 (2020: R3 691 243), of which R293 073 (2020: R201 722) was added in the current year through additions.

2.6 Events after the reporting period

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

2.7 Going concern

Council believes that the ATM has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going-concern basis. Council has satisfied itself that the ATM is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

Council is not aware of any new material changes that may adversely impact the ATM. Council is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the ATM.

2.8 Impact of Covid-19

Donations and procurement

Council's opinion is that the ATM is still a going concern even though the strict Covid-19 lockdown in 2020 had a significant impact on the ATM's revenue, especially with regards to entrance fees. The ATM was closed for visitors for six months of the financial year and the second wave of Covid-19 came during the peak of what is normally the ATM's high season. The ATM experienced a decrease in visitor numbers of 57% compared to the same period in the previous financial year.

Although the ATM had seen a significant decrease in its entrance fees, the ATM also received an amount of R611 818 from various private donors during the financial year. These donations are for specific projects and programmes, i.e. public and educational programmes, as well as for research and archival projects. None of these donations were related to Covid-19 or Covid-related programmes.

The ATM had expenditure related to Covid-19 in form of procurement of hand sanitisers, masks, etc. as part of adhering to the amended Occupational Health and Safety Act. No contracts were awarded in relation to any expenditure regarding Covid-19.

Impact on daily operations

The ATM has been closed to the public from 27 March 2020 until 30 September 2020, only re-opening its doors to the public from 1 October 2020. This had a direct impact on the ATM's own generated revenue and it was reliant on the Department of Sport, Arts and Culture for its transfer on a quarterly basis. Due to the closure of the institution and strict restrictions in moved during December 2020, January and February 2021, the ATM had even less visitors than previously anticipated, as well as certain educational and public programmes that could not take place.

Government grants and subsidies

The Department of Sport, Arts and Culture has communicated that the grants and subsidies for the 2020/2021 financial year have been adjusted as follows:

| Type of grant | Original | Adjusted | Additional adjustment | Revised |
|---------------------|--------------------------|---------------------------|-------------------------|--------------------------|
| Operational subsidy | 10 939 000 | (1 000 000) | (228 000) | 9 711 000 |
| Capital works grant | <u>5 687 000</u> | <u>(2 500 000)</u> | - | <u>3 187 000</u> |
| Total | <u>16 626 000</u> | <u>(3 500 000)</u> | <u>(228 000)</u> | <u>12 898 000</u> |

The Department of Sport, Arts and Culture has communicated that the grants and subsidies for the 2021/2022 financial year has been adjusted as follows:

| Type of grant | Original |
|---------------------|--------------------------|
| Operational subsidy | 11 512 000 |
| Capital works grant | <u>5 736 090</u> |
| | <u>17 248 090</u> |

Director's Report

The director presents the annual report, which forms part of the audited financial statements of the entity for the year ended 31 March 2021.

3.1 Legal form and country of incorporation

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

3.2 Principal activities of the entity

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

3.3 Geographical location and segmentation

The ATM is situated at the following addresses:
Language Museum and administration – 11 Pastorie Avenue, Paarl
Language Monument – Gabbema Street, Paarl Mountain

3.4 Statement of responsibility

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

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

The financial statements have been prepared in accordance with the prescribed effective standards of GRAP, including any interpretations, guidelines and directives issued by the Accounting Standards Board, including Generally Accepted Accounting Practices (GAAP), which includes any interpretations of such statements issued by the Accounting Practices Board.

3.5 Operating results

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

3.6 Property, plant and equipment

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

3.7 Director and chief financial officer

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

3.8 Events subsequent to balance sheet date

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



Mr MJ Jonas
DIRECTOR
31 August 2021

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position as at 31 March 2021

| | <u>Note</u> <u>s</u> | <u>2021</u> <u>R</u> | <u>2020</u> <u>R</u> |
|--------------------------------------------|-------------------------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | 5 925 171 | 6 058 490 |
| Property, plant and equipment | 2 | 3 560 618 | 3 691 243 |
| Heritage assets | 3 | 2 363 409 | 2 363 409 |
| Intangible assets | 4 | 1 144 | 3 838 |
| Current assets | | 10 765 567 | 7 961 940 |
| Inventories | 5 | 53 086 | 78 141 |
| Receivables from exchange transactions | 6 | 119 846 | 134 147 |
| Receivables from non-exchange transactions | 7 | 500 000 | - |
| Investments | 8 | 9 585 328 | 6 795 722 |
| Cash and cash equivalents | 9 | 507 307 | 953 930 |
| Total assets | | 16 690 738 | 14 020 430 |
| NET ASSETS AND LIABILITIES | | | |
| Net assets | | 9 256 394 | 9 422 819 |
| Accumulated surplus | | 6 894 669 | 7 061 094 |
| Revaluation reserve | 10 | 2 361 725 | 2 361 725 |
| Liabilities | | | |
| Non-current liabilities | | - | 68 028 |
| Retirement benefit obligation | 13 | - | 68 028 |
| Current liabilities | | 7 434 344 | 4 529 583 |
| Trade and other payables | 11 | 360 203 | 240 397 |
| Employee benefit obligation | 12 | 94 588 | 112 221 |
| Retirement benefit obligation | 13 | - | 44 532 |
| Unspent government grants and subsidies | 14 | 6 979 553 | 4 132 433 |
| Total liabilities | | 7 434 344 | 4 597 611 |
| Total net assets and liabilities | | 16 690 738 | 14 020 430 |

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Performance for the year ended 31 March 2021

| | <u>Notes</u> | <u>2021</u> <u>R</u> | <u>2020</u> <u>R</u> |
|-----------------------------------------|--------------|-------------------------|-------------------------|
| Revenue from non-exchange transactions | 15 | 11 428 592 | 12 362 772 |
| Revenue from exchange transactions | 16 | 551 714 | 2 190 773 |
| Operating expenses | 17 | <u>(12 450 845)</u> | <u>(14 663 249)</u> |
| Operating surplus | 18 | (470 539) | (109 704) |
| Investment revenue | 23 | 315 247 | 301 402 |
| Fair value adjustments | 24 | (9 088) | (39 245) |
| Finance costs | 25 | <u>(2 045)</u> | <u>(9 849)</u> |
| (Deficit) / Surplus for the year | | <u>(166 425)</u> | <u>142 604</u> |

Statement of Changes in Net Assets

| | <u>Revaluation reserve</u> <u>R</u> | <u>Accumulated surplus</u> <u>R</u> | <u>Total net assets</u> <u>R</u> |
|---------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------|
| Balance at 01 April 2019 | 1 600 990 | 6 918 490 | 8 519 480 |
| Surplus for the year | - | 142 604 | 142 604 |
| Revaluation of heritage assets | 760 735 | - | 760 735 |
| Balance at 1 April 2020 | <u>2 361 725</u> | <u>7 061 094</u> | <u>9 422 819</u> |
| Deficit for the year | - | (166 425) | (166 425) |
| Balance at 31 March 2021 | <u>2 361 725</u> | <u>6 894 669</u> | <u>9 256 394</u> |
| Notes | 10 | 27 | |

Annual Financial Statements for the year ended 31 March 2021

Statement of Cash Flows

| | <u>Notes</u> | <u>2021</u> <u>R</u> | <u>2020</u> <u>R</u> |
|----------------------------------------------------|--------------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash receipts from government grants and subsidies | | 12 898 000 | 13 976 000 |
| Cash receipts from donations | | 611 818 | 375 520 |
| Cash receipts from own income | | 551 225 | 2 204 560 |
| Cash paid to suppliers | | (5 257 894) | (7 580 267) |
| Cash paid to employees | | (6 482 380) | (6 073 112) |
| Cash generated from (used in) operations | 26 | 2 320 769 | 2 902 701 |
| Interest income | | 315 247 | 301 402 |
| Finance costs | | - | (9 849) |
| Net cash flows from operating activities | | 2 636 016 | 3 194 254 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | 2 | (293 073) | (201 722) |
| Sale of property, plant and equipment | 2 | - | 200 |
| Sale of other intangible assets | 4 | 40 | - |
| Purchase of investments | | (3 496 191) | (3 523 388) |
| Proceeds from sale of investments | | 706 585 | 597 252 |
| Purchase of heritage assets | 3 | - | (1 200) |
| Net cash from investing activities | | (3 082 639) | (3 128 858) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Total cash movement for the year | | (446 623) | 65 396 |
| Cash at the beginning of the year | | 953 930 | 888 534 |
| Total cash at end of the year | 9 | 507 307 | 953 930 |

Annual Financial Statements for the year ended 31 March 2021

Statement of Comparison of Budget and Actual Amounts

| | <u>Approved Budget</u> | <u>Adjustments</u> | <u>Final budget</u> | <u>Actual amounts on comparable basis</u> | <u>Difference between final budget and actual</u> |
|----------------------------------------------------------------------------------|----------------------------|--------------------|---------------------|-------------------------------------------------------|---------------------------------------------------------------|
| Receipts | | | | | |
| Own income | 2 696 201 | (604 957) | 2 091 244 | 866 512 | (1 224 732) |
| Donations | - | - | - | 611 818 | 611 818 |
| Grant revenue | 16 626 000 | (3 728 000) | 12 898 000 | 12 898 000 | - |
| | 19 322 201 | (4 332 957) | 14 989 244 | 14 376 330 | (612 914) |
| Payments | | | | | |
| Administration costs | 12 292 347 | (3 967 557) | 8 324 790 | 5 550 967 | 2 773 823 |
| Employee benefit costs | 7 029 854 | (365 400) | 6 664 454 | 6 482 380 | 182 074 |
| | 19 322 201 | (4 332 957) | 14 989 244 | 12 033 347 | 2 955 897 |
| Net Receipts | | | | 2 342 983 | 2 342 983 |
| | | | | | Note 36 |
| Net receipts per the Statement of Comparison of Budget and Actual Amounts | | | | | 2 342 983 |
| Basis differences | | | | | |
| Cash flows from operating activities | | | | | |
| Working capital changes – inventories | | | | | (25 055) |
| Working capital changes - receivables | | | | | (14 301) |
| Working capital changes - trade payable | | | | | (119 806) |
| Working capital changes - unspent grants | | | | | (2 847 120) |
| Working capital changes - retirement benefit obligation | | | | | 11 133 |
| Working capital changes - employee benefit obligation | | | | | 17 633 |
| Movement in receivables from non-exchange transactions | | | | | 500 000 |
| Non-cash flow item - retirement benefit obligation: fair value adjustment | | | | | (9 088) |
| Non cash flow item - retirement benefit obligation: interest cost | | | | | (2 045) |
| Non cash flow item - retirement benefit obligation reversal | | | | | 112 560 |
| Revenue - services in kind | | | | | 265 893 |
| Expenses - services in kind | | | | | (265 893) |
| Loss on sale of assets | | | | | (10 292) |
| Depreciation, amortisation and impairments | | | | | (416 060) |
| Cash flows from investing activities | | | | | |
| Purchases of property, plant and equipment | | | | | 293 073 |
| Proceeds on sale of intangible assets | | | | | (40) |
| Deficit per the Statement of Financial Performance | | | | | (166 425) |

Notes to the Annual Financial Statements for the year ended 31 March 2021

Accounting Policies

1 Basis of preparation and summary of significant accounting policies

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

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

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

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

| | R |
|------|--------|
| 2021 | 35 755 |
| 2022 | 15 413 |
| 2023 | 15 413 |
| 2024 | 1 698 |

Allowance for slow-moving, damaged and obsolete inventory

Management assesses whether inventory is impaired by comparing its cost to its estimated selling price less cost to complete and sell. Where an impairment is necessary, inventory items are written off to selling price minus cost to complete and sell. The written-off articles are included in operating expenses, note 17.

Impairment testing

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

asset, Management assesses the recoverable amount for the cash-generating unit to which the asset belongs.

Post-employment benefits

Determining the post-employment benefit liability requires an estimation of the expected future life expectancy of the retired employees on whose behalf the contributions are being made as well as an estimation of the expected annual contributions during that period. The carrying amount of the employment benefit liability at the reporting date was RNil (2020 - R44 532), and was calculated using the official life expectancy of the retired employees and discounting the current annual contributions over that period at the official interest rates.

Cash generating assets and non-cash generating assets

Value in use of cash generating asset

The ATM 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 cash flows 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, together with economic factors such as inflation and interest.

Value in use of non-cash generating asset

The ATM reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Services in kind: Fair value of 'free' rental of buildings

The ATM used property rental agents to determine the fair rental value of the Taalmonument and Amphitheatre and used quoted rental prices of other properties located in the same location as the Taalmuseum. Characteristics, circumstances and location of the buildings were used in determining the fair value. The Taalmuseum is ideally situated in an area where office space is in high demand and has easy access to other businesses and parking. The Taalmonument and Amphitheatre are located in a remote location with no other surrounding businesses, and access to the area is more challenging.

Covid-19

The extents of the impact of Covid-19 and key assumptions on carrying value of assets and liabilities within the financial year are uncertain and cannot be predicted.

Notes to the Annual Financial Statements for the year ended 31 March 2021

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the ATM holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the ATM, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment as well as 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the ATM and the cost can be measured reliably. Day-to-day servicing costs are included in surplus or deficit in the period in which they are incurred.

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

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

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

| Item | Depreciation method | Average useful life |
|------------------------|----------------------------|----------------------------|
| Buildings | Straight line | 10 to 50 years |
| Furniture and fittings | Straight line | 3 to 25 years |
| Motor vehicles | Straight line | 5 to 15 years |

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

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

Notes to the Annual Financial Statements for the year ended 31 March 2021

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

1.3 Heritage assets

Initial recognition and measurement

Heritage asset items are recognised as assets when it is probable that future economic benefits or service potential associated with the item will flow to the entity and if the cost of the fair value can be reliably measured.

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

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

Subsequent measurement

After recognition of an asset, a class of assets, whose fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses. Revaluations shall be made 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.

Impairment

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

1.4 Financial instruments

The ATM has various types of financial instruments and these can be broadly categorised as either Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement. The ATM only recognises a financial instrument when it becomes a party to the contractual provisions of the instrument.

Initial recognition

Financial assets and liabilities are recognised in the ATM's Statement of Financial Position when the ATM becomes party to the contractual provisions of the instrument.

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

Fair value methods and assumptions

The fair value of financial instruments is determined as follows:

- The fair values of quoted investments are based on current bid prices.

Notes to the Annual Financial Statements for the year ended 31 March 2021

If the market for a financial asset is not active (and for unlisted securities), the ATM established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash-flow analysis, and option-pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset and financial liability.

Amortised cost

Amortised cost 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 for impairment or uncollectability.

Financial Assets - Classification

A financial asset is any asset that represents cash or contractual right to receive cash or another financial asset from another entity.

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

- (a) derivatives;
- (b) combined instruments that are designated at fair value;
- (c) instruments held for trading;
- (d) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
- (e) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost. Financial assets measured at cost are investments in residual interest that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

Notes to the Annual Financial Statements for the year ended 31 March 2021

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

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

Cash includes cash on hand (including petty cash) and cash with banks. Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purpose of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks, net of bank overdrafts. The ATM categorises cash and cash equivalents as financial assets: financial assets at amortised cost.

Financial liabilities - Classification

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

There are three main categories of Financial Liabilities, the classification determining how they are measured. Financial liabilities may be measured at:

Financial liabilities measured at fair value;

Financial liabilities measured at amortised cost; or

Financial liabilities measured at cost.

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

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

Financial liabilities that are measured at fair value are financial liabilities that are essentially held for trading (i.e. purchased with the intention to sell or repurchase in the short term; derivatives other than hedging instruments, or are part of a portfolio of financial instruments where there is recent actual evidence of short-term profiteering, or are derivatives).

Notes to the Annual Financial Statements for the year ended 31 March 2021

Initial and Subsequent Measurement

Financial Assets:

Financial Assets measured at Amortised Cost

Financial assets at amortised cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, these assets are measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis.

Financial Assets measured at Fair Value

Financial assets at fair value are initially measured at fair value, excluding directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in the Statement of Financial Performance.

Financial Liabilities:

Financial liabilities are initially measured at fair value. Subsequently financial liabilities are measured at amortised cost.

1.5 Intangible assets

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

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

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

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

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

1.6 Tax

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

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

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Notes to the Annual Financial Statements for the year ended 31 March 2021

Operating leases - lessee

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

- ❖ Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payment is not that basis; or
- ❖ The payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.8 Inventories

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

Initial recognition and measurement

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost refers to the purchase price plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

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

Subsequent measurement

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

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

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

Derecognition

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

1.9 Impairment of assets

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

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

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

1.10 Impairment of cash generating assets

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

Identification

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

Value in use

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

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

Discount rate

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

Recognition and measurement (individual asset)

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

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.

Cash-generating units

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

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

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

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

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

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

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

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

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

Reversal of impairment loss

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

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

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

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

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

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

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

1.11 Impairment of non-cash-generating assets

Identification

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

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

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

Value in use

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

Depreciated replacement cost approach

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

This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated 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 ATM would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Reversal of an impairment loss

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

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

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

1.12 Employee benefits

Short-term employee benefits

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

Post-retirement benefit

The ATM provides post-employment benefits for its employees. These benefits are provided as either defined contribution plans or defined benefit plans. The ATM identifies as defined contribution plans any post-employment plan in terms of which it has no obligation to make further contributions to the plan over and above the monthly contributions payable on behalf its employees. Any other plans are considered defined benefit plans.

Actuarial gains or losses are recognised in surplus of deficit.

Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in surplus of deficit when the ATM is demonstrably committed to curtailment or settlement.

1.13 Revenue from non-exchange transactions

Revenue from non-exchange transactions arises when the Museum either receives value from another entity without directly giving approximately equal value in exchange, or gives values to another entity without directly receiving approximately equal value in exchange.

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

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

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

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

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

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

1.14 Revenue from exchange transactions

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

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

1.15 Irregular and fruitless and wasteful expenditure

Irregular expenditure incurred in contravention of, or that is not in accordance with a requirement of any applicable legislation, including the Public Finance Management Act no. 1999 (as amended by Act no. 29 of 1999), or any regulations made in terms of this act.

Notes to the Annual Financial Statements for the year ended 31 March 2021

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

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

Fruitless expenditure means expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

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

1.16 Related parties

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

Included are transactions that occurred between the ATM and any one or more related parties, and those transactions were not within:

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

Further details about those transactions are disclosed in note 26 to the financial statements.

1.17 Changes in accounting policies, estimates and errors

Changes in accounting policies that are affected by Management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases, the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements.

Correction of errors is applied retrospectively to the date at which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impractical to determine the period-specific effects or the cumulative effect of the error. In such cases, the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Notes to the Annual Financial Statements for the year ended 31 March 2021

1.18 Budget Information

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

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

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

1.19 Events after the reporting date

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

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

1.20 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence and decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is determined as 1% of total revenue recognised. This materiality is from Management's perspective and does not correlate with the auditor's materiality.

1.21 New standards and interpretations

There are no new GRAP standards that have been issued that are not yet effective applicable to the ATM.

Notes to the Annual Financial Statements for the year ended 31 March 2021

2. Property, Plant and Equipment

| | 2021 | | | 2020 | | |
|--------------------------|------------------|--------------------------|------------------|------------------|--------------------------|------------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Buildings | 3 377 307 | (561 269) | 2 816 038 | 3 083 546 | (448 817) | 2 634 729 |
| Capital work in progress | - | - | - | 109 020 | - | 109 020 |
| Furniture and fittings | 2 216 904 | (1 629 606) | 587 298 | 2 150 198 | (1 452 349) | 697 849 |
| Motor vehicles | 705 210 | (547 928) | 157 282 | 705 210 | (455 565) | 249 645 |
| Total | 6 299 421 | (2 738 803) | 3 560 618 | 6 047 974 | (2 356 731) | 3 691 243 |

Reconciliation of property, plant and equipment - 2021

| | Opening balance | Additions | Disposals | Transfers | Depreciation | Total |
|--------------------------|------------------|----------------|-----------------|-----------|------------------|------------------|
| Buildings | 2 634 729 | - | - | 293 761 | (112 452) | 2 816 038 |
| Capital work in progress | 109 020 | 184 741 | - | (293 761) | - | - |
| Furniture and fixtures | 697 849 | 108 332 | (10 331) | - | (208 552) | 587 298 |
| Motor vehicles | 249 645 | - | - | - | (92 363) | 157 282 |
| Total | 3 691 243 | 293 073 | (10 331) | - | (413 367) | 3 560 618 |

Reconciliation of property, plant and equipment - 2020

| | Opening balance | Additions | Disposals | Depreciation | Impairment loss | Total |
|--------------------------|------------------|----------------|----------------|------------------|------------------|------------------|
| Buildings | 2 747 759 | - | - | (113 030) | - | 2 634 729 |
| Capital work in progress | - | 109 020 | - | - | - | 109 020 |
| Furniture and fixtures | 1 039 328 | 92 702 | (5 248) | (286 287) | (142 646) | 697 849 |
| Motor vehicles | 348 488 | - | - | (98 843) | - | 249 645 |
| Total | 4 135 575 | 201 722 | (5 248) | (498 160) | (142 646) | 3 691 243 |

Property, plant and equipment encumbered as security

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

Changes in estimates

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

Based on this analysis, the useful lives of buildings and furniture and fittings have been revised. The impact of the change is a reduction in the annual depreciation charge for the current financial year of R35 755. Useful lives of furniture and fittings were also revised in 2020.

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|----------------------------------------------------------------------------------|------------------|------------------|
| | <u>R</u> | <u>R</u> |
| Capital commitments | | |
| Buildings | <u>5 736 090</u> | <u>3 187 000</u> |
| Repairs and maintenance | | |
| Expenditure incurred on repairs and maintenance to property, plant and equipment | <u>107 210</u> | <u>146 463</u> |
| Capital work in progress | | |
| Cumulative expenditure incurred | <u>-</u> | <u>109 020</u> |

A deposit amounting to R136 275 was paid to Schmidt Enterprises on 18 January 2019 for the construction of a fence on the ATM's premises. Construction of the fence commenced in July 2019 and a further payment of R45 240 was made during November 2019. After this payment was made, the approval obtained from the local municipality was questioned and construction was temporarily halted. After further approval was obtained in January 2020, the contractor indicated that they will be able to commence construction work during March 2020 with the project to be completed by 30 April 2020. Due to the outbreak of the global Covid-19 pandemic and the lockdown imposed by the President, all construction work was ceased. Planned commencement of the last stage of this project is planned for July 2020. The contracted price of the project is R272 550 and at year end the project was 40% complete. The project was completed during the current financial year.

Detail of properties

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|--|-------------|-------------|
| | <u>R</u> | <u>R</u> |

3. Heritage Assets

| | 2021 | | | 2020 | | |
|------------------------------------------|---------------------|-----------------------------|-------------------|---------------------|-----------------------------|-------------------|
| | Cost / Valuation | Accumulated depreciation | Carrying value | Cost / Valuation | Accumulated depreciation | Carrying value |
| Artefacts | 1 592 624 | - | 1 592 624 | 1 592 624 | - | 1 592 624 |
| Collection of rare books and manuscripts | 703 770 | - | 703 770 | 703 770 | - | 703 770 |
| Collections of textiles | 67 015 | - | 67 015 | 67 015 | - | 67 015 |
| Total | 2 363 409 | - | 2 363 409 | 2 363 409 | - | 2 363 409 |

Reconciliation of heritage assets – 2021

| | Opening balance | Additions | Revaluation | Total |
|------------------------------------------|--------------------|-----------|-------------|------------------|
| Artefacts | 1 592 624 | - | - | 1 592 624 |
| Collection of rare books and manuscripts | 703 770 | - | - | 703 770 |
| Collections of textiles | 67 015 | - | - | 67 015 |
| Total | 2 363 409 | - | - | 2 363 409 |

Reconciliation of heritage assets – 2020

| | Opening balance | Additions | Revaluation | Total |
|------------------------------------------|--------------------|-------------|----------------|------------------|
| Artefacts | 1 374 189 | - | 218 435 | 1 592 624 |
| Collection of rare books and manuscripts | 165 525 | 1200 | 537 045 | 703 770 |
| Collections of textiles | 61 760 | - | 5 255 | 67 015 |
| Total | 1 601 474 | 1200 | 760 735 | 2 363 409 |

Repairs and maintenance

| | | |
|--------------------------------------------------------------------|---|-------|
| Expenditure incurred on repairs and maintenance to heritage assets | - | 5 261 |
|--------------------------------------------------------------------|---|-------|

Pledged as security

No heritage assets have been pledged as security.

During 2019/2020 financial year, the Museum purchased two books which forms part of the ATM's book collection. The value of the books is disclosed at cost, as per the invoice the ATM received when the books were purchased.

Notes to the Annual Financial Statements for the year ended 31 March 2021

Revaluation of heritage assets

As per the accounting policy for heritage assets, the ATM did a 5-year revaluation of its heritage asset collection in 2019/2020, effective 01 April 2019. The revaluation was done by an independent valuer that deals with and has the necessary experience in the active antiquities market. The items were valued according to similar and identical pieces in line with the valuer's inventory list, as well as the condition of the item. The prices are not only in terms of estimated market value, but also measured in terms of the factual sales value on request.

4. Intangible assets

| | 2021 | | | 2020 | | |
|-------------------|--------|--------------------------|----------------|--------|--------------------------|----------------|
| | Cost | Accumulated depreciation | Carrying value | Cost | Accumulated depreciation | Carrying value |
| Software licences | 71 303 | (70 159) | 1 144 | 72 602 | (68 764) | 3,838 |

Reconciliation of intangible assets - 2021

| | Opening balance | Additions | Disposals | Amortisation | Total |
|-------------------|-----------------|-----------|-----------|--------------|-------|
| Software licences | 3 838 | - | (1) | (2 693) | 1 144 |

Reconciliation of intangible assets - 2020

| | Opening balance | Additions | Disposals | Amortisation | Total |
|-------------------|-----------------|-----------|-----------|--------------|-------|
| Software licences | 8 176 | - | (1) | (4 337) | 3 838 |

Pledged as security

No intangible assets have been pledged as security.

5. Inventories

| | | |
|-----------------------|--------|--------|
| Inventories for sales | 53 086 | 78 141 |
|-----------------------|--------|--------|

Inventory pledged as security

No items of inventory have been pledged as security.

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> <u>R</u> | <u>2020</u> <u>R</u> |
|---------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| 6. Receivables from exchange transactions | | |
| Trade receivables | 2 631 | 2 181 |
| Prepayments | 117 215 | 131 966 |
| | <u>119 846</u> | <u>134 147</u> |
| Trade and other receivables pledged as security | | |
| No trade and other receivables have been pledged as security. | | |
| Ageing of trade receivables | | |
| Current (0 to 30 days) | 2 434 | 2 181 |
| Amounts due in respect of trading operations | 2 631 | 2 181 |
| Amounts due in respect of other activities | 117 215 | 131 966 |
| | <u>119 846</u> | <u>134 147</u> |
| Trade and other receivables can be analysed as follow: | | |
| Neither past nor due | <u>119 846</u> | <u>134 147</u> |
| 7. Receivables from non-exchange transactions | | |
| Department of Sport, Arts and Culture – Public Arts Presidential Employment Stimulus Programme | 500 000 | - |
| Split between non-current and current portions | | |
| Current assets | 500 000 | - |
| Amounts due in respect of other activities | 500 000 | - |
| 8. Investments | | |
| Short-term investments | | |
| Fixed Deposit – ABSA Bank Limited | 2 752 488 | 2 620 292 |
| Money Market Fund – Sanlam Limited | 501 105 | 479 541 |
| Liquidity Plus – ABSA Bank Limited | 6 331 735 | 3 695 889 |
| | <u>9 585 328</u> | <u>6 795 722</u> |

The money market account and liquidity plus account have no maturity date. The fixed deposit account has a maturity date of 24 May 2021 and will be re-invested on the same day.

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| | <u>R</u> | <u>R</u> |
| 9. Cash and cash equivalents | | |
| Cash and cash equivalents consist of: | | |
| Cash on hand | 25 290 | 109 754 |
| Bank balances | 482 017 | 844 176 |
| | <u>507 307</u> | <u>953 930</u> |
| 10. Revaluation reserve | | |
| Revaluation of heritage assets | | |
| Balance at the beginning of the year | 2 361 725 | 1 600 990 |
| Revaluation during the year | - | 760 735 |
| | <u>2 361 725</u> | <u>2 361 725</u> |
| Heritage assets were revalued by an independent valuator and was valued using calculations of similar and identical pieces, according to the valuator's stock list of the past 12 years. The prices are not only in terms of estimated market value, but also measured in terms of factual sales value on request. | | |
| 11. Trade and other payables | | |
| Trade payables | 343 403 | 223 597 |
| Amounts received in advance | - | 16 800 |
| Other payables | 16 800 | - |
| | <u>360 203</u> | <u>240 397</u> |
| Ageing of trade payables | | |
| Current (0 to 30 days) | 343 403 | 223 597 |
| Amounts due in respect of trading operations | 343 403 | 223 597 |
| Amounts due in respect of other activities | 16 800 | 16 800 |
| | <u>360 203</u> | <u>240 397</u> |
| 12. Employee benefit obligation | | |
| The amount recognised in the statement of financial position is as follows: | | |
| Carrying value | | |
| Leave pay | 94 588 | 112 221 |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| | <u>R</u> | <u>R</u> |
| 13. Retirement benefits | | |
| Post-retirement medical aid | | |
| The benefit entails a two-thirds subsidy on the monthly medical contribution of the one retired staff member's choice. The discount rate is based on the official interest rates at year-end. There is no cumulative post-employment obligation for medical costs. | | |
| During the year, the retired staff member, who belonged to the medical aid fund died, resulting in the post-retirement medical aid ceasing to exist. | | |
| Reconciliation of opening and closing balances of post-employment benefit liability | | |
| Opening balance | 112 560 | 106 118 |
| Net expense / (income) recognised in surplus | <u>(112 560)</u> | <u>6 442</u> |
| | <u>-</u> | <u>112 560</u> |
| Net expense / (income) recognised in surplus | | |
| Interest cost | 2 045 | 9 849 |
| Fair value adjustment | 9 088 | 39 245 |
| Benefits paid | (11 133) | (42 652) |
| Reversal of benefits - member deceased | <u>(112 560)</u> | <u>-</u> |
| | <u>(112 560)</u> | <u>6 442</u> |
| Key assumptions used | | |
| Expected future life expectancy | 0 years | 3.31 years |
| Expected annual contributions | 11 133 | 42 652 |
| Official interest rate | 8.75% | 8.75% |
| Split between non-current and current portions | | |
| Non-current liabilities | - | 68 028 |
| Current liabilities | <u>-</u> | <u>44 532</u> |
| | <u>-</u> | <u>112 560</u> |
| 14. Unspent government grants and subsidies | | |
| Government grants | <u>6 979 553</u> | <u>4 132 433</u> |
| Split between non-current and current portions | | |
| Current liabilities | <u>6 979 553</u> | <u>4 144 933</u> |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|----------------------------------------------------------------------------------------------|-------------------|-------------------|
| | <u>R</u> | <u>R</u> |
| Government grants and subsidies | | |
| Department of Sport, Arts and Culture: Subsidy – unconditional | 7 503 000 | 7 829 000 |
| Department of Sport, Arts and Culture: Capital works grant – conditional | 816 281 | 844 948 |
| Department of Sport, Arts and Culture: GRAP 103 grant – conditional | 23 600 | 362 100 |
| Department of Sport, Arts and Culture: Municipal expense grant – conditional | 1 303 000 | 1 234 000 |
| Department of Sport, Arts and Culture: Leasing of private owned property grant – conditional | 358 000 | 339 000 |
| Department of Sport, Arts and Culture: Compliance grant – conditional | 547 000 | 993 000 |
| | <u>10 550 881</u> | <u>11 602 048</u> |

The ATM received the following services in kind from the Department of Sport, Arts and Culture and from the Department of Public Works. These services in kind were recognised in the Statement of Financial Performance.

| | | |
|-----------------------------------|----------------|----------------|
| Rent – Department of Public Works | 265 893 | 251 792 |
| Expenses Paid – Historium Trust | - | 133 412 |
| | <u>265 893</u> | <u>385 204</u> |

The buildings, owned by the Department of Public Works, are occupied free of charge. The Museum received a letter from the Department of Sport, Arts and Culture confirming the user charge for both the current and previous financial year instead of using the fair value determined by using property rental agents as in previous reporting periods.

Certain expenses relating to the institution's 45th birthday festival was paid directly by the Historium Trust on behalf of the ATM in the previous financial year.

16. Revenue from exchange transactions

| | | |
|------------------------------------------|----------------|------------------|
| Business venture | 94 394 | 526 028 |
| Course fees | 14 350 | 34 700 |
| Entrance fees | 363 170 | 1 457 544 |
| Funding and marketing | 21 355 | 62 194 |
| Insurance claims | 16 325 | 9 680 |
| Profit on sale of assets and liabilities | 39 | - |
| Sale of goods | 41 371 | 79 966 |
| Sundry income | 710 | 20 661 |
| | <u>551 714</u> | <u>2 190 773</u> |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------------------------------------------------------|-------------------|-------------------|
| | <u>R</u> | <u>R</u> |
| 17. Operating expenses | | |
| Administration costs | 5 258 358 | 7 446 924 |
| Audit fees | 435 373 | 519 959 |
| Depreciation, amortisation and impairments | 416 060 | 645 144 |
| Employee benefit costs | 6 341 054 | 6 051 222 |
| | <u>12 450 845</u> | <u>14 663 249</u> |
| 18. Operating deficit | | |
| Operating deficit for the year is stated after accounting for the following: | | |
| Operating lease charges | | |
| Premises | | |
| ❖ Contractual amounts | 657 551 | 648 683 |
| Equipment | | |
| ❖ Contractual amounts | 40 476 | 43 158 |
| | <u>698 027</u> | <u>691 841</u> |
| Loss on sale of property, plant and equipment | (10 331) | (5 048) |
| Surplus / (loss) on sale of Intangible assets | 39 | (1) |
| Impairment on property, plant and equipment | - | 142 647 |
| Amortisation of Intangible assets | 2 693 | 4 337 |
| Depreciation on property, plant and equipment | 413 367 | 498 160 |
| Employee costs | 6 341 054 | 6 051 222 |
| Research and development costs | - | 92 |
| Purchases of inventories | 25 326 | 79 576 |
| | <u>6 341 054</u> | <u>6 051 222</u> |
| 19. Employee cost | | |
| Basic and bonuses | 5 254 946 | 4 949 603 |
| Medical aid – company contributions | 227 071 | 225 500 |
| Unemployment Insurance Fund | 32 511 | 36 191 |
| Workman’s Compensation | 14 266 | 11 669 |
| Leave pay provision charge | (17 633) | 10 913 |
| Housing subsidy | 165 143 | 164 000 |
| Leave gratuity | 28 095 | 11 421 |
| Pension fund contributions | 749 215 | 641 925 |
| Post-employment benefits | (112 560) | - |
| | <u>6 341 054</u> | <u>6 051 222</u> |
| 20. Depreciation, amortisation and impairments | | |
| The following items are included within depreciation, amortisation and impairments: | | |
| Depreciation | | |
| Property, plant and equipment | <u>413 367</u> | <u>498 160</u> |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| | <u>R</u> | <u>R</u> |
| Amortisation | | |
| Intangible assets | 2 693 | 4 337 |
| Total depreciation, amortization and impairments | | |
| Depreciation | 413 367 | 498 160 |
| Amortisation | 2 693 | 4 337 |
| Impairments | - | 142 647 |
| | <u>416 060</u> | <u>645 144</u> |
| 21. Operating lease | | |
| Within one year | 30 888 | 30 888 |
| Second to fifth year inclusive | 54 786 | 85 674 |
| | <u>85 674</u> | <u>116 562</u> |
| <p>At the reporting date, the ATM has outstanding commitments under non-cancellable operating leases. Operating lease payments represents rentals for office equipment. The leases are negotiated for a term of five years and are fixed for the duration of the lease agreement.</p> | | |
| 22. Auditor's remuneration | | |
| Fees | <u>435 373</u> | <u>519 959</u> |
| 23. Investment revenue | | |
| Interest revenue | | |
| Bank and investments | <u>315 247</u> | <u>301 402</u> |
| 24. Fair value adjustments | | |
| Post-retirement fund obligation | <u>9 088</u> | <u>39 245</u> |
| 25. Finance costs | | |
| Interest cost on post-retirement benefit obligation | <u>2 045</u> | <u>9 849</u> |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------------------------|-------------------------|-------------------------|
| | <u>R</u> | <u>R</u> |
| 26. Cash generated from operations | | |
| (Deficit) / surplus before taxation | (166 425) | 142 604 |
| Adjustments for: | | |
| Depreciation and amortisation | 416 060 | 502 497 |
| Loss on sale of assets and liabilities | 10 292 | 5 049 |
| Interest received | (315 247) | (301 402) |
| Finance costs – post retirement fund obligation | 2 045 | 9 849 |
| Fair value adjustment – post retirement fund obligation | 9 088 | 39 245 |
| Impairment deficit | - | 142 647 |
| Reversal of benefit - post retirement fund obligation | (112 560) | - |
| Movements in retirement benefit liabilities | (11 133) | (32 803) |
| Movements in receivables from non-exchange transactions | (500 000) | - |
| Revenue: services in kind | (265 893) | (385 204) |
| Expenses: services in kind | 265 893 | 385 204 |
| Changes in working capital: | | |
| Inventories | 25 055 | 1 679 |
| Receivables from exchange transactions | 14 301 | 68 675 |
| Trade and other payables | 119 806 | (60 203) |
| Unspent government grants and subsidies | 2 847 120 | 2 373 951 |
| Employee benefit obligation | (17 633) | 10 913 |
| | <u>2 320 769</u> | <u>2 902 701</u> |

27. Prior period adjustments

27.1 Trade payables, unspent government grants and subsidies, revenue from non-exchange transactions and administration costs

Administration costs for 2020 was understated by R160 078 in the Statement of Financial Performance, and trade and other payables was understated by R160 078 in the Statement of Financial Position in 2020. Revenue from non-exchange transactions is understated by R12 500 in the Statement of Financial Performance, and unspent government grants and subsidies is overstated by R12 500 in the Statement of Financial Position due to the accrual of R12 500 now being recognised in 2020.

27.2 Employment benefit obligation

Certain comparative figures have been reclassified. Leave pay accrual was included as part of trade payables and has been reclassified as employee benefit obligation. Trade and other payables are overstated by R112 221, and employee benefit obligation is understated by R112 221 in the Statement of Financial Position.

27.3 Retirement benefit obligation

Certain comparative figures have been reclassified. Retirement benefit obligation of R112 560 was incorrectly disclosed as non-current liabilities instead of current liabilities.

Notes to the Annual Financial Statements for the year ended 31 March 2021

27.4 Services in kind
Revenue from non-exchange transactions relating to services in kind received from the Department of Public Works was overstated by R156 952, and the related administration costs was overstated by R156 952 in the Statement of Financial Performance.

The correction of the error(s) result in adjustments as follow:

| Statement of Financial Position | 2021 | | | | 2020 |
|---------------------------------------------|----------------------------------------------|--------------------|--------------------|--------------------|--------------------------------|
| | R | R | R | R | R |
| | As previously reported: 31 March 2020 | Adjustments | Adjustments | Adjustments | Restated: 31 March 2020 |
| Trade and other payables | (192 540) | (160 078) | 112 221 | - | (240 397) |
| Employee benefit obligation | - | - | (112 221) | - | (112 221) |
| Unspent government grants and subsidies | (4 144 933) | - | - | 12 500 | (4 132 433) |
| Retirement benefit obligation – non-current | (112 560) | 112 560 | - | - | - |
| Retirement benefit obligation – current | - | (112 560) | - | - | (112 560) |
| Accumulated surplus | (7 208 672) | 160 078 | - | (12 500) | (7 061 094) |
| | (11 658 705) | - | - | - | (11 658 705) |

| Statement of Financial Performance | 2021 | | | | 2020 |
|----------------------------------------|----------------------------------------------|--------------------|--------------------|--------------------|--------------------------------|
| | R | R | R | R | R |
| | As previously reported: 31 March 2020 | Adjustments | Adjustments | Adjustments | Restated: 31 March 2020 |
| Revenue from non-exchange transactions | (12 507 224) | - | 156 952 | (12 500) | (12 362 772) |
| Administration costs | 7 443 798 | 160 078 | (156 952) | - | 7 446 924 |
| | (5 063 426) | 160 078 | - | (12 500) | (4 915 848) |

| | |
|-------------------------------------------------------------------------------------|----------------|
| Surplus previously reported at 31 March 2020 | 290 182 |
| Revenue from non-exchange transactions understated: services in kind | (156 952) |
| Revenue from non-exchange transactions understated: government grants and subsidies | 12 500 |
| Administration costs understated | (160 078) |
| Administration costs overstated | 156 952 |
| Surplus restated at 31 March 2020 | 142 604 |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|----------------------------|-------------|-------------------------------------------------------------------|
| | <u>R</u> | <u>R</u> |
| 28. Related parties | | |
| Relationships | | |
| Controlling entity | | Department of Sport, Arts and Culture |
| Affiliated entity | | Department of Public Works |
| Affiliated entity | | Historium Trust |
| Affiliated entity | | Afrikaans Language Committee |
| Member of key management | | Michael Jonas, ATM Director and Trustee of the Historium Trust |
| Member of key management | | Tania Laing, Chief Financial Officer |

Compensation paid to key management

Director's remuneration (chief executive officer)

| | | |
|------------------------------------|------------------|------------------|
| Basic salary | 905 364 | 782 199 |
| Bonuses - 13 th cheques | 75 447 | 71 109 |
| Performance bonus | 32 640 | 30 470 |
| Housing subsidy | 9 600 | 8 800 |
| Medical aid contribution | 13 200 | 12 100 |
| Pension fund contribution | 147 122 | 138 006 |
| | 1 183 373 | 1 042 684 |

Chief financial officer's remuneration

| | | |
|-----------------------------------|----------------|----------------|
| Basic salary | 600 696 | 518 980 |
| Bonuses - 13 th cheque | 50 058 | 47 180 |
| Performance bonus | 22 828 | 21 274 |
| Housing subsidy | 9 600 | 8 800 |
| Medical aid contribution | 13 200 | 12 100 |
| Pension fund contribution | 130 151 | 122 233 |
| | 826 533 | 730 567 |

Transactions with associate undertakings

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

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

2021
R

2020
R

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

Certain expenses relating to the institution's 45th birthday festival was paid directly by the Historium Trust on behalf of the ATM in the previous financial year.

| | | |
|----------------------------------------|----------------|----------------|
| Rent paid – Historium Trust | 389 158 | 396 891 |
| Rent paid – Department of Public Works | 265 893 | 251 792 |
| Expenses Paid – Historium Trust | - | 133 412 |
| | 655 051 | 782 095 |

29. Counsellors' fees

| 2021 | Fees | Expenses | Total |
|-------------------------------------------------------------------|----------------|---------------|----------------|
| Prof EO Saal (Term ended 30 November 2020) | 6 327 | 7 940 | 14 267 |
| Adv P Magona (Term ended 30 November 2020) | 1 917 | 2 410 | 4 327 |
| Dr L Munsamy (Reappointed 09 December 2020) | 6 968 | - | 6 968 |
| Dr W Langeveldt (Reappointed 09 December 2020) | 7 318 | 333 | 7 651 |
| Mr C Le Fleur (Term ended 30 November 2020) | 3 484 | 1 666 | 5 150 |
| Mr JJ Saal (Reappointed 09 December 2020) | 20 904 | 870 | 21 774 |
| Dr J Grobbelaar (Term ended 30 November 2020) | 8 710 | 2 500 | 11 210 |
| Prof S van Wyk (Term ended 30 November 2020) | 8 710 | 360 | 9 070 |
| Prof J Rossouw (independent member) (Term ended 30 November 2020) | 7 668 | 10 359 | 18 027 |
| Mr L Adendorf (Appointed 09 December 2020) | 6 968 | - | 6 968 |
| Adv JJ Meiring (Appointed 09 December 2020) | 9 811 | 3 352 | 13 163 |
| Dr A Beukes (Appointed 09 December 2020) | 5 226 | - | 5 226 |
| Ms S Tsoleli (Appointed 09 December 2020) | 3 659 | - | 3 659 |
| Ms H Erdmann (Appointed 09 December 2020) | 6 968 | - | 6 968 |
| Mr S Maharaj (Appointed 09 December 2020) | 12 719 | - | 12 719 |
| | 117 357 | 29 790 | 147 147 |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> | |
|-------------------------------------|---------------|-----------------|----------------|
| | <u>R</u> | <u>R</u> | |
| 2020 | Fees | Expenses | Total |
| Prof EO Saal | 9 072 | 21 055 | 30 127 |
| Adv P Magona | 9 312 | 2 410 | 11 722 |
| Dr L Munsamy | 2 700 | 13 208 | 15 908 |
| Dr W Langeveldt | 5 751 | 1 360 | 7 111 |
| Mr C Le Fleur | 12 368 | 11 961 | 24 329 |
| Mr JJ Saal | 17 202 | 8 869 | 26 071 |
| Dr J Grobbelaar | 9 668 | 2 999 | 12 667 |
| Prof S van Wyk | 10 035 | 2 882 | 12 917 |
| Prof J Rossouw (independent member) | 6 792 | 19 350 | 26 142 |
| | 82 900 | 84 094 | 166 994 |

Prof J Rossouw is the independent Audit Committee Chairperson appointed by Council for the same term as Council members. Prof J Rossouw's term of office ended 30 November 2020.

30. Commitments

Authorised capital expenditure

| | | |
|--------------------------------------------------|-----------|-----------|
| Not yet contracted for and authorised by Council | 5 736 090 | 3 187 000 |
|--------------------------------------------------|-----------|-----------|

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

The amount of R3 187 000 relates to capital works funding for the financial period 2020/2021 for the construction of the workers cloakroom, a generator and maintenance to be done. The amount of R5 736 090 relates to capital works funding for the financial period 2021/2022 for facilities management and the installation of a generator.

31. Events after the reporting period

Impact of Covid-19

Donations and procurement

Council's opinion is that the ATM is still a going concern although the Covid-19 pandemic and lockdown in 2020 had a significant impact on the ATM's revenue, especially regarding entrance fees. The ATM is expecting that, although visitor numbers should increase, it will be significantly less than pre-Covid-19.

The ATM is not expecting to receive any donations that may relate to Covid-19 and Council is not aware of any such donations.

The ATM is expected to continue to have expenditure related to Covid-19 in form of procurement of hand sanitisers, masks, etc. as part of adhering to the amended Occupational Health and Safety Act. The ATM is not planning to enter into any contracts in relation to any expenditure regarding Covid-19.

Notes to the Annual Financial Statements for the year ended 31 March 2021

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------------------------------|------------------|------------------|
| | <u>R</u> | <u>R</u> |
| 32. Irregular expenditure | | |
| Irregular expenditure | | |
| Opening balance | 9 714 487 | 9 479 509 |
| Expenditure related to current year | 37 744 | 234 978 |
| Expenditure related to previous financial year overstated | (66 811) | - |
| | 9 685 420 | 9 714 487 |

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

Non-compliance with National Treasury Practice Note 8 of 2007/08 where at least three quotations were not obtained and the reasons for deviation was not justified/approved: R37 744.

Prior year expenditure

National Treasury Instruction Note No.3 of 2016/17 paragraph 8 outlines the process to be followed for awards above R500 000 that did not go through competitive bidding processes and quotation processes. National Treasury Practice Note 8 of 2007/08 par. 3.4.1 outlines the processes to be followed for awards above R500 000 while par 3.3.1 of the same practice note outlines the quotation process. The finding raised was incorrectly referenced to the Treasury instruction note instead of the practice note, thus the existing practices followed by the entity regarding the quotation processes - where approval was obtained from the delegated official - is adequate. The non-compliance that should have been reported under National Treasury Note 8 of 2007/08 is to the value of R13 705 and not to the value of R80 516. Management concurs that the procedure was not followed for the awards totalling R13 705, thus it remains irregular expenditure. Therefore, irregular expenditure was overstated by R66 811 in the previous financial year.

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

Non-compliance with National Treasury Practice Note 8 of 2007/08 where at least three quotations were not obtained and the reasons for deviation was not justifiable/approved: R136 462.

Non-compliance with National Treasury Practice Note 7 of 2009/10 where no signed declaration of interest was received from a supplier: R18 000.

Non-compliance with National Treasury Instruction Note 3 of 2016/17 where deviations were entered into without approval from the relevant treasury and thus not valid: R80 516.

33. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure

| | | |
|-----------------|--------|--------|
| Opening balance | 17 954 | 17 954 |
|-----------------|--------|--------|

34. Risk Management

Market Risk

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

Liquidity Risk

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

Sensitivity analysis

At 31 March 2021, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, no significant impact would have been had on the surplus for the year.

Financial assets

Trade and other receivables are at a fixed rate of interest. Management manages interest rate risk by negotiating beneficial rates on floating rate loans and, where possible, using fixed rate loans. Management also has a policy balancing the interest on asset loans with the interest payable on liabilities.

Credit risk

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

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

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

Maximum exposure to credit risk

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

Notes to the Annual Financial Statements for the year ended 31 March 2021

35. Categories of financial instruments

| Categories of financial instruments - 2021 | Notes | Financial assets at amortised cost | Financial liabilities at amortised cost | Leases | Equity and non-financial assets and liabilities | Total |
|--------------------------------------------|-------|------------------------------------|-----------------------------------------|--------|-------------------------------------------------|-------------------|
| Assets | | | | | | |
| Non-current Assets | | | | | | |
| Property, plant and equipment | 2 | - | - | - | 3 560 618 | 3 560 618 |
| Heritage assets | 3 | - | - | - | 2 363 409 | 2 363 409 |
| Intangible assets | 4 | - | - | - | 1 144 | 1 144 |
| | | - | - | - | 5 925 171 | 5 925 171 |
| Current Assets | | | | | | |
| Inventories | 5 | - | - | - | 53 086 | 53 086 |
| Investments | 8 | 9 585 328 | - | - | - | 9 585 328 |
| Trade and other receivables | 6 | 2 631 | - | - | 117 215 | 119 846 |
| Receivables from non-exchange transactions | 7 | - | - | - | 500 000 | 500 000 |
| Cash and cash equivalents | 9 | 507 307 | - | - | - | 507 307 |
| | | 10 095 266 | - | - | 670 301 | 10 765 567 |
| Total Assets | | 10 095 266 | - | - | 6 595 472 | 16 690 738 |
| Net Assets and liabilities | | | | | | |
| Net Assets | | | | | | |
| Revaluation reserve | | - | - | - | 2 361 725 | 2 361 725 |
| Accumulated surplus | | - | - | - | 6 894 669 | 6 894 669 |
| | | - | - | - | 9 256 394 | 9 256 394 |
| Total Net Assets | | - | - | - | 9 256 394 | 9 256 394 |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Trade and other payables | 11 | - | 360 203 | - | - | 360 203 |
| Unspent government grants and subsidies | 14 | - | - | - | 6 979 553 | 6 979 553 |
| Employee benefit obligation | 12 | - | - | - | 94 588 | 94 588 |
| | | - | 360 203 | - | 7 061 641 | 7 434 344 |
| Total Liabilities | | - | 360 203 | - | 7 061 641 | 7 434 344 |
| Total Net Assets and Liabilities | | - | 360 203 | - | 16 330 535 | 16 690 738 |

Notes to the Annual Financial Statements for the year ended 31 March 2021

| Categories of financial instruments - 2020 | Notes | Financial assets at amortised cost | Financial liabilities at amortised cost | Leases | Equity and non-financial assets and liabilities | Total |
|--------------------------------------------|-------|------------------------------------|-----------------------------------------|--------|-------------------------------------------------|-------------------|
| Assets | | | | | | |
| Non-current Assets | | | | | | |
| Property, plant and equipment | 2 | - | - | - | 3 691 243 | 3 691 243 |
| Heritage assets | 3 | - | - | - | 2 363 409 | 2 363 409 |
| Intangible assets | 4 | - | - | - | 3 838 | 3 838 |
| | | - | - | - | 6 058 490 | 6 058 490 |
| Current Assets | | | | | | |
| Inventories | 5 | - | - | - | 78 141 | 78 141 |
| Investments | 8 | 6 795 722 | - | - | - | 6 795 722 |
| Trade and other receivables | 6 | 2 181 | - | - | 131 966 | 134 147 |
| Cash and cash equivalents | 9 | 953 930 | - | - | - | 953 930 |
| | | 7 751 833 | - | - | 210 107 | 7 961 940 |
| Total Assets | | 7 751 833 | - | - | 6 268 597 | 14 020 430 |
| Net Assets and liabilities | | | | | | |
| Net Assets | | | | | | |
| Revaluation reserve | | - | - | - | 2 361 725 | 2 361 725 |
| Accumulated surplus | | - | - | - | 7 061 094 | 7 061 094 |
| | | - | - | - | 9 422 819 | 9 422 819 |
| Total Net Assets | | - | - | - | 9 422 819 | 9 422 819 |
| Liabilities | | | | | | |
| Non-current Liabilities | | | | | | |
| Retirement benefit obligations | 13 | - | - | - | 68 028 | 68 028 |
| Current Liabilities | | | | | | |
| Trade and other payables | 11 | - | 240 397 | - | - | 240 397 |
| Retirement benefit obligation | 13 | - | - | - | 44 532 | 44 532 |
| Unspent government grants and subsidies | 14 | - | - | - | 4 132 433 | 4 132 433 |
| Employee benefit obligation | 12 | - | - | - | 112 221 | 112 221 |
| | | - | 240 397 | - | 4 289 186 | 4 529 583 |
| Total Liabilities | | - | 240 397 | - | 4 357 214 | 4 597 611 |
| Total Net Assets and Liabilities | | - | 240 397 | - | 13 780 033 | 14 020 430 |

Notes to the Annual Financial Statements for the year ended 31 March 2021

36. Statement of Comparison of Budget and Actual Amounts

Basis for Preparation

The Afrikaanse Taalmuseum en -monument (ATM) is registered as a Schedule 3A public entity in accordance with the Public Finance Management Act (PFMA). According to the PFMA, No. 1 of 1999, Section 53(3) the ATM may not budget for a deficit. The ATM uses the cash-based method to prepare its budget with no profit or deficit. The annual financial statement of the ATM is prepared on an accrual basis. The approved budget covers the period from 1 April 2020 until 31 March 2021. During the financial year under review, the ATM adjusted the budget two times.

A reconciliation between the actual amount on a comparable basis, as presented in the statement of comparison of budget and actual amounts, and the actual amounts in the cashflow statement for the period ended 31 March 2021 is presented in the Statement of Comparison of Budget and Actual Amounts. The financial statement and budget documents are prepared for the same period. There is a basis difference: the budget is prepared on a cash basis and the financial statement on the accrual basis.

Receipts

The ATM hosted 17 030 visitors in the 2020/2021 financial year (2020: 64 940 visitors). The ATM experienced a decline in visitors, which in turn resulted in a decline in income generated from entrance fees. The largest contributing factor is that the ATM was closed to the general public from April to September 2020 due to restrictions in movement as a result of Covid-19. Even after the ATM re-opened its doors to the general public on 1 October 2020, the ATM did not receive the number of visitors we are used to. This may be due to a number of factors relating to the effect of the pandemic on national and international tourism.

Although the ATM does not budget for donations/sponsorships (the ATM must still function and be able to fulfil its mandate, even if it means that it will be with less funds), the ATM annually applies to various organisations for specific projects and programmes that form part of our mandate and mission. For the year under review, we received R611 818 in donations/sponsorships that is used for educational programmes, and heritage and research projects. The ATM did not receive any donations relating to Covid-19.

During the financial year, the ATM received funding for capital works projects for the construction of the workers cloakroom (R2 000 000) and for the installation of an emergency generator (R1 187 000). The Department of Sport, Arts and Culture also paid conditional grants for rental expenses, extra operational requirements and cost of compliance during the year under review.

Payments

For the 2020/2021 financial year the ATM hosted events which included concerts with local and well-known artists, full moon picnics and stargazing picnics. The Amphitheatre could not be rented out on an ad hoc-basis as in previous financial years.

The ATM also kicked off its 45th birthday celebrations in February 2020 with a festival and would have kept the celebrations going until October 2020. Due to the outbreak of Covid-19 and the introduction of the lockdown in South Africa, most of the ATM's events have been cancelled, postponed or adapted to a mix of in-person/online productions.

The ATM experienced some staff changes during the financial year - one member retired, one resigned, one was dismissed, one was promoted and another one was appointed.

Notes to the Annual Financial Statements for the year ended 31 March 2021

There are currently two active capital works projects, the workers cloakroom and maintenance of the ATM buildings. During the first two quarters the focus was on finalising the plans for submission to the various bodies who would need to approve the plans for the workers cloakroom. In the 3rd quarter the focus shifted to the maintenance of the fencing, which commenced before the lockdown in March 2020 and was completed by 31 March 2021.

Annual Financial Statements for the year ended 31 March 2021
Detailed Income Statement

| | <u>Note</u> <u>s</u> | <u>2021</u> <u>R</u> | <u>2020</u> <u>R</u> |
|-------------------------------------------------|-------------------------|-------------------------|-------------------------|
| Revenue from non-exchange transactions | | | |
| Government grants | | 10 550 881 | 11 602 048 |
| Services in kind | | 265 893 | 385 204 |
| Donations | | 611 818 | 375 520 |
| | 15 | <u>11 428 592</u> | <u>12 362 772</u> |
| Revenue from exchange transactions | | | |
| Business venture | | 94 394 | 526 028 |
| Courses | | 14 350 | 34 700 |
| Entrance fees | | 363 170 | 1 457 544 |
| Funding and marketing | | 21 355 | 62 194 |
| Insurance claims | | 16 325 | 9 680 |
| Interest received | 23 | 315 247 | 301 402 |
| Profit on sale of property, plant and equipment | | 39 | - |
| Sale of goods | | 41 371 | 79 966 |
| Sundry income | | 710 | 20 661 |
| | | <u>866 961</u> | <u>2 492 175</u> |
| Expenses (Refer to page 44) | | | |
| | | <u>(12 450 845)</u> | <u>(14 663 249)</u> |
| Operating surplus | 18 | (155 292) | 191 698 |
| Fair value adjustments | 24 | (9 088) | (39 245) |
| Finance costs | 25 | (2 045) | (9 849) |
| | | <u>(11 133)</u> | <u>(49 094)</u> |
| (Deficit) / surplus for the year | | <u>(166 425)</u> | <u>142 604</u> |

Annual Financial Statements for the year ended 31 March 2021
Detailed Income Statement

| | <u>Notes</u> | <u>2021</u> | <u>2020</u> |
|------------------------------------------------|--------------|--------------------------|--------------------------|
| | | <u>R</u> | <u>R</u> |
| Operational expenses | | | |
| Advertising and marketing | | 75 216 | 111 465 |
| Auditor's remuneration | 22 | 435 373 | 519 959 |
| Bank charges | | 41 312 | 68 203 |
| Covid-19 expenses | | 55 818 | - |
| Cleaning | | 44 278 | 72 895 |
| Communications | | 16 907 | 7 955 |
| Computer expenses | | 74 167 | 87 037 |
| Consulting and professional fees | | 150 478 | 259 282 |
| Courses | | 8 080 | 36 020 |
| Depreciation, amortisation and impairments | | 416 060 | 645 144 |
| Director's expenses - conferences and meetings | | 8 012 | 51 789 |
| Employee costs | | 6 341 053 | 6 051 220 |
| Entertainment | | 26 866 | 36 797 |
| Exhibitions | | 16 668 | 970 |
| Honorariums | | 117 357 | 133 149 |
| Insurance | | 73 465 | 74 640 |
| Lease rentals on operating lease | | 698 027 | 691 841 |
| Loss on sale of assets and liabilities | | 10 331 | 5 049 |
| Meetings and functions | | 350 275 | 1 180 636 |
| Motor vehicle expenses | | 2 070 | 2 080 |
| Municipal expenses | | 1 386 970 | 1 692 370 |
| Other expenses | | 123 456 | 675 948 |
| Postage | | 2 899 | 8 387 |
| Printing and stationary | | 47 734 | 102 062 |
| Purchase of inventory | | 25 326 | 79 576 |
| Repairs and maintenance | | 1 088 046 | 972 368 |
| Research costs | | - | 92 |
| Security | | 597 975 | 685 440 |
| Subscriptions | | 4 846 | 9 145 |
| Telephone and fax | | 84 812 | 73 352 |
| Training | | 50 539 | 115 771 |
| Transport claims | | 75 423 | 170 999 |
| Uniforms | | 1 006 | 41 608 |
| | | <u>12 450 845</u> | <u>14 663 249</u> |

3. MATERIALITY AND SIGNIFICANCE FRAMEWORK

For the period ending 31 Mart 2021

3.1 Background

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

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

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

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

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

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

3.2 Broad framework for the ATM

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

3.2.1 Materiality level

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

Motivation

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

Factors considered

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

Nature of the ATM's business

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

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

Statutory requirements applicable to the ATM

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

The control and inherent risks associated with the ATM

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

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

3.3 ATM's general approach to qualitative aspects

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

- ❖ New ventures that the ATM may enter into.

- ❖ Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof, owing to knowledge thereof affecting the decision-making of the user of the financial statements.
- ❖ Any fraudulent or dishonest behaviour of an ATM officer or staff member.
- ❖ Any infringement of the ATM's agreed performance levels.
- ❖ Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).
- ❖ Unauthorised, irregular, fruitless and wasteful expenditure.
- ❖ Items of a non-financial nature, which would impact on the continued operation and deliverables of the Entity.

3.4 Framework

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

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

| | | |
|--|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| | (d) any financial assistance received from the state and commitments made by the state on the accounting authority's behalf. | than 1% of the total value of the expenditure per AFS (d) All instances will be included in the accounting authority's annual report |
|--|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|