

# ANNUAL REPORT

# 2019/20

NATIONAL MUSEUM  
BLOEMFONTEIN

“Building resilience”



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**PART A:**  
**GENERAL INFORMATION**

# NATIONAL MUSEUM

## GENERAL INFORMATION

The National Museum\* is a Declared Cultural Institution with framework autonomy which resorts under the Department of Arts and Culture and is governed by a Council. The Museum is a natural history, cultural history and art museum which systematically and selectively collects examples and information relevant to these fields over the whole spectrum of prehistory up to the present. It is its task to document, preserve, conserve, restore, make

available, study and promote such items, specimens, examples, collections and information.

*\*Incorporating the satellites: First Raadsaal Museum; Florisbad Research Station; Freshford House Museum; Oliewenhuis Art Museum; Wagon Museum; ArtBank*



### NATIONAL MUSEUM, BLOEMFONTEIN

The National Museum in Bloemfontein was established in 1877 and initially its collections and displays consisted mainly of rarities from around the world. Subsequently the Museum has developed into an omnibus institution with international

stature. Intensive research is being done and significant study collections have been assembled in the fields of acarology, arachnology, botany, entomology, herpetology, mammalogy, ornithology, palaeo-ecology, palaeontology, anthropology, archaeology, cultural history, rock art and fine arts. Education

is a further core function of the Museum and is embedded in every Museum activity. Through its displays and programmes the Museum renders a public service for its diverse audiences, engaging them in enjoyable and enlightening experiences and enriching the learning opportunities of all individuals.



**OLIEWENHUIS ART MUSEUM**  
(Satellite of the National Museum)

On 19 July 1985 the former State President, Mr P.W. Botha, handed Oliewenhuis to the National Museum to be developed into an art museum. Oliewenhuis was erected in 1941 as residence of the Governor-General of the Union of South Africa. It was also used by the State Presidents of the Republic of South Africa as

residence when on official visits to Bloemfontein. Later, however, Oliewenhuis was no longer used and it was thus made available to the National Museum.

Several structural changes had to be made to develop Oliewenhuis into an art museum, which on completion was officially opened on 11 October 1989.

Oliewenhuis Art Museum collects exclusively South African art and its collection consists of paintings, sculpture and graphic art. The pride of the collection are the Pierneef paintings, especially the magnificent *Rustenburg Kloof*, and the paintings of Bloemfontein done by Thomas Baines in 1851, only five years after the establishment of the town. The Art Museum obtains artworks through donations and acquisitions. The City Council of Bloemfontein made important donations, which were first housed at the A.C. White Gallery, and Mrs Dora Scott donated the F.P. Scott Trust Collection. The latter includes 24 artworks of the Bloemfontein Group.

**FLORISBAD QUATERNARY RESEARCH STATION**  
(Satellite of the National Museum)

Florisbad is an internationally important fossil locality which has produced an archaic modern human skull in addition to valuable archaeological and palaeontological material. It is a key site for information not only on the physical development of modern humans, but also on their environment and

subsistence behaviour. In September 1912 an earthquake opened up a new spring at the Florisbad mineral spring, and fossil bones and stone artefacts were brought to the surface with the water. Robert Broom investigated the find and in 1913 published an article on the material.

The discoveries prompted further investigations in the 1920s and 1930s by Prof. T.F. Dreyer from the Grey University College in

Bloemfontein. This culminated in the discovery of the Florisbad human cranium in 1932. Dr A.C. Hoffman, Director of the National Museum in Bloemfontein, carried out further work in 1952. In 1980 Florisbad was bought by the South African Government for research purposes and was placed under the administration of the National Museum, Bloemfontein.



**FRESHFORD HOUSE MUSEUM**  
*(Satellite of the National Museum)*

Freshford is one of the few houses of the upper middle class of the Edwardian period that still exists in Bloemfontein. The house was designed and built by the architect, John Edwin Harrison. Born and trained in England, Harrison immigrated to South Africa in 1894.

Freshford House was completed in 1897, i.e. during a transition between the Late Victorian and Edwardian periods. With its asymmetrical facade, unplastered red brick walls, bay windows, veranda with carved wood and galvanised iron roof with cast-iron finishes, Freshford House is a typical example of a residence during this period in Bloemfontein.

The house was acquired by the National Museum in 1982, restored to its former glory and was opened to the public in 1986.



**FIRST RAADSAAL MUSEUM**  
*(Satellite of the National Museum)*

The British Resident, Maj. H.D. Warden, built this typical South African pioneer's building in 1849. It was the first school building north of the Orange River. It served as a church until 1852 and it was used by the Legislative Council of the Orange River Sovereignty and,

from 1854, by the Orange Free State Republic as Assembly Hall and offices. When the Assembly moved to larger premises in 1856, the building reverted to its use as a school, which it remained until 1877. The little building was put to a different use once again when in that year it housed the newly established National Museum. It was vacated in 1915 when the Museum moved to its present

premises, and it was proclaimed a National Monument in 1936. In 1975 the wheel had turned full circle when the old Raadsaal was once again vacated and transferred to the National Museum.





**WAGON MUSEUM**  
(Satellite of the National Museum)

The Wagon Museum is situated on the same premises as the First Raadsaal Museum. It houses a collection of historical wagons and carriages, such as a spring wagon, Voortrekker ox wagon, transport wagon, stage coach, mule wagon, spider and Cape

cart. In the exhibition area are various panels depicting the development of transport through the ages and the making of a wagon wheel. A miniature diorama gives the visitor an impression of a team of oxen in front of a Voortrekker ox wagon. An exhibit of modes of transport used by black people has recently been included in the Museum.



**ART BANK**

The Art Bank of South Africa is a national programme of the Department of Arts and Culture as part of the Mzansi Golden Economy (MGE) strategy implementation and is hosted by the National Museum

Bloemfontein, an agency of the Department of Arts and Culture. The vision of the Art Bank is to promote, foster and stimulate a vibrant market for the collection of South African contemporary visual art. It is tasked with purchasing artworks from South African artists, particularly that of

emerging artists in order to lease and sell the artworks to South African government departments, private companies and private individuals.

# LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
MEC	Member of Executive Council
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
UNESCO	United Nations Education, Scientific and Cultural Organisation
UNIDROIT	International Institute for the Unification of Private Law

# FOREWORD BY THE CHAIRPERSON OF COUNCIL

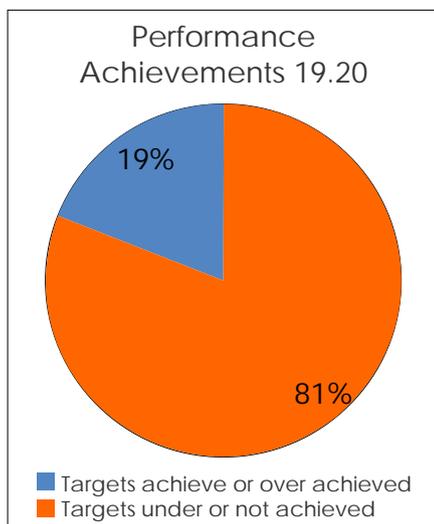
"Cultural heritage thus comes to play an important new role. Much as cultural heritage witnesses how people in the past have proven to be resilient and been capable of absorbing adversity in various ways, it can inspire people today and in the future to embrace change and transformation through successful adaptation."

Cornelius Holtorf, UNESCO Chair on Heritage Futures, 2018



## Introduction

This Annual Report marks the end of the Museum's Five Year Strategic Plan (2015-2020) and we reflect upon the progress made in the last year. I am very pleased to report that the Museum has embedded a culture of continuous performance improvement over the Strategy period. This confirms that the Museum is a mature organisation that is transforming to adapt and respond to the triple challenge of funding shortages, declining visitor numbers and technological changes. Most of our targets (81%) were either exceeded or achieved. The Museum has plans in place to address those targets that were under or not achieved in the new financial year. Detailed performance



information can be found in Part B of this report.

## Building the Museum's Resilience

Two key events occurred in the international arena which had a sobering effect on museums and their critical role as conservators of the Nation's shared heritage. Disaster struck early in the year, when the Notre Dame Cathedral went up in flames, months after the devastating fire at the National Museum of Brazil. There was an outpouring of solidarity for those nations whose heritage was lost or damaged in the fire. The Brazil fire destroyed nearly 18.5 million heritage objects. In response, our Council focused on improving the policy and operational environment to enhance the Museum's capacity to respond to similar disasters.

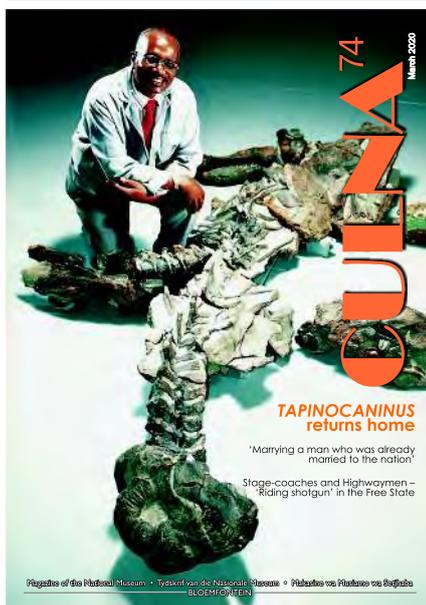
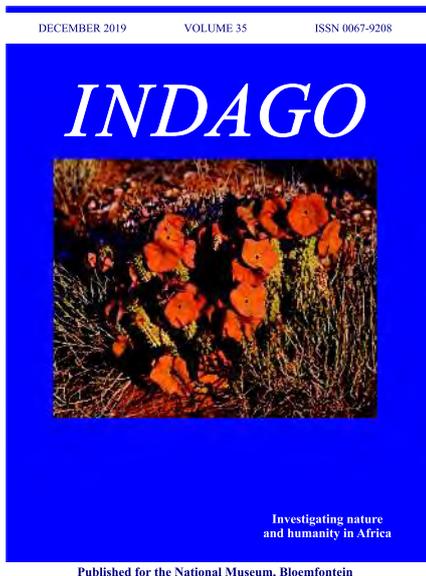
The second key event was the COVID-19 pandemic and subsequent global lockdown which occurred in the last quarter of the financial year. Prior to the government lockdown, our Council took a decision to close the Museum and put measures in place for Management and research workers to work from home. The Museum was able to successfully continue operations and established a 'virtual museum' providing exhibitions and content to the public. I

believe that building resilience is not meant to measure how quickly the Museum is able to bounce back to the previous state after a disaster event, but how well the Museum was able to adapt to the changes; how we were able to transform the organisation; and lessons learnt.

It is for this reason that we chose "Building Resilience" to be the theme of this Annual Report.

## Research and Conservation

The Museum engages in conservation by building and curating representative collections of Natural and Human Science, including Fine Arts. Our scientists undertake and promote research in several of these disciplines. The Museum added 42 291 new specimens to our natural and human science collections in the year. A compliance rate of 92% was achieved with procedures for conservation, curation and management of collections during the annual collections audit. Research production was increased by the 31 scientific publications in peer-reviewed journals and 52 in popular journals and magazines in the year. The full details of these publications appear in the back section of part E of Annual Report. The Museum has 2 NRF-rated



researchers on our staff.

Museum scientists disseminated their research at 40 conferences and compiled 11 cultural or technical reports. A total of 56 manuscripts were reviewed for international and national scientific publications, research theses, scientific reports and researcher evaluations. Scientists presented 21 academic and 36 popular lectures.

Through our collections and research, the Museum is connected to the national and international scientific community. Our scientists participated in a number of collaborative projects. All new research projects obtained ethical clearance. 12 new

collaborative projects were registered during the year. Edition 74 of *Culina Magazine* was produced and 34 articles were published on line. Volume 35 of the *Indago Journal* was published in hardcopy and online. 9 postgraduate students were supervised by Museum scientists.

### Art Bank of South Africa (ArtBankSA)

The ArtBankSA, is a DAC programme which is hosted by the National Museum. The programme originates from The Mzansi Golden Economy strategy. The ArtBankSA is tasked with purchasing artworks from South African artists, particularly those of emerging artists in order to lease and sell the artworks to South African government departments, private companies and private individuals. They launched a new e-shop, [www.artbanksa.org](http://www.artbanksa.org), in July 2019. Visitors can buy or lease art from the contemporary collection which is available online. This year we have acquired 60 works of art from 39 contemporary artists. Exhibitions were held in Bloemfontein, Gauteng, KZN and Limpopo. The Selected Art Collection of the Art Bank of South Africa – First Edition catalogue was launched during the period at the Oliewenhuis Art Museum. The catalogue features 59 artists from the collection whose artworks were acquired in the previous year.

### Challenges Faced by Council

Unfortunately, the Museum received a further budget cut from DAC, and is increasingly relying on grant funding to deliver its programmes.

### The Year Ahead

The Council will focus on the following in the coming year:

- The budget cuts which pose a big threat to the future plans of the Museum;
- Acceleration of transformation initiatives;
- Inclusive displays and exhibits;

- Renovations and Maintenance of the infrastructure at the National Museum and satellites especially regarding safety concerns;
- Digitisation of the collections;
- Declining visitor numbers to the Museum; and
- Strengthening of the governance of the organisation.

### Acknowledgements / Appreciation

I would like to thank the Honourable Minister Mthethwa, for his unwavering support for the sector and the Museum. I would also like to express my appreciation to the Council of the National Museum for their support and commitment during the year. I am inspired by the passion they show for our heritage. Further, to the Management and staff of the Department of Arts and Culture, we appreciate your guidance and support.

Council is indebted to Dawie de Swardt and Lizel Hugo for assisting in the vacant position of Deputy Director. Congratulations to the CEO, Management and staff of the National Museum on achieving these performance outcomes.

### Conclusion

The Museum will continue with its culture of continuous improvement and confront our old and any new challenges in a robust manner. It is important that we remain relevant and inclusive to our community and stakeholders.



Advocate J. E. Leshabane  
National Museum, Bloemfontein  
31 July 2020

# CHIEF EXECUTIVE OFFICER'S OVERVIEW

"In the future museums will largely be concerned with the pursuit of socio-cultural developmental programs and confronting the policy issues which plague their communities. They will assume the role of pioneering social development."

Goabaone Montsho, Anthropologist,  
Botswana National Museum



## General overview

During the period under review the Museum repositioned itself by reaffirming its traditional role but also tried to increase its social value by adopting an exciting multicultural exhibition space: a space where open dialogue about our painful past is encouraged and new ideas about our shared future are catalysed.

The theme of this Annual Report is "*Building Resilience*" and this aptly reflects our journey to date, where we were called upon to show resilience as we faced multiple challenges to our sustainability. These challenges include:

- Ongoing funding cuts
- Confronting our colonial legacy
- Societal inequalities
- Environmental degradation
- Digital revolution.

## Celebrating Special Days

Special Days create an opportunity for the Museum to celebrate with our communities in our quest to improve nation building and social cohesion. The Museum celebrated five special days during the financial period.

International Museum Day took place on 18 May 2019. To

celebrate, the Museum opened some of its collections to the public for behind-the-scenes-visits. The theme for 2019 was "Museums as Cultural Hubs: The future of tradition." Visitors attended the event starting with a tour of the arachnology, rock art, archaeology, and collections departments. They were received by researchers who explained their various disciplines and how they practice them in the museum environment. Oliewenhuis Art Museum presented a guided tour exploring the origins of the Art Museum and its founder collections. The day was concluded in the museum's restaurant with two popular lectures by our palaeontologist and archaeologist.

In celebration of Heritage Day, Oliewenhuis held the Basotho Blankets Exhibition. Our anthropology collection includes a large collection of Basotho blankets. Most are part of the Robertson collection, on loan from Neil Robertson's family. Neil Robertson was a third-generation tradesman in Basotho blankets, the grandson of Charles Hendry Robertson.

Mandela Day, celebrated annually on 18 July to mark Nelson Mandela's birthday was

commemorated in the Lejweleputswa District in the Free State province of South Africa. Soutpan is an area where the struggle to survive and earn a livelihood is a constant challenge. Particularly affected by this situation are the children of the Kagisano Combined School where the battle for a better tomorrow is an everyday reality. Staff members contributed schools shoes, socks, shoe brushes and polish to learners from Kagisano Combined School.

National Museum celebrated Women's Month with an exhibition honouring 12 Remarkable Women of Bloemfontein. A public lecture was held and some of the descendants of the women who were honoured were present.

At the end of 2019, the National Museum celebrated the United Nations International Day of Persons with Disabilities with two key activities: on 22 November 2019 we held a Special Day of Awareness, Sensitivity Training and Motivation, and on 3 December 2019 we provided guides and free access for persons with disabilities and accompanying persons. During the Special Day celebrations, speakers from the disability

sector, talked on a variety of topics. It provided a rare opportunity for role-players working with persons with disabilities to share information, experiences, and needs with a diverse audience representing the private, NGO and government sectors. This was also an opportunity to create awareness and sensitivity training among National Museum staff.

### Inclusive Exhibitions and Mobile Museum

We provided multilingual (3 languages) text in various formats for most of our new displays and internal temporary exhibitions hosted during the year. 36 Mobile Museum trips were undertaken, of which 18 were made to rural areas in the Free State and Eastern Cape Province. Our mobile museum has been updated with new exciting displays which have proven very popular with the young people.

The Museum launched a project to 3D print Museum specimens in collaboration with the Central University of Technology (CUT) and Stellenbosch University, to scan and print in 3D a few mites, scorpions and pseudoscorpions. These prints are several times bigger than the actual specimens, making it possible to visualise these small animals without the aid of a microscope. During a Special Open day for the Blind, these specimens were presented to blind people, and they were helped to describe and explain what they felt. Members of the professional staff were on hand to offer interesting facts about each specimen.

Oliewenhuis Art Museum held 13 art exhibitions during the year, and in addition to these, they offered numerous formal and informal activities, exhibitions and public outreach programmes.

A new permanent exhibition

commemorating the life of anti-apartheid activist and Afrikaner revolutionary, Bram Fischer, opened on 13 December 2019. Ruth Rice, Bram's eldest daughter, officially opened the exhibition. This exhibition showcases a collection of valuable and interesting items which belonged to Bram and members of the Fischer family. A toy chameleon that was given to Bram by one of the rebels who was interned in Bloemfontein during the Rebellion of 1914 forms part of this collection. The exhibition is located in the museum's history hall and depicts Bram's life story by means of photographs, audio-visual material and text in three languages.

The Batho centenary exhibition, which was put on display at the National Museum to celebrate Batho's centenary in 2018, travelled to a number of libraries in Mangaung during 2019. The exhibition has been on display at the public libraries in Bainsvlei, Fichardtspark, Trevor Barlow (Heidedal) and Mangaung (Rocklands). The Exhibition moved to the exhibition space in the reference section of the Adelaide Tambo Public Library in Bloemfontein's city centre, where it was on display there until early January 2020. After this, it moved to the last stop on its route, namely BP Leinaeng Public Library in Phahameng.

2019 was formally designated International 'Year of the Fly' and the focus was on educating the general public about the importance, diversity and splendour of flies and the roles they play in our lives. The Museum celebrated this with an exhibition on flies, an art competition and a popular talk presented by the Museum entomologist.

The Mammalogy Department held two temporary exhibitions on their collections: the smaller

carnivores of the Free State at the Fichardtspark Library, 1 February to 10 May 2019, and small mammals of the Free State at the Amanzi Outdoor Festival on International Museum Day, Saturday 18 May 2019.

Before Cirque de Soleil and the Great Moscow circus there were touring circus companies in South Africa travelling from town to town entertaining young and old. Therefore, the National Museum invited all to take a trip down memory lane during the past December holidays and visit the Museum for an exciting exhibition on South Africa's most beloved clowns, Tickey and Francesco. The temporary exhibition, Cirque d' Antique, ran from December 2019 to February 2020.

### New Species of animals and fossils identified and described by Museum Scientist

During the year our scientists were involved in describing new species of animals and fossils. Taxonomy is a very important part of what scientist do and it is a critical tool for conservation and sustainable use of the environment.

Dr Gimo Daniels, Museum entomologist, was the lead author of a paper published in the journal *Zootaxa*, describing three new scarabaeid beetle species of the genus *Stiptopodius*. The new species that were described came from Angola, Botswana and South Africa (KwaZulu-Natal).

Dr Michael Bates, Museum herpetologist, was involved in the description of a new species, the Swazi Dragon Lizard (*Smaug swazicus*), found in Eswatini and adjacent parts of KwaZulu-Natal and Mpumalanga provinces. This new species is the largest species of lizard to be described from southern Africa in 82 years. Michael was also appointed a member of the Skink Specialist

Group (SSG), part of the International Union for the Conservation of Nature's (IUCN) Species Survival Commission. He will be reviewing conservation assessments for African skinks, and collaborating on the group's publications.

A new species of hunter-fly (genus *Coenosia*) has been described from Mariepskop, Mpumalanga by Burgert Muller of the Terrestrial Invertebrates department. The little fly measures just under 5 mm and has striking whip-like bristles and hairs on its body, which is reflected in its species name *C. flagelliseta* (Latin *flagellum* (whip) and *seta* (bristle)). This species belongs to a group of hunter-flies that have globular bristles on their head, and the female of *C. flagelliseta* is also described, a first for the group. All species of *Coenosia* are predatory, but both the male and female of the new species also had nectar in their midgut, pointing to supplementary nectar feeding, making them potential pollinators of the Fynbos that occurs on Mariepskop.

PhD student, Kimberley Chapelle, published on a new species of sauropodomorph dinosaur *Ngwevu intloko* from South Africa. She is supervised by Museum palaeontologist, Dr Jennifer Botha. The new dinosaur was similar to *Massospondylus* and lived between 191 and 201 million years ago. It was bipedal, with a small head and long neck and ate vegetable matter. The only known specimen was found in the collections of the Evolutionary Studies Institute, University of the Witwatersrand in Johannesburg.

### Education and Outreach

The Education Department presented 516 educational lessons & guided tours, presented 5 educator training

workshops and distributed 1807 educational booklets.

In August 2019, Palaeontology ran its annual Free State Evolution Education Programme, which targets Grade 10-12 learners and their educators from previously disadvantaged schools with the purpose of teaching them about evolution, with a special focus on human evolution. This year the team visited 15 previously disadvantaged schools from the Bloemfontein, Thaba N'Chu and Botshabelo areas over a two-week period. The PAST crew presented their theatre performance to a total of 1008 learners.

Scientists from our Terrestrial Invertebrates Department accompanied Prof. Charles Haddad from the University of the Free State and third-year Entomology students on a fieldwork excursion to Bankfontein Farm, Luckhof District, to act as practical demonstrators and identification aids.

Members of the Archaeology and Anthropology Department hosted learners from the Elizabeth Conradie School for the physically disabled at the Florisbad Quaternary Research Station, and told them about the interesting palaeontological and archaeological discoveries made there over the years. As part of their presentation they gave information on career opportunities in palaeosciences. The UFS Geography Department's 3rd year class was also hosted by the Archaeology and Anthropology Department. Grades 10-12 learners from Jagersfontein Combined School and Trompsburg Secondary School received lessons on careers in science and an introduction to Archaeology. Learners were shown real artifacts and reptiles from their Museum collections.

National Science Week 2019 took place under the theme "Facing the harsh realities of Climate Change". It was hosted by the Education Department, in collaboration with the South African Agency for Science and Technology Advancement (SAASTA). We reached 19 schools, 1551 learners and 51 educators in the greater Bloemfontein/Mangaung area. The Mobile Museum was present at the annual Tswelopele Branding Enterprise Career Exhibition at the Seloshesha Public Library in Thaba Nchu and we provided career guidance to 300 learners.

Annually the Museum hosts the popular holiday programmes. In 2019 134 learners took part in our "Dinosaur Fun" Holiday Programme, which included a variety of Dinosaur-themed activities, such as "Feeding the dinosaur". The Education Department presented five Teacher Workshops at Pre-primary schools in the greater Bloemfontein/Mangaung area. The aim was to show teachers how to make visual aids for their classrooms.

### Promoting an enhanced sense of national pride in our shared heritage

The Museum provides professional curation and conservation, research and education services relevant to our heritage-based collections, for the benefit to all communities that we serve. We do this in order to promote increased awareness and understanding, thus imbuing communities with a sense of national pride in the diverse cultural and natural heritage shared by all South Africans.

We are pleased to report that we achieved an average of 92% compliance with required procedures for conservation, curation and management of collections in the reporting

period. A total of 10 conservators attended specialist collections management training.

Members of La Generale De Production, a Paris-based production company, visited the Collections Department to film artefacts that belonged to Bram Fischer as part of a documentary on the life and times of this well-known anti-apartheid activist. Among these mementos is a little carved wooden chameleon on a stick. This piece of artwork was carved by a 'Kommandant G. Stead', one of the rebels imprisoned in Bloemfontein during World War I (1914-1918), and given to a young Bram when he accompanied his mother, Ella, into the camp to take food to the rebels.

In the reporting period, Florisbad entered into a partnership with the Zoology Department of the McGregor Museum to collect and exchange material for our modern reference collections. This collaboration has increased the Florisbad modern reference collection by more than 250 specimens, most of them new bird species. Florisbad also accepted a donation of 75 black-backed jackal (*Canis mesomelas*) and 3 caracal (*Felis caracal*) carcasses that were removed by farmers in the Brandfort district for inclusion in their Comparative Osteological (skeletal) Reference Collection. Florisbad combines one of the largest comparative osteological reference collections in South Africa with important mid- to late- Quaternary Period fossil collections.

The Museum benefited from a few new acquisitions to our collections. These included various items that belonged to Mrs Johanna Ewaldina Celetta Laidler, better known as Sister Laidler. She was the first midwife in Bloemfontein, and in her career of 53 years helped more

than 6000 babies into the world. In 1933 she represented the South African Trained Nurses' Association at the International Congress of Trained Nurses in Paris and Brussels. She had much to do with the establishment of the Red Cross Association in the Free State and South Africa, and was later awarded a medal for her services during World War II (1939-1945), presented by Field-Marshal Smuts.

#### Request for Rollover of Funds

The Museum did make a request for rollover of surplus funds from the 18.19 period and this was allowed. Treasury approval was granted in terms of PFMA section 53(3) and National Treasury Instruction 6 for the Museum to retain the cash surplus of R 35.2 million to be used to fund post-retirement medical obligations, upgrading of the Museum's security, server and file storage, replacement of old computers, furniture older than 20 years, auditorium seats, vehicles for staff site visits, and the organizational review process.

#### Supply Chain Management

The SCM environment at the Museum is mature and there are adequate policies and procedures in place to guide procurement. The SCM Manager, who reports to the CFO, supports and guides the Museum management and staff on SCM. The Museum did not conclude any unsolicited bid proposals for the year under review.

#### Audit Report Matters from the prior period

The Museum received an unqualified audit report in the prior period and had in place an Audit Tracking Register to track the resolution of all findings. This was reported on quarterly to the Audit and Risk Committee. Currently all findings have been resolved.

#### The National Museum in the Triennium

At the end of the financial period 2021 to 2024, the National Museum will have in its employ about 120 staff members. Staff salaries currently consume about 74% of the budget. This poses a budgetary challenge that will need attention if the Museum is to continue attracting top research talent, including NRF-rated researchers.

The Museum has embedded Enterprise Wide Risk Management into its strategy and operations. Important to note is that significant strides have been made over the five-year period in the management of risks at the Museum, and this has translated into tangible improvements in the Museum's overall performance and audit and governance outcomes.

#### Acknowledgements

The Museum has had many successes in the period under review and I am grateful to the Heads of Departments and the staff, some of whom are foremost experts in their field, for their dedication, passion and unwavering support.

I am indebted to Advocate Leshabane, our Chairperson, for the leadership and guidance she provides. I often tap into her vast knowledge and experience of governance, which she freely shares. I would like also to extend my thanks to the Council of the National Museum and the committees for their support and guidance.



S. Snell  
Chief Executive Officer  
National Museum, Bloemfontein  
31 July 2020

# STATEMENT OF RESPONSIBILITY & 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 standards applicable to the public entity.

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

The accounting authority is responsible for establishing, and implementing a system of internal control 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 2020.

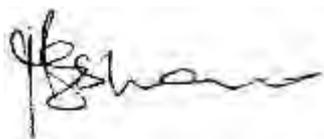
Yours faithfully



Chief Executive Officer

Name: S. Snell

Date: 31 July 2020



Chairperson of the Board

Name: Adv. J. E. Leshabane

Date: 31 July 2020

# STRATEGIC OVERVIEW

The National Museum is a Natural History Museum, a Cultural History Museum as well as an Art Museum. Against the background of the international definition of a museum as a non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment. The National Museum performs its conservation, research and educational functions in a broad spectrum of disciplines in the Natural Sciences, Human Sciences and Fine Arts.

## Vision

To be known as the best heritage centre in Africa.

## Mission

To provide heritage information, an enjoyable experience and an invaluable tourism resource to all people through quality research, conservation, education and exhibitions.

The Museum's functions are

- *Conservation*: To build and curate representative collections of natural science, human science and art objects which are consistent with the objectives and activities of the Museum.
- *Research*: To undertake and promote research in the approved disciplines of the Museum.
- *Education*: To disseminate information on nature, culture and art, through publications, exhibitions and a variety of educational programmes.
- *Tourism*: To provide an invaluable tourism resource in the central interior of South Africa.

## Values

The National Museum is driven by the following values:

- Excellence
- Professionalism
- Respect
- Co-operation
- Teamwork
- Commitment & Passion
- Innovation
- Community empowerment

# LEGISLATIVE & OTHER MANDATES

## Cultural Institutions Act

The National Museum was established in terms of section 3 of the Cultural Institutions Act (Act 119 of 1998) and in terms of section 5 is governed by a Council appointed by the Minister of Arts and Culture.

Parliament has the power to conduct oversight of all organs of state, including those at provincial and local government level. Portfolio committees exercise oversight over a particular government department or “portfolio” and deal with bills within that portfolio.

Parliamentary committees are established as instruments of the Houses in terms of the Constitution to facilitate oversight and monitor the government. These committees are the “engine rooms” of Parliament’s oversight and legislative work. Committees scrutinise legislation, oversee government action, and interact with the public. One of the most important aspects of the oversight function is the consideration by committees of annual reports of organs of State, and reports of the Auditor-General. Depending on the purpose of the oversight, the Committee will either request a briefing from the organ of State or visit it for fact-finding.

## National Living Heritage Policy

The DSAC has developed the National Living Heritage Policy with the objective of the safeguarding of living heritage and ensuring compliance with the 2003 UNESCO Convention on Intangible Cultural Heritage Convention.

## National Policy on Digitisation of Heritage Resources

The Policy recognises and takes account of the implications of the rapid advances in the evolution of Information and Communication Technologies (IT) for “notions and practices of collective memory and heritage”. The Policy identifies the key risks to the future preservation of collections including the fragmented character of current digitisation initiatives; the financial resources available to support digitisation; the lack of consistency in the standards and guidelines; and the threat of the proliferation of digital archives containing important national content that is largely uncontrolled and unconnected to the national memory systems. The Policy seeks to address these risks.

## Ratification / Accession to International Conventions

Various international conventions and protocols govern the culture and heritage landscape. The DAC has developed policies in line with the applicable conventions and initiated the ratification/accession process by submitting the following international conventions to Parliament for tabling:

- a) UNESCO Convention (2001) on the Protection of the Underwater Cultural Heritage;
- b) Second Protocol to the 1954 Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict (1999);
- c) UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects (1995).

## The Use of Official Languages Act

The Use of Official Languages Act, which seeks to regulate and monitor the use of official languages by government, came into operation with effect from 2 May 2013.

## Review of the White Paper on Arts and Culture

The Revised White Paper seeks to align the Arts Culture and Heritage space with the broader shifts in government policy and priorities and to elevate the contribution that arts, culture and heritage might make towards social cohesion, nation-building and economic empowerment. It also seeks to address the challenges that the Sector faces, to remove duplication and overlaps in mandate, and to rationalise the number of entities falling under the DAC and their associated institutional activities.

The RWP recommends a substantial restructuring of institutional support for the Sector. Key questions arising from this approach include the detailed programming of these institutions and how they will be able to meet their mandates with the available financial and human resources.

### National Development Plan

The *National Development Plan – Vision 2030* (2011) outlines a vision for the country and asserts that by 2030, the elimination of poverty and reduction inequality. Chapter 15 of the NDP, Vision 2030, asserts that through nation-building and social cohesion, both as an end-state and as a facilitator; the Arts, Culture and Heritage Sector is a powerful driver of creating a sense of inclusiveness and encouraging interaction between South Africans from different social backgrounds; and importantly, mobilising active and responsible citizenry. Furthermore, the NDP highlights that the economic value and contribution of Sport, Arts, Culture and Heritage Sector is increasingly recognised; and that strategies must be developed and implemented to exploit its potential on a global scale.

The NDP aspires to arrive at a situation in which South Africans will be more conscious of that which they have in common, rather than the differences that separate people. This implies that interventions need to facilitate an experience by all South Africans that cut across the divisions of race, gender, and class; and accordingly, a central focus of the NDP is on creating opportunities that equalise the life chances of South Africans. The NDP further emphasises the importance of redress through measures such as employment equity and black economic empowerment as a means to righting the wrongs of the past as part of this process of equalising opportunities. The NDP calls for the promotion of social cohesion across society that is based on respect and appreciation for constitutional values enshrined in the Constitution.

### Sustainable Developmental Goals

The UN has advanced that arts and culture will play an important role in pursuing each of the 17 Sustainable Development Goals. The safeguarding and promotion of culture is an end in itself, and at the same time it contributes directly to many of the SDGs — safe and sustainable cities, decent work and economic growth, reduced inequalities, the environment, promoting gender equality and peaceful and inclusive societies. The indirect benefits of culture are accrued through the culturally-informed and effective implementations of the development goals.

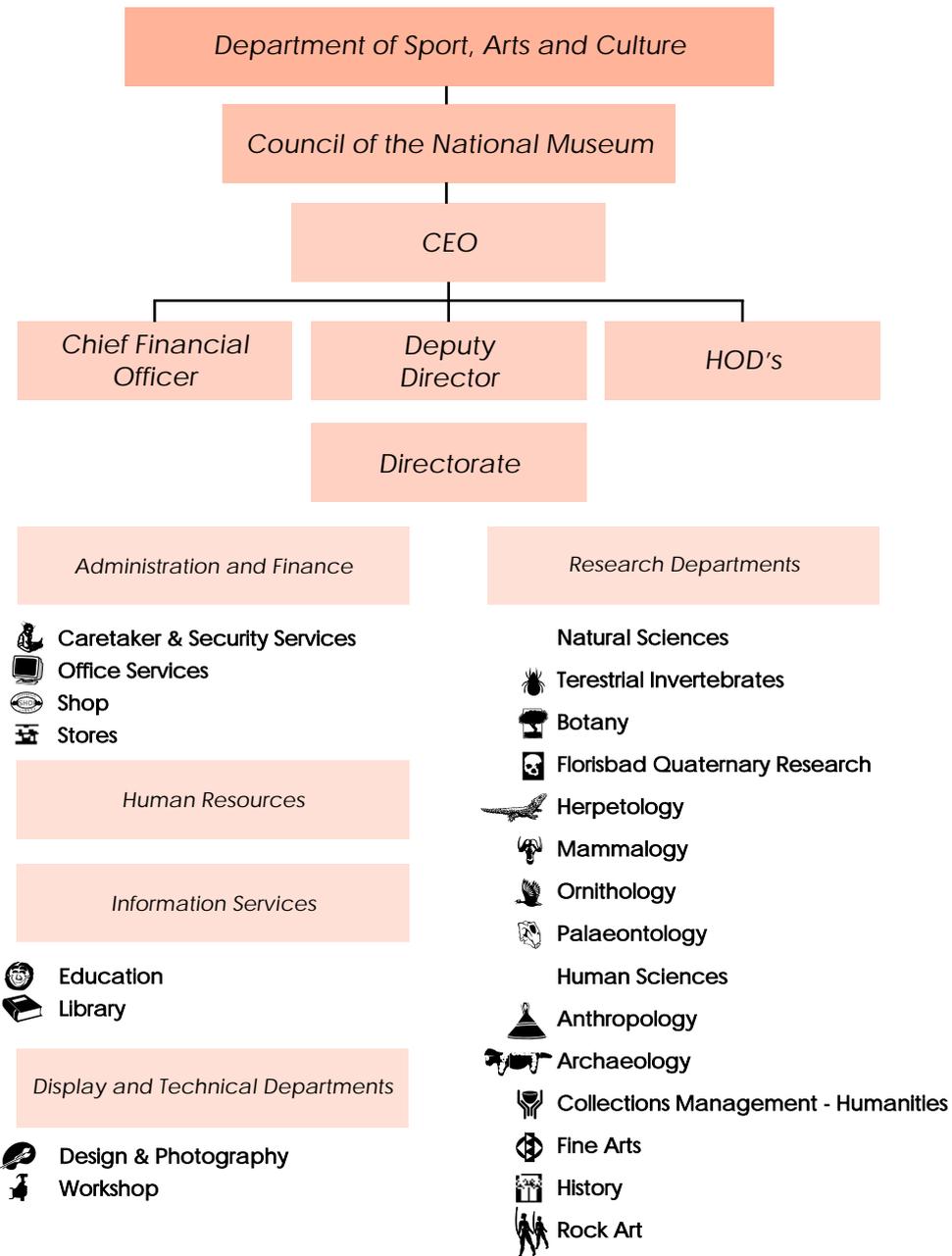
Cultural diversity is necessary for sustainable development for two reasons: the first is human survival as a means of cultural existence. The coexistence of various cultures leads to humans being able to better adapt to the environment. It is because of the coexistence of diverse cultures that the human race has overcome change and continued to survive. The emergence of differing culture and maintenance of cultural diversity has raised the possibility of the human race to adapt to environmental change in the future. Furthermore, in order for culture itself to retain its creativity and vitality, the existence of other cultures is a must. New ideas are born from other cultures, and the source of cultural creativity lies within constant encounters between different cultures.

### Agenda 2063

At a continental level, sport, arts and culture contribute to the Agenda 2063, a forward-looking continental framework. Agenda 2063 is anchored on the AU vision of “a shared strategic framework for inclusive growth and sustainable development” and based on 7 aspirations derived from consultations. 3 of these aspirations have particular relevance to the Museum:

- a) An Africa with a strong cultural identity, common heritage, shared values and ethics;
- b) An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children and
- c) An Africa of good governance, democracy, respect for human rights, justice and the rule of law.

# ORGANISATIONAL STRUCTURE





# PART B: PERFORMANCE INFORMATION



# AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor 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 56 of the Report of the Auditors Report, published as Part E: Financial Information.

## SITUATIONAL ANALYSIS

### Service Delivery Environment

The National Museum provides professional services in the curation and conservation of heritage-based collections, in research and education, of benefit to a broad spectrum of the community. Outputs and standards have either been maintained or improved upon by the Museum. Where targets have not been achieved, measures will be considered in future to address these aspects. The Museum strives to address transformation, in a broad sense, across the range of its processes and activities, from policy development and recruitment, through to its collections, research, education and community outreach programmes. There is an ongoing emphasis on the important role the Museum must play in contributing to the transformation of the heritage sector.

### Organisational environment

The annual report should provide readers with an understanding of the organisational challenges and successes experienced by the public entity in the year under review. The aim of this 'overview of the organisational environment' is to provide a description of any significant developments internal to the public entity that may have impacted on the public entity's ability to deliver on its Strategic Plan and Annual Performance Plan e.g. the resignation and/or appointment of key personnel such as the CEO or the CFO, a strike by significant portions of the personnel employed by the public entity, or restructuring efforts, significant system failures or cases of corruption.

Given that these are factors internal to the public entity and therefore ostensibly within the public entity's control, it would be expected that the public entity gives some indication of any measures that were adopted to mitigate the impact of these events on service delivery.

### Key policy developments and legislative changes

There were no significant changes to the National Museum's legislative and other mandates. The pending White Paper on Arts, Culture and Heritage, as well as the National Museums Policy, the draft versions of which are still under discussion, will doubtless impact on the Museum's operations.

### Strategic Outcome Oriented Goals

Below are the approved Strategic Outcome Oriented Goals:

Strategic Outcome Oriented Goal 1	Celebrating the diversity of South Africa's cultural and natural heritage and making this accessible to all.
Goal Statement	To preserve and promote an inclusive heritage through curation, conservation, research and exhibitions of heritage items, thereby contributing to nation

	building, social cohesion and access to heritage information by all South Africans.
Link to government priorities	An efficient, effective and development-orientated public service (Outcome 12); A diverse, socially cohesive society with a common national identity (Outcome 14 - Nation Building and National Identity; Social cohesion); Citizen participation - Access to information.
Link to DAC focus areas	Nation building through effective social cohesion programme implementation; A productive, diverse and inclusive ACH Sector (Development, preservation & promotion of arts, culture and heritage; Nation building and Social cohesion; improved access to information; African Advancement and enhanced international cooperation.
Strategic objectives flowing from this goal	Programme 2 (Strategic Objectives 2.1, 2.2, 2.4, 2.5, 2.6, 2.7, 2.8); Programme 3 (Strategic Objectives 3.2, 3.3, 3.4, 3.5, 3.6)

Strategic Outcome Oriented Goal 2	Providing quality basic education as well as opportunities for lifelong learning.
Goal Statement	To produce quality, informative curriculum-based educational programmes, outreach activities and materials, and to distribute and communicate these through presentation of exhibitions, lessons, guided tours, educator training workshops, via Mobile Museum trips and through regular media coverage.
Link to government priorities	Quality Basic Education (Outcome 1)
Link to DAC focus areas	A professional and capacitated ACH Sector; A productive, diverse and inclusive ACH Sector; Nation building through effective social cohesion programme implementation (Skills development; Economic development; Improved basic education)
Strategic objectives flowing from this goal	Programme 3 (Strategic Objectives 3.3, 3.4, 3.5, 3.6)

Strategic Outcome Oriented Goal 3	Providing (limited) heritage skills development and employment opportunities.
Goal Statement	Develop skills through workshop attendance, in-service training and mentorship programmes, leading to improved employment opportunities.
Link to government priorities	Decent employment through inclusive economic growth; economic upliftment (Outcome 4)
Link to DAC focus areas	A professional and capacitated ACH Sector (Skills development; Economic development)
Strategic objectives flowing from this goal	Programme 2 (Strategic Objectives 2.3, 2.9)

Strategic Outcome Oriented Goal 4	Rural job creation linked to educational outreach, skills development and promotion of economic livelihoods through development of heritage tourism.
Goal Statement	Skills development, mentoring and support for heritage site guides from local communities to retain heritage information in situ, to empower South Africans and to facilitate access to economic benefit.
Link to government priorities	Vibrant, equitable and sustainable rural communities contributing towards food security for all; rural development (Outcome 7).

Link to DAC focus areas	Nation building through effective social cohesion programme implementation; A productive, diverse and inclusive ACH Sector (Development, preservation & promotion of arts, culture and heritage; Nation building and Social cohesion; Skills development; Economic development)
Strategic objectives flowing from this goal	Programme 3 (Strategic Objectives 3.4, 3.5, 3.6)

# PERFORMANCE INFORMATION BY PROGRAMME

## PROGRAMME 1: ADMINISTRATION

Programme purpose: To provide the necessary professional support and compliance to ensure the achievement of the Museum's primary objectives of carrying out quality research, expanding and managing diverse heritage collections and communicating to all, through educational programmes, exhibitions and publications, to emphasise the importance of this diverse heritage to the South African nation.

Strategic objectives: To provide the necessary support for the Museum's key focus areas – research, collections development and management, and education.

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

Programme 1: Administration – Support Services					
Strategic objective: To provide the necessary support for the Museum's key focus areas –research, collections development and management, and education.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Unqualified audit	Unqualified audit report achieved for 2017/2018	Unqualified audit report for 2018/2019 financial year	Achieved. Unqualified audit report achieved for 2018/2019 financial year	None	None

### Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

Programme/ activity/ objective	2018/2019			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
Programme 1: Administration - Support services (excluding staff costs)	13 793	14 078	(285)	13 642	14 034	(392)
Total	13 793	14 078	(285)	13 642	14 034	(392)

## Programme 2: Business Development

### Sub-programme 1: Curation and Conservation of Collections

Sub-Programme purpose: To collect and conserve materials and objects of natural and cultural heritage

relevant to the disciplines of the National Museum, which represent an important part of the collective national estate. In addition, to give attention to expanding collections where appropriate to include materials, objects and information to promote an enhanced sense of national pride in the diverse cultural and natural heritage shared by all South Africans.

Strategic objectives:

- To systematically build representative collections of natural history, cultural history and art.
- To maintain high standards of conservation, curation and management of collections.
- To build collections management capacity internally and in the broader museum sector.

Key performance indicators, planned targets and actual achievements

Programme 2, sub-programme 1: Curation and Conservation of Collections					
Strategic objective: 2.1.To systematically build representative collections of natural history, cultural history and art.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.1.1. Objects / specimens ("material units") added to natural history, cultural history and art collections	44 475 specimens ("material units") added to natural history collections.	Objects/ specimens ("material units") added to natural history collections (n= 12 000).	Achieved. 38 255 specimens ("material units") added to natural history collections.	26 255 specimens more than target added.	Successful fieldtrips added more specimens. A digitisation project was launched in one of the departments.
	1694 objects ("material units") added to cultural history (& cultural/ humanities) collections.	Objects/ specimens ("material units") added to cultural history (n= 1200) collections.	Achieved. 4036 objects ("material units") added to cultural history (& cultural/ humanities) collections.	2836 objects more than target added.	The Museum collected more objects than expected.
	R0 spent on art collection by 31 March 2019. Two artworks donated to the value of R31 500.	R150 000 spent on art collections by 31 March 2020.	Achieved. R250 000 spent on art collection by 31 March 2020.	R100 000 more than target spent on art collections.	The artwork approved by the advisory committee was more than anticipated.
	118 artworks purchased for National ArtBank (NAB) collections by 31 March 2019.	Purchase 50 artworks for National Artbank (NAB) by 31 March 2020.	Achieved. 60 artworks purchased for National ArtBank (NAB) collections by 31 March 2020	10 artworks purchased more than target for National ArtBank.	Artbank was successful to source more artworks than anticipated.
2.1.2. Collections policy reviewed annually by 31 March.	Collections Policy reviewed on 21 June 2018.	Collections Policy reviewed annually, by 31 March.	Not achieved Collections Policy not reviewed.	Collections Policy not reviewed.	Meeting was set for 27 March, a day after national lockdown. In future, better planning for policy review.
2.1.3. Annual collections audit completed.	Annual collections audit successfully completed by 31 March 2019.	Complete annual collections audit by 31 March.	Achieved. Annual collections audit successfully completed by 31 March 2020.	None	N/A

Strategic objective: 2.2.To maintain high standards of conservation, curation and management of collections.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.2.1. Annual review of procedures for conservation, curation and management of collections.	Procedures for conservation, curation and management of collections reviewed by 31 March 2019.	Procedures reviewed annually by 31 March.	Achieved. Procedures for conservation, curation and management of collections reviewed by 31 March 2020.	None	N/A
2.2.2. Compliance with procedures for conservation, curation and management of collections during annual collections audit.	An average of 90.08% compliance with required procedures for conservation, curation and management of collections was achieved.	85% compliance with procedures for conservation, curation and management of collections.	Achieved. An average of 92% compliance with required procedures for conservation, curation and management of collections was achieved.	Scored 7% higher than target.	Compliance better than anticipated.
2.2.3. Motivation for additional storage facilities submitted via User Asset Management Plan (UAMP) to DAC annually.	Not applicable. A budget from DAC infrastructure was allocated for additional storage on 23 March 2018.	Appoint a project manager and implement the project as per approved budget.	Achieved. First project: send out on tender. Second project: consultants busy with design. Third project: contractor appointed.	None	N/A
Strategic objective: 2.3. To build collections management capacity internally and in the broader museum sector.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.3.1. Training attended by Museum conservators / collections managers.	A total of 6 conservators / collections managers attended specialist collections training opportunities by 31 March 2019.	16 conservation / collections management training opportunities per year.	Under achieved. 10 conservation / collections management training opportunities were attended.	6 training opportunities less than target attended.	A 3 day course was planned but we had to cancel due to COVID 19. Staff were scheduled to attend this training.
2.3.2. Collections management training material produced and presented.	One 3-day collections management training course was prepared and presented from 18-20 March 2019.	One 3-day collections management training course prepared and presented by 31 March 2020.	Not achieved. One 3-day course was scheduled for 23-26 March, but had to be cancelled due to Covid-19.	Not achieved.	A 3 day course was planned but we had to cancel due to COVID 19.
2.3.3. Interns and heritage practitioners trained through collections management courses offered by Museum staff.	One full-time intern (WESSA) was hosted and received training to 31 March 2019.	Two full time FET internships and five FET WIL learners hosted during vacation by 31 March.	Achieved. Two full time FET internships and five FET WIL learners during vacation were hosted by 31 March.	None	N/A

## Sub-programme 2: Research and Information Management

**Sub-Programme purpose:** To undertake research according to ethical standards to produce high quality results relating to the various research disciplines of the National Museum and to communicate the relevance and meaning of these results, including contributing data to the debate on climate change, to as broad an audience as possible. Research programmes will incorporate aspects relevant to promoting a greater awareness of the importance and role of previously marginalized communities in contributing to South Africa as a nation.

### Strategic objectives:

- To undertake research of an internationally accepted standard relevant to the various disciplines of the National Museum, in keeping with its mission and functions.
- To produce and communicate high quality research results.
- To produce scientific and popular in-house publications to disseminate knowledge.
- To foster internal, national and international research co-operation.
- To provide relevant research expertise.
- To build research capacity.

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

Programme 2, sub-programme 2: Research and Information Management					
Strategic objective: 2.4. To undertake research of an internationally accepted standard relevant to the various disciplines of the National Museum, in keeping with its mission and functions.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.4.1 Annual review of progress on research projects undertaken.	Progress on 86% of total number of research projects by 31 March 2019.	Progress on 60% of total number of research projects by 31 March 2020.	Achieved. Progress on 95% of total number of research projects.	35% more progress than set target.	Research staff were able to show progress for a greater percentage of research projects than anticipated. This is partly due to factors beyond the control of researchers, such as work undertaken by research collaborators.
2.4.2. Achievement of NRF rating by museum scientists.	3 NRF rated scientists as at 31 March 2019.	5 NRF rated museum scientists at 31 March 2020.	Under achieved. 2 NRF rated scientists as at 31 March 2020.	3 NRF rated scientists less than target.	The Museum lost 2 NRF rated scientists during the year.
2.4.3. Ethical clearance for all new registered projects.	Ethical clearance confirmed for all new registered research projects.	Ethical clearance for all new registered research projects confirmed annually, by 31 March 2020.	Achieved. Ethical clearance confirmed for all new registered research projects (25 projects).	None.	N/A
Strategic objective: 2.5. To produce and communicate high quality research results.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.5.1. Research articles published in scientific journals.	143 research articles published in peer-reviewed journals to 31 March 2019.	30 publications in peer-reviewed journals per annum.	Achieved. 31 publications in peer-reviewed journals.	None.	N/A

**Strategic objective: 2.5. To produce and communicate high quality research results.**

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.5.2. Articles published in popular media.	38 popular articles published to 31 March 2019.	35 popular articles published per annum.	Achieved. 52 popular articles published to 31 March 2020.	17 popular articles more than target.	The Museum developed a publications website where popular articles can be published online.
2.5.3. Popular lectures presented.	14 popular lectures presented to 31 March 2019.	35 popular lectures presented per annum.	Achieved. 36 popular lectures presented.	1 popular lecture more than target.	None.

**Strategic objective: 2.6. To produce scientific and popular in-house publications to disseminate knowledge.**

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.6.1. <i>Culna</i> produced.	<i>Culna</i> 73 published (1 issue).	Keep to agreed production deadlines for <i>Culna</i> (1 issue per year hardcopy and 12 online article publications).	Achieved. <i>Culna</i> 74 published (1 hardcopy issue), and 34 online articles.	22 online articles more than target.	The publications of online articles created a platform for more articles to be published during the year.
2.6.2. <i>Indago</i> (formerly <i>Navorsing van die Nasionale Museum</i> ) produced.	<i>Indago</i> Vol 34 Numbers 1 and 2 were published during the year (2 issues).	Keep to agreed production deadlines for <i>Indago</i> (1 hard copy issue and 6 online issues per year).	Under achieved. <i>Indago</i> Vol 35 published during the year (1 hardcopy and 1 online issue).	Only 1 online issue published.	A new committee was appointed for 2020/2021 and a concerted effort is underway to increase submissions.

**Strategic objective: 2.7. To foster internal, national and international research and co-operation.**

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.7.1. Annual review of progress on collaborative projects undertaken.	Progress on 88% (60 of 68) of collaborative research projects 31 March 2019.	Progress on 60% of collaborative projects by 31 March 2020.	Achieved. Progress on 95% of collaborative projects by 31 March 2020.	35% more progress than target.	Research staff and collaborators were able to show progress on a higher percentage of collaborative research projects than anticipated.
2.7.2. New collaborative projects established.	A total of 3 new collaborative research projects were established by 31 March 2019.	4 new collaborative research projects established by 31 March 2020.	Achieved. A total of 12 new collaborative research projects were established by 31 March 2020.	8 projects more than target established.	Old collaborations were officially registered. Newly appointed scientists brought new collaborations.
2.7.3. Conference/workshop presentations given.	31 conference/workshop presentations were given by 31 March 2019.	30 conference/workshop presentations per annum.	Achieved. 40 conference/workshop presentations by 31 March 2020.	10 conference presentations more than target.	More opportunities for conference presentations.
2.7.4. Lectures / practicals presented to students.	24 academic lectures / practicals were presented to students by 31 March 2019.	20 lectures / practicals presented to students per annum.	Achieved. 21 academic lectures / practicals were presented to students 31 March 2020.	1 lecture more than target.	None.

Strategic objective: 2.7. To foster internal, national and international research and co-operation.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.7.5. Loans of collection material.	A total of 90 new incoming or outgoing loans of collection material were processed during the year ending 31 March 2019.	30 new incoming and outgoing loans of collection material annually.	Under achieved.  There were a total of 22 new incoming or outgoing loans of collection material for the period.	8 loans less than target were processed.	Fewer requests for loans were received. The reporting of this target will most likely change to a % of loans processed.
Strategic objective: 2.8. To provide relevant research expertise.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.8.1 CRM, EIA, biomonitoring and Site Reports.	Compiled 4 cultural technical reports, or environmental assessment reports by 31 March 2019.	Compile 20 CRM, EIA, biomonitoring and Site reports by 31 March 2020.	Under achieved.  Compiled 11 CRM, EIA, bio-monitoring and Site reports by 31 March 2020.	9 reports less than target were produced.	Requests for these reports are controlled by external factors. When requests are received, researchers own research still receives priority.
2.8.2. Reviews of research articles, proposals, reports and management plans.	56 reviews of research articles, reports, proposals, theses and management plans were undertaken by 31 March 2019.	50 reviews of research articles/ reports/ proposals/ management plans by 31 March 2020.	Achieved.  56 reviews of research articles reports/ proposals/ management plans were undertaken by 31 March 2020.	Six reviews more than target.	None.
2.8.3. Professional staff serving on committees of professional bodies.	8 professional staff serving on committees of professional bodies to 31 March 2019.	8 professional staff serving on committees of professional bodies to March 2020.	Achieved.  8 professional staff serving on committees of professional bodies to 31 March 2020.	None.	None.
Strategic objective: 2.9. To build research capacity.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
2.9.1 Training of interns.	7 interns underwent training in research departments to 31 March 2019.	2 interns to undergo training in research departments to 31 March 2020.	Achieved.  7 interns got training in research departments to 31 March 2020.	5 interns more than target.	Artbank and Oliewenhuis provided training to more interns than anticipated.
2.9.2. Attendance of conferences and research meetings by professional staff.	32 opportunities to attend research conferences & workshops by research staff to 31 March 2019.	40 conferences/ research meetings attended by professional staff to 31 March 2020.	Achieved.  50 conferences/ research meetings attended to 31 March 2020.	10 more conferences/ research meetings attended.	None.
2.9.3. Supervision of post-graduate students.	Supervision was provided for 6 post-graduate students to 31 March 2019.	4 post-graduate students supervised annually.	Achieved.  Supervision was provided for 9 post-graduate students to 31 March 2020.	9 students more than target.	Additional opportunities for supervision of post-graduate students presented themselves.

## Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

Programme/ activity/ objective	2018/2019			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
Programme 2. Business development: Curation and Conservation of Collections, Research and Information Management (excluding staff costs).	1 634	1 408	226	1 766	2 385	(619)
Total	1 634	1 408	226	1 766	2 385	(619)

## Programme 3: Public Engagement

### Sub-programme 1: Marketing

**Sub-Programme purpose:** To promote a greater awareness and better understanding of South Africa's diverse cultural and natural heritage through relevant formal and informal activities and exhibitions.

#### Strategic objectives:

- To promote quality, informative educational programmes, materials, activities, and objectives.
- To provide an enhanced visitor experience.
- To develop permanent and temporary exhibitions to showcase the Museum's diverse natural and cultural heritage and art collections.

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

Programme 3, sub-programme 1: Marketing					
Strategic objective: 3.1. To promote quality, informative educational programmes, materials, activities and objectives.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.1.1. Regular media coverage obtained.	Total of 2648 publicity items in media to 31 March 2019.	Produce a total of 350 media items per year.	Achieved.  A total of 1864 media items were produced by 31 March 2020.	1 514 more media items than target.	There was considerable exposure of Museum activities in social media.
Strategic objective: 3.2. To provide an enhanced visitor experience.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.2.1. Visitor numbers increased.	Total of 145 958 visitors to the National Museum and its satellites by 31 March 2019.	200 000 visitors to the National Museum and its satellites during 2019/2020.	Under achieved.  Total of 119 890 visitors to the National Museum, its satellites and outreach programmes during 2019/2020.	80 110 fewer visitors than target.	Very low visitor number in March 2020 due to national state of disaster and lockdown. A current trend is the reduction of visitors to museums.

Strategic objective: 3.2. To provide an enhanced visitor experience.

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.2.2. Marketing products produced.	Marketing products produced for all new exhibitions (24), 592 materials produced to 31 March 2019.	Marketing products produced for all new exhibitions.	Achieved. Marketing products produced for all new exhibitions, 516 materials produced to 31 March 2020.	None.	None.

Strategic objective: 3.3. To develop permanent and temporary exhibitions to showcase the Museum's diverse natural and cultural heritage and art collections.

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.3.1. Annual review of rolling 10-year permanent exhibition plan.	Exhibition plan tabled at sub-committee of council meeting 7 February and noted.	Rolling 10-year permanent exhibition plan reviewed annually by 31 March.	Achieved. Rolling 10-year permanent exhibition plan and annual exhibition plan reviewed.	None.	None.
3.3.2. Temporary exhibitions (internal) developed and hosted.	8 internal temporary exhibitions were hosted during the year to 31 March 2019.	4 temporary exhibitions developed and hosted per year (internal).	Achieved. 8 new internal temporary exhibitions were hosted during the year to 31 March 2020.	4 exhibitions more than target.	Additional exhibitions were hosted for Special Days.
3.3.3. Temporary exhibitions (external) developed and hosted.	6 external temporary exhibitions were hosted during the year to 31 March 2019.	2 temporary exhibitions developed and installed per year (external).	Achieved. 10 external temporary exhibitions were hosted during the year to 31 March 2020.	8 more external temporary exhibitions were hosted than target.	Opportunities arose for the National Museum to host additional external temporary exhibitions, including the Batho travelling exhibition.
3.3.4. Temporary art exhibitions hosted at Oliewenhuis Art Museum.	A total of 16 temporary art exhibitions were hosted to 31 March 2019 at Oliewenhuis Art Museum.	10 temporary art exhibitions hosted per year (Oliewenhuis Art Museum).	Achieved. A total of 13 temporary art exhibitions were hosted at Oliewenhuis Art Museum.	3 more temporary art exhibitions than target were hosted.	Additional opportunities and optimal utilization of all available exhibition venues enabled Oliewenhuis to host more temporary art exhibitions than anticipated.
3.3.5. National Art Bank temporary exhibitions hosted.	2 National Art Bank temporary exhibitions hosted during the year.	1 National Art Bank temporary exhibition hosted per year.	Achieved. 3 National Art Bank temporary exhibitions hosted during the year.	2 more exhibitions than target.	Opportunities was presented at the National Museum and Oliewenhuis Art Museum to host additional exhibitions.
3.3.6. Text for displays produced in 3 languages (English, Afrikaans, Sesotho).	Multilingual text was only provided in 2 languages for all new displays.	Multilingual (3 languages) text in various formats provided in all new temporary exhibitions (internal).	Under achieved. Multilingual (3 languages) text in various formats was produced in 3 new temporary displays (3) hosted at the National Museum during the year.	4 new temporary exhibitions did not have multilingual text.	Due to the nature of the exhibitions it was impossible to have multilingual text in all.

## Sub-programme 2: Public Educational Programmes

**Sub-Programme purpose:** To provide informative and enjoyable educational experiences through relevant formal and informal activities and public outreach programmes, thereby contributing to promoting a greater awareness and better understanding of South Africa's diverse cultural and natural heritage.

### Strategic objectives:

- To produce quality, informative educational programmes, materials and activities, and to communicate these.
- To address social responsibility and transformation through targeted educational and outreach activities.
- To use oral history techniques to enlighten Museum audiences regarding previously marginalized Bloemfontein / Mangaung communities.

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

Programme 3, sub-programme 2: Public Educational Programmes					
Strategic objective: 3.4. To produce quality, informative educational programmes, materials and activities, and to communicate these.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.4.1 Educational materials reviewed and updated.	Current educational materials were reviewed, with 50% of these updated by 31 March 2019.	Current educational materials reviewed, with 50% of these updated by March 2020.	Achieved.  Current educational materials were reviewed, with 51% of these updated by 31 March 2020.	None.	None.
3.4.2. Educational materials distributed.	3 721 educational booklets distributed to 31 March 2019.	300 educational booklets distributed each year.	Achieved.  1 807 educational booklets distributed to 31 March 2020.	1 507 more educational booklets distributed than target.	Due to many new exhibitions at Oliewenhuis, more booklets were distributed than anticipated.
3.4.3. Numbers of lessons & guided tours presented.	520 educational lessons & guided tours presented to 31 March 2019.	510 lessons & guided tours presented per annum.	Achieved.  516 educational lessons & guided tours presented to 31 March 2020.	6 lessons and guided tours more than target.	None.
3.4.4. Educator training workshops presented.	5 educator training workshops presented to 31 March 2019.	5 educator training workshops presented per annum.	Achieved.  5 educator training workshops presented.	None.	None.
3.4.5. Participation in public outreach programmes.	Participation in 3 public education projects to 31 March 2019 (SAASTA & PAST).	Participation in 2 public educational projects (e.g. funded by SAASTA) by March 2020.	Achieved.  Participated in 2 public education projects with SAASTA and PAST to 31 March 2020.	None.	None.
3.4.6. Mobile Museum trips undertaken.	36 Mobile Museum trips undertaken to 31 March 2019, including 23 to rural areas.	20 Mobile Museum trips undertaken (at least 8 to rural areas) by March 2020.	Achieved.  36 Mobile Museum trips undertaken to 31 March 2020, including 18 to rural areas.	16 more trips than target.	More requests were received from schools to undertake additional Mobile Museum trips.

Strategic objective: 3.5. To address social responsibility and transformation through targeted educational and outreach activities.

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.5.1. Youth development, temporary employment and training provided.	Training and temporary employment provided for 9 tourism students, acting as Assistant Museum Guides to March 2019.	Training and temporary employment provided for 4 tourism students, acting as Assistant Museum Guides to March 2020.	Achieved. Training and temporary employment provided for 8 tourism students, acting as Assistant Museum Guides to March 2020.	4 more students trained and employed than target.	Some students left the employ, and therefore new students were appointed.
3.5.2. Holiday art workshops hosted.	10 holiday art workshops presented, accommodating 93 participants by 31 March 2019.	10 holiday art workshops held per annum, each accommodating 10 participants.	Achieved. 10 holiday art workshops presented, accommodating 153 participants by 31 March 2020.	None.	None.
3.5.3. Annual charity event hosted at the Museum.	Charity event for 50 children hosted at the National Museum by 31 March 2019.	Annual charity event hosted, involving 25 children.	Achieved. 2 charity events hosted for 69 children by 31 March 2020.	1 more event than target.	One event was hosted at National Museum, and one at Oliewenhuis Art Museum.
3.5.4. Previously disadvantaged schools visited by Museum Education Department.	42 previously disadvantaged schools visited by Education Department staff by 31 March 2019.	25 previously disadvantaged schools visited by Education Department staff by 31 March 2020.	Achieved. 44 previously disadvantaged schools visited by Education Department staff by 31 March 2020.	19 more previously disadvantaged schools visited than target.	The Education department strives to visit previously disadvantaged schools.
3.5.5. Living heritage events hosted.	2 living heritage events hosted to 31 March 2019.	2 living heritage events hosted to 31 March 2020	Achieved. 2 living heritage events hosted to 31 March 2020.	None.	None.
3.5.6. Improved access to exhibitions provided for physically challenged visitors.	No improved access to exhibitions was provided for physically challenged visitors by 31 March 2019.	Improved access to 2 new exhibitions provided for physically challenged visitors by 31 March 2020.	Achieved. Improved access to 2 new exhibitions provided for physically challenged visitors.	None.	None.

Strategic objective: 3.6. To use oral history techniques to enlighten Museum audiences regarding previously marginalized Bloemfontein / Mangaung communities.

Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.6.1. Batho residents interviewed.	8 Batho residents interviewed to 31 March 2019.	10 Batho residents interviewed by 31 March 2020.	Under achieved. 8 Batho residents interviewed to 31 March 2020.	2 interviews less than target.	Many more interviews were scheduled, but the interviewee either did not arrive for appointment, or cancelled.

Strategic objective: 3.6. To use oral history techniques to enlighten Museum audiences regarding previously marginalized Bloemfontein / Mangaung communities.					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
3.6.2. Publications on Batho produced.	6 <sup>th</sup> publication on Batho produced. Article titled: Batho celebrates a century (1918-2018). <i>Culna</i> 73: 2-4.	Publication on Batho produced by 31 March 2020.	Achieved. 2 publications on Batho produced.	1 publication more than target.	The publications website of the Museum makes it possible to publish more articles.

### Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

Programme/ activity/ objective	2018/2019			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
Programme 3. Public engagement: Marketing, Public Educational Programmes (excluding staff costs)	1 053	698	355	1 109	986	123
Total	1 053	698	355	1 109	986	123

# REVENUE COLLECTION

The Museum's revenue comprises mainly the subsidy from the Department of Arts and Culture, the sale of goods in the Museum's Shop, the rental from The Terrace Restaurant and professional services rendered. The Museum is not a revenue generating institution due to the nature of its services and offerings. The Museum collected more revenue than was budgeted for because of an increase in interest income.

Sources of revenue	2018/2019			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
Transfers and subsidies received	49 716	49 716	-	56 915	52 425	4 490
Sale of good and other services	511	462	49	420	694	(274)
Interest received	1 800	3 733	(1 933)	3 136	5 961	(2 825)
Total	52 027	53 911	(1 884)	60 471	59 080	1 391

## Capital investment

Details of capital grant balance from the previous two years are shown in the table below :

Infrastructure projects	2018/2019				2019/2020			
	Opening Balance	Amount received during the year (Interest)	Amount spent during the year	Closing balance	Opening balance	Amount received during the year (Interest)	Amounts spent during the year	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Capital Grant received	7 942	590	-81	8 451	8 451	600	-166	8 885
Total	7 942	590	-81	8 451	8 451	600	-166	8 885



# ANNEXURES



# AUTHORS



Dr Jennifer Botha



Dr Michael Bates



Dr Nico Avenant



Dr Marianna Botes



Dr Gimo Daniel



Dr Derek du Bruyn

# MUSEUM PUBLICATIONS 2019/2020

## 1. Scientific Publications by National Museum staff

During 2019/2020 Museum staff published 31 articles in peer reviewed journals.

- Barrett, P.M., Chapelle, K.E.J., Staunton, C.K., Botha, J., Choiniere, J. 2019. Postcranial osteology of the neotype specimen of *Massospondylus carinatus* Owen, 1854 (Dinosauria: Sauropodomorpha) from the upper Elliot formation of South Africa. *Palaeontologia Africana* 53, 114?178.
- Bates, M.F., Stanley, E.L. 2020. A taxonomic revision of the south-eastern dragon lizards of the *Smaug warreni* (Boulenger) species complex in southern Africa, with the description of a new species (Squamata: Cordylidae). *PeerJ* 8:e8526 DOI 10.7717/peerj.8526.
- Bergman, D.L., Avenant, N., Schutte, F., Bodenchuk, M.J. 2019. Providing Education to Enhance Wildlife Conservation in South Africa Through the First Wildlife School for Game Ranchers - a Grassroots Effort by Government Authorized Conservationists. In: Armstrong, J.B., Gallagher, G.R. (eds) *Proceedings of the 18th Wildlife Damage Management Conference*, pp. 68?76.
- Botes, M., Wessels, A. 2019. Mediese sorg, kwaksalwery en kure in laat 19de eeuse Bloemfontein. *Suid Afrikaanse Tydskrif vir Kultuurgeskiedenis* 33(1), 49?79.
- Botha, J., Huttenlocker, A.K., Smith, R.M.H., Prevec, R., Modesto, S.P. 2019. New geochemical and palaeontological data from the Permian-Triassic boundary in the South African Karoo Basin test the synchronicity of terrestrial and marine extinctions. *Palaeogeography, Palaeoclimatology, Palaeoecology*. 540: 109467. DOI: doi.org/10.1016/j.palaeo.2019.109467.
- Botha, A.E., Botha, J. 2019. Ontogenetic and inter-elemental osteohistological variability in the leopard tortoise *Stigmochelys pardalis*. *PeerJ* 7:e8030 DOI 10.7717/peerj.8030.
- Chapelle, K.E.J., Barrett, P.M., Botha, J., Choiniere, J.N. 2019. Ngwevu intloko: a new early sauropodomorph dinosaur from the Lower Jurassic Elliot Formation of South Africa and comments on cranial ontogeny in *Massospondylus carinatus*. *PeerJ*. DOI:10.7717/peerj.7240.
- Daniel, G.M., Cupello, M. 2019. Case 3789 – *Ateuchus hirtus* Wiedmann 1823, (Insecta, Coleoptera, Scarabaeidae) proposed conservation of the specific name. *Bulletin of Zoological Nomenclature*, 76, 123?126.
- Daniel, G.M., Génier, F. 2019. A preliminary Checklist of the dung beetle species of Mozambique (Coleoptera: Scarabaeidae: Scarabaeinae), *Catharsius*, *La Revue*, 19, 25?32.
- Du Bruyn, D., Oelofse, M. 2019. A hidden history: gardens and gardening in Bloemfontein's (Mangaung) oldest locations. *South African Journal of Cultural History*, 33(1), 97?119.
- Du Bruyn, D., Oelofse, M. 2019. "A hygienic Native township shall be developed": the founding and development of Batho as Bloemfontein's "model location" (c. 1918-1939). *Historia*, 64(2), 47?81.
- Ermilov, S.G., Hugo-Coetzee, E.A., Khaustov, A.A., Theron, P.D. 2019. Oribatid mites (Acari, Oribatida) inhabiting termite nests in the Faan Meintjes Nature reserve (South Africa). *Systematic and Applied Acarology* 24(9), 1783?1798.
- Ermilov, S.G., Hugo-Coetzee, E.A., Khaustov, A.A., Kotschan, J. 2019. *Hypozetes andreii* (Acari, Oribatida, Tegoribatidae), a new species of oribatid mites from South Africa. *Acarina* 27(2), 183?192.
- Ermilov, S.G., Hugo-Coetzee, E.A. 2020. Correspondence. *Galumna capensis dissimilis* Engelbrecht, 1969, a junior synonym of *Galumna lawrencei* Jacot, 1940 (Acari, Oribatida, Galumnidae),

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- with remarks on type material. *Zootaxa* 4750(3), 441?442.
- Holt, S., Horwitz, L.K., Hoffman, J., Codron, D. 2019. Structural density of the leopard tortoise (*Stigmochelys pardalis*) shell and its implications for taphonomic research. *Journal of Archaeological Science: Reports* 26, 101819.
- Khaustov, A.A., Hugo-Coetzee, E.A., Ermilov, S.G., Theron, P.D. 2019. A new genus and species of the family Microdispidae (Acari: Heterosigmata) associated with *Trinervitermes trinervoides* (Sjostedt) (Isoptera: Termitidae) from South Africa. *Zootaxa* 4647(1), 104?114.
- Khaustov, A.A., Hugo-Coetzee, E.A., Ermilov, S.G. 2019. A new species of *Tanytydeus* (Acari: Paratydeidae) from termite nests in South Africa. *Systematic and Applied Acarology* 24(9), 1604?1619.
- Khaustov, A.A., Hugo-Coetzee, E.A., Ermilov, S.G. 2019. A new genus, new species and a new record of the family Pygmephoridae (Acari: Heterostigmata) associated with *Microtermes parvus* (Haviland) (Isoptera: Termitidae) from South Africa. *Systematic and Applied Acarology* 24(10), 1881?1892.
- Kerley, G.I.H., Behrens, K.G., Carruthers, J., Diemont, M., Du Plessis, J., Minnie, L., Somers, M.J., Tambling, C.J., Turpie, J., Wilson, S., Balfour, D. 2019. Building assessment practice and lessons from the scientific assessment on livestock predation in South Africa. *South African Journal of Science* 115, 1?4.
- Mayer, E.L., Hubbe, A., Botha, J., Ribeiro, A.M., Villagran, X.S., de Almeida Rizzutto, M. 2019. Diagenetic changes on bone histology of Quaternary mammals from a tropical cave deposit in southeastern Brazil. *Palaeogeography, Palaeoclimatology, Palaeoecology* 537, 109372.
- Muller, B.S. 2019. A curious new *Coenosia* (Diptera: Muscidae) from Mariepskop, Mpumalanga. *African Invertebrates* 60(2), 239?253.
- Neethling, J.A., Haddad, C.R. 2019. Influence of some abiotic factors on the activity patterns of trapdoor spiders, scorpions and camel spiders in a central South African grassland. *Transactions of the Royal Society of South Africa*, 74(2), 107?114.
- Niedbala, W., Hugo-Coetzee, E.A., Ermilov, S.G. 2019. New Notophthiracarus species (Acarina, Oribatida, Phthiracaridae) and overview of the distribution of the genus in South Africa. *Zootaxa* 4647(1), 231?240.
- Rebelo, A.D., Bates, M.F., Burger, M., Branch, W.R., Conradie, W. 2019. Range expansion of the Common Dwarf Gecko, *Lygodactylus capensis*: South Africa's most successful reptile invader. *Herpetology Notes* 12: 643–650.
- Snyders, H. 2019. "An outrage, not athletics" – Apartheid and South African-United States rugby relations, 1976?1990. *International Journal of the History of Sport*. DOI: 10.1080/09523367.2019.1576636.
- Snyders, H. 2019. "Visionary Courtyard Players"- The Robben Island Rugby Board and the transition to post-apartheid South Africa, c.1972?1992. In: Gennaro, M.J., Aderinto, S. (eds) *Sports in African History, Politics and Identity Formation*, London & New York (Routledge).
- Snyders, H. 2019. "Our traditional game?" Klawerjas, subaltern heritage and marginal community in the Western Cape. *South African Journal of Cultural History* 33(2), 25?44.
- Snyders, H. 2019. Guanopreneurs and the dynamics of guano policy-making in the Cape Colony, c.1843?1845. *New Contree: A Journal of Historical and Human Sciences for Southern* 83, 1?23.
- Snyders, H. 2020. "Damn! - welly good white man's game": Race, Golf and the struggle for social justice in South Africa, c. 1890-1991. In Villanueva, N. (ed.) *The Athlete as National Symbol. Critical Essays on Sports in the International Arena. McFarland Publication*, pp47?70
- Veiga, F.H., Botha, J., Maria Ribeiro, A., Ferigolo, J., Bento Soares, M. 2019. Osteohistology of the Late Triassic silesaurid *Sacisaurus agudoensis* from southern Brazil and implications for growth in early dinosaurs. *Revista Brasileira de Paleontologia* 91(2), e20180643.
- Zietsman, P.C., Zietsman, L.E. 2019. Floristic diversity at Kolomela mine on the Ghaap Plateau, Postmasburg, Northern Cape Province.

# AUTHORS



Dr Ziets Zietsman



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Dr Elfriede Dreyer

*Indago* 35, 1?33.

## Popular articles by National Museum Staff

During 2019/2020 52 popular articles were published.

- Avenant, N.L. 2019. Verstaan jakkalse en rooikatte om verliese te beperk. *Landbouweekblad* 16 Augustus, 50?53.
- Bates, M.F. 2019. Compilation of personal tributes to William Roy Branch (1946-2018): a loving husband and father, a good friend, and a mentor. In: Conradie, W., Grieneisen, M.L. & Hassapakis, C.L. (eds), *Amphibian & Reptile Conservation* 13(2) [Special Section] (e186).
- Bates, M.F. 2019. HAA Committee Reports: Awards Portfolio Report. *African Herp News* 72, 20?21.
- Bates, M.F. & Stanley, E.L. 2019. A new 'cryptic' species of dragon lizard from Swaziland and South Africa. Abstract of paper, 14th HAA Conference, Cape St Francis, September 2019. *African Herp News* 72, 46?47.
- Bates, M.F. 2019. Common Dwarf Geckos: South Africa's most successful reptile invader. *Culna online*.
- Botes, M. 2019. Burning heritage issues: removal of the President Steyn statue. *Culna online*.
- Botes, M., du Bruyn, D. 2019. Merkwaardige vroue van Bfn. *Volksblad* 08/08/2019.
- Botha, J. 2020. The biggest mass extinction in Earth's history. *Culna online*.
- Botha, J. 2020. New analysis sheds important light on an ancient mass extinction event. *The Conversation* (20-02-2020).
- Cohen, B. 2020. Excavations at the West Coast Fossil Park – a 5-million-year-old fossil site. *Culna online*.
- Daniel, G. 2020. Overview of the biology of the dung beetle tribe of Sisyphini (Coleoptera: Scarabaeidae: Scarabaeinae). *Culna online*.
- De Kock, Y. 2019. Elza Botha used her art to communicate 'banned' information during the Apartheid era. *Culna online*.
- De Kock, Y. 2019. The clown, the horse and the hound – a selection of artworks by female surrealist Karin Jaroszynska. *Culna online*.
- De Kock, Y. 2020. Oliewenhuis Art Museum participates in the #Eachforequalcam-paign in celebration of International Women's Day 2020. *Culna online*.
- De Kock, Y. 2020. #5Womenartists campaign gains momentum in South Africa. *Culna online*.
- De Swardt, D.H. 2019. Museum research shows that the Red-billed Buffalo-weavers have become extinct in the Free State due to deforestation. *Culna online*.
- De Swardt, D. H. 2019. Atlasing the Leeuberg pentades south of Bloemfontein. *SABAP2 reports* No 6.
- De Swardt, D. H. 2019. Going ... going ... In search of South Africa's northernmost sugarbirds. *The Lark* 26: 4-9.
- De Swardt, D. H. 2020. Crowned Lapwing breeding in townhouse complex park. *Sakabula* 56:7.
- De Swardt, D. H. Unusual and rare fence mortality - Greater painted Snipe. *The Lark* 28:53-54.
- De Swardt, D. H. 2020. Secretarybird breeding observations in the Bloemfontein area. *Culna online*.
- Dreyer, E. 2019. Painting as medium in the collection of the Art Bank of South Africa. *Culna online*.
- Dreyer, E. 2019. We've been here: An art exhibition in celebration of Women's Day. *Culna online*.
- Dreyer, E. 2019. The Venice Biennale: past and present. *Culna online*.
- Du Bruyn, D. 2019. Molly Fischer – a struggle icon in her own right. *Culna online*.
- Du Bruyn, D. 2019. Township topiary – the African way. *Topiarius* 23, 37-40.
- Du Bruyn, D. 2019. 'n Vader van versoening. *Volksblad* 27/8/2019.
- Du Bruyn, D. 2019. Oliewenhuis se tuin steeds 'n lushof. *Bloemnuus* 3/10/2019.
- Du Plessis, E. 2019. The Bloemfontein flood of 1904. *Culna online*.

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Amy Goitsemodimo



Sudré Havenga



Loudine Phillip



Toni Pretorius



Khotso Pudumo

Du Plessis, J. 2020. It's all in the collections – the hidden value of natural history museums. *Culna online*.

Goitsemodimo, A. 2019. Mantsopa Makheta. *Culna online*.

Goitsemodimo, A. 2019. Modjadji – the rain queen. *Culna online*.

Goitsemodimo, A. 2020. Umqombothi: our African beer. *Culna online*.

Havenga, S. 2019. The idea of the perfect figure dates back to the Victorian era. *Culna online*.

Havenga, S. 2019. Xsê: The struggle South African women faced for you to vote. *Culna online*.

Hugo-Coetzee, L. 2020. We are going to the field: an example of a scientific field expedition. *Culna online*.

Muller, B.S. 2019. Abstract book for Entomological Society of Southern Africa congress (ESSA) 2019.

Muller, B.S. 2020. Is die enigste vlieg werklik 'n dooie vlieg? *Klerksdorp record*.

Neethling, J.A. 2019. The orders of Arachnida, the recognizable and obscure. *Culna online*.

Philip, L. 2019. Machedema – an Iron Age site in South Africa. *Culna online*.

Pretorius, T. 2020. Making the untouchable touchable. *Culna online*.

Pudumo, K. 2019. "Nazis, Lennon's medicine and a New Age" – remembering the Caleb 'commandant' Motshabi: Liberation struggle icon. *Culna online*.

Pudumo, K., Snyders, H. 2019. "Apartheid, two slices of bread, and one teabag" – the making of anti-apartheid activist, Constance Tshabalala. *Culna online*.

Rossouw, L. 2019. Before Darwin: Lamarck's evolutionary concept of Acquired Characteristics. *Culna online*.

Snyders, H. 2019. The National Museum, colonial science and the Republic of the Orange Free State in 1877. *Culna online*.

Snyders, H. 2019. Steve Tshwete, the Robben Island Rugby Boards and the transition to post-apartheid South Africa, c. 1972–1992. *Culna online*.

Snyders, H. 2019. "Greens, roughs and Blacks": The establishment of a black South African golfing tradition before World War II. *Culna online*.

Snyders, H. 2019. From the Reid Challenge Cup to the Woolf and Young Cups: Youth Soccer under the Orange Free State and Basutoland Football Association, 1895–1972. *Culna online*.

Snyders, H., Wyngaard, H. 2019. Unieke kruisbestuiwing. *Die Burger*, 14/12/2019.

Snyders, H., Wyngaard, H. 2019. "Waar was ons sonder Baabaas?", *Rapport*, 29/09/2019.

Snyders, H., Wyngaard, H. 2020. SA Sportlui nie bekend vir politiek op die podium. *Die Burger*, 01/02/2020.

Van Rensburg, E. 2020. The quiver trees of South Africa. *Culna online*.



Dr Lloyd Russouw



Elmarie van Rensburg

# RESEARCH PROJECTS OF THE NATIONAL MUSEUM 2019/2020

## BOTANY

Project 509: Phylogenetics of *Nanathus* and *Rabiea* (Alzooaceae).

## FLORISBAD QUATERNARY RESEARCH

Project 309: Grass Phytoliths from the Pleistocene hominin site of Malapa, Sterkfontein Valley, SA.

Project 442: Morphological study of tortoise remains from Wonderwerk cave. Project completed.

Project 486: Annotated catalogue of the fossil fauna from the Florisian land mammal age type site at Florisbad, Free State Province, South Africa.

Project 487: Late Pleistocene climate change and osteology of the foot bones in the Kalahari Springbok, *A. marsupialis hofmeyeri*.

Project 506: Analysis of *Giraffa giraffe* carcasses struck by lightning on the farm Dronfield, Kimberley, Northern Cape Province.

Project 510: A reappraisal of the fossil porcupine *Hystix makapanensis* (Mammalia, Rodentia).

Project 523: Exploration of vulture, suid and small carnivore taphonomy in an arid grassland environment.

## HERPETOLOGY

Project 64.6: Taxonomic revision of the *Afroedura nivaria* Boulenger complex, with a description of a new species (Sauria: Gekkonidae). Project closed.

Project 265.3: Species limits in the *Pseudocordylus melanotus* (A. Smith) complex (Sauria: Cordylidae). Project closed.

Project 390: Geographical variation in the egg-eating snakes of the genus *Dasypeltis* in Africa south of latitude 12°S. Project closed.

Project 462.1: Genetic diversity within two widespread *Amietia* species in central South Africa.

Project 495: Revision of the *Gerrhosaurus nigrolineatus* Hallowell species complex in Africa Sauria: Gerrhosouridae).

Project 496: A molecular assessment of the *Cordylus minor* FitzSimons species complex.

Project 497: A revision of the south-eastern dragon lizards of the *Smaug warreni* (Boulenger) species complex in southern Africa, with the description of a new species (Squamata: Cordylidae)

Project 498: A taxonomic revision of *Cordylus vittifer* (Reichenow) (Sauria: Cordylidae)

Project 499: Taxonomy of the genus *Cordylus* in Angola (Sauria: Cordylidae)

## HISTORY

Project 100: The restoration of the corrugated iron house at Florisbad Research Station.

Project 101: The appearance of gardens during the period 1890–1910 and the replanning of the garden of Freshford House Museum.

Project 259: Bloemfontein during the term of office of President FW Reitz, 1889–1895: a cultural history.

Project 373: Doing oral history: a practical guide for beginners. Project completed.

Project 379: The Batho Community History Project – Digaretene Project.

Project 463: A hygienic Native township shall be developed: the founding and development of Batho as Bloemfontein's model location 1918–1939. Project completed.

Project 468: A hidden history: gardens and gardening in Bloemfontein's (Mangaung) oldest locations. Project completed.

Project 488: Batho's 'garden areas of 50 ft. by 75 ft.': the making of a South African 'garden location', with special reference to its ornamental gardens.

Project 494: "The idea of beautifying the surroundings": initiatives to turn Bloemfontein's (Mangaung) Batho location into a 'garden location', with special reference to the role played by the municipality and location residents (1918–1939).

Project 500: The Batho Liberation Heritage Route Brochure.

Project 467: Unmistakeably of the tennis courts – black women's tennis in Bloemfontein from the later 19th century to unification.

Project 470: For the sake of the game and sport: the OFS football board, apartheid and the implementation of the SA council on sport double standard resolution, 1973–1978.

Project 471: The greatest and most scientific exponent of the fine art of pugilism ever produced: Jimmy Dixon and the intersection of race, politics and boxing.

Project 472: Visionary Courtyard players – the Robben Island Rugby Board and the transition to post-apartheid South Africa c. 1972–1992. Project completed.

- Project 473: Damn! – welly good white man’s game: Race, golf and the struggle for social justice in South Africa, c. 1890–1991. Project completed.
- Project 474: A partnership in the challenges facing us: Apartheid and South African-Israeli rugby relations, c 1948–1989
- Project 475: From the South African Rugby museum to the ‘Springbok experience’ – rugby, reconciliation and post-apartheid public memory.
- Project 476: Wrestling with apartheid: RSA-USA amateur wrestling relations, 1960–1991
- Project 477: Between Turnen and occupation: Race, identity and rugby in late-colonial Namibia.
- Project 478: Our traditional game? Klawerjas, subaltern heritage and marginal community in the Western Cape. Project completed.
- Project 479: The Black Orpington of Biff – colonialism, race and poverty in the prizefighting and boxing career of Joe Young Pluto Brown, c 1872–1931.
- Project 480: For both language groups to feel at home either as participants or sightseers: sport memory, resistance and nation at the 1952 – Van Riebeeck Sports festival.
- Project 481: Little more than rich soil. The anatomy and politics of the Cape Bat guano trade, 1890–1920.
- Project 482: Balancing legitimate claims and fortunate additions: Gaunopreneurs and the dynamics of guano policy-making in the cape – colony c 1843–1845. Project completed.
- Project 483: An experiment much to the health of the inhabitant: the 19th century Cape Colony frozen water (ice) trade.
- Project 484: Preventing a silent wilderness or securing the economic bounty? Guano and the politics of seabird protection in the 19th century Cape colony.
- Project 485: Programmes of frivolity on ice? Hockey, business, diasporic identity and apartheid South Africa, c. 1910–1992
- Project 518: Prisoner 369/65: Louis Leo Mtshizana, apartheid, rugby and the struggle for social justice.

#### MAMMALOGY

- Project 323: Monitoring small mammals effectively: a comparison of trapping methods.
- Project 354: Patterns in the soil composition and structure, recovery of vegetation, and changes in mite, insect, spider and small mammal communities after fire in a grassland ecosystem, Erfenisdam Nature Reserve, Free State Province.
- Project 375: Canis Caracal Project.
- Project 456: The Mammals of Lesotho
- Project 460: Small mammals as indicators of the ecological impact of the open-cast Kolomela iron ore mine, Postmasburg.
- Project 493: Small mammals as an indicator of habitat change in the Kalahari.
- Project 501: Biodiversity and global change in southern Africa: *Rhabdomys* contact zones – windows on adaptability and climate change.

#### ORNITHOLOGY

- Project 221.2: African Rock Pipit *Anthus crenatus* vocalizations and aspects of vocal behaviour.
- Project 464: Study on Gurney’s Sugarbird *Promerops gurneyi* isolated island population in Limpopo Province and adjacent areas and their genetics based on blood sampling from birds
- Project 492: General bird collecting to expand the Ornithological collections and bird ringing as part of the department’s curation and research activities.

#### PALAEONTOLOGY

- Project 348.10: A new radiometric date for the South African Permo-Triassic mass extinction event tests the synchronicity of the terrestrial and marine biological crisis. Project completed.
- Project 348.12: Biostratigraphy of the *Lystrosaurus* Assemblage Zone.
- Project 368.7: Life history and reproductive strategy of Permo-Triassic *Lystrosaurus*.
- Project 368.8: Diagenetic changes on bone histology of Quaternary mammals from a tropical cave deposit in southeastern Brazil. Project completed.
- Project 368.14: Non-mammaliaform synapsids.
- Project 368.16: Osteohistology of theropod dinosaurs from the Early Jurassic of South Africa.
- Project 421: Tooth replacement patterns in Eutheriodontia of South Africa.
- Project 422.2: Osteohistological characteristics of fossorial mammals. Project closed.
- Project 437: The morphology and osteohistology of a new gorgonopsian (Therapsida; Gorgonopsia) from the uppermost Permian of the Karoo Basin, South Africa.
- Project 444: Comparative bone histology of *Stigmochelys pardalis* (Leopard Tortoise), with specific reference to ontogeny and biomechanics. Project completed.
- Project 452.2: Osteohistology of the Late Triassic silesaurid *Sacisaurus agudoensis* from southern Brazil and implications for growth in early dinosaurs. Project completed.

- Project 452.3: New osteohistological data on the late Triassic rhynchosaur *Hyperodapedon* from southern Brazil, based on a humeral ontogenetic growth series. Project completed.
- Project 455.2: The ontogeny and taxonomy of the basal sauropodomorph dinosaur *Massospondylus carinatus*.
- Project 455.3: Postcranial osteology of the neotype specimen of *Massospondylus carinatus* Owen 1854 from the upper Elliot formation of South Africa. Project completed.
- Project 455.4: A new species of *Massospondylus* and comments on cranial ontogeny in *M. carinatus*. Project completed.

#### ROCK ART

- Project 489: Interpretation of rough-pecked Khoekhoen engravings in the central interior of southern Africa.
- Project 490: Battle of Sam iKhubis.
- Project 491: Pathways across cultures.

#### TERRESTRIAL INVERTEBRATES

- Project 441: Revision of the South African Gymnobiidae (Arachnida: Pseudoscorpiones).
- Project 465: Mites (Acari) in termite nests. Project closed.
- Project 466: Biodiversity and climate related distribution of intertidal oribatid mites from South African shores.
- Project 457: Systematics of Afrotropical Athericidae (water snipe flies).
- Project 458: Diversification and expansion of the National Museum Entomology collections.
- Project 504: Systematics of the endemic, Afrotropical dung beetle genus of *Odontoloma* (Scarabaeidae: Scarabaeinae).
- Project 505: Revision of the South African pseudoscorpion fauna (Arachnida: Pseudoscorpiones).

# EXHIBITIONS HOSTED AT OLIEWENHUIS ART MUSEUM 2019/2020



*We Create, 10th South African Quilt Guild Travelling Exhibition of Quilts, 11 April – 15 May 2019, Annex Gallery.*



*Basotho Blankets Exhibition, from the National Museum Collection, 10 May – 23 June 2019, Annex Gallery.*



*Harmonia: Sacred Geometries, the pattern of existence by Gordon Froud, 16 May – 23 June 2019, Reservoir.*



*Exploring the origins of the Oliewenhuis Art Museum and its founder collections, Oliewenhuis Art Museum's Permanent Collection, 18 May 2019 – 28 July 2019, Permanent Collection.*



*TIMELESS – Between Matter & Spirit by Dr Esther Mahlangu, 23 May – 23 June 2019, Main Building.*



*Blood Relatives by Cedric Nunn as part of the Vrystaat Arts Festival, 2 July – 18 Aug 2019, Main Building.*



*#i | A Public Art Poster campaign conceptualised by Jodi Bieber in collaboration with 45 young people from Johannesburg as part of the Vrystaat Arts Festival. Poster design by Brenton Maart, 2 July – 18 Augustus 2019, Reservoir.*



*Seeking Love by Banele Khoza as part of the Vrystaat Arts Festival, 2 July – 21 July 2019, Annex Gallery.*



*The clown, the horse and the hound*, A selection of works by female surrealist Karin Jaroszynska, curated by Yolanda de Kock from Oliewenhuis Art Museum's Permanent Collection, 16 August – 15 September 2019, Annex Gallery.



*Gender \* Politics \* Identity \**, Curriculum based exhibition for Grade 10-12, curated by Yolanda de Kock and Baitsumetsi Moloabi from Oliewenhuis Art Museum's Permanent Collection Permanent Exhibition Area, 16 August 2019 – 31 May 2020.



*in[de]finite* by Jon Jacobson, 31st Annual Sophia Gray Memorial Exhibition, 30 August – 13 October 2019, Main Building.



*Phatshoane Henney New Breed Art Competition*, 17 Oct – 24 Nov 2019, Main Building.



*All sorts of being/s*, curated by Ester le Roux from Oliewenhuis Art Museum's Permanent Collection, 6 December 2019 – 26 Jan 2020, Main Building.



*Seascapes and markets*, curated by Linda Wheeler from Oliewenhuis Art Museum's Permanent Collection, 20 December 2019 – 2 February 2020, Annex Gallery.



*Becoming: what is & what is not* – New Acquisitions of the Art Bank of South Africa, 20 February 2020 – 3 May 2020, Main Building.



*Beyond body and Mind*, an exhibition curated by the Oliewenhuis Art Museum Guides from Oliewenhuis Art Museum's Permanent Collection, 27 February – 29 March 2020, Annex Gallery.

# EXHIBITIONS HOSTED BY THE ARTBANK OF SOUTH AFRICA 2019/2020



*Homing in on Freedom: An Art Bank of South Africa Youth Exhibition, 27 June – 31 July 2019, Number Four Museum, Constitution Hill.*



*We've Been Here: A multidiscipline exhibition honouring remarkable Women of Bloemfontein history and female artists in the Art Bank of South Africa Collection, 1 – 31 August 2019, National Museum Bloemfontein.*



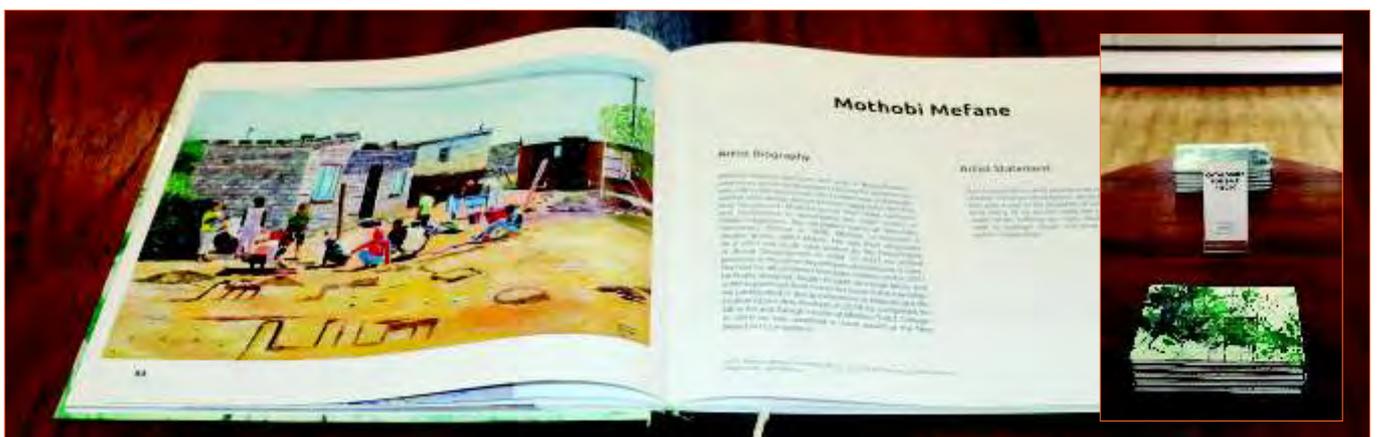
*Reflecting on Bram Fischer: His Values Today, 13 December 2019 – 31 January 2020, National Museum Bloemfontein.*



*Becoming – what is and what is not Art Bank of South Africa New Acquisitions Exhibition, 20 February 2020 – lockdown, Oliewenhuis Art Museum.*



*VANGATAVA: The Limpopo Launch of the Art Bank of South Africa, 27 February 2020 – lockdown, Polokwane Art Museum.*



*The Selected Art Collection of the Art Bank of South Africa – First Edition catalogue.*



PART C:  
GOVERNANCE



# INTRODUCTION

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

The National Museum strives to be committed to sound corporate governance and is primarily guided by generally accepted corporate governance practices, as well as Corporate Governance in the public sector. These seek to ensure that the Museum's mandate is fulfilled with due consideration to responsive decision making, accountability, effective and ethical leadership, as well as fairness and transparency whilst monitoring performance and compliance with statutory requirements.

# PORTFOLIO COMMITTEES

The Museum did not attend any meetings for the period.

# EXECUTIVE AUTHORITY

All compliance reports were submitted to DAC by the due date. No issues have been raised.

# THE ACCOUNTING AUTHORITY/BOARD

The full report is tabled in the Annual Financial Statements.

# RISK MANAGEMENT

The National Museum is required to maintain an effective, efficient and transparent system of financial, risk management and internal control in accordance with the provisions of the PFMA. Council has identified risk management as a focus area and its current practices were enhanced by the strengthening of the policy environment and risk reporting. The Council approved a Risk Management Framework and Policy.

Risks are continuously identified, assessed, evaluated, mitigated, monitored and reviewed. As each risk was identified it was allocated to a relevant person in the respective Department responsible for the day-to-day management thereof and recorded in a risk register that contains the descriptions, causes, controls in place, assessments and mitigating actions of all risks identified. The identification was both at an operational and strategic levels and regular assessments were performed to determine the effectiveness of the risk management and to identify emerging risks.

The Audit and Risk Committee advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. They also advise the Council on risk management and independently monitor the effectiveness of the system of risk management.

Enterprise Wide Risk Management has been fully implemented at the Museum. There has been significant progress in the reporting period in the management of risks, and this has transmitted into improvements in the Museum's performance.

# INTERNAL CONTROL UNIT

There is no separate Internal Control Unit. Management is responsible for the maintenance of internal controls.

# INTERNAL AUDIT AND AUDIT COMMITTEES

## Objectives of Internal audit

The objectives of internal audit is to provide an independent, objective assurance and consulting activities designed to add value and improve operations of the Museum.

## Key Activities of Internal Audit

A Risk based strategic approach is adopted which takes into account the results of the formal risk assessment conducted by management was used to develop a risk based three year internal audit plan. This is then revised annually and the annual internal audit plan based on updated risk assessment is submitted to the audit committee for approval at the start of the financial year. The Internal Audit Plan was implemented for 2019.20 and within budget.

# COMPLIANCE WITH LAWS AND REGULATIONS

The National Museum has developed policies and procedures aligned to laws and regulations that governs the industry in which the Museum operates, in order to ensure compliance. The policies and procedures were reviewed and approved by council. The National Museum complied with laws and regulations and no material non-compliance was identified by the AGSA during the audit. Compliance is reported on quarterly through the Audit Committee.

# FRAUD AND CORRUPTION

The National Museum developed a fraud prevention plan. Training and sensitisation of reporting fraud was highlighted to the staff and how to make use of the DAC Fraud hotline. No cases were reported. Management and the Audit and Risk Committee held a scheduled Fraud Risk Workshop and identified fraud risks. A Fraud Risk Register is maintained and tabled to Council on a quarterly basis.

# MINIMISING CONFLICT OF INTEREST

Service providers depending on the threshold as determined in the Museum's Supply Chain Management Policy, are required to declare their interest and knowledge of Museum's officials that are or could be involved in the respective procurement process in a form of SBD4 form in accordance with National Treasury Practise Note 7 of 2009/2010.

# CODE OF CONDUCT

As a public entity the Museum subscribes to both the Code of Conduct for Public Servants and the International Council of Museums (ICOM) Code of Ethics for Museums. The reason for adopting these two Codes is to help Museum employees to understand the standards of personal and professional behaviour required to enable the Museum to fulfil its public mandate in terms of the Cultural Institutions Act of 1998 and the Public Service Act of 1994.

# HEALTH SAFETY AND ENVIRONMENTAL ISSUES

A special Health and Safety Report was procured to review the Museum’s fire hazards. The OHS committee active in the financial period and systematically attended to all the recommendations from this report. OHS first responders received refresher training in First Aid and Fire. OHS Committee members received OHS Supervisor Training.

# AUDIT COMMITTEE REPORT

Full report is tabled in the Annual Financial Statements.

# B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate.
Developing and implementing a preferential procurement policy?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate, however the Museum has developed and currently implementing an SCM policy that applies 80/20 preferential point system that is based on PPPFA.
Determining qualification criteria for the sale of state-owned enterprises?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate.
Developing criteria for entering into partnerships with the private sector?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate.



# PART D: HUMAN RESOURCE MANAGEMENT



# INTRODUCTION

Human capital is a critical component of the Museum's competitive edge. The Museum is in the process of transformation and tries to attract black scientist to improve our demographics. The Museum unfortunately competes with universities and other institutions with larger budgets for a small pool of highly skilled scientists. Year on year budget cuts exacerbates the situation as top scientific candidates are mostly unaffordable for the Museum.

Transformation is a key imperative and the Museum is lagging behind when it comes to its scientists and Heads of Research departments. We can only address these challenges when vacancies arise. During the financial period, the Museum was successful in employing skilled black scientist to fill vacancies.

In the previous period the Museum reviewed the organisational structure. Phase 1 of the project looked at reviewing job descriptions to ensure that they were fit for purpose and looking at the grading and salaries of each position. This exercise has been completed and the Museum adjusted the salaries of staff whose salaries fell outside of the minimum of the salary band.

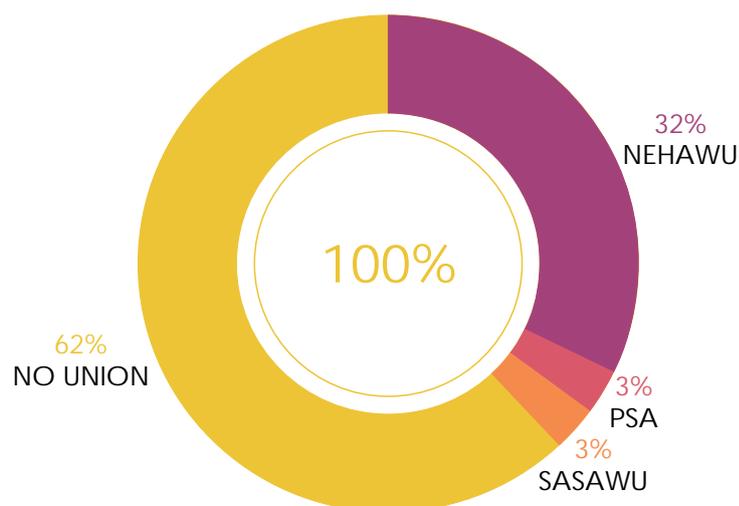
The Museum implemented its performance management policy during the year. Special effort was made to ensure that targets set were aligned to job descriptions and were aligned to the Annual Performance Plan of the Museum.

## Unionisation at the workplace

The Museum has a formalised unionised environment. There are 3 (three) unions that enjoy staff support at the Museum. These unions are NEHAWU, PSA and SASAWU. The Council has formally recognised NEHAWU in 2019 and in terms thereof, a signed Recognition Agreement has been concluded between the employer and the Union.

Pursuant to this agreement, 2 (two) shop stewards have been appointed at the Museum workplace to represent staff in their dealings with management. Further in terms of the agreement, NEHAWU and Management meet to discuss staff issues that the union wants to raise. The Council is apprised on a quarterly basis of union issues which are raised. Below pie chart shows union representation at the National Museum as at 31 March 2020.

UNION MEMBERSHIP AT THE NATIONAL MUSEUM AS AT 31 MARCH 2020.



# HUMAN RESOURCE OVERSIGHT STATISTICS

Below are our key Human Resource Oversight Statistics:

## Personnel cost by programme / activity / objective

Programme / activity / objective	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)
Programme 1: Administration: Support services	27 283	13 249	49%	45	294
Programme 2. Business development: Curation and Conservation of Collections, Research and Information Management.	21 341	18 956	89%	47	403
Programme 3. Public engagement: Marketing, Public Educational Programmes.	7 434	6 448	87%	30	215

## 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	1 475	4%	1	1 475
Senior Management	11 886	31%	18	660
Professional qualified	4 477	12%	11	407
Skilled	11 504	30%	32	360
Semi-skilled	4 164	11%	19	219
Unskilled	5 149	13%	41	126
TOTAL	38 655	100%	122	3 247

## Performance rewards

Programme / activity / objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	1 475	0%
Senior Management	108	11 886	4%
Professional qualified	23	4 477	1%
Skilled	116	11 504	1%
Semi-skilled	39	4 164	1%
Unskilled	35	5 149	1%
TOTAL	741	38 655	1%

## Training costs

EXTERNAL TRAINING		
Course	No of staff	Per unit cost
Advanced Book Repair	1	R12 212.72
Labour Law Seminar	1	R 2 702.50

Course	No of staff	Per unit cost
Safety Officers Training	10	R750.00
Basic Fire Training	10	R450.00
OHS Supervisors Training	5	R843.48
General OHS Training	10	R791.30
CGE-Gender equality and sexual harassment in the workplace	51	Free

### Employment and vacancies

Programme / activity / objective	2018/2019 No. of Employees	2019/2020 Approved Posts	2019/2020 No. of Employees	2019/2020 Vacancies	% of vacancies
Permanent	101	103	102	1	0.9%
Fixed term	5	5	5	0	0%
Casuals (Relief Staff)	1	1	1	0	0%
Interns	12	Internship	11	1	8%

Programme / activity / objective	2018/2019 No. of Employees	2019/2020 Approved Posts	2019/2020 No. of Employees	2019/2020 Vacancies	% of vacancies
Top Management	1	1	1	0	0%
Senior Management	1	2	1	1	50%
Professional qualified	17	17	17	0	0%
Skilled	42	42	42	0	0%
Semi-skilled	6	7	6	1	14%
Unskilled	41	41	41	0	0%
TOTAL	108	110	108	2	1,8%

### Employment changes

Below table reflects information on changes in employment over the financial year.

Salary Band	Employment at beginning of the period	Appointments	Terminations	Employment at end of the period
Top Management	1	0	0	0
Senior Management	1	1	1	1
Professional qualified	16	1	1	17
Skilled	42	1	1	42
Semi-skilled	6	0	0	6
Unskilled	41	2	2	41
TOTAL	107	6	6	108

### Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	2	33.33%
Dismissal	0	0%
Retirement	2	33.33%
Ill health	1	16.66%
Expiry of contract	1	16.66%
Other	0	0%
Total	6	100%

Staff turnover is very low at the Museum.

## Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	6
Written Warning	10
Final Written Warning	0
Dismissal	0

## Equity Target and Employment Equity Status

The Museums staff demographics consists of 55% female and 45% males. White staff make up 44% of the staff compliment. The Museum has an Employment Equity Plan and is in the process of setting equity targets which will guide the recruitment of new staff.

Levels	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	n/a	0	n/a	0	n/a	0	n/a
Senior Management	0	n/a	0	n/a	0	n/a	0	n/a
Professional qualified	1	n/a	1	n/a	1	n/a	7	n/a
Skilled	6	n/a	1	n/a	0	n/a	7	n/a
Semi-skilled	3	n/a	0	n/a	0	n/a	0	n/a
Unskilled	17	n/a	2	n/a	0	n/a	1	n/a
SUB TOTALS	27		4		1		17	
TOTAL MALES	48							

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	n/a	1	n/a	0	n/a	0	n/a
Senior Management	1	n/a	0	n/a	0	n/a	0	n/a
Professional qualified	0	n/a	0	n/a	1	n/a	7	n/a
Skilled	7	n/a	2	n/a	0	n/a	20	n/a
Semi-skilled	2	n/a	0	n/a	0	n/a	1	n/a
Unskilled	16	n/a	0	n/a	0	n/a	2	n/a
SUB TOTALS	26		3		1		30	
TOTAL FEMALES	60							

Levels	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	0		1	
Senior Management	0		0	
Professional qualified	0		0	
Skilled	0		0	
Semi-skilled	0		0	
Unskilled	0		0	
TOTAL	0		1	



# PART E: FINANCIAL INFORMATION



# REPORT OF THE EXTERNAL AUDITOR

## Report of the auditor-general to Parliament on the National Museum

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the National Museum Bloemfontein, set out on pages 64 to 112, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Museum Bloemfontein as at 31 March 2020, and its financial performance and cash flows for the year then ended, in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa (Act No. 1 of 1999), 1999 (PFMA).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the public 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

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

#### Restatement of corresponding figures

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2019 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2020.

#### Subsequent event

8. I draw attention to note 32 to the financial statements, which deals with a subsequent event and specifically the possible effects of the future implications of Covid-19 on the public entity's future prospects, performance and cash flows.

#### Responsibilities of accounting authority for the financial statements

9. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.
10. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure

either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

## Auditor-general's responsibilities for the audit of the financial statements

11. 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.
12. 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

13. 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.
14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do 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.
15. 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 programmes presented in the annual performance report of the public entity for the year ended 31 March 2020:

Programmes	Pages in the annual performance report
Programme 2 - Business development	22-28

16. 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.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for programme 2 – business development.

### Other matter

18. I draw attention to the matter below.

### Achievement of planned targets

19. Refer to the annual performance report on pages 22 to 32 for information on the achievement of planned targets for the year and explanations provided for the under-/over-achievement of a significant number of targets.

## Report on the audit of compliance with legislation

### Introduction of scope

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

### Annual financial statements

22. 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. Material misstatements of revenue, current assets, non-current assets and current liabilities identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

### Other information

23. 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 the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
24. 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.
25. 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.
26. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

### Internal control deficiencies

27. 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 findings on compliance with legislation included in this report.
28. Management did not adequately monitor internal controls in the daily operations of the public entity relating to financial reporting. This resulted in material misstatements being made to the financial statements on revenue, current assets, non-current assets and current liabilities. This was caused by the slow response by management to address internal control shortcomings identified in the prior year as well as instability in the leadership of the museum during the year.

Bloemfontein  
30 September 2020

AUDITOR - GENERAL



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

### Financial statements

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.

# ANNUAL FINANCIAL STATEMENTS

NATIONAL MUSEUM, BLOEMFONTEIN  
31 MARCH 2020

The reports and statements set out below comprise the financial statements presented to the parliament:

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PFMA	Public Finance Management Act
GRAP	Generally Recognised Accounting Practice

# GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Legal form of entity	Schedule 3 Entity
Nature of business and principal activities	To collect, preserve, interpret and display objects of artistic, cultural or scientific significance for the education of the public.
Members	Adv J Leshabane (Chairperson of Council) Dr. E. Mohatlane Dr. L. Munsamy Mrs. G. Ritchie Ms. M. De Roche-Holmes Mr. M. Noge Mr. C. Fortune Dr. D. Morris
Registered office	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
Business address	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
Bankers	ABSA South African Reserve Bank
Auditors	Auditor General of South Africa
Preparer	The financial statements were internally compiled by: Thabiso Tshotetsi AGA(SA) Accountant
Published	31 August 2020
Relevant Legislation	Generally Recognised Accounting Practice (GRAP) Public Finance Management Act (PFMA) (Act No. 1 of 1999) Skills Development Levies Act (Act No. 9 of 1999) Employment Equity Act (No. 55 of 1999) Unemployment Insurance Act (Act No. 30 of 1966) Basic Conditions of Employment (Act No. 75 of 1997)
Chief Executive Officer	Ms. S. Snell (Appointed 1 April 2018)
Chief Financial Officer	Ms. Gabisile Simelane CA(SA) (Appointed 01 January 2020)

# REPORT OF THE ACCOUNTING OFFICER

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

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The Accounting Officer 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting Officer has reviewed the museum's cash flow forecast for the year to 31 March 2020 and, in the light of this review and the current financial position, she is satisfied that the National Museum has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the National Museum's annual financial statements. The Annual Financial Statements have been examined by the National Museum's external auditors and their report is presented on page 55.

The Annual Financial Statements set out on page 64 - 112, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 March 2020 and were signed on its behalf by:



Sharon Snell  
Chief Executive Officer  
National Museum, Bloemfontein  
31 March 2020

# AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2020.

## Audit committee members and attendance

The Audit Committee consists of the external members listed hereunder and the Committee is required to meet a minimum of two times per annum as per the provisions of the Public Finance Management Act (PFMA). In terms of the approved Audit Committee Charter, seven meetings were held during the year. i.e. four meetings to consider the Quarterly Performance Reporting (financial and non-financial), two special audit committee meetings and one meeting to review and discuss the Annual Financial Statements and the Auditor- General of South Africa's (AGSA) Audit and Management Reports.

Name of member	Number of meetings attended
Mr. K. Nkoe (Chairperson)	7 (3 Year term appointed as an independent member)
Mr. N. Noge	5 (3 year term appointed as a non-independent member)
Mr. MP. Mphi	7 (3 year term appointed as an independent member)
Mr. MR. Mothapo	4 (3 year term appointed as an independent member)
Dr. L. Munsamy	4 (3 year term appointed as a non-independent member)

## Audit committee responsibility

The Committee reports that it has complied with its responsibilities arising from section 38(10)(1) of the PFMA and Treasury Regulation 3.1. The 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.

The Committee has performed the following key responsibilities:

- Adopted the audit and Risk Management Charter and proposed approved to Council.
- Reconfirmed the appropriateness of the Internal Audit Charter and methodology.
- Approved the Internal Audit Plan for the financial year and monitored the implementation of the plan.
- Evaluated the findings raised by internal and external audit and made the recommendations on addressing those matters.
- Performed a review of financial information submitted to the committee and commented specifically on concerns raised based on year-to-date information and accuracy of projections.
- Liaised with the Auditor General on matters relating to communication with those charged with governance.

## The effectiveness of internal control

The Committee acknowledges management's effort to maintain controls within the organisation.

Management is responsible for the organisation's system of internal controls. 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 prevent and detect misstatement and losses. Nothing has come to the attention of Management and The Committee to indicate that any material breakdown in the functioning of these controls, procedure and systems has occurred during the year under review, internal auditors reported instances of non-compliance or weakness in internal controls. The Committee assessed Management's comments to the findings and are satisfied with the adequacy thereof and the remedial steps Management has proposed to deal with the findings. The Committee will receive a quarterly tracking register wherefrom they will track Management's progress in resolving the findings.

The Committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the financial year under review.

## Internal audit

In terms of the PFMA, the Accounting Officer needs to ensure that the department has a system of internal audit under control and direction of the Committee. The internal audit function has been outsourced.

The Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the entity. The Committee is satisfied that the internal audit function maintains an effective internal quality assurance and programme that covers all aspects of the internal audit activities.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Mr. K. Nkoe  
Chairperson of the Audit Committee  
31 March 2020

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Statement of Financial Position as at 31 March 2020

Figures in Rand thousand	Notes	2020	2019
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	7	2 434	1 770
Receivables from exchange transactions	8	703	541
Receivables from non-exchange transactions	9	9	318
Cash and cash equivalents	10	106 884	99 863
		<b>110 030</b>	<b>102 492</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	3	9 593	11 308
Heritage assets	4	139 190	138 917
Employee benefit asset	5	14 839	5 492
		<b>163 622</b>	<b>155 717</b>
<b>Total Assets</b>		<b>273 652</b>	<b>258 209</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	13	33	29
Payables from exchange transactions	11	3 864	3 110
Unspent conditional grants and receipts	12	63 512	62 067
		<b>67 409</b>	<b>65 206</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	13	119	152
Employee benefit obligation	5	26 378	25 679
		<b>26 497</b>	<b>25 831</b>
<b>Total Liabilities</b>		<b>93 906</b>	<b>91 037</b>
<b>Net Assets</b>		<b>179 746</b>	<b>167 172</b>
<b>Reserves</b>			
Capital replacement reserves		2 448	2 285
Accumulated surplus		177 298	164 887
<b>Total Net Assets</b>		<b>179 746</b>	<b>167 172</b>

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Statement of Financial Performance

Figures in Rand thousand	Notes	2020	2019
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Artbank Income		113	-
Rental income		367	151
Projects income		56	-
Trading revenue	16	271	462
Interest received	17	5 961	3 733
Gain on disposal of assets and liabilities		8	166
Actuarial gains		11 763	9 198
<b>Total revenue from exchange transactions</b>		<b>18 539</b>	<b>13 710</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Transfers and subsidies received	18	53 735	59 079
Free use of buildings		30 270	26 967
Local and foreign aid assistance		9	281
External funding		453	358
<b>Total revenue from non-exchange transactions</b>		<b>84 467</b>	<b>88 685</b>
<b>Total grants received</b>	14	<b>103 006</b>	<b>102 395</b>
<b>Expenditure</b>			
Staff costs	19	(42 925)	(47 839)
Remuneration of councillors		(389)	(186)
Depreciation		(2 227)	(2 163)
Finance costs	20	(873)	(3)
Bad debts		(60)	-
Other operating expenses	21	(43 016)	(48 993)
<b>Total expenditure</b>		<b>(89 490)</b>	<b>(99 184)</b>
<b>Surplus (Deficit) for the year</b>		<b>13 516</b>	<b>3 211</b>

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Statement of Changes in Net Assets

	Capital replacement reserve	Accumulated surplus	Total net assets
Figures in Rand thousand			
<b>Balance at 01 April 2018</b>	<b>2 151</b>	<b>161 726</b>	<b>163 877</b>
Changes in net assets			
Movement in accumulated reserves	134	-	134
Prior year adjustments	-	(50)	(50)
Net income (losses) recognised directly in net assets	134	(50)	84
Surplus for the year	-	3 211	3 211
Total recognised income and expenses for the year	134	3 161	3 295
Total changes	134	3 161	3 295
<b>Balance at 01 April 2019 as restated*</b>	<b>2 285</b>	<b>164 888</b>	<b>167 173</b>
Changes in net assets			
Adjustments to accumulated depreciation	-	(1 513)	(1 513)
Additions to heritage assets	-	273	273
Other movements and changes	-	134	134
Net income (losses) recognised directly in net assets	-	(1 106)	(1 106)
Surplus for the year	-	13 516	13 516
Total recognised income and expenses for the year	-	12 410	12 410
Movement in accumulated reserves	163	-	163
Total changes	163	12 410	12 573
<b>Balance at 31 March 2020</b>	<b>2 448</b>	<b>177 298</b>	<b>179 746</b>

Note(s)

For the prior period errors refer to note 28.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Cash Flow Statement

Figures in Rand thousand	Note(s)	2020	2019
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts from customers		1 127	1 363
Grants received		53 735	58 754
Interest received		5 961	3 733
		<b>60 823</b>	<b>63 850</b>
<b>Payments</b>			
Employee costs		(40 199)	(37 507)
Suppliers		(11 061)	(25 283)
Finance costs		(873)	(1)
Other operating expenses		-	109
		<b>(52 133)</b>	<b>(62 882)</b>
<b>Net cash flows from operating activities</b>	<b>24</b>	<b>8 690</b>	<b>1 168</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(1 376)	(3 863)
Proceeds from sale of property, plant and equipment	3	8	166
Purchases of heritage assets	4	(273)	(782)
Other non-cash items		1	290
<b>Net cash flows from investing activities</b>		<b>(1 640)</b>	<b>(4 189)</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(29)	179
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>7 021</b>	<b>(2 842)</b>
Cash and cash equivalents at the beginning of the year		99 863	102 705
<b>Cash and cash equivalents at the end of the year</b>	<b>10</b>	<b>106 884</b>	<b>99 863</b>

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget:	Adjustments:	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand thousand						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Artbank income	-	-	-	113	113	1
Rental income	300	-	300	367	67	2
Projects income	-	-	-	56	56	4
Trading revenue	120	-	120	271	151	5
Interest received - investment	1 137	-	1 137	5 961	4 824	6
<b>Total revenue from exchange transactions</b>	<b>1 557</b>	<b>-</b>	<b>1 557</b>	<b>6 768</b>	<b>5 211</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Transfer revenue</b>						
Grants received	56 916	-	56 916	53 735	(3 181)	7
Free Use of Building	30 270	-	30 270	30 270	-	
Gifts and sponsorships	9	-	9	9	-	
External funding	2 009	-	2 009	453	(1 556)	3
<b>Total revenue from non-exchange transactions</b>	<b>89 204</b>	<b>-</b>	<b>89 204</b>	<b>84 467</b>	<b>(4 737)</b>	
<b>Total revenue</b>	<b>90 761</b>	<b>-</b>	<b>90 761</b>	<b>91 235</b>	<b>474</b>	
<b>Expenditure</b>						
Staff costs	(43 260)	-	(43 260)	(42 925)	335	8
Remuneration of councillors	(405)	-	(405)	(405)	-	
Depreciation and amortisation	(2 100)	-	(2 100)	(2 227)	(127)	9
Finance costs	-	-	-	(873)	(873)	10
Bad debts written off	-	-	-	(60)	(60)	11
General Expenses	(46 786)	-	(46 786)	(43 000)	3 786	12
<b>Total expenditure</b>	<b>(92 551)</b>	<b>-</b>	<b>(92 551)</b>	<b>(89 490)</b>	<b>3 061</b>	
<b>Operating surplus</b>	<b>(1 790)</b>	<b>-</b>	<b>(1 790)</b>	<b>1 745</b>	<b>3 535</b>	
Gain on disposal of assets and liabilities	-	-	-	8	8	
Actuarial gains/losses	-	-	-	11 763	11 763	
	-	-	-	11 771	11 771	
<b>Surplus before taxation</b>	<b>(1 790)</b>	<b>-</b>	<b>(1 790)</b>	<b>13 516</b>	<b>15 308</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>(1 790)</b>	<b>-</b>	<b>(1 790)</b>	<b>13 516</b>	<b>15 308</b>	

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand thousand

### Statement of Financial Position

#### Assets

##### Current Assets

Inventories	1 782	-	1 782	2 434	652	16
Receivables from exchange transactions	703	-	703	703	-	
Receivables from non-exchange transactions	9	-	9	9	-	
Cash and cash equivalents	106 884	-	106 884	106 884	-	
	<b>109 378</b>	-	<b>109 378</b>	<b>110 030</b>	<b>652</b>	

##### Non-Current Assets

Property, plant and equipment	10 508	-	10 508	9 593	(915)	13
Heritage assets	138 917	-	138 917	139 190	273	14
Employee benefit asset	-	-	-	14 839	14 839	15
	<b>149 425</b>	-	<b>149 425</b>	<b>163 622</b>	<b>14 197</b>	
<b>Total Assets</b>	<b>258 803</b>	-	<b>258 803</b>	<b>273 652</b>	<b>14 849</b>	

#### Liabilities

##### Current Liabilities

Finance lease obligation	33	-	33	33	-	
Payables from exchange transactions	3 858	-	3 858	3 864	6	
Unspent conditional grants and receipts	67 770	-	67 770	63 512	(4 258)	17
Social Club: Employee contributions	6	-	6	-	(6)	
	<b>71 667</b>	-	<b>71 667</b>	<b>67 409</b>	<b>(4 258)</b>	

##### Non-Current Liabilities

Finance lease obligation	152	-	152	152	-	
Employee benefit obligation	26 378	-	26 378	26 378	-	15
	<b>26 530</b>	-	<b>26 530</b>	<b>26 530</b>	-	
<b>Total Liabilities</b>	<b>98 197</b>	-	<b>98 197</b>	<b>93 939</b>	<b>(4 258)</b>	
<b>Net Assets</b>	<b>160 606</b>	-	<b>160 606</b>	<b>179 713</b>	<b>19 107</b>	

#### Net Assets

##### Net Assets Attributable to Owners of Controlling Entity

##### Reserves

Accumulated reserves	-	-	-	2 448	2 448	
Accumulated surplus	-	-	-	162 500	162 500	
<b>Total Net Assets</b>	-	-	-	<b>164 948</b>	<b>164 948</b>	

The reconciliation of actual amounts on a comparable basis and actual amounts shall be disclosed in note 29 to the financial statements.

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Reasons for the differences between budgeted and actual

### 1. Artbank Income

The variance is due to sale of art works from the art bank inventory that was not initially budgeted for the year under review.

### 2. Rental Income

The rental income variance is due to other rental facilities rented out during the financial year under review other than the Oliewenhuis Terrace Restaurant.

### 3. External funding

There was less funding received than actually anticipated from various funding institutions. This is also due to most of the funding planned for the last quarter but due to Covid-19 pandemic some of the projects could not be carried out.

### 4. Project income

The variance is due to income from projects that was not budgeted for.

### 5. Trading revenue

The initial trading revenue budget only included the National Museum entrance fees, however the variance is due to the shop sales, and other satellite museum entrance fees not initially budgeted for.

### 6. Interest received

The variance between the budgeted and actual interest received is due to the fluctuation of the interest rates set by the financial institutions and the initial growth of the capital invested.

### 7. Grant received

The variance is due to the reduced subsidy in quarter 1 and quarter 2, which were significantly lower than what was budgeted for.

### 8. Staff Cost

The variance in staff cost is due to the vacancies that were only filled in the last quarter.

### 9. Depreciation

The variance is due to the new assets added in the financial year under review.

### 10. Finance Cost

The variance is as a result of the photocopying machine being a budgeted expenditure and not an item of property, plant and equipment of which contrary to the standard, GRAP 13 requires that we recognise the asset on the substance over form resulting in a finance lease liability.

### 11. Bad debts

The variance is due to bad debts which were not initially provided for.

### 12. General expenses

The variance is due to savings in programme 2 and programme 3.

### 13. Property, plant and equipment

The variance is due to purchases made during the year being lesser than initially budgeted.

### 14. Heritage assets

The variance is due to the valuation on the new acquisitions, this is an area that requires significant

judgement and therefore our budgeted figure will likely not equal actual.

#### 15. Employee Benefits

The variance is due to the significant fluctuations on the investment markets. This area requires significant judgement and embedded with a lot of uncertainties and therefore our budgeted figure will likely not equal actual.

#### 16. Inventories

The variance is due to the current year additions to Art Works and transfers of Art Works held for lease.

#### 17. Unspent conditional grants

The variance is due to the increase in revenue recognition as more conditions of the grants were met and ultimately resulting in the decrease in the unspent conditional grants liability.

## ACCOUNTING POLICIES

### 1. Presentation of Financial Statements

The National Museum was established in terms of Section 3 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998), and in terms of Section 5, it is governed by a Council appointed by the Minister of Arts and Culture. The National Museum is a Schedule 3A public entity as per the Public Finance Management Act (Act No. 1 of 1999).

The National Department of Arts and Culture is the controlling entity of the National Museum.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999). They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Going concern assumption

These financial statements have been prepared based on the expectation that the National Museum will continue to operate as a going concern for at least the next 12 months.

Funds were obtained and used in accordance with a legally adopted budget.

#### 1.2 Comparative figures

Where the presentation or classification of items in the financial statements is amended, prior period comparative amounts are also restated and reclassified. The nature and reason for the reclassification will be disclosed.

Where accounting errors relating to prior periods have been identified in the current year, the correction is made retrospectively as far as it is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. The presentation and classification of items in the current year is consistent with prior periods, unless specified otherwise.

#### 1.3 Critical accounting estimates and judgements in applying policies

The use of judgement, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in the future periods.

##### Judgements

In the process of applying these accounting policies, management has made certain judgements that may have a significant effect on the amounts recognised in the financial statements

##### Estimates

The entity makes estimates and assumptions that affect the reported amounts of assets and liabilities at date of Financial Position as well as the reported revenue and expenses for the year.

Estimates and judgements are evaluated annually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Receivables

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

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to balances

in the portfolio and scaled to the estimated loss emergence period.

### 1.3 Critical accounting estimates and judgements in applying policies (continued)

#### Impairment testing

The recoverable (service) amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

#### Provisions

Provisions are measured as the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in the future to settle the provision management considers the weighted average possibility of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are of a provision as well as the financial impact of each of those potential outcomes. Management then assigns a weighting factor of each of these outcomes will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions.

#### Post-retirement benefits

The costs of the benefits and the present value of the post retirement benefit liabilities depend on a number of factors that are determined by an actuarial valuation using a number of assumptions.

These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is hugely sensitive to changes in these assumptions.

Any changes in these assumptions will impact the charge to the Performance Statement and the Position Statement. All assumptions are reviewed at each reporting date.

#### Effective interest rate

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

#### Allowance for impairment

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

#### Value in use of cash generating assets

The museum 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 assets

The museum 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.

### 1.4 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed in the disclosure note.

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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

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

Assets which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 3).

### 1.5 Heritage assets

An item is recognised as a heritage asset in terms of GRAP 103 when:

- it meets the definition of an asset.
- it meets the definition of a heritage asset.
- it is probable that future economic benefits or service potential associated with the asset will flow to the entity and
- its costs can be measured reliably.

A heritage asset is an asset which have cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit or present and future generations.

A heritage asset is derecognised when it is disposed off or when no future economic benefits or potential is expected.

Any gain or loss is recognised in surplus or deficit.

Heritage assets are initially measured at cost unless the heritage assets were obtained through a non-exchange transaction, then it will be measured at fair value at date of acquisition.

Heritage assets are subsequently measured according to the cost model.

After recognition as an asset, a class of heritage assets shall be carried at its cost less any accumulated impairment losses. Heritage assets are not depreciated due to the uncertainty regarding their estimated useful lives.

#### Initial measurement

Heritage assets are measured at cost.

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

#### Subsequent measurement

Subsequent to initial recognition, items of heritage assets are measured at cost less accumulated depreciation and impairment losses. Subsequent to initial recognition, certain classes of heritage assets, i.e. artworks, are measured using the revaluation model. Application of the revaluation model results in carrying classes of heritage assets at re-valued amounts.

The National Museum has elected the cost model and shall apply this policy to the following classes of heritage assets:

- Natural History
- Cultural History and
- Library Books

The National Museum has elected the revaluation model and shall apply this policy to the following classes of heritage assets: Artworks (An independent revaluation will be conducted after every 3-5 years).

Depreciation for these classes of heritage assets is adjusted proportionately for the revaluation increases

and decreases upon revaluation of the items of heritage assets. Revaluation increases/decreases are recognised in the revaluation reserve within the statement of changes in net assets. Where the revaluation model is applied, it is done so over a period of 3- 5 years according to heritage assets policy of the National Museum for the entire class of assets.

## Impairment

The National Museum tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the statement of Financial Performance.

An impairment is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment had been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

## Derecognition

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

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as a difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The following assets are not recorded in the Statement of Financial Position:

Land and buildings made available to the National Museum in terms of section 9 of the Cultural Institutions Act, 1998 (Act No.119 of 1998).

(Buildings owned by the Department of Public Works are made available to the National Museum in order to perform its functions)

### 1.6 Financial instruments

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) 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 or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial

liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### Initial recognition

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

The entity recognises financial assets using trade date accounting.

#### Derecognition

##### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- -the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

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

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

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

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that

continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

## Presentation

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

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

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

Distributions to holders of residual interests are recognised by the entity directly in net assets. Transaction costs incurred on residual interests are accounted for as a deduction from net assets. Income tax [where applicable] relating to distributions to holders of residual interests and to transaction costs incurred on residual interests are accounted for in accordance with the International Accounting Standard on Income Taxes.

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

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

## 1.7 Tax

### Tax expenses

The entity is exempt from taxation in terms of section 10(1)(cA)(i) of the Income Tax Act. Donations made to or by the entity are exempt from Donations Tax in terms of section 56(1)(h) of the Income Tax Act.

The entity is exempt from payment of Estate Duty in terms of section 4(h) of the Estate Duty Act no. 45 of 1995.

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

## 1.8 Leases

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

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

### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

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

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

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

Income for leases is disclosed under revenue in statement of financial performance.

#### Operating leases - lessee

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

#### 1.9 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### 1.10 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 paid vacation leave 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.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

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

##### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

##### Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

#### 1.11 Provisions and contingencies

Provisions are recognised when the museum has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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

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

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating expenditure. If the museum has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when the museum has a detailed formal plan for the restructuring, identifying at least: the activity/operating unit or part of a operating unit concerned; the principal locations affected; the location, function and approximate number of employees who will be compensated for services being terminated; the expenditures that will be undertaken; and when the plan will be implemented; and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both: necessarily entailed by the restructuring; and not associated with the ongoing activities of the

museum.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the museum.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the museum or a present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised.

#### 1.12 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

#### 1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

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

#### Measurement

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

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by the proportion that costs incurred to date bear to the total estimated costs of the transaction.

Interest, royalties and dividends

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

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

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

#### 1.14 Revenue from non-exchange transactions

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

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

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

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

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

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

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

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

#### Measurement

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

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

#### Transfers

Apart from Services in kind, which are not recognised, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

#### Gifts and donations, including goods in-kind

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

#### Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

#### 1.15 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all surplus (deficit) of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract on a

- systematic and rational basis; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

#### 1.16 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

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

#### 1.17 Translation of foreign currencies

##### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

#### 1.18 Comparative figures

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

#### 1.19 Fruitless and wasteful expenditure

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

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

#### 1.20 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including –

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

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

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

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

#### 1.21 Research and development expenditure

Expenditure on research is recognised as an expense when it is incurred.

An asset arising from development is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

#### 1.22 Budget information

The National Museum's budget is compiled on a cash basis with an economic classification. It covers the same period as the Financial Statements, namely 01 April to 31 March of each year.

#### 1.23 Related parties

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

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

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

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

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

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

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

## Notes to the Financial Statements

Figures in Rand thousand

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### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

• GRAP 6 (as revised 2010): Consolidated and Separate Financial Statements	01 April 2019	Unlikely there will be a material impact
• GRAP 7 (as revised 2010): Investments in Associates	01 April 2019	Unlikely there will be a material impact
• GRAP 8 (as revised 2010): Interests in Joint Ventures	01 April 2019	Unlikely there will be a material impact
• GRAP 18 (as amended 2016): Segment Reporting	01 April 2019	Unlikely there will be a material impact
• GRAP 20: Related parties	01 April 2019	Unlikely there will be a material impact
• GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	Unlikely there will be a material impact
• GRAP 105: Transfers of functions between entities under common control	01 April 2019	Unlikely there will be a material impact
• GRAP 106 (as amended 2016): Transfers of functions between entities not under common control	01 April 2019	Unlikely there will be a material impact
• GRAP 107: Mergers	01 April 2019	Unlikely there will be a material impact
• GRAP 108: Statutory Receivables	01 April 2019	Unlikely there will be a material impact
• GRAP 109: Accounting by Principals and Agents	01 April 2019	Unlikely there will be a material impact
• IGRAP 11: Consolidation – Special purpose entities	01 April 2019	Unlikely there will be a material impact
• IGRAP 12: Jointly controlled entities – Non-monetary contributions by ventures	01 April 2019	Unlikely there will be a material impact
• IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2019	Unlikely there will be a material impact
• IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land	01 April 2019	Unlikely there will be a material impact
• IGRAP 19: Liabilities to Pay Levies	01 April 2019	Unlikely there will be a material impact
• IGRAP 19: Liabilities to Pay Levies	01 April 2019	Unlikely there will be a material impact

#### 2.2 Standards and Interpretations early adopted

The entity has chosen not to early adopt any standards and interpretations.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

### 2. New standards and interpretations (continued)

#### 2.3 Standards and interpretations issued, but not yet effective

The entity has not applied any standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2020 or later periods.

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104: Financial Instruments	01 April 2019	Impact to be assessed

### 3. Property, plant and equipment

	2020			2019		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Fixtures	5 541	(3 003)	2 538	5 411	(2 506)	2 905
Vehicles	5 428	(1 805)	3 623	5 428	(1 503)	3 925
Furniture & fittings	3 801	(2 988)	813	3 645	(2 723)	922
Computers	3 790	(3 260)	530	4 251	(2 854)	1 397
Artworks	182	-	182	-	-	-
Equipment	5 059	(3 667)	1 392	4 544	(3 018)	1 526
Library books	3 716	(3 201)	515	3 731	(3 098)	633
<b>Total</b>	<b>27 517</b>	<b>(17 924)</b>	<b>9 593</b>	<b>27 010</b>	<b>(15 702)</b>	<b>11 308</b>

#### Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Other changes, movements	Depreciation	Total
Fixtures	2 905	169	(40)	(496)	2 538
Vehicles	3 925	-	2	(304)	3 623
Furniture & fittings	922	210	(54)	(265)	813
Computers	1 397	305	(766)	(406)	530
Artworks	-	182	-	-	182
Equipment	1 526	510	7	(651)	1 392
Library books	633	-	(13)	(105)	515
	<b>11 308</b>	<b>1 376</b>	<b>(864)</b>	<b>(2 227)</b>	<b>9 593</b>

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#### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Other changes, movements	Depreciation	Total
Fixtures	3 367	98	-	-	(500)	2 905
Vehicles	1 580	2 862	(290)	-	(227)	3 925
Furniture & fittings	1 086	111	-	-	(275)	922
Computers	1 244	562	-	-	(409)	1 397
Equipment	1 763	275	-	61	(573)	1 526
Library books	733	15	-	-	(115)	633
	<b>9 773</b>	<b>3 863</b>	<b>(290)</b>	<b>61</b>	<b>(2 099)</b>	<b>11 308</b>

#### Pledged as security

There is no property, plant and equipment that was pledged as security for the financial year ended 31 March 2020.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

Figures in Rand thousand

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### 3. Property, plant and equipment (continued)

Depreciation rates Item	Depreciation method	Average useful life		
Fixtures	Straight-line	10 years		
Furniture and fittings	Straight-line	5 years		
Motor vehicles	Straight-line	8 years		
Office equipment	Straight-line	5 years		
IT equipment	Straight-line	3 years		
Library books	Straight-line	7 years		
<b>Assets subject to finance lease (Net carrying amount)</b>				
Other equipment			1 392	1 526
<b>Expenditure incurred to repair and maintain property, plant and equipment</b>				
<b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance</b>				
Repairs and Maintenance			62 143	213 775

The depreciation relating to the leased asset amounts to R3 000.

#### Heritage assets

The National Museum holds heritage assets which are measured in accordance with GRAP 103. During the financial year, heritage assets amounted to R139 190 000. Please see below for a detail of heritage assets according to their class.

Heritage assets may not be disposed off, unless written approval is obtained from the Minister of Sports, Arts and Culture. No other restrictions on title of the Museum to the heritage assets exist.

No heritage assets were pledged as security for liabilities.

A register containing information required by section 51 of the Public Finance Management Act is available for inspection at the registered office of the entity.

#### Art Works

The National Museum ("Lender") agrees to lend and the Borrower agrees to borrow the Art Works on the terms and conditions set out in the Loan Agreement.

The Parties have agreed that the Art Works will be lent on a temporary loan basis to the Borrower for the sole purpose of uninterrupted public display and appreciation at the premises of the Borrower.

The Lender reserves the right to recall any Art Work at any time upon the giving of reasonable notice in writing to the Borrower.

The Lender and the Borrower will jointly prepare Condition Reports for each Art Work at the start and at the end of the Loan.

The Borrower must not carry out any changes to the Art Works specifically including cleaning, retouching, repairs, or restoration, without prior written notification from and/or consent of the Lender.

The Lender shall be responsible for arranging and paying for insurance cover (including any additional insurance required in relation to the transport) of the Art Works at all times ("the insurance").

Should there be any breach of the terms of the loan agreement, either Party may terminate this agreement by giving 30 days' notice to the other in writing with or without a claim for damages occasioned by such breach.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

Figures in Rand thousand

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### 4. Heritage assets

	2020			2019		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Shell collection	136	-	136	136	-	136
Minerology	313	-	313	313	-	313
Documents	72	-	72	71	-	71
Firearms	1 751	-	1 751	1 751	-	1 751
Herpetology Taxidermy	11	-	11	11	-	11
Library books	7 242	-	7 242	7 224	-	7 224
Coins	1 316	-	1 316	1 316	-	1 316
Mammology Taxidermy	1 676	-	1 676	1 676	-	1 676
Objects	11 752	-	11 752	11 751	-	11 751
Ornithology Taxidermy	591	-	591	591	-	591
Anthropology	4 496	-	4 496	4 496	-	4 496
Photographs	213	-	213	212	-	212
Textiles	2 345	-	2 345	2 343	-	2 343
Artworks	107 276	-	107 276	107 026	-	107 026

#### Reconciliation of heritage assets 2020

	Opening balance	Additions	Total
Shell collection	136	-	136
Minerology	313	-	313
Documents	71	1	72
Firearms	1 751	-	1 751
Herpetology Taxidermy	11	-	11
Library books	7 224	18	7 242
Coins	1 316	-	1 316
Mammology Taxidermy	1 676	-	1 676
Objects	11 751	1	11 752
Ornithology Taxidermy	591	-	591
Artworks	4 496	-	4 496
Heritage assets which fair values cannot be reliably measured: (Para .94)			
Photographs	212	1	213
Textiles	2 343	2	2 345
Artworks	107 026	250	107 276
	<b>138 917</b>	<b>273</b>	<b>139 190</b>

#### Reconciliation of heritage assets 2019

	Opening balance	Additions	Total
Shell collection	136	-	136
Minerology	313	-	313
Documents	71	-	71
Firearms	1 751	-	1 751
Herpetology Taxidermy	11	-	11
Library books	7 213	11	7 224
Coins	1 316	-	1 316
Mammology Taxidermy	1 676	-	1 676
Objects	11 731	20	11 751
Ornithology Taxidermy	581	10	591
Artworks	4 496	-	4 496
Heritage assets which fair values cannot be reliably measured: (Para .94)			
Photographs	212	-	212

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

Figures in Rand thousand	2020	2019	
<b>4. Heritage assets (continued)</b>			
Textiles	2 343	-	2 343
Artworks	106 285	741	107 026
	<b>138 135</b>	<b>782</b>	<b>138 917</b>

### Heritage assets which fair values cannot be reliably measured

The following heritage assets were not recognised due to a reliable measurement not being possible on initial recognition is as follows:

#### Acarology

The Acarology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to the NMB. However neither the cost nor the fair value of the collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. The South African National Bioinformatics Institutions (SANBI) supplied a letter recommending that the collection should be declared as a heritage with a zero monetary value.

#### Arachnology

Although there is a trade in certain large and/or rare arachnid, either pinned or alive, the collection housed at NMB is entirely a wet collection and does not contain any specimens with decorative aesthetic qualities. Thus the specimens have no commercial value and their cost cannot be reliably measured. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

#### Botany

The Botany collection meets the definition of a heritage asset as it is controlled by NMB and institutions, students, academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. There is a trade in pressed flowers that have aesthetic qualities as works of art and as antique items, but there is a total absence of trade for these scientific specimens. The South African National Bioinformatics Institute supplied a letter recommending that the collection should be declared as a heritage with a zero monetary value.

#### Entomology

The Entomology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value.

Within this collection there is a collection of Colophon beetles. These are highly collectable and can fetch high prices on the black market, but there is no legal trade in them in South Africa. There is no commercial value to the rest of the collection and no reliable way to measure its cost.

#### Mammalogy and Florisbad

The Mammalogy collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured, except in the case of the taxidermy specimens. These will be fair valued. The remaining sub-collections hold a scientific value and no market value. The collection with the exception of taxidermy will be declared as heritage assets with a zero monetary value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

#### Palaeontology & Geology

This collection consists of fossils and a collection of bones and skeletons used for comparative research purposes. It is illegal to trade in fossils and cannot be reliably measured. The collection will be declared as heritage with a zero monetary rating. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

Figures in Rand thousand

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### 4. Heritage assets (continued)

#### Ornithology

The Ornithology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured, except in the case of the taxidermy specimens. These will be fair valued. The remaining sub-collections hold a scientific value and no market value. The collection with the exception to taxidermy will be declared heritage assets with a zero monetary value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

#### Herpetology

The Herpetology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. This collection consists of wet specimens preserved in alcohol and not displayed with any aesthetic sensibilities. There is record of a market for aesthetically displayed specimens in glass dioramas, but this is not the case with this collection which is of scientific value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

### 5. Employee benefit obligations

#### Defined benefit plan

The defined benefit liability as disclosed below are represented by two different post - employment benefits. None of the benefits set out below are externally funded.

#### Post-retirement medical aid plan

Active members receive a fixed subsidy of 60% of medical aid contributions during the current working year, up to a specified maximum employer contribution. The spouse or adult dependant of an active member is entitled to a 66.67% subsidy of their contributions. This proportion of the subsidy will continue to be paid in the event of the principal member's death.

Continuation members receive a fixed subsidy of 60% of medical aid contributions during the current working year, up to a specified maximum employer contribution. The spouse or adult dependant of a continuation member is entitled to a 66.67% subsidy of their contributions.

#### Pension benefits

##### Normal Retirement

In respect of a member entitled to benefits on a defined contribution basis, a pension that can be secured by the member's Equitable Share from an insurer becomes payable. The value of the pension will not be less than 1.8% of the highest average salary for each year of pensionable service for members with a minimum pension guarantee.

In respect of a member entitled to defined benefits, an annual pension equal to 2.8% of the highest average salary for each year of pensionable service becomes payable.

Highest average salary is defined as the average of the member's pensionable salary over the twenty four months of his pensionable service that delivers the highest result.

##### Early Retirement

Defined contribution basis members may retire from 55. The minimum pension guarantee is calculated as above, but reduced by 0.25% for each month with which actual retirement precedes the attainment of age 65.

Defined benefit members may retire from 55 but the 0.25% penalty applies per month prior to the attainment of age 60.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

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### 5. Employee benefit obligations (continued)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	31 172	32 258
Interest cost	(8 390)	5 330
Current service cost	968	1 529
Benefits paid	(5 573)	(2 327)
Actuarial (Gain)/Loss	(11 763)	(9 198)
Past service costs	34 805	2 562
Net expense recognised in the statement of financial performance		1 018
	<b>41 219</b>	<b>31 172</b>

Defined benefit obligation as at 31 March 2020	Pension fund	Medical aid	Total
Opening balance	5 492	25 679	31 171
Interest costs	(10 390)	2 600	(8 390)
Current service cost	420	548	968
Benefits paid (expected)	(4 389)	(1 184)	(5 573)
Actuarial (Gain)/Loss	(10 499)	(1 264)	(11 763)
Past Service Cost	34 805	-	34 805
Defined benefit obligation as at 31 March 2020	14 839	26 379	41 218

Defined benefit obligation as at 31 March 2019	Pension fund	Medical aid	Total
Opening balance	6 695	25 562	32 257
Interest costs	3 145	2 185	5 330
Current service cost	800	629	1 529
Benefits paid (expected)	(1 425)	(902)	(2 327)
Actuarial (Gain)/Loss	(7 403)	(1 795)	(9 198)
Past Service Cost	3 580	-	3 580
Defined benefit obligation as at 31 March 2019	5 492	25 679	31 171

Defined benefit obligation as at 31 March 2018	Pension fund	Medical aid	Total
Opening balance	15 663	29 148	44 811
Interest costs	3 289	2 799	6 088
Current service cost	998	776	1 774
Benefits paid (expected)	(4 110)	(765)	(4 875)
Actuarial (Gain)/Loss	692	(6 396)	(5 704)
Past Service Cost	(9 837)	-	(9 837)
Defined benefit obligation as at 31 March 2018	6 695	25 562	32 257

Estimated future contributions	Pension fund	Medical aid	Total
Opening balance	7 109	26 379	33 488
Interest costs	3 811	2 911	6 722
Current service cost	739	453	1 192
Benefits paid (expected)	(1 485)	(1 325)	(2 810)
Estimated future contributions	10 174	28 418	38 592

# National Museum Bloemfontein

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### 5. Employee benefit obligations (continued)

#### Assumptions used on 31 March 2020:

Actual return on plan assets	11,31 %	10,36 %
Discount rates used	11,71 %	8,49 %
Expected rate of return on assets	6,85 %	7,57 %
Expected rate of return on reimbursement rights	5,50 %	6,31 %
Actual return on reimbursement rights	7,00 %	7,81 %
Medical cost trend rates	8,84 %	6,04 %
Expected increase in salaries	4,03 %	2,37 %
Expected pension increases	11,71 %	8,49 %
Proportion of employees opting for early retirement	4,88 %	1,80 %
Expected increase in healthcare costs	2,63 %	2,96 %
Future changes in maximum state healthcare benefits	5,85 %	6,57 %
Membership discontinued at retirement or death-in-service	10,00 %	10,00 %
Mortality	SA85-90	SA85-90
Expected retirement age (in years)	62 years	65 years

Assumed health care costs trend have significant effect on the amounts recognised in surplus for the year. The value of the liability could also be overstated or understated, depending on the extent to which actual experience differs from the assumptions adopted.

Government bond yields were used when setting the best-estimate discount rate assumption for health care cost and pension.

#### Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the defined benefit obligation	41 482	40 954
Effect on the aggregate of the service cost	973	963
Effect on the aggregate of the interest cost	(8 364)	(8 416)

Amounts for the current and previous four years are as follows:

	2020 '000	2019 '000	2018 '000	2017 '000	2016 '000
Defined benefit obligation	36 380	31 171	32 257	44 811	58 040
Experience adjustments on plan liabilities	(9 780)	352	(12 613)	(12 289)	(9 16)

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

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### 6. Operating lease asset

#### Gross investment in the lease due

- not later than one year	15	-
- later than one year and not later than five years	58	-
	<b>73</b>	<b>-</b>

#### Present value of minimum lease payments due

- not later than one year	15	-
- later than one year and not later than five years	58	-
	<b>73</b>	<b>-</b>

The National Museum ("Lender") agrees to lend and the Borrower agrees to borrow the Art Works on the terms and conditions set out in the Loan Agreement.

The Parties have agreed that the Art Works will be lent on a temporary loan basis to the Borrower for the sole purpose of uninterrupted public display and appreciation at the premises of the Borrower.

The Lender reserves the right to recall any Art Work at any time upon the giving of reasonable notice in writing to the Borrower.

The Lender and the Borrower will jointly prepare Condition Reports for each Art Work at the start and at the end of the Loan.

The Borrower must not carry out any changes to the Art Works specifically including cleaning, retouching, repairs, or restoration, without prior written notification from and/or consent of the Lender.

The Lender shall be responsible for arranging and paying for insurance cover (including any additional insurance required in relation to the transport) of the Art Works at all times ("the insurance").

Should there be any breach of the terms of the loan agreement, either Party may terminate this agreement by giving 30 days' notice to the other in writing with or without a claim for damages occasioned by such breach.

### 7. Inventories

Inventories: Shop	78	73
Inventories: Stores	79	20
Inventories: Artbank	2 329	1 677
	<b>2 434</b>	<b>1 770</b>

#### 7.1 Non - Financial information - inventory

Carrying value of inventories carried at fair value less costs to sell 8

Inventories were evaluated for impairment, but no adjustments were necessary.

#### Inventories pledged as security

There was no inventory pledged as security for the year ended 31 March 2020.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

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### 8. Receivables from exchange transactions

Deposits paid	20	20
Other receivables	-	1
Trade receivables from exchange transactions	544	467
Creditors with debit balances	139	53
	<b>703</b>	<b>541</b>

### Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2020, - (2019: 290 355) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	26 145	34 016
2 months past due	25 000	42 790
3 months past due	309 441	290 355

### 9. Receivables from non-exchange transactions

Unclaimed grants	9	318
------------------	---	-----

### 10. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	11	11
Bank balances	456	633
Investments	45 668	42 625
Call accounts	60 749	56 594
	<b>106 884</b>	<b>99 863</b>

### The entity had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	31 March 2020	31 March 2019	31 March 2018	31 March 2020	31 March 2019	31 March 2018
ABSA Cheque Account	456	633	4 342	456	633	4 342
ABSA Call Account	60 749	56 594	58 684	60 749	56 594	58 684
Petty Cash	9	9	9	9	9	9
Float	2	2	2	2	2	2
<b>Total</b>	<b>61 216</b>	<b>57 238</b>	<b>63 037</b>	<b>61 216</b>	<b>57 238</b>	<b>63 037</b>

### The entity had the following investment accounts

Account number / description	Bank statement balances			Cash book balances		
	31 March 2020	31 March 2019	31 March 2018	31 March 2020	31 March 2019	31 March 2018
Transformation fund	1 584	1 479	1 376	1 584	1 479	1 376
Museum CPD	43 220	40 340	37 541	43 220	40 340	37 541
Purchase of Art Works CPD	864	806	750	864	806	750
<b>Total</b>	<b>45 668</b>	<b>42 625</b>	<b>39 667</b>	<b>45 668</b>	<b>42 625</b>	<b>39 667</b>

# National Museum Bloemfontein

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## Notes to the Financial Statements

Figures in Rand thousand	2020	2019
<b>11. Payables from exchange transactions</b>		
Payables from exchange transactions	577	1 579
Accruals at year end	386	108
Accounts payable: Leave	1 742	694
Accounts payables: Bonus	896	682
Deposits held	132	47
Union control accounts	4	-
Debtors with credit balances	121	-
Social club: Employee contributions	6	-
	<b>3 864</b>	<b>3 110</b>

## 12. Unspent conditional grants and receipts

### Unspent conditional grants

#### Unspent conditional grants and receipts

Capital Works Allocation Grant	8 885	8 451
Art Bank Grant	5 225	4 288
National Research Foundation Grant	4 016	3 892
GRAP 103 Grant	45 386	45 436
	<b>63 512</b>	<b>62 067</b>

#### Movement during the year

Balance at the beginning of the year	62 067	62 876
Additions during the year	5 428	-
Income recognition during the year	(3 983)	(809)
	<b>63 512</b>	<b>62 067</b>

The grants received and disclosed as deferred income (unspent conditional grants) are grants that have conditions and will be recognised as revenue when the conditions are met. Please refer to the different contracts for the conditions and further details on the grants on note 18 for the purposes and brief summary on the specifications of the grant.

## 13. Finance lease obligation

### Minimum lease payments due

- within one year	48	48
- in second to fifth year inclusive	141	189
	189	237
less: future finance charges	(37)	(56)
<b>Present value of minimum lease payments</b>	<b>152</b>	<b>181</b>
<b>Present value of minimum lease payments due</b>		
- within one year	33	29
- in second to fifth year inclusive	119	152
	<b>152</b>	<b>181</b>

The National Museum is leasing a photo-copying machine on a finance lease for a period of over 60 months.

The lease term is 5 years (60 months) and the implicit effective borrowing rate was 12%.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The National Museum obligations under finance leases are secured by the lessor's charge over the leased assets.

# National Museum Bloemfontein

Financial Statements for the year ended 31 March 2020

## Notes to the Financial Statements

Figures in Rand thousand	2020	2019
<b>14. Total grants received</b>		
Artbank income	113	-
Rental income	367	151
Projects income	56	-
Trading revenue	271	462
Interest received - investment	5 961	3 733
Transfers and subsidies	53 735	59 079
Free Use of Buildings	30 270	28 967
Local and foreign aid assistance	9	281
Gain on disposal of assets and liabilities	8	166
Actuarial gains	11 763	9 198
External Funding	453	358
	<b>103 006</b>	<b>102 395</b>
<b>The amount included in revenue arising from exchanges of goods or services are as follows:</b>		
Artbank income	113	-
Rental income	367	151
Project income	56	-
Gain on disposal of assets	8	166
Trading revenue	271	462
Interest received	5 961	3 733
Actuarial gain	11 763	9 198
	<b>18 539</b>	<b>13 710</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
<b>Taxation revenue</b>		
<b>Transfer revenue</b>		
Transfers and subsidies	53 735	59 079
Free Use of Buildings	30 270	28 967
Local and foreign aid assistance	9	281
External Funding	453	358
	<b>84 467</b>	<b>88 685</b>
<b>15. Other income</b>		
Rental income	367	151
Projects income	56	-
Trading revenue	271	462
	<b>694</b>	<b>613</b>
<b>16. Trading revenue</b>		
Entrance fees: Museum	137	92
Entrance fees: Freshford	3	4
Shop sales	110	229
NRF admin resources income	-	108
Olwh: Education income	2	18
Freshford: other income	1	2
Olwh: Carousel income	17	7
Office admin income	1	2
	<b>271</b>	<b>462</b>

# National Museum Bloemfontein

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Figures in Rand thousand	2020	2019
<b>17. Interest received</b>		
<b>Interest revenue</b>		
Interest: Museum CPD	2 880	1 722
Interest: Call account ABSA	3 081	2 011
	<b>5 961</b>	<b>3 733</b>

The amount included in Investment revenue arising from exchange transactions amounted to R5 961.

## 18. Grants received

<b>Operating grants</b>		
Subsidy received: Annual	47 553	49 716
Subsidy received: Operating leases	2 112	1 956
Art Bank grant	-	3 712
Subsidy received: GRAP 103	-	660
Subsidy received: Municipal Services	2 760	2 609
NRF Grants	1 310	345
	<b>53 735</b>	<b>58 998</b>
<b>Capital grants</b>		
Capital works grant	-	81
	<b>53 735</b>	<b>59 079</b>

### Conditional and Unconditional

Included in above are the following grants and subsidies received:

Unconditional grants received	47 553	49 716
Conditional grants received	6 182	9 363
	<b>53 735</b>	<b>59 079</b>

### Capital Works Grant

Balance unspent at beginning of year	8 451	7 942
Current-year receipts	800	590
Conditions met - transferred to revenue	(166)	(81)
	<b>8 885</b>	<b>8 451</b>

The appropriated funds should be utilised for the implementation of the capital works programme (including project planning and consultation fees). Funds received should be transferred to a separate account which is dedicated only for the capital works budget. The detailed scope of work and cost breakdown should be submitted as soon as the professional team is appointed and the planning phase is completed.

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### 16. Grants received (continued)

#### National Art Bank Grant

Balance unspent at beginning of year	4 288	4 738
Current-year receipts	3 254	3 621
Conditions met - transferred to revenue	(2 317)	(3 712)
Other	-	(359)
	<b>5 225</b>	<b>4 288</b>

The Art Bank funding is ring-fenced and is to be utilised for the following key performance areas:

- Curation of the Art Bank of South Africa Visual Art Collection
- Business Development of the Art Bank
- Public Relations and Marketing of the Art Bank
- Operations of the Art Bank

#### NRF Professional Development Grant

Balance unspent at beginning of year	3 892	4 100
Current-year receipts	272	300
Conditions met - transferred to revenue	(149)	(108)
Other	-	(400)
	<b>4 015</b>	<b>3 892</b>

The National Museum has the responsibility to verify and certify the appropriateness, completeness and correctness of all information submitted by their researchers to the NRF as part of applications for funding. The National Museum shall provide appropriate human resource, infrastructure and support services to ensure the effective operation of the NRF funded research projects within the institution.

#### GRAP 103 implementation grant

Balance unspent at beginning of year	45 436	46 096
Conditions met - transferred to revenue	(50)	(660)
	<b>45 386</b>	<b>45 436</b>

The funds are ring-fenced and can only be applied to projects related to GRAP 103. The National Museum is expected to report quarterly regarding the utilisation of the funds and milestone(s) achieved.

#### NRF: Hugo-Coetzee Coastal mites

Current-year receipts	38	-
Conditions met - transferred to revenue	(38)	-
	<b>-</b>	<b>-</b>

Funds must be spent within the duration of funding period otherwise it will revert back to the NRF. A grant-holder must submit an annual progress report which can be obtained from the NRF. At the end of the research project, the NRF will expect a final report about the outcomes of the research.

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### 18. Grants received (continued)

#### NRF: BothaBrink AOP Grant

Current-year receipts	1 122	-
Conditions met - transferred to revenue	(1 122)	-
	-	-

The Grant will be awarded for a period of One(1) Year Only for full-time research and may at the sole discretion of Centre of Excellence, be renewed for the subsequent year(s) depending on the availability of funds and academic progress by the Recipient. All Recipients are expected to submit posters and/or present their research. Participation in community engagement activities may also be required.

#### Municipal charges grant

Current-year receipts	2 760	2 609
Conditions met - transferred to revenue	(2 760)	(2 609)
	-	-

The purpose of this grant is for the payment of municipality services incurred by National Museum.

#### Operating leases grant

Current-year receipts	2 112	1 956
Conditions met - transferred to revenue	(2 112)	(1 956)
	-	-

The purpose of this grant is for the payment of the buildings and parking bays leased by the National Museum.

#### NRF Botha Brink Tech Skills Grant

Current-year receipts	150	88
Conditions met - transferred to revenue	(150)	(88)
	-	-

Funds must be spent within the duration of funding period otherwise it will revert back to the NRF. A grant-holder must submit an annual progress report which can be obtained from the NRF. At the end of the research project, the NRF will expect a final report about the outcomes of the research.

#### NRF Avenant incentive grant

Current-year receipts	-	30
Conditions met - transferred to revenue	-	(30)
	-	-

Funds must be spent within the duration of funding period otherwise it will revert back to the NRF. A grant-holder must submit an annual progress report which can be obtained from the NRF. At the end of the research project, the NRF will expect a final report about the outcomes of the research.

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### 18. Grants received (continued)

#### NRF Codron AOP Grant

Current-year receipts	-	163
Conditions met - transferred to revenue	-	(163)
	-	-

Funds must be spent within the duration of funding period otherwise it will revert back to the NRF. A grant-holder must submit an annual progress report which can be obtained from the NRF. At the end of the research project, the NRF will expect a final report about the outcomes of the research.

### 19. Staff costs

Basic	29 186	25 901
Bonus	2 236	2 268
Medical aid - company contributions	4 118	3 755
UIF	185	178
Leave pay provision charge	40	268
Defined contribution plans	3 116	10 517
Overtime payments	562	732
Long-service awards	71	54
Housing benefits and allowances	1 702	1 706
Compensation Commissioner	53	68
Recruitment fees	18	228
	<b>41 287</b>	<b>45 675</b>

#### Remuneration of Chief Financial Officer

Annual Remuneration	235	444
Car Allowance	-	80
Contributions to UIF, Medical and Pension Funds	37	63
Other	4	56
	<b>276</b>	<b>743</b>

#### Remuneration of the Chief Executive Officer

Annual Remuneration	1 145	1 114
Car Allowance	-	16
Bonuses	-	78
Contributions to UIF, Medical and Pension Funds	201	207
Other	16	6
	<b>1 362</b>	<b>1 421</b>

### 20. Finance costs

Finance leases	-	2
Service concession arrangements	873	1
	<b>873</b>	<b>3</b>

# National Museum Bloemfontein

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<b>21. Other operating expenses</b>		
GRAP 103 expenses	49	560
Exhibitions	475	268
Audit expenses	854	954
Bank charges	102	99
Cleaning	101	92
Vacancy adverts expenses	40	116
Consulting and professional fees	139	452
Entertainment	59	86
Free use of buildings	30 270	28 967
Human Resource expenses	112	100
Insurance	696	624
IT expenses	299	322
Incorporation costs	272	-
Operating lease expenses	1 355	1 836
Municipal expenses	945	5 948
Office expenses	305	200
Inventory purchases	85	109
Licenses	204	144
Fuel and oil	571	647
Photocopies	113	14
Maintenance costs	815	527
Security	876	708
Telephone and fax	188	199
Uniforms	26	23
Travelling expenses	395	592
General expenses	3 031	2 794
Administrative expenses	595	896
NRF Hugo expenses	38	31
NRF admin resource expenses	-	108
Interest paid -Terrace	4	2
Capital works expenditure	-	81
Art Bank expenses	2	1 344
	<b>43 016</b>	<b>48 993</b>
<b>22. Auditors' remuneration</b>		
External audit fees	677	515
Internal auditors	177	139
	<b>854</b>	<b>954</b>
<b>23. Operating deficit</b>		
Operating deficit for the year is stated after accounting for the following:		
Gain on sale of property, plant and equipment	8	166
Depreciation	2 227	2 163
Staff costs	43 314	48 025

# National Museum Bloemfontein

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## Notes to the Financial Statements

Figures in Rand thousand	2020	2019
<b>24. Cash generated from operations</b>		
Surplus	13 516	3 211
<b>Adjustments for:</b>		
Depreciation and amortisation	2 227	2 163
Loss on sale of assets and liabilities	(8)	(166)
Finance costs - Finance leases	-	2
Bad debts	60	-
Movements in retirement benefit assets and liabilities	(8 648)	1 320
Purchase of property, plant and equipment	(1 376)	120
Other non-cash items	1 236	-
<b>Changes in working capital:</b>		
Inventories	(664)	(1 889)
Receivables from exchange transactions	(162)	(224)
Other receivables from non-exchange transactions	309	(9)
Payables from exchange transactions	755	(2 751)
Unspent conditional grants and receipts	1 445	(809)
	<b>8 690</b>	<b>1 168</b>
<b>25. Commitments</b>		
<b>Authorised operational expenditure</b>		
<b>Already contracted for but not provided for (Commitments within 1 year)</b>		
• Other operating expenses (purchase orders issued)	-	750
• Internal audit contract (Contract ended 31 March 2020)	69	258
• Leasing of photocopying machine (Contract ending 30 April 2024)	48	48
• Security services (Contract ending 30 December 2020)	1 228	-
• Grass cutting & tree felling at Florisbad (Contract ending 31 October 2020)	79	-
• Brochure management (Contract ending 30 April 2020)	36	-
• Gardening services at OLWH (Contract ending 21 March 2021)	284	-
• Maintenance contract for Internet network system (Contract ending 31 August 2020)	46	-
	<b>1 791</b>	<b>1 056</b>
<b>Commitments between 2-5 years</b>		
• Security services (Contract ending on 31 December 2020)	-	1 489
• Website development and hosting (Contract ending on 31 March 2022)	-	28
• Gardening services contract (Contract ended 14 February 2020)	-	212
• Supply of S.H.E bins (Contract ending on 30 November 2021)	59	304
• Generator maintenance services (Contract ending on 21 September 2021)	15	60
• Photocopying contract (Contract ending on 30 April 2024)	141	194
• Artfundi - Way out front trading (Contract ending 31 March 2022)	-	28
• Gardening services at Freshford (Contract ending 21 March 2022)	160	-
• Alarm systems (Contract ending 31 July 2024)	239	-
• Assessment services for HVAC system	68	-
• Museum Vehicle service (Contract ending 29 February 2022)	19	-
• Freshford House Museum (Contract ending 30 June 2021)	87	-
• Fleet management (Contract ending 31 September 2022)	156	-
	<b>944</b>	<b>2 295</b>
<b>Total commitments</b>		
<b>Authorised operational expenditure</b>	<b>2 735</b>	<b>3 351</b>

# National Museum Bloemfontein

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### 26. Related parties

Relationships

Associates

Controlling entity

Department of Public Works

Department of Sport, Arts and Culture

Land and buildings are made available to the National Museum in terms of section 9 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998), in order for the National Museum to perform its functions.

No lease agreement exists between the National Museum and the Department of Public Works. The National Museum does not pay rent for the use of the buildings.

No amounts are due to the related parties.

The National Museum has been housed in buildings which are the property of the Department of Public Works. The use of the buildings is provided free of charge and recognised at the estimated fair value. No lease agreement exists between the National Museum and the Department of Arts and Culture.

### Related party balances

Unclaimed grants	9	518
Unspent conditional grants and receipts	63 512	62 067

### Related party transactions

#### Revenue

Annual subsidy	47 553	49 716
Subsidy received: Operating leases	2 112	1 956
Payments on behalf of the Museum	2 760	2 609
Free use of building	30 270	28 967

Amounts outstanding in relation to the grants included in the balance sheet:	49 511	45 436
Unspent grant included in the balance sheet in relation to GRAP 103 Implementation grant		

The conditions of the grant was such that the grants be used for the purposes of the subsidy:

#### Annual Subsidy

The purpose of this grant is for the expenses incurred by the National Museum on a daily basis and/or are operational expenses.

#### Operating Leases

The purpose of this grant is for the payment of the buildings and parking bays leased by the National Museum.

#### Municipal Services

The purpose of this grant is for the payment of municipality services incurred by the National Museum.

#### Free use of buildings

There were no amounts received by the National Museum in relation to free use of buildings; it is disclosed as this is for services in kind for allowing the National Museum to use the Department of Public Works buildings for free.

#### Remuneration of councillors

Refer to note 27 for details of councillors remuneration.

# National Museum Bloemfontein

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### 26. Related parties (continued)

#### Key management information

Class	Description	Number
Executive management:	Chief Executive Officer	1
Executive management:	Chief Financial Officer	1
Executive management:	Deputy Director (Acting)	3

#### Remuneration of management

##### Management class: Executive management

#### 2020

Name	Basic salary	Bonuses and performance related payments	Housing Allowance	Contribution to pension fund	Total
Ms S Snell (CEO) - Appointed 1 April 2018	1 145	95	16	159	1 415
Ms G Simelane (CFO) - Appointed 01 January 2020	235	7	4	33	279
Acting Deputy Director - Mr DH De Swardt	405	31	16	56	508
Acting Deputy Director - Mrs Lizel Hugo-Coetzee	409	37	16	57	519
Ms Sudre Havenga	425	35	16	61	537
	<b>2 619</b>	<b>205</b>	<b>68</b>	<b>366</b>	<b>3 258</b>

#### 2019

Name	Basic salary	Bonuses and performance related payments	Housing Allowance	Contribution to pension funds	Total
Ms S Snell (CEO) - Appointed 01 April 2018	1 144	77	16	34	1 291
Mr M Mkhayipe (CFO) - Resigned 30 April 2019	444	-	-	33	477
Acting Deputy Director - Mr DH De Swardt	346	34	16	26	422
Acting Deputy Director - Mrs Lizel Hugo-Coetzee	351	30	16	26	423
	<b>2 255</b>	<b>141</b>	<b>48</b>	<b>169</b>	<b>2 613</b>

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### 27. Councillor's emoluments

#### Remuneration to Council Members

#### 2020

	Sitting Allowances	Other allowances	Total
Adv J Leshabane (Chairperson of Council) -appointed 1 September 2018	23	19	42
Dr E Mohatlane	26	16	42
Dr L Munsamy	16	11	27
Mrs G. Ritchie	8	8	16
Ms M De Roche-Holmes	9	12	21
Mr M Noge	10	12	22
Mr C Fortune	11	12	23
Dr D Morris	4	-	4
Ms L Coetzee - Minute taker	8	-	8
	<b>115</b>	<b>90</b>	<b>205</b>

#### 2019

	Sitting allowances	Other allowances	Total
Adv J Leshabane (Chairperson of Council) -appointed 1 September 2018	29	45	74
Dr E Mohatlane	21	-	21
Dr L Munsamy	16	3	19
Mrs G. Ritchie	8	24	32
Ms M De Roche-Holmes	10	25	35
Mr M Noge	23	13	36
Mr C Fortune	22	9	31
Dr D Morris	4	2	6
Mr M. Dithliske (Term ended 31 August 2018)	-	38	38
Adv J Leshabane (Chairperson of Council)	-	53	53
Dr. E. Mohatlane	-	28	28
Dr. L. Munsamy	-	4	4
Mrs. G. Ritchie	22	10	32
Ms. M. De Roche-Holmes	21	4	25
	<b>176</b>	<b>258</b>	<b>434</b>

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### 28. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Prior period errors

The prior period errors for the financial year have been listed below and the adjustments will be retrospectively.

The following prior period errors adjustments occurred:

#### 28.1 Property, plant and equipment

Increase in depreciation: Equipment	-	170
Decrease in depreciation: Computers	-	(91)
Decrease in depreciation: Furniture & Fittings	-	(276)
Increase in depreciation: Fixtures	-	238
Increase in accumulated depreciation: Equipment	-	(378)
Increase in accumulated depreciation: Fixtures	-	(80)
Decrease in accumulated depreciation: Furniture & Fittings	-	276
Decrease in accumulated depreciation: Computers	-	91
Decrease in reserves: accumulated fund	-	49
	<u>-</u>	<u>-</u>

This error relates to property, plant and equipment is as a result of historical depreciation not being calculated based on the useful lives of the classes of assets, this meant that assets were incorrectly depreciated. This adjustment was done in order to reflect the correct carrying values of property, plant and equipment.

### 29. Reconciliation between budget and cash flow statement

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

#### Operating activities

Actual amount as presented in the budget statement	14 717	(6 593)
Basis differences	(6 027)	7 781
<b>Net cash flows from operating activities</b>	<b>8 690</b>	<b>1 168</b>

#### Investing activities

Actual amount as presented in the budget statement	(1 471)	171
Basis differences	(169)	(4 360)
<b>Net cash flows from investing activities</b>	<b>(1 640)</b>	<b>(4 189)</b>

#### Financing activities

Actual amount as presented in the budget statement	182	-
Basis differences	(211)	179
<b>Net cash flows from financing activities</b>	<b>(29)</b>	<b>179</b>
<b>Net cash generated from operating, investing and financing activities</b>	<b>7 021</b>	<b>(2 842)</b>

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### 30. Risk management

#### Liquidity risk

Liquidity risk is the risk that the economic entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following reflects the Museum's exposure to liquidity risk from financial liabilities:

Commitments	31 March 2020	31 March 2019
Trade and other payables	3 863	3 110
Finance lease obligations	152	181

#### Credit risk

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

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2020	2019
Receivables from exchange transactions	703	541
Receivables from non-exchange transactions	9	318
Cash and cash equivalents	106 884	99 863

#### Market risk

##### Interest rate risk

The National Museum's revenue earned operating cash flows are substantially independent of changes in market interest rates.

### 31. Going concern

The Annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

The basis presumes that the National Museum will continue to receive grants from National and Provincial Governments as well as continue to receive rental income and charge for services provided by the scientist and for guests visiting the National Museum. The proceeds are presumed to be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Despite COVID-19 impacting the National Museum's financial operations and the national lockdown derailing operations there is no indication of permanent withdrawal of funding from government, external funders and international funders except the details provided in note 32. Therefore, the National Museum will continue to operate as a going concern for the foreseeable future.

### 32. Events after the reporting date

#### Market

Investment market volatility in light of uncertainty regarding true economic impact of COVID-19 largely affected:

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### 32. Events after the reporting date (continued)

- National Museum pension fund negative returns post year-end (refer to Note 5)
- National Museum investments

#### Funding

The National Museum received a three year funding allocation from the National Science Collection facility on 30 April 2020. The National Museum's operational and capital works budget for the 2020/21 financial year was reduced by R6.8 million and R5 million respectively. It should be noted that the reduction of the operational and capital works budget was due to COVID-19 and was applied to all government departments and entities to help government address COVID-19.

### 33. Irregular expenditure

Opening balance as previously reported	-	1 838
Add: Irregular Expenditure - current	13	248
Less: Amounts recoverable - current	-	(248)
Less: Amounts recoverable - prior period	-	(1 838)
<b>Closing balance</b>	<b>13</b>	<b>-</b>

Incidents/cases identified in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings
Deviation not approved	Warning letter issued to employee responsible for causing irregular expenditure
Deviation not justifiable	Warning letter issued to employee responsible for causing irregular expenditure

### 34. Free use of buildings

Free use of building	30 270	28 967
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The National Museum is housed in Department of Public Works Buildings. The use of these buildings is provided free of charge and the use is recognised at the estimated fair value. This has been the arrangement since inception of the National Museum, no agreements exist between the Department of Public Works, the Department of Sports, Arts and Culture and the National Museum.

### 35. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

Net surplus per the statement of financial performance	13 516	3 211
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### 36. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Reason for deviation	Date	Supplier	Amount (R)
Membership fees	24/05/2019	ASAPA	500
Membership fees	27/05/2019	ASAPA	1 000
Membership fees	27/05/2019	ASAPA	500
Conference	27/05/2019	ASAPA	2 600
Conference	27/05/2019	ASAPA	3 550
Book repair workshop	25/06/2019	Afrikaanse Taalmuseum & Monument	1 750
Conference	27/06/2019	SAPA	1 100
Only supplier with 3-D printer	15/04/2019	CUT	33 884
Membership fees	04/06/2019	Herp Ass Africa (HAA)	400
Membership fees	15/04/2019	SAHS	200
Subscriptions & Journals	10/05/2019	SA Wildlife Management	720
Postage of Culna	24/05/2019	SA Post Office	9 285
Conference	17/05/2019	Turner conference & Conventions	5 000
Sole provider of Traps	25/04/2019	JP Watson	30 000
Compensation Commissioner Earnings	30/04/2019	SAGE VIP	3 275
Payslip	04/06/2019	SAGE VIP	2 109
Membership fees	30/09/2019	ASAPA	1 000
Emergency	09/07/2019	Allimax	13 973
Sole supplier	02/09/2019	Black-footed cat working group	25 000
Subscription renewal	23/07/2019	HASA	240
Conference registration fee	17/07/2019	HASA	3 200
Conference registration fee	17/07/2019	HASA	3 200
Sole supplier	30/09/2019	Mangaung Traffic Department	5 320
Sole supplier	28/08/2019	Mangaung Traffic Department	5 320
Membership fee	03/10/2019	SASCH	200
Conference fee	12/09/2019	SASCH	600
Membership fee	06/08/2019	SASCH	800
Membership fee	06/08/2019	SASCH	400
Membership fee	29/07/2019	SASCH	200
Sole supplier	24/05/2019	Toby Orford Art Law	4 400
Purchase of artworks	28/06/2019	The Melrose Gallery	250 000
Membership renewal	12/09/2019	WESSA	390
Sole supplier	18/06/2019	University of Pretoria	8 663
Conference chosen, accommodation admin fees	27/11/2019	AFRAS colloquium	3 923
Conference registration fee	27/11/2019	AFRAS colloquium	1 500
Sole part provider	11/10/2019	Baytronics	9 304
Conference membership fees	31/10/2019	ESSA	390
Emergency	09/10/2019	Ekkel G Vision Pro	12 888
Purchase of artworks	17/12/2019	Various Artists	1 011 495
Sole distributor	31/10/2019	NISC	3 484
Statistics software license renewal	23/10/2019	SA Analytics	2 530
Conference fees	09/10/2019	SASCH	1 200
Workshop fees	09/10/2019	SAMS	750
Fine Art design renewal	09/10/2019	Stéphan Welz & Co	1 350
Sole provider	05/12/2019	Toby Orford Art Law	3 750
Sole provider - Training	31/10/2019	SAGE VIP	2 703
Sole provider - Consulting	31/10/2019	SAGE VIP	3 558
Sports history conference	09/10/2019	University of Stellenbosch	1 500
Bursary - Monde Sithole	05/02/2020	CUT	20 897
Bursary - Lana Jasper	31/01/2020	CIPS	23 482
Artwork framing	12/03/2020	Esre frames	4 400
Bursary - M Meko	28/01/2020	Motheo TVET	19 035

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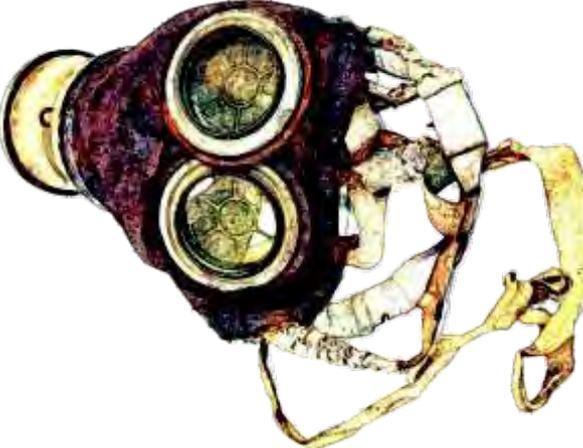
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### 38. Deviation from supply chain management regulations (continued)

Sabinet License renewal	12/03/2020	Sabinet	36 727
Membership fees	12/03/2020	SASCH	440
Membership fees	11/02/2020	SAICA	7 344
Membership fees	11/02/2020	SAICA	4 140
Membership fees	31/01/2020	SAMA	300
Membership fees	31/01/2020	SAWAW	600
Membership fees	31/01/2020	SAMHS	265
Membership fees	28/01/2020	SAMA	3 000
Statistica license	28/01/2020	SAA	2 415



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