



# ANNUAL REPORT 2020/21

NATIONAL MUSEUM  
BLOEMFONTEIN

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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 Pieterneef 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.

<b>Registered Name:</b>	National Museum Bloemfontein
<b>Physical Address:</b>	36 Aliwal Street, Bloemfontein, 9300
<b>Postal Address:</b>	PO Box 266, Bloemfontein, 9300
<b>Telephone Number/s:</b>	+27 51 447 9609
<b>Fax Number:</b>	+27 51 447 6273
<b>Email Address:</b>	direk@nasmus.co.za
<b>Website Address:</b>	www.nasmus.co.za
<b>External Auditors:</b>	Auditor General of South Africa
<b>Bankers:</b>	ABSA South African Reserve Bank



# LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
ArtBankSA	Art Bank of South Africa
AU	African Union
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CCIFSA	Cultural and Creative Industries Federation of South Africa
CRM	Climate Risk Management
DSAC	Department of Sports, Arts and Culture
EIA	Environmental Impact Assessments Reports
GBV	Gender Based Violence
GRAP	Generally Recognised Accounting Practice
HOD	Head of Department
LGBTQI	Lesbian, gay, bisexual, transgender, queer and intersex
LGBTQA	Lesbian, Gay, Bisexual, Transgender, Queer, Asexual, & Allies
OHS	Occupational Health & Safety
PESP	Presidential Employment Stimulus Programme
PPPFA	Preferential Procurement Policy Framework Act
PFMA	Public Finance Management Act
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NEHAWU	National Education, Health and Allied Workers' Union
NM	National Museum
NRF	National Research Fund
SASAWU	South African State and Allied Workers' Union
SCM	Supply Chain Management
SMME	Small Medium and Micro Enterprises
UAMP	User Asset Management Plan
UN	United Nations
UNESCO	United Nations Education, Scientific and Cultural Organisation
UNIDROIT	International Institute for the Unification of Private Law
VANSA	Visual Arts Network South Africa

# FOREWORD BY THE CHAIRPERSON OF COUNCIL

“Creating materials that are designed with digital in mind, rather than as an afterthought, would allow museums to consider how they might be able to act as both knowledge repositories, and science communicators to entirely new audiences.”

Rebecca Kahn

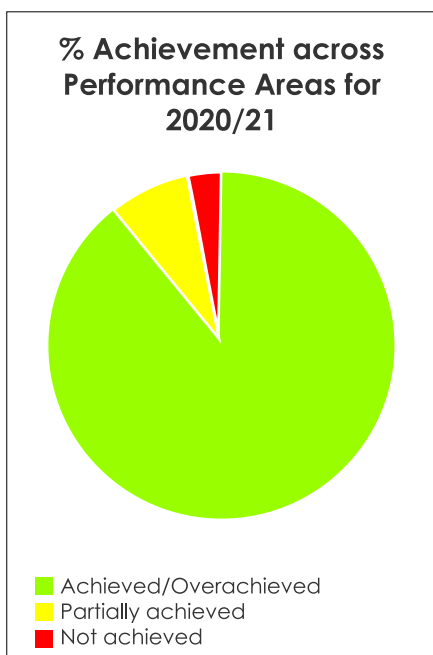


Adv. Judith Leshabane  
Chairperson

## Introduction

This report details the financial and non-financial performance of Year 1 of the Museum’s Five-Year Strategic Plan (2020–2025).

Despite a challenging year, I am pleased to report that most of our targets set (**89%**) were either exceeded or achieved. Performance was hampered by the Covid-19 pandemic. The Museum has plans in place to address those targets that were partially achieved (**7,8%**) or not achieved (**3,1%**) in the new financial year. Detailed performance information can be found in Part B of this report.



## Surviving and thriving during the pandemic

The National Museum and its satellites rely on patrons visiting its facilities and experiencing its collections through permanent and temporary exhibitions. The COVID-19 pandemic and subsequent global lockdown affected the Museum’s ability to carry out these functions for most of the financial year.

Council took an early decision to close the Museum to the public and had put measures in place for Management and researchers to work remotely. Exhibitions and celebrations of special days moved online and the Museum built new audiences and improved its national footprint. The collections were showcased in these virtual spaces in non-traditional exhibition formats which heavily relied on the creativity of our Design and Research teams, who curated our exhibitions in the virtual space. The experience highlighted the importance of our collections and the digitisation thereof. We learnt that the Museum is not just about the buildings and that we need to create museum spaces that work for our varied audiences.

These experiences are why we chose the theme of this Annual

Report to be “Museum spaces that work.”

## Research and Conservation highlights

The Museum has a programme in its strategy entitled Research and Information Management, the purpose of which is 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 current important debates and trends of research, to as broad an audience as possible.

During the reporting period, the Museum Council approved a new policy called the **Ethical Research Policy** which establishes the principles and responsibilities for ethical conduct in research supported by the Museum. A **Research Ethics Committee** has been appointed and their main function is to assess research and research projects at the Museum concerning animal and human subjects and provide ethical clearance for same. All new research projects obtained ethical clearance.

Dr Jennifer Botha of the Karoo Palaeontology Department at



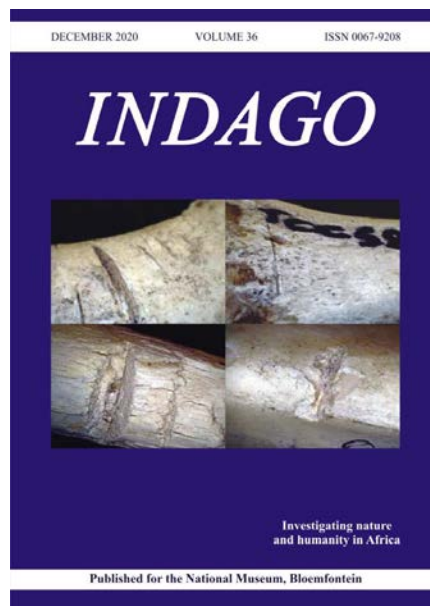
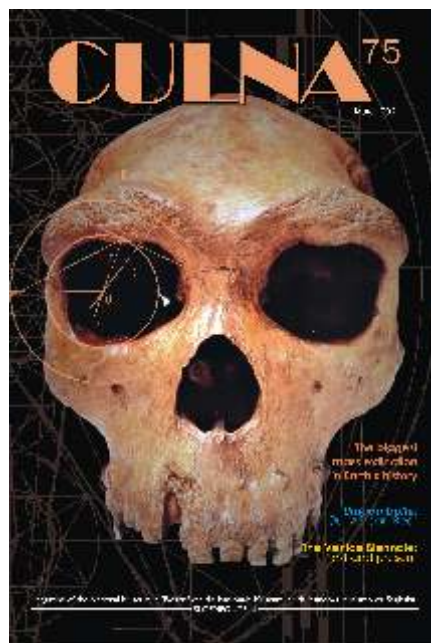
the National Museum recently underwent re-evaluation and rating by the National Research Foundation and she was placed in the **B1 NRF rating sub-category**. This rating recognised that she enjoys considerable international recognition for the high quality and impact of her research outputs as a leading international scholar in her field. The Museum has **2 NRF-rated** researchers on our staff.

Museum scientists undertake and promote research in several natural and human science disciplines. During the financial period, a total of **21** research studies were conducted on existing collections of the Museum. Research output was increased by **44** scientific publications in peer-reviewed journals and **45** in popular journals and magazines in the year. Full details of these publications appear in the Annexures contained in Part B of this Annual Report.

Museum scientists disseminated their research at **11** national and international conferences. Our scientists supervised **6** PhDs and Masters students and compiled **2** cultural or technical reports. A total of **74** manuscripts were reviewed for international and national scientific publications, research theses, scientific reports and researcher evaluations. Scientists presented **9** academic and **9** popular lectures.

Two scientists from the National Museum were involved in the description of **20 new species** of terrestrial invertebrates in the last financial year. These new species were described in international journals and comprise 17 mite species and 3 dung beetle species. The scientists involved are Dr Lizel Hugo-Coetzee and Dr Gimo Daniel from the Department of Terrestrial Invertebrates at the National Museum.

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. **7** new collaborative research projects were registered during the year. Edition 75 of **Culna Magazine** was produced and **37** articles were published on line. Volume 36 of the **Indago Journal** was published in hardcopy and online.



The Museum engages in conservation by building and curating representative collections of Natural and Human Science, including Fine Arts. The Museum added **28 129** new

specimens to our natural and human science collections in the year. The **ArtBankSA** opened an additional funding window during lockdown and they purchased **210** artworks during the year. Annually the Collections Department audits the heritage collections for compliance with the Collections Policy and GRAP. It is pleasing to note that a compliance rate of **88,9%** was achieved with procedures for conservation, curation and management of collections during the annual collections audit. The Council approved a **Policy for the Digitisation of Heritage Collections** which is aligned to the Draft National Policy on the Digitisation of Arts, Culture and heritage.

#### PESP programmes

The National Museum was awarded funding to implement two PESP programmes in the visual arts sector as a response to the clarion call by the Honourable President for job creation with a focus on youth, women and people with disability towards economic recovery.

The first programme '**Art bank employment stimulus program - "banking on art" - connecting lives**' had two streams. In the first stream, the Museum partnered with **CCIFSA** to deliver the programme which sought to commission visual artists to each create art works to be considered for acquisition by the Art Bank. The programme benefited 100 visual artists from all over South Africa and R 2,3 million was spent.

The Museum partnered with **VANSA** for the second part of the programme whereby **VANSA** assisted the Museum to place emerging visual artists and/or graduates in internship with commercial galleries or visual arts institutions. The programme benefitted 58 young people from all over South Africa and R 1,3 million was spent.

## PESP programme



The second PESP programme, *Towards a People's Culture*, was awarded to Oliewenhuis Art Museum to the value of R 1 million. The programme enabled **100** unemployed Free State-based, young artists to create public art in the Free State. The artists received stipends for two months and participated in creating murals at selected sites in the Free State to raise awareness on social ills such as Gender Based Violence and the prevention of the COVID-19 pandemic.

### Challenges Faced by Council

Treasury made budget cuts to funding allocated to government entities in response to COVID-19-related demands on the fiscus. Unfortunately, the Museum's budget was reduced twice during the year under review. The Museum is increasingly relying on grant funding to deliver its programmes. A focus area for Council during the year was fundraising and looking at alternative funding sources to supplement our grant from DSAC.

### The Year Ahead

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

- Fundraising and sourcing alternative grant funding due to ongoing budget cuts imposed by DSAC and Treasury;
- Implement its Employment Equity Plan and Development of Black Scientist programme;
- Create inclusive displays and exhibits and embrace new museum spaces;
- 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

We extend our thanks and appreciation to the Honourable Minister Mthethwa, for his guidance and support provided to the sector during this challenging year. Council had to adapt to the many changes that we experienced during the year and despite these, we succeeded in playing our governance role with minimal disruptions to our calendar and programme. My appreciation goes out to all Council members of the National Museum for their passion, unwavering support and commitment. Further, to the officials of the Department of Arts and Culture, we appreciate your guidance and support. Congratulations to the CEO, Management and staff of the National Museum on achieving these performance outcomes and a clean audit report. It wouldn't be possible without your hard work.

### Conclusion

The spotlight has been on museums for many years to make changes and the pandemic has provided us with the opportunity to implement these changes more rapidly. We will continue to implement our digitisation strategy and partner with our communities to create museum spaces that are inclusive and relevant.

**Advocate J. E. Leshabane**  
**National Museum, Bloemfontein**  
**31 July 2021**



# CHIEF EXECUTIVE OFFICER'S OVERVIEW

"No resource is more powerful in an organization than a high performance team. What great individuals cannot accomplish on their own can be achieved by a high performance team."

Phil Bryson



## Introduction

In 2019 the United Nations passed a resolution declaring the year 2021 the **International Year of the Creative Economy for Sustainable Development**. The world did not anticipate that the creative industry would be devastated by the effects of the COVID-19 pandemic. During lockdown the public had limited access to the physical space of cultural institutions like Museums. Museums had to provide access to their collections and research through virtual platforms.

It is expected that this pandemic, like the pandemics of the past, will have long-lasting effects on both the form and function of museums. Physical visits to museums are still the primary means by which our patrons, especially children, engage with our collections and science knowledge.

The theme of this Annual Report, which is **"Museum spaces that work"**, is reflective of the new opportunities for the Museum to define museum spaces that work for our communities:

- Our new Ethical Research Policy recognises that the National Museum was established during colonial times and recognises that its

collections, exhibitions and research have been influenced by European social and cultural paradigms. It provides that research at the Museum will be expressed with due and fair consideration of the sensitivities of others, including those in minority communities of all kinds, incorporating all religions, cultures and genders.

- New research outcomes will contribute to creating exciting multicultural exhibition spaces: spaces where open dialogue about our painful past is encouraged and new ideas about our shared future are catalysed.
- Digitisation Policy has been approved and targets have been set for digitisation of Museum collections. This will strengthen the Museum's ability to curate physical and virtual exhibitions using new technologies. Digitisation will also allow for the storage of information and research on collections together with the digital representation of the heritage item, improving access.
- Collaborations have been established with national and international partners to work on our collections and shared exhibitions spaces.

## Audit Report Outcome for 20/21

I am pleased to report that the Museum achieved a clean and unqualified audit for the period.

## General overview

The Museum's income was severely affected by unplanned budget cuts during the financial year as a result of Treasury reprioritising funding due to the pandemic. The Museum's primary income consisted of grant funding received from DSAC in an amount of R 56, 1 million. Other significant income received was from interest (R 4, 2 million) and PESP Project (R 5, 1 million). An amount of R241 thousand was received as research grants. Income from Museum entrance fees and rentals dropped considerably as the Museum was closed to the public for a significant part of the year. Spending trends were also affected and the Museum only managed to spend 90% of its operational budget. Savings were realised due to a moratorium being implemented on the physical attendance of national and international Research Conferences and Workshops.

The Museum did not experience capacity constraints or challenges in the reporting period. No activities were

discontinued and no new or proposed activities were introduced. There were no events after the reporting date to report on.

### **Celebrating Special Days**

Special Days were mostly celebrated virtually and the Museum curated content-rich experiences focusing on promoting nation building and social cohesion. The Museum celebrated the following special days during the financial period:

#### **“A Chain of Voices, a LGBTQI virtual exhibition” – International Museum Day**

The National Museum celebrated International Museum Day with a LGBTQI virtual exhibition. LGBTQI pertains collectively to people who identify as lesbian, gay, bisexual, transgender, queer and intersex. The theme for 2020 was: Equality: Diversity and Inclusion. The question posed was what it means to be an inclusive museum today. How can the National Museum Bloemfontein with its own history of colonialism, segregation, apartheid, homophobia and exclusion become meaningfully inclusive? How can we recalibrate what we do – from collecting to exhibition-making to educational programming – in order to reflect the multiplicity of our histories and make audible the diversity of South African voices?

South Africa’s Lesbian, Gay, Bisexual, Transgender, Queer and Asexual (LGBTQA) community’s voice is one of those that are currently absent from our exhibitions. Members of this community were not only an active part of the struggle for social justice and equality during apartheid but continued to fight for the same rights in the post-apartheid era. The purpose of this virtual exhibition, titled “A Chain of Voices”, was to introduce the general public to a select number of ‘voices’ from members of the LGBTQA

community through a combination of short written biographical profiles and links to relevant videos on You Tube. The LGBTQA community was an integral part of the struggle for social justice and equality during the apartheid era (1948–1994). They continue to contribute in this regard since the advent of democracy in 1994. Notable activists, personalities and organisations of the apartheid period were featured.

#### **“#SilencingTheGuns: Creating Conducive Conditions for Africa’s Development and Intensifying the Fight against the COVID-19 Pandemic” – Africa Month virtual exhibition**

The National Museum hosted a month-long virtual exhibition to celebrate Africa Month whilst under lockdown. Africa Month was celebrated virtually and online due to COVID-19 lockdown in South Africa. The theme for the celebrations was: #SilencingTheGuns: Creating Conducive Conditions for Africa’s Development and Intensifying the Fight against the COVID-19 Pandemic. The Museum showcased African items in its collections and shared popular content about Africa in the virtual exhibition.

Multiculturalism in Africa is a topic which should be spoken about more often amongst African people and could influence Africans to stop xenophobic acts. As part of the virtual exhibition, an information video about unity amongst Africans was compiled and shared online.

A large part of the virtual celebrations focused on the Basotho blanket, explaining the different meanings of these blankets / patterns. Of all the people in southern Africa, none has developed a social-cultural significance around the blanket to the same degree as the Basotho nation. For them the

blanket has become part of everyday life and a Sotho dressed in a traditional blanket reveals his status to his community. To outsiders the blanket has become a mark of ethnicity and a token of cultural identification.

#### **‘Woke’ – Looking Back, Looking Forward’ – A Youth Day Virtual Exhibition**

16 June is dedicated to the youth of 1976 who stood up against the Apartheid government and laid down their lives fighting for freedom and the right to equal education. 2020 marks 44 years since the uprising in which many children lost their lives while standing up against a system that sought to strip them of their identity, and break their spirit.

The year 2020 marked the 40th anniversary of the 1980 school boycotts – another seminal event in the history of the anti-apartheid struggle. The virtual exhibition titled ‘Woke’ – Looking Back, Looking Forward’ aimed to foreground the often-forgotten voices of those who have participated in these campaigns in order to aid the education of the millennials as they continue to face the challenges of decolonisation and the 21st century.

#### **Mandela Day Commemorations**

**Mandela Day** is celebrated around the world on 18 July every year. The Museum held a virtual exhibition to commemorate the day. Celebrations in 2020 were hampered by our lockdown status as a result of the COVID - 19 pandemic. A call to action was issued for the world to share the successes that we have achieved and the lessons we have learned as we battle this pandemic, and its effect on those less fortunate than ourselves.



It is recognised that in South Africa we are dealing with two pandemics at the same time: GBV and COVID-19. Cyril Ramaphosa recently said “At a time when the pandemic has left us all feeling vulnerable and uncertain, violence is being unleashed on women and children with a brutality that defies comprehension.” GBV was a cause very close to Nelson Mandela and the National Museum decided to raise awareness about this cause on Mandela Day. Through a series of social media posts the Museum reflected on Mandela's feelings about this scourge. Gender Based Violence has been a pandemic in South Africa which existed long before COVID -19.

The History Department participated in the virtual exhibition on Mandela Day and they focused on his love of sports and how he played a critical role in using rugby as a tool of reconciliation and unification in South Africa's transition towards democratic rule in the 1990s.

### **“Walking a mile in her shoes” – A Women's Month virtual exhibition**

The Collections Department commemorated **Women's Month** with a virtual exhibition. The exhibition was entitled **“Walking a mile in her shoes”** and showcased four pairs of shoes from the collections of the National Museum. The shoes belonged to women who broke boundaries in their respective fields, namely Gladys Steyn, Blanca Borckenhagen, Amanda Coetzer and Caroline Fichardt.

### **International Day of Persons with Disabilities**

The National Museum currently hosts a temporary exhibition that offers a unique opportunity for visitors with disabilities. Researchers from 11 different Departments collaborated to put a large variety of items on display in the temporary



exhibition space, opposite the cafeteria on the ground floor. Almost all of these specimens are available for touch by the visually impaired and blind, so that all visitors should be able to ‘experience’ the objects and learn from the interesting, enlarged text and / or braille.

Objects include enlarged 3D prints of small and microscopic animals, most probably completely unseen by more than 95% of people. Both sighted and blind visitors can, for example, experience the many differences in bird beak and claw shape and structure, soil mite character, scorpion claw and tail structure, small mammal shape and hair thickness, and bat skeletons that allow them to live, feed, reproduce and survive in their specific environments. Also visitors can encounter some very old artefacts from our Anthropology and History

collections, relevant to people living with disabilities, and examples of art where the non-blind are dependent on blind people to interpret the meaning of the work of art for them.

### **Employment Equity Policy and Plan**

Council approved the Employment Equity Policy and Plan in the year under review. The Museum conducted a desktop analysis to determine the extent of under representation of employees from the designated groups in the different occupational levels of the employer's workforce in terms of race, gender and disability. Under representation exists in the category of Black staff overall (African, Indian and Coloured) and People with Disabilities.

Care has been taken when setting targets to avoid over-representation in lower occupational levels and under representation in higher occupational levels. The Museum has a limited budget so the opportunity to expand the staff complement is not available. Opportunity to change the profile of the staff complement will only arise when a member resigns or retires.

Further, the Council approved a **Programme to Develop Black Scientists**, which focuses on developing identified staff members as scientists and also developing Black science interns as scientists. Taking into account the Museum's current demographics a target has been set for 10% improvement of Black staff in each under-represented occupational level.

### **Request for Rollover of Funds**

The Museum applied for rollover of surplus funds from the 19/20 financial period and this was granted by Treasury. Treasury approval was granted in terms of PFMA section 53(3) and National

Treasury Instruction 6 for the Museum to retain the cash surplus 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.

### **Employee Benefit changes**

The National Museum had three categories of Pension Memberships which were converted on 01 November 2020 to Defined Contribution Membership.

- Defined Benefit Membership: with 7 members.
- Defined Contribution Membership With Underpin (Minimum Guarantee): with 13 members.
- Defined Contribution Membership: with 84 members.

The trustees of the Pension Fund approved new group life cover as a lump sum benefit equal to 4 x the member's annual pensionable salary. This is underwritten by Hollard Life and was effective as of 01 November 2020. The reason for the above change is that the existing benefit was no longer sustainable in terms of longer-term affordability as ABSA had implemented a substantial increase in premiums, alleging that they had made miscalculations when quoting. In addition, a simplified multiple of salary group life benefit was deemed to be more fair towards members who are not married or do not have children.

Council agreed that the Museum should explore converting to an Umbrella Fund to save costs. This option is being explored by the Trustees and will be processed in the new financial year.

### **Supply Chain Management**

There were no SCM-related findings in the year under review. 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**

Employment costs currently consume about **76%** of the budget. These costs are expected to increase as the Museum has to employ additional staff as COVID-19 compliance assistants. At the end of the financial period 2021 to 2024, the National Museum will have in its employ about 120 staff members. This poses a budgetary challenge that will need attention if the Museum is to continue attracting top research talent, including NRF-rated researchers. However, the Museum remains an economically viable entity.

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**

During the financial year, Sheryl Msomi, ArtBankSA project manager, was seconded to the William Humphreys Art Gallery to provide managerial support. I am thankful to Nathi Gumede and Yolanda de Kock who assisted in managing the ArtBankSA in Sheryl's absence. I am also grateful to Dawie de Swardt and Lizel Hugo-Coetzee for the acting assistance that they have provided in vacant positions.

Despite the lockdown and the pandemic, the Museum has made significant strides in achieving the objectives and targets set out in its Five-Year Strategic Plan. These successes can be attributed to hard work by the Heads of Departments and staff of the Museum, some of whom are foremost experts in their field. I would like to thank them for their commitment, passion and unwavering support.

Our Council Chairperson, Advocate Leshabane, provides strategic leadership and guidance in her role. I am indebted to her for this support, especially during the difficult year we experienced. She helped us successfully navigate the uncharted waters of operating a Museum during a pandemic. I would like also to extend my thanks to the Council of the National Museum and the committees for their support and counsel.



**S. Snell**  
**Chief Executive Officer**  
**National Museum, Bloemfontein**  
**31 July 2021**



# STATEMENT OF RESPONSIBILITY & CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of our knowledge and belief, we confirm the following:

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

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by the 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 which has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

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

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2021.


Yours faithfully



**Chief Executive Officer**

**Name: S. Snell**

**Date: 31 July 2021**



**Chairperson of the Board**

**Name: Adv. J. E. Leshabane**

**Date: 31 July 2021**

# STRATEGIC OVERVIEW

The National Museum is a Natural History Museum, a Cultural History Museum and 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.

It is a PFMA schedule 3A entity that was established by the Ministry of Sport, Arts and Culture in terms of the Cultural Institutions Act 1998 (Act No. 119 of 1998).

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 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, aiming, *inter alia*, to eliminate poverty and reduce inequality by 2030. Chapter 15 of this plan asserts that the Arts, Culture and Heritage Sector is viewed as a potentially powerful driver for creating a sense of inclusiveness and for encouraging interaction between South Africans from different social backgrounds. Importantly, too, it is viewed as capable of contributing to the mobilisation of active and responsible citizenry. Furthermore, the NDP highlights that the economic value and contribution of the 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 cuts across the divisions of race, gender, and class. 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 emphasised 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 cultures and maintenance of cultural diversity has raised the possibility of the human race adapting 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.

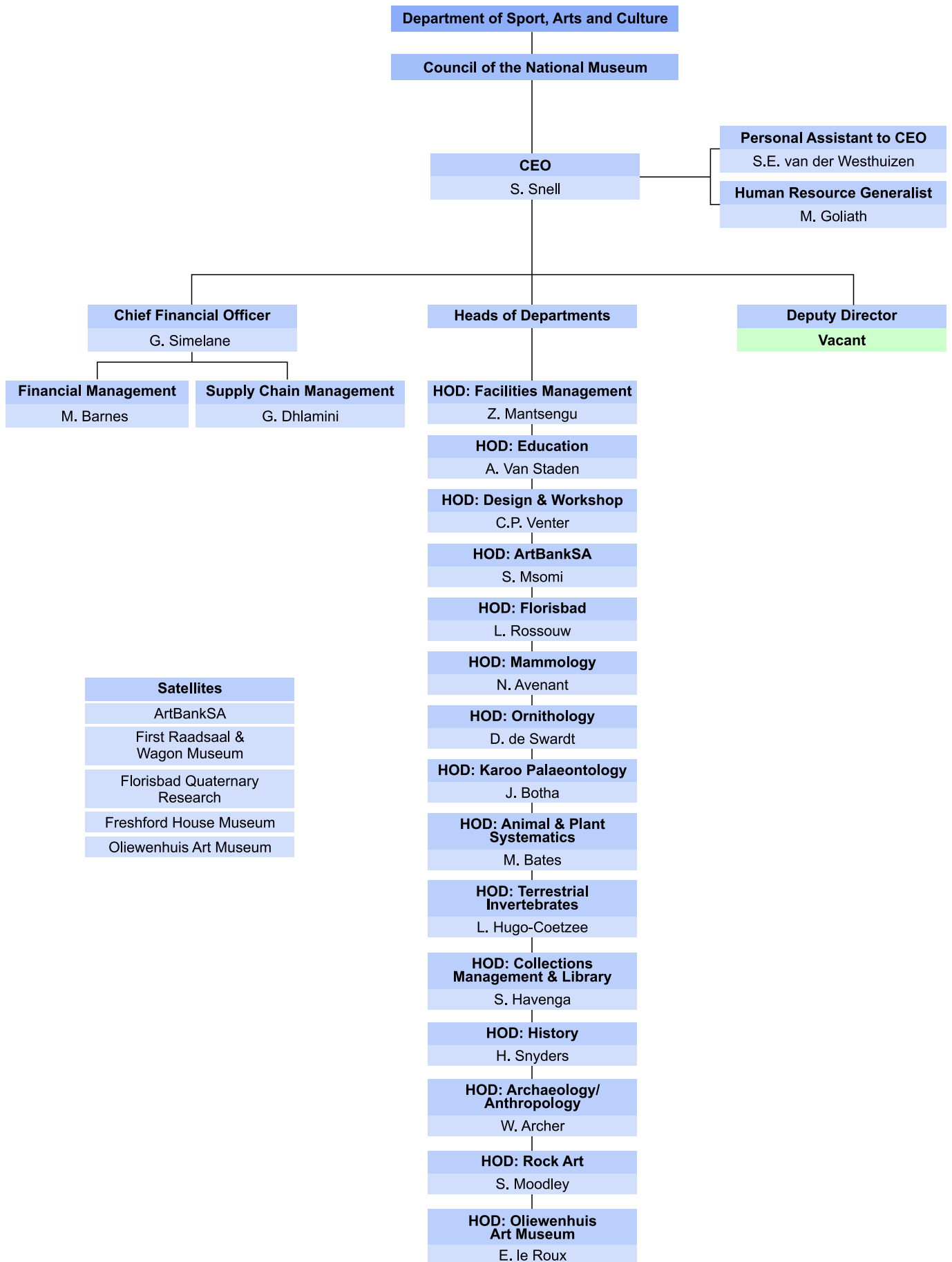
### Agenda 2063

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. Three of the aspiration 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 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 62 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 Museum's policy, the draft versions of which are still under discussion, will doubtless impact on the Museum's operations.

### Strategic Objectives

Below are the approved Strategic Objectives:

#### PROGRAMME 1: BUSINESS DEVELOPMENT

Programme 1: Business Development	
<b>Purpose</b>	<b>Programme purpose:</b> <ul style="list-style-type: none"> <li>•To properly manage and maintain the natural and cultural heritage and art collections;</li> <li>•Serve as centres for promotion of research and development;</li> <li>•Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals, often collaborating with other national or international researchers; and</li> <li>•Building human and research capacity.</li> </ul>
<b>Sub Programmes (if Applicable)</b>	<b>Sub – Programme Purpose</b>
<b>Curation and Conservation of Collections</b>	<b>Programme purpose:</b> 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.
<b>Research and Information Management</b>	<b>Programme purpose:</b> 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 current important debates and trends of research, 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.

## PROGRAMME 2: PUBLIC ENGAGEMENT

Programme 2: Public Engagement	
<b>Purpose</b>	<b>Programme purpose:</b> to inform, consult, involve, collaborate with and empower the Museum's stakeholders in the diverse cultural and natural heritage.
Sub Programmes (if Applicable)	Sub – Programme Purpose
1. <b>Marketing</b>	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.
2. <b>Public Educational Programmes</b>	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.

## PROGRAMME 3: COMPLIANCE AND ADMINISTRATION

Programme 3: Compliance and Administration	
<b>Purpose</b>	To provide the necessary professional support and compliance services to ensure the achievement of the Museum's primary objectives of carrying out quality research, expanding and managing diverse heritage collections and communicating this to all, through educational programmes, exhibitions and publications, to emphasise the importance of this diverse heritage to the South African nation.
Sub Programmes (if Applicable)	Sub – Programme Purpose
<b>Support Services</b>	To provide support through human resources, information technology, security, risk management, and supply chain management to enable the Museum to achieve its mandate.
<b>Compliance Services</b>	To provide support to the Museum to ensure compliance with legislation, guidelines, frameworks to avoid audit findings.

# PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE INITIAL APP SUBMITTED PRIOR TO RE-TABLING ON 30 JUNE 2020

### COVID-19 Consequence and Response:

In response to the national restrictions placed upon the museum during the financial year of 2020/21, necessary amendments to the initial Annual Performance Plan were applied. The below table contains the original targets as set out by the Annual Performance plan, prior to re-tabling on 30 June 2020. The table displays the performance of the first quarter only, against the initial annual targets.

## PROGRAMME 1: BUSINESS DEVELOPMENT

Programme 1: Business Development	
<b>Purpose</b>	<b>Programme purpose:</b> <ul style="list-style-type: none"> <li>•To properly manage and maintain the natural and cultural heritage and art collections;</li> <li>•Serve as centres for promotion of research and development;</li> <li>•Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals, often collaborating with other national or international researchers; and</li> <li>•Building human and research capacity.</li> </ul>

Sub Programmes (if Applicable)	Sub – Programme Purpose
<b>Curation and Conservation of Collections</b>	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.
<b>Research and Information Management</b>	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 current important debates and trends of research, 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.

### Key performance indicators, planned targets and actual achievements as at 30 June 2020.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
		44 475 specimens ("material units") added to natural history collections.	38 255 specimens ("material units") added to natural history collections.	10 000 new heritage items added to natural science collection.	1 195 Specimen added.	8 805	Targets were reduced due to COVID.  The planned 155 target is reported against performance until date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
		1 694 objects ("material units") added to cultural history (& cultural / humanities) collections.	4 036 objects ("material units") added to cultural history (& cultural / humanities) collections.	1 000 new heritage items added to Human Science Collection.	1 object added.	999	Non-achievement was due to lockdown, most Research Assistants could not obtain direct access to collections.	Target was adjusted due to lockdown and closure of the Museum.
		R0 spent on art collection by 31 March 2019. Two artworks donated to the value of R31 500.	R250 000 spent on art collection by 31 March 2020.	2 new heritage items added to Oliewenhuis Art Museum.	N/A	N/A	Annual target and not achieved on date of re-tabling.  No quarterly planned target.	Target was adjusted due to lockdown and closure of the Museum.
		118 artworks purchased for National ArtBank (NAB) collections by 31 March 2019.	60 artworks purchased for National ArtBank (NAB) collections by 31 March 2020.	100 artworks purchased.	N/A	N/A	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
			New Target.	20 artworks leased and /or sold per annum.	N/A	N/A	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.



Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	% compliance with Conservation Policy and GRAP.	Annual collections audit successfully completed by 31 March 2019.	Annual collections audit successfully completed by 31 March 2020.	Collections Department audit Heritage Collection for compliance with Collections Policy.	100%	None	No deviation.	Target was adjusted due to lockdown and closure of the Museum.
			New Target.	Digitisation Policy finalised.	100%	None	No deviation.	No revision.
	No of loans of collections items.	A total of 90 new incoming or outgoing loans of collection material were processed during the year ending 31 March 2019.	There were a total of 22 new incoming or outgoing loans of collection material for the period.	10 new outgoing loans.	0	10	Due to lockdown no loans could be processed in the first quarter.	Target was adjusted due to lockdown and closure of the Museum.
	No of research studies conducted on existing collections	New Target.	New Target.	5 research studies on existing collections.	2	3	Annual planned target reporting on the first quarter.	Target was not revised.
	No of popular research articles published.	38 popular articles published to 31 March 2019.	52 popular articles published to 31 March 2020.	30 popular research articles published.	14	16	Planned annual target reported against the quarterly target.	Target was not revised.
	Develop a policy for ethical research at the Museum.	New Target.	New Target.	Develop a policy for ethical research at the Museum.	N/A	None	This is an annual target and will be achieved at year end.	Target was not revised.
		New Target.	Ethical clearance confirmed for all new registered research projects. (25 projects -100% ethical clearance).	When needed research projects have ethical clearance.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was not revised.
	No of research grants awarded to Museum Scientists.		New Target.	5 research grants awarded to Museum scientists.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was not revised.
	No of NRF rated scientists.	3 NRF rated scientists as at 31 March 2019.	2 NRF rated scientists as at 31 March 2020.	3 NRF rated scientists.	2	1	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	No of research fieldtrips conducted.		New Target.	15 per annum research fieldtrips conducted.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
	No of research papers of posters delivered at research conferences.	30 Conference/workshop presentations per annum.	40 Conference/workshop presentations given by  31 March 2020.	30 research papers or posters delivered at research conferences.	1	29	Targets were reduced due to COVID and the Museum and there were no targets on planned on the date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
	No of public lectures delivered.	14 popular lectures presented to  31 March 2019.	36 popular lectures presented.	15 per annum of public lectures.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
	No of lectures delivered to students registered at Higher Education Institutions.	24 academic lectures / practicals were presented to students by  31 March 2019.	21 academic lectures / practicals were presented to students  31 March 2020.	15 per annum public lectures / practicals delivered.	1	14	Targets were reduced due to COVID and the Museum and there were no targets on planned on the date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
	No of articles published in peer reviewed journals.	143 research articles published in peer-reviewed journals to  31 March 2019.	31 publications in peer-reviewed journals.	30 per annum articles published in peer reviewed journals.	6	24	The planned target is reported against performance until date of re-tabling.	Target not revised.
	No of new animal or plant or fossil species described.		New Target.	5 new species described.	1	4	The planned target is reported against performance until date of re-tabling.	Target not revised.
	No of reviews conducted.	56 reviews of research articles, reports, proposals, theses and management plans were undertaken by  31 March 2019.	56 reviews of research articles/ reports/ proposals/ management plans were undertaken by  31 March 2020.	50 reviews conducted.	5	45	The planned target is reported against performance until date of re-tabling.	Target not revised.
	No of Technical Reports/ Impact Assessments	Compiled 4 cultural technical reports, or environmental assessment reports by	Compiled 11 CRM, EIA, biomonitring and Site reports by	5 CRM/ EIA/ Bio monitoring and site reports.	0	5	The planned target is reported against performance until date of re-	Target not revised.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	conducted by Museum Scientists.	31 March 2019.	31 March 2020.				tabling.  Due to lockdown, no new projects could be registered.	
	No of new international and national collaborative projects.	A total of 3 new collaborative research projects were established by 31 March 2019.	A total of 12 new collaborative research projects established by 31 March 2020.	4 new international and national collaborative projects.	0	4	The planned target is reported against performance until date of re-tabling.  Due to lockdown, no new projects could be registered.	Target not revised.
	Production of <i>CULNA</i> .	<i>Culina</i> 73 published (1 issue).	<i>Culina</i> 74 (hardcopy issue).	<i>Culina</i> 1 hardcopy issue.	0	1	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
			34 online articles.	12 online <i>Culina</i> articles.	10	2		Target was adjusted due to lockdown and closure of the Museum.
	Production of <i>INDAGO</i> .	<i>Indago</i> Vol 34 Numbers 1 and 2 were published during the year (2 issues).	<i>Indago</i> Vol 35 published and 1 online issue.	6 <i>Indago</i> online articles.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	Staff serving on the Executive 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 as on 31 March 2020.	8 Professional staff serving on committees of professional bodies.	6	2	One additional professional body representation.	Target revised due to lockdown and closure of the Museum.
	Progress on research projects during the year.	Progress on 86% of total number of research projects by 31 March 2019.	Progress on 95% of total research projects achieved.	Progress on 70% of research projects per annum.	0.00%	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.



**PROGRAMME 2: PUBLIC ENGAGEMENT**

Programme 2: Public Engagement	
<b>Purpose</b>	Programme purpose: to inform, consult, involve, collaborate with and empower the Museum's stakeholders in the diverse cultural and natural heritage.
<b>Sub Programmes (if Applicable)</b>	<b>Sub – Programme Purpose</b>
<b>1. Marketing</b>	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.
<b>2. Public Educational Programmes</b>	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.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
<b>Outcome 1: Museum Exhibitions are inclusive, interactive educational and entertaining.</b>	Permanent Exhibition Plan is reviewed.		New Target.	Permanent Exhibition Plan is reviewed and approved by CEO and Council.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of inclusive permanent exhibitions.		New Target.	1 inclusive permanent exhibition at the National Museum.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
		<b>New Target 2019:</b> Multilingual (3 languages) text in various formats provided in all new temporary exhibitions (internal).	3 out of 7 temporary exhibitions displayed multilingual text.	Text of Exhibitions at NM IN 3 languages.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of Special Days celebrated with communities.		New Target.	<b>Hosting of celebrations for:</b> - Womens Day - Youth Day - International Day of Persons with Disabilities (including virtual celebrations during lockdown).	2	None	No deviation.	Target not revised.
	Conduct a facilities audit.	New Target.	<b>First project:</b> Send out tender. <b>Second project:</b> Consultants busy with design. <b>Third project:</b> Contractor	Conduct a facilities audit with DPW/DSAC	N/A	None	This is an annual target and will be achieved at year end.  No planned	Target not revised.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
			appointed.				quarterly target on date of re-tabling.	
			New Target.	50% implementation of UAMP projects funded by DSAC and DPW.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of visitors to the National Museum and satellites.		New Target.	50 000 to Oliewenhuis (lockdown).	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Targets were reduced due to COVID.
		Total of 145 958 visitors to the National Museum and its satellites by 31 March 2019.	Total of 119 890 visitors to the National Museum, its satellites and outreach programmes during 2019/2020.	100 000 to National Museum and balance of satellites (lockdown)	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Targets were reduced due to COVID.
	Celebrate excellence in the Heritage Sector.		2 Living heritage events hosted.	Host Free State Young Artist Competition.	1	None	No deviation.	Target not revised.
Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
<b>Outcome 2: Opportunities created for unemployed learners to gain workplace skills and provision of curriculum based learning support to schools.</b>	No of PHDs and Masters students supervised	Supervision was provided for 6 post-graduate students to 31 March 2019.	9 post-grad students supervised.	2 per annum PHDs and Masters students supervised.	4	-2	The Museum was approached to supervise more students.	Target not revised.
	No of post doc opportunities provided.		New Target.	1 per annum of post doc opportunities provided.	0	1	Advert was issued and no suitable applicant applied.	Target not revised.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	No of internships provided.	One full-time intern (WESSA) was hosted and received training to 31 March 2019.	2 full-time FET internships.	10 internships provided per annum.	0	10	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of vacation work experience opportunities provided for learners.		5 FET WIL learners hosted during vacation by 31 March 2020.	5 per annum vacation work experience opportunities provided for learners.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of schools groups receive curriculum based lessons.	520 educational lessons & guided tours presented to 31 March 2019.	516 Guided tours and lessons presented by 31 March 2020.	400 lessons and guided tours school groups receive curriculum based lessons by NM and 100 by Oliewenhuis	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
		5 educator training workshops presented to 31 March 2019.	5 Educator workshops presented.	5 Educator training workshops.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
		3721 educational booklets distributed by 31 March 2019.	1807 educational booklets distributed by 31 March 2020.	500 educational brochures distributed by Oliewenhuis	100	400		Target not revised.
				Participation in 2 career guidance initiatives.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
	No of Mobile museum trips including rural schools.	36 Mobile Museum trips undertaken to 31 March 2019, including 23 to rural areas.	36 Mobile Museum trips undertaken, of which 18 were rural areas.	NM to conduct 20 mobile museum trips including rural schools.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
			New Target.	Oliewenhuis to conduct 5 mobile museum trips including rural schools.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.



Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	No of school holiday workshops provided.	10 holiday art workshops presented, accommodating 93 participants by to 31 March 2019.	10 Holiday Art Workshops held accommodating 153 participants.	8 school holiday workshops provided.	N/A	None	No deviation.	Target was adjusted due to lockdown and closure of the Museum.
<b>ArtBank becomes financially sustainable to support the visual arts economy.</b>	No of artworks purchased, leased and sold.		60 artworks purchased for National ArtBank (NAB) collections by 31 March 2020.	100 artworks purchased.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
			New Target.	20 artworks leased and /or sold per annum.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
	No of ArtBank Exhibitions held	2 National Art Bank temporary exhibitions hosted during the year.	3 National Art Bank temporary exhibitions hosted per year.	2 ArtBank Exhibition to be held annually.	N/A	None	No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
			New Target.	1000 people attend ArtBank exhibitions per annum.	N/A	None	No planned quarterly target on date of re-tabling.	Target was adjusted due to lockdown and closure of the Museum.
	No of research or popular articles published about ArtBank collections		New Target.	5 research or popular articles published about the ArtBankSA collections.	0	None	Researcher resigned.	Target not revised.
	Amount of income generated by the ArtBankSA			R 50k per annum income generated.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
	ArtBank Sales and Marketing Strategy and MOU with DSAC			ArtBank Sales and Marketing Strategy by April 2020.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.
				MOU with DSAC by Dec 2020.	N/A	None	No planned quarterly target on date of re-tabling.	Target not revised.

### PROGRAMME 3: COMPLIANCE AND ADMINISTRATION

Programme 3: Compliance and Administration	
<b>Purpose</b>	To provide the necessary professional support and compliance services to ensure the achievement of the Museum's primary objectives of carrying out quality research, expanding and managing diverse heritage collections and communicating this to all, through educational programmes, exhibitions and publications, to emphasise the importance of this diverse heritage to the South African nation.

Sub Programmes (if Applicable)	Sub – Programme Purpose
<b>Support Services</b>	To provide support through human resources, information technology, security, risk management, supply chain management to enable the Museum to achieve its mandate.
<b>Compliance Services</b>	To provide support to the Museum to ensure compliance with legislation, guidelines, frameworks to avoid audit.  Findings.

Outcome	Output	Audited Actual Performance  2018/2019	Audited Actual Performance  2019/2020	Planned Annual Target 2020/2021	Actual Achievement  2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
<b>Improved governance of the Museum.</b>	Achieve an unqualified audit report.	Unqualified audit report achieved for 2017/2018.	Unqualified audit report for 2019/2020 financial year.	Achieved unqualified audit for the 2019/20 financial year.	N/A	No deviation.	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of staff training opportunities to support governance.		New Target.	3 staff training opportunities to support governance (including virtual).	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of policies reviewed.		New Target.	All policies reviewed in a 3 year cycle.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	Information technology governance enhanced with investment in IT infrastructure and relevant policies.		New Target.	Investment in new IT infrastructure.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
			New IT policies to be drafted by 31 March 2021.	1	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	Performance and Financial reporting.		New Target.	Quarterly performance reports submitted on time including lockdown revised dates.	100%	None	No deviation.	Target not revised.

Outcome	Output	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	Actual Achievement 2020/2021 until date of re-tabling 30 June 2020	Deviation from planned target to actual achievement 2020/2021	Reason for deviations	Reasons for revision to the Outputs / Output indicators / Annual Targets
	Performance and Financial reporting.		New Target.	Annual report submitted on time including lockdown revised dates.	N/A	None	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
	No of disciplinary actions taken for non-compliance with PFMA and policy.		New Target.	100% on all matters identified to implement consequence management.	100%	None	No deviation.	Target not revised.
	Risk Management is implemented.		New Target.	Risk Management Registers (Operational, Strategic and Fraud Risk Registers) updated quarterly.	N/A	-	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.
			New Target.	Annual Risk Treatment Plan.	N/A	-	This is an annual target and will be achieved at year end.  No planned quarterly target on date of re-tabling.	Target not revised.

## PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE APR POST-RETABLING OF 30 JUNE 2020 SUBMITTED FOR AUDIT DRAFT ANNUAL PERFORMANCE REPORT OF NATIONAL MUSEUM 2020/2021

The following table reflects the annual performance against the revised targets of the re-tabled APP.

### PROGRAMME 1: BUSINESS DEVELOPMENT

Programme 1: Business Development	
<b>Purpose</b>	<b>Programme purpose:</b> <ul style="list-style-type: none"> <li>•To properly manage and maintain the natural and cultural heritage and art collections;</li> <li>•Serve as centres for promotion of research and development;</li> <li>•Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals, often collaborating with other national or international researchers; and</li> <li>•Building human and research capacity.</li> </ul>



Sub Programmes (if Applicable)	Sub – Programme Purpose
<b>Curation and Conservation of Collections</b>	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.
<b>Research and Information Management</b>	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 current important debates and trends of research, 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.

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

Output indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
2.1.1. No of new heritage items added to the collection and digitised.	Objects/specimens ("material units") added to natural history collections: n= 12 000	38 255 specimens ("material units") added to natural history collections.	5 000 new heritage items added to natural science collections.	27 363	(+22 363)	Targets were reduced due to COVID and the Museum managed to exceed these revised targets due to staff being able to work during lock down.
	Objects/specimens ("material units") added to cultural history (& cultural/humanities) collections. n= 1 200	4 036 objects ("material units") added to cultural history (& cultural/humanities) collections.	500 new heritage items added to human science collections.	748	(+248)	
	R150 000 spent on art collections by 31 March 2020.	R250 000 spent on art collection by 31 March 2020.	2 new heritage items added to Oliewenhuis Art Museum	18	(+16)	The Museum received an unexpected donation of artworks.
2.1.2. % compliance with Conservation Policy and GRAP.	Complete annual collections audit by 31 March 2020.	Annual collections audit successfully completed by 31 March 2020.	Collections Department audit Heritage Collection for compliance with Collections Policy.	100%	None	No deviation.
		New Target.	Digitisation Policy finalised.	100%	None	No deviation.
No of loans of collections items.	30 new outgoing or incoming loans of collection material annually.	A total of 22 new incoming or outgoing loans of collection material for the period.	10 new outgoing loans.	49	(+39)	Targets were reduced due to COVID and the Museum managed to exceed these revised targets due to staff being able to work during lock down.
No of research studies conducted on existing collections.		New Target.	5 research studies on existing collections.	21	(+16)	
No of popular research articles published.	35 popular articles published per annum.	52 popular articles published by 31 March 2020.	30 popular research articles published.	45	(+15)	
Develop a policy for ethical research at the Museum.		New Target.	Develop a policy for ethical research at the Museum.	100%	None	No deviation.
	Ethical clearance for all new registered research projects confirmed annually by 31 March 2020.	Ethical clearance confirmed for all new registered research projects. (25 projects -100% ethical clearance).	When needed research projects have ethical clearance.	100%	None	No deviation.

Output indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of re-research grants awarded to Museum Scientists.		New Target.	5 research grants awarded to Museum scientists.	6	(+1)	Many grant applications are made and it is difficult to accurately predict this target.
No of NRF rated scientists.	5 NRF rated museum scientists at 31 March 2020.	2 NRF rated scientists as at 31 March 2020.	2 NRF rated scientists.	2	None	No deviation.
No of research fieldtrips conducted.		New Target.	5 per annum.	21	(+16)	Targets were reduced due to COVID and the Museum managed to exceed these revised targets due to staff being able to work during lock down.
No of re-research papers of posters delivered at re-research conferences.	30 Conference/workshop presentations per annum.	40 Conference/workshop presentations given by 31 March 2020.	5 research papers or posters delivered at re-research conferences.	11	(+6)	
No of public lectures delivered.	35 popular lectures presented per annum.	36 lectures presented.	5 per annum of public lectures.	9	(+4)	
No of lectures delivered to students registered at Higher Education Institutions.	20 lectures/practicals.	21 academic lectures/practicals were presented to students by 31 March 2020.	5 per annum public lectures/ practicals delivered (Higher Education Institutions).	9	(+4)	
No of articles published in peer reviewed journals.	30 publications in peer-reviewed journals per annum.	31 publications in peer-reviewed journals.	30 per annum articles published in peer reviewed journals.	44	(+14)	
No of new animal or plant or fossil species described.		New Target.	5 new species described.	20	(+15)	
No of reviews conducted.	50 reviews of research articles/reports/proposals/management plans by 31 March 2020.	56 reviews of research articles/reports/proposals/management plans were undertaken by 31 March 2020.	50 reviews conducted.	74	(+24)	
No of Technical Reports/ Impact Assessments conducted by Museum Scientists.	Compile 20 CRM,EIA, biomonitoring and site reports by 31 March 2020.	Compiled 11 CRM, EIA, biomonitoring and site reports by 31 March 2020.	5 CRM/ EIA/ Bio monitoring and site reports.	2	(-3)	The Museum is not able to predict the number of requests that we receive annually.
No of new international and national collaborative projects.	4 New collaborative research projects established by 31 March 2020.	A total of 12 new collaborative research projects established by 31 March 2020.	4 new international and national collaborative projects.	7	(+3)	Increased interest in collaborations with National Museum Scientists resulted in the target being exceeded.
Production of CULNA.	1 hardcopy issue per year.	Culna 74 (hardcopy issue).	Culna 1 hardcopy issue.	1	-	No deviation.
	12 online articles.	34 online articles.	20 online Culna articles.	37	(+17)	Museum scientist worked throughout lockdown.

Output indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
Production of <i>INDAGO</i> .	1 Hardcopy issue for <i>Indago</i> and 6 online issues per year.	<i>Indago</i> Vol 35 published and 1 online issue.	<i>Indago</i> 2 online articles.	1	(-1)	Delays in the review process meant we could only publish 1 article.
Staff serving on the Executive of Professional bodies.	8 Professional staff serving on committees of professional bodies.	8 Professional staff serving on committees of professional bodies as on 31 March 2020.	5 professional staff serving on committees of professional bodies.	6	(+1)	One additional professional body representation.
Progress on research projects during the year.	Progress on 60% of total number of research projects by 31 March 2020.	Progress on 95% of total research projects achieved.	Progress on 70% of research projects per annum.	90.8%		

### Linking performance with budgets

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

Programme/ activity/ objective	2019/2020			2020/2021		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Business Development.	13 642	14 034	(392)	12 831	20 862	(8 031)
<b>Total</b>	<b>13 642</b>	<b>14 034</b>	<b>(392)</b>	<b>12 831</b>	<b>20 862</b>	<b>(8 031)</b>

### PROGRAMME 2: PUBLIC ENGAGEMENT

Programme 2: Public Engagement	
<b>Purpose</b>	Programme purpose: to inform, consult, involve, collaborate with and empower the Museum's stakeholders in the diverse cultural and natural heritage.
<b>Sub Programmes (if Applicable)</b>	<b>Sub – Programme Purpose</b>
<b>1. Marketing</b>	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.
<b>2. Public Educational Programmes</b>	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.

Outcome 1: Museum Exhibitions are inclusive, interactive, educational and entertaining						
Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
Permanent Exhibition Plan is reviewed.		New Target.	Permanent Exhibition Plan is reviewed and approved by CEO and Council.	1	None	No deviation.
No of inclusive permanent exhibitions.		New Target.	1 inclusive permanent exhibition at the National Museum.	1	None	No deviation.

Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of inclusive permanent exhibitions.	Multilingual (3 languages) text in various formats provided in all new temporary exhibitions (internal).	3 out of 7 temporary exhibitions displayed multilingual text.	Text of Exhibitions at NM IN 3 languages.	100%	None	No deviation.
No of Special Days celebrated with communities.		New Target.	Hosting of celebrations for: Womens Day/Youth Day/ International Day of Persons with Disabilities. (including virtual celebrations during lockdown).	11	None	The Museum managed to exceed these targets due to staff being able to work during lock down and virtual celebrations.
Conduct a facilities audit.	Appoint a project manager and implement project as per approved budget.	First project:Send out tender. Second project: Consultants busy with design. Third project: Contractor appointed.	Conduct a facilities audit with DPW/ DSAC.	1	None	No deviation.
		New Target.	50% implementation of UAMP projects funded by DSAC and DPW.	70%	(+20%)	Contractors were able to finish some projects during lockdown.
No of visitors to the National Museum and satellites.			1 000 to Oliewenhuis (lockdown).	4 815	(+3 815)	No deviation.
	200 000 Visitors to National Museum and its satellites during 2019/2020.	Total of 119 890 visitors to the National Museum, its satellites and outreach programmes during 2019/2020.	1 000 to National Museum and balance of satellites (lockdown).	1 489	(+489)	Targets were reduced due to COVID and the Museum managed to exceed these revised targets due to the Museum opening during lockdown.
Celebrate excellence in the Heritage Sector.	2 Living heritage events hosted.	2 Living heritage events hosted.	Host Free State Young Artist Competition.	1	None	No deviation.

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

Outcome 2: Opportunities created for unemployed learners to gain workplace skills and provision of curriculum based learning support to schools.						
Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of PHDs and Masters students supervised.	4 post-grad students supervised annually.	9 post-grad students supervised.	2 per annum PHDs and Masters students supervised.	6	(+4)	The Museum was approached to supervise more students.
No of post doc opportunities provided.		New Target.	1 per annum of post doc opportunities provided.	0	(-1)	Advert was issued and no suitable applicant applied.



Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of internships provided.	2 full-time FET internships by 31 March 2020.	2 full-time FET internships.	10 internships provided per annum.	14	(+4)	Covid related intern appointments allowed us to exceed the target.
No of vacation work experience opportunities provided for learners.	5 FET WIL learners hosted during vacation by 31 March 2020.	5 FET WIL learners hosted during vacation by 31 March 2020.	5 per annum vacation work experience opportunities provided for learners.	3	(-2)	Rain and flooding resulted in cancellation from learners.
No of schools groups receive curriculum based lessons.	510 Guided tours and lessons presented per annum.	516 Guided tours and lessons presented by 31 March 2020.	50 schools receive lessons and guided tours (curriculum based) by National Museum and 10 by Oliewenhuis	28 (National Museum = 15; Oliewenhuis = 13).	(-22)	The school year was disrupted and despite schools visits being allowed, the schools showed very low interest.
	5 Educator workshops presented per annum.	5 Educator workshops presented.	5 educator training workshops.	5	None	No deviation.
	300 educational booklets distributed per year.	1 807 educational booklets distributed by 31 March 2020.	500 educational brochures distributed by Oliewenhuis.	937	(+437)	Increased opportunity to distribute.
			Participation in 0 career guidance initiatives.	0	None	No deviation.
No of Mobile museum trips including rural schools.	20 Mobile Museum trips undertaken (at least to 8 rural schools) by 31 March 2020.	36 Mobile Museum trips undertaken, of which 18 were rural areas.	NM to conduct 0 mobile museum trips including rural schools.	0	None	No deviation.
		New Target.	Oliewenhuis to conduct 0 mobile museum trips including rural schools.	0	None	No deviation.
No of school holiday workshops provided.	10 Holiday Art Workshops held per annum, each accommodating 10 participants.	10 Holiday Art Workshops held accommodating 153 participants.	2 school holiday workshops provided.	2	None	No deviation.
<b>Outcome: ArtBank becomes financially sustainable to support the visual arts economy</b>						
Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of artworks purchased, leased and sold.	Purchase 50 artworks for National ArtBank (NAB) by 31 March 2020.	60 artworks purchased for National ArtBank (NAB) collections by 31 March 2020.	100 artworks purchased.	210	(+110)	An additional funding window was opened during lockdown.
		New Target.	5 artworks leased and /or sold per annum.	6	(+1)	Targets were reduced due to COVID and the Museum managed to exceed these revised targets by a small margin.

Outcome indicator	Planned Target	Actual Achievement	Planned Target	Actual Achievement	Deviation from planned target to Actual Achievement for 2020/2021	Comments on deviations
	2019/2020	2019/2020	2020/2021	2020/2021		
No of ArtBank Exhibitions held.	1 National Art Bank temporary exhibition hosted per year.	3 National Art Bank temporary exhibitions hosted per year.	1 ArtBank Exhibition to be held annually.	1		No deviations.
		New Target.	500 people attend ArtBank exhibitions per annum.	1 428	(+928)	The exhibition attracted more than expected number of people.
No of re-search or popular articles published about ArtBank collections.		New Target.	5 research or popular articles published about the ArtBankSA collections.	5	None	No deviations.
Amount of income generated by the ArtBankSA.			R 50k per annum income generated.	R10 800	(-R40 200k)	Less than expected interest shown in leasing or purchasing artworks during lockdown.
ArtBank Sales and Marketing Strategy and MOU with DSAC.			ArtBank Sales and Marketing Strategy by April 2020.	0	None	ArtBank were not able to finalise the strategy.
			MOU with DSAC by Dec 2020.	1	None	No deviation.

### Linking performance with budgets

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

Programme/ activity/ objective	2019/2020			2020/2021		
	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: Public Engagement	1 766	2 385	(619)	1 623	802	821
<b>Total</b>	<b>1 766</b>	<b>2 385</b>	<b>(619)</b>	<b>1 623</b>	<b>802</b>	<b>821</b>

### PROGRAMME 3: COMPLIANCE AND ADMINISTRATION

Programme 3: Compliance and Administration	
<b>Purpose</b>	To provide the necessary professional support and compliance services to ensure the achievement of the Museum's primary objectives of carrying out quality research, expanding and managing diverse heritage collections and communicating this to all, through educational programmes, exhibitions and publications, to emphasise the importance of this diverse heritage to the South African nation.
<b>Sub Programmes (if Applicable)</b>	<b>Sub – Programme Purpose</b>
<b>Support Services</b>	To provide support through human resources, information technology, security, risk management, supply chain management to enable the Museum to achieve its mandate.
<b>Compliance Services</b>	To provide support to the Museum to ensure compliance with legislation, guidelines, frameworks to avoid audit.  Findings.

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

Outcome: Improved governance of the Museum					
Outcome indicator	Actual Achievement 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Comment on deviations
Achieve an unqualified audit report.	Unqualified audit report achieved for 2018/2019 financial year.	Unqualified audit report for 2019/2020 financial year.	Achieved unqualified audit for the 2019/20 financial year	None	No deviations.
No of staff training opportunities to support governance.	New Target.	3 staff training opportunities to support governance (including virtual).	3	None	No deviations.
No of policies reviewed.	New Target.	All policies reviewed in a 3 year cycle.	100%	None	No deviations.
Information technology governance enhanced with investment in IT infrastructure and relevant policies.	New Target.	Investment in new IT infrastructure.	1	None	No deviations.
		New IT policies to be drafted by 31 March 2021.	1	None	No deviations.
Performance and Financial reporting.	New Target.	Quarterly performance reports submitted on time including lock-down revised dates.	100%	None	No deviations.
	New Target.	Annual report submitted on time including lock-down revised dates.	100%	None	No deviations.
No of disciplinary actions taken for non-compliance with PFMA and policy.	New Target.	100% on all matters identified to implement consequence management.	100%	None	No deviations.
Risk Management is implemented	New Target.	Risk Management Registers (Operational, Strategic and Fraud Risk Registers) updated quarterly.	100%	-	No deviations.
	New Target.	Annual Risk Treatment Plan.	1	-	No deviations.

## Linking performance with budgets

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

Programme/ activity/ objective	2019/2020			2020/2021		
	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: Compliance and Administration	1 109	986	123	988	789	199
<b>Total</b>	<b>1 109</b>	<b>986</b>	<b>123</b>	<b>988</b>	<b>789</b>	<b>199</b>

## Summary

Achievement Status	% of total Performance Indicators
Achieved/Overachieved	89,06
Partially Achieved	7,81
Not Achieved	3,13

# ANNEXURES



# AUTHORS



Dr Nico Avenant



Dr Will Archer



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Dr Sharon Holt

# MUSEUM PUBLICATIONS 2020/2021

## Scientific Publications by National Museum staff 2020/2021

- Allio, R., Tilak, M., Scornavacca, C., **Avenant, N.L.**, Kitchener, A.C., Corre, E., Nabholz, B and Delsuc, F. (2021) High quality carnivore genomes using hybrid assembly from roadkill enable species delimitation in aardwolf and bat-eared fox. *eLife* 2021;10:e63167. DOI: <https://doi.org/10.7554/eLife.63167>.
- Archer, W.** (2021) Carrying capacity, population density and the later Pleistocene expression of backed artefact manufacturing traditions in Africa. *Philosophical Transactions of the Royal Society B*.
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Shiona Moodley

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Gemma Hart

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Sudré Havenga



Sheril Msomi



Burgert Muller



Jan Andries Neethling



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- Archer, W.** (2020) 'Archaeological Excavation – history of research and evolving traditions at the site of Montagu Cave'. *Culna* 75.
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- Bates, M.F.** (2021) Common Dwarf Geckos: South Africa's most successful reptile invaders! *Culna* 75.
- Botes, M.** (2020) Charlotte Maxeke (1872–1939): 'Mother of Black freedom in South Africa'. *Culna* online.
- Botes, M.** (2020) Ella Fischer (1884–1946): Beloved community leader and mother of Bram Fischer. *Culna* online.
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- Du Bruyn, D.** (2020) Olive Schreiner: a feminist free thinker who was ahead of her time. *Culna* online.
- Du Bruyn, D.** (2020) Photographer Sam Nzima's house turned into a museum. *Culna* online.
- Hart, G.** (2021) Finding cohesion in the cacophony. *Culna* online.
- Havenga, S.** (2021) Nora Wellings & her novelty dolls. *Culna* 75.
- Havenga, S.** (2021) Victorian Fairings – Evocative, funny or just plain silly? *Culna* 75.
- Havenga, S.** (2021) The Victorian Tussie-Mussie: from warding off the plague to declaring your undying love. *Culna* 75.
- Hugo-Coetzee, L.** (2020) 'Taxi please!' Mites catching a ride. *Culna* online.
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- Moodley, S.** (2020) The Buffalo in San Rock Art. *Culna*. <https://nationalmuseumpublications.co.za/the-buffalo-in-san-rock-art/>
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Khotso Pudumo



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Elmarie van Rensburg

- Neethling, J.A.** (2020) Getting a grip on Pseudoscorpion claws. *Culna* online.
- Philip, L.** (2020) 'Pandemics of the World'. *Culna* 75.
- Philip, L.** (2020) 'The role of archaeology in the research of pandemics'. *Culna* 75.
- Pudumo, K. & Snyders, H.** (2021) "Apartheid, two slices of bread, and one teabag" the making of anti-apartheid activist, Constance Tshabalala, *Culna* 75.
- Pudumo, K.** (2021) 'Nazis, Lennon's Medicine & A New Age, Remembering Caleb 'Commandant' Motshabi: Liberation Struggle Icon. *Culna* 75.
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- Stobie, C. & Bates, M.** (2020) Citizen science: Using Facebook records of reptiles and amphibians. *Quest* 16(4): 30–31.
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## RESEARCH PROJECTS OF THE NATIONAL MUSEUM 2020/2021

### ARCHAEOLOGY & ANTHROPOLOGY

- Project 529: Digital approaches to behavioral change in African stone artefact producing hominins for research, conservation and educational purposes.
- Project 528: Exploration of the role of material culture in the expansion of Pleistocene African *Homo sapiens*.

### 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 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*. Completed.
- 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 511: Evolution of West Coast Ecosystems.
- 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 *Dasyplectis* 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 completed.**
- Project 500: The Batho Liberation Heritage Route Brochure. **Project completed.**
- 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 completed.**
- Project 475: From the South African Rugby museum to the 'Springbok experience' – rugby, reconciliation and post-apartheid public memory. **Project completed.**
- Project 476: Wrestling with apartheid: RSA-USA amateur wrestling relations, 1960–1991. **Project completed.**
- Project 477: Between Turnen and occupation: Race, identity and rugby in late-colonial Namibia. **Project completed.**
- 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 completed.**

- 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 completed.**
- 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 completed.**
- Project 485: Programmes of frivolity on ice? Hockey, business, diasporic identity and apartheid South Africa, c. 1910–1992. **Project completed.**
- 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: Behaviour and ecology of the African Rock Pipit *Anthus crenatus* in the Bloemfontein district.
- 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. **Project completed.**

### 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 2020/2021



*Creatively Contrasted: New views on the Permanent Collection.* 30 September 2020– 18 April 2021, Main Building.



*The Don Quixote Portfolio.* A recent donation accepted into the Oliewenhuis Art Museum Permanent Collection, 10 December 2020 – 21 February 2021, Annex Gallery.



*Tiro ya dialla: New Acquisitions of the Art Bank of South Africa Exhibition.* 11 March – 18 April 2021, Main Building.





**HOME** Legae, **Lehae**, **Ekhaya**, **Home**, **Tuiste**, Curated by Oliewenhuis Art Museum and ArtBankSA Interns, appointed as part of the Presidential Stimulus Programme supported by The Department of Sport, Arts & Culture in partnership VANSA, 18 March – 9 May 2021, Annex Gallery.

# EXHIBITIONS HOSTED BY THE ARTBANK OF SOUTH AFRICA 2020/2021



**Tiro ya diatla** (Oliewenhuis Art Museum) 11 March 2021 – 18 April 2021.

## VIRTUAL EXHIBITIONS WERE HELD FOR:

**Human Rights Day** (Virtual video/Social media: collaboration with Oliewenhuis Art Museum) 21 March 2021.

**Women's Day** (Virtual exhibition (collaboration with Oliewenhuis Art Museum) 11 August 2020.

**Youth Day** (Virtual exhibition) 16 June 2020.

# **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 DSAC 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 Museum appointed Business Optimization Training Institute (BOTI) to conduct risk management training for National Museum Staff and Managers. Topics covered in the training included:

- Introduce risk and risk management and the importance thereof.
- Employees NB role in Enterprise- Wide Risk Management.
- Identifying Hazards and Risks in the workplace.
- Steps in the Risk Management Process relevant to employees.

In addition, the Managers received Risk Management for Managers which covered the following topics:

- Managing Risk for Managers
- Risk Governance
- How to conduct a continuous risk assessment
- Analysing, Evaluating and ranking risks
- Risk control measures
- Risk Treatment techniques
- Monitoring and reviewing risks

The National Museum is required to maintain an effective, efficient and transparent system of financial, risk management and internal control measures 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 in 2019.

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 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 translated 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 are to provide 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. This was used to develop a risk-based three-year internal audit plan. This is 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 is within budget.

### Key activities and objectives of the audit committee

The Audit and Risk Committee's scope of work is determined by the requirements of **Treasury Regulations 3.1.10**. Accordingly, and in line with this regulation, the Committee's objectives were to assess and advise among other things, on the following matters:

- Effectiveness of the internal control systems;
- Effectiveness of the internal audit function;
- Risk areas of the Entity's operations to be covered in the scope of internal and external audits;
- Adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- Any accounting and auditing concerns identified as a result of internal and external audits;
- Entity's compliance with legal and regulatory provisions;
- Activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of the significant investigations and responses of management to specific recommendations.

The table below discloses relevant information on the audit committee members.



Name	Qualification	Internal or external	If internal, position in the public entity	Date appointed	Date resigned	No of meetings attended
Mr K Nkoe (Chairperson - Independent member)	Certified Chartered Accountant. B.Com Degree	External	N/A	23/11/2017	31/01/2021	3
Mr MP Mphi (Member - Independent member)	B.Com. (Accounting)	External	N/A	14/06/2018		4
Mr MR Mothapo (Member - Independent member)	B. Compt	External	N/A	14/06/2018		5
Mr M Noge (Member - Council member)	CA (SA)	External	N/A	7/11/2018		5
Dr L Munsamy (Member - Council member)	Masters Degree in Public Administration (MPA). Occupational Based ETD- Human Resource Management. ETD-Inclusive Education. Occupational Based ETD-Public Sector (Budget & General Financial Management, Occupationally Based ETD-Public Sector (Manage Expenditure against Budget)	External	N/A	7/11/2018		4

## COMPLIANCE WITH LAWS AND REGULATIONS

The National Museum has developed policies and procedures aligned to laws and regulations that govern 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 an 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 was 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.

<b>Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:</b>		
<b>Criteria</b>	<b>Response Yes / No</b>	<b>Discussion (include a discussion on your response and indicate what measures have been taken to comply)</b>
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 is 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

During the financial year, the Council approved a new **Employment Equity Policy and Plan**. The Employment Equity Plan considered national and regional demographics and targets were accordingly set. The Museum is in the process of transformation and tries to attract black scientists to improve our demographics. 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 a skilled black HOD to fill the vacancy of HOD: Facilities Management.

The Council also approved a **Programme to Develop Black Scientists**. Treasury has approved the use of surplus funds to implement this development programme. Two black aspiring scientists were provided with development plans to develop them into museum scientists in the short term and they are being mentored by the HOD. Further, an internship appointment in Ornithology is providing workplace experience for one black aspiring museum scientist. The Museum also has a target to attract a black scientist to complete his/her post-doctoral research in one of our research disciplines.

Human capital is a critical component of the Museum's competitive edge. 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 exacerbate the situation as top scientists are mostly unaffordable for the Museum.

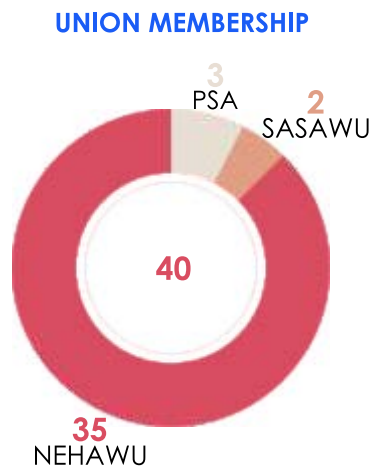
In the 18.19 period the Museum reviewed the organisational structure. Phase 1 of the project looked at reviewing job descriptions to ensure that they were fit for purpose, and at the grading and salaries of each position. This exercise has been completed and the Museum adjusted the salaries of staff whose salaries fell outside the minimum of the salary band. Phase 2 of the review is under way and it is expected that completion will be hindered by budget constraints.

The Museum implemented its performance management policy during the year. Special focus was placed on ensuring that targets set were aligned to job descriptions and were aligned to the Annual Performance Plan of the Museum. Several staff members could not participate in the programme as they were not allowed to work due to the lockdown or co-morbidities/ age constraints.

## Unionisation at the workplace

The Museum has a formalised unionised environment. There are 3 (three) unions that enjoy the support of 40 staff members at the Museum. These unions are NEHAWU with 35 members, PSA 3 members and SASAWU 2 members.

The Council formally recognised NEHAWU in 2019, and in terms thereof a signed Recognition Agreement was 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. The pie chart below shows union representation at the National Museum as at 31 March 2021.





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

## 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	2 775	6	2	1 388
Senior Management	13 312	31	17	783
Professional qualified	4 735	11	12	395
Skilled	12 639	29	35	361
Semi-skilled	4 075	9	19	215
Unskilled	6 120	14	43	142
<b>TOTAL</b>	<b>43 656</b>	<b>100</b>	<b>128*</b>	<b>341</b>

\*The above figure includes temporary and fixed term staff that are not on the organogram.

## Performance rewards

Programme / activity / objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	0	2 775	0%
Senior Management	104	13 312	0.78%
Professional qualified	42	4 735	0.89%
Skilled	120	12 639	0.95%
Semi-skilled	19	4 075	0.47%
Unskilled	46	6 120	0.75%
<b>TOTAL</b>	<b>331</b>	<b>43 656</b>	<b>0.76%</b>

## Training costs

EXTERNAL TRAINING CONDUCTED 20/21		
Course	No of staff	Per unit cost
Risk Management	72	R2 462.43
Commission for Gender Equality: Gender Based Violence	61	No costs

Course	No of staff	Per unit cost
Families South Africa: Leading Family Life	61	No costs

## Employment and vacancies

Programme / activity / objective	2019/2020 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Permanent	102	103	100	3	2.9%
Fixed term	5	5	5	0	0%
Casuals (Relief Staff)	1	0	1	0	0%
Interns	11	11	11	1	9%

Programme / activity / objective	2019/2020 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 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%
<b>TOTAL</b>	<b>108</b>	<b>110</b>	<b>108</b>	<b>2</b>	<b>1,85%</b>

## 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	1
Senior Management	1	1	0	1
Professional qualified	16	1	1	16
Skilled	42	0	2	41
Semi-skilled	6	0	0	6
Unskilled	41	1	1	41
<b>TOTAL</b>	<b>107*</b>	<b>3</b>	<b>4*</b>	<b>106</b>

\*The above table excludes interns and casual staff not on the organogram.

## Reasons for staff leaving

Reason	Number
Death	0
Resignation	2
Dismissal	0
Retirement	2
Ill health	0
Expiry of contract	2* (casual staff)
Other	0
<b>Total</b>	<b>6</b>

Staff turnover is very low at the Museum.

## Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	2
Final Written Warning	0
Dismissal	0

## Equity Target and Employment Equity Status

The Museum's staff demographics comprise 55% female and 45% male. White staff make up 44% of the staff complement. 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	2	n/a	1	n/a	1	n/a	6	n/a
Skilled	6	n/a	1	n/a	0	n/a	6	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
<b>SUB TOTALS</b>	<b>28</b>		<b>4</b>		<b>1</b>		<b>13</b>	
<b>TOTAL MALES</b>	<b>46</b>							

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	19	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
<b>SUB TOTALS</b>	<b>26</b>		<b>3</b>		<b>1</b>		<b>29</b>	
<b>TOTAL FEMALES</b>	<b>59</b>							

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

**PART E:**  
**FINANCIAL INFORMATION**



# REPORT OF THE EXTERNAL AUDITOR

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

### 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 66 to 124, which comprise the statement of financial position as at 31 March 2021, the 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 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 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

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

#### Restatement of corresponding figures

7. As disclosed in note 30 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2021.

#### Events after the reporting date

8. I draw attention to note 34 to the financial statements, which deals with events after the reporting period that deals with the re-organising of the botany and herpetology departments to create the department of animal and plant systematic, effective from 1 April 2021.

#### Responsibilities of the 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 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 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 public entity's approved performance planning documents. 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 do not extend to any disclosures or assertions relating to the extent of achievements in the current year or 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 programme presented in the public entity's annual performance report for the year ended 31 March 2021:

<b>Programmes</b>	<b>Pages in the annual performance report</b>
Programme 1 – Business Development	23–27

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 material findings on the usefulness and reliability of the reported performance information for the following programme:
  - Programme 1–Business Development

### Other matter

18. I draw attention to the matter below.

### Adjustment of material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 1 – Business Development. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

## 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. I did not identify any material findings on compliance with the specific matters in key legislation set out in general notice issued in terms of the PAA.

### Other information

22. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
23. 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 on it.
24. 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.
25. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### Internal control deficiencies

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

*Auditor-General*

**Bloemfontein**  
**30 July 2021**



## 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.

### Communication with those charged with governance

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



# ANNUAL FINANCIAL STATEMENTS

NATIONAL MUSEUM, BLOEMFONTEIN  
31 MARCH 2021

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

<b>Country of incorporation and domicile</b>	South Africa
<b>Legal form of entity</b>	Schedule 3 Entity
<b>Nature of business and principal activities</b>	To collect, preserve, interpret and display objects of artistic, cultural or scientific significance for the education of the public.
<b>Members</b>	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
<b>Registered office</b>	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
<b>Business address</b>	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
<b>Bankers</b>	ABSA South African Reserve Bank
<b>Auditors</b>	Auditor General of South Africa
<b>Preparer</b>	The financial statements were internally compiled by: Thabiso Tshotetsi AGA(SA) Accountant
<b>Published</b>	31 March 2021
<b>Relevant Legislation</b>	Generally Recognised Accounting Practice (GRAP) Public Finance Management Act (PFMA) (Act No. 1 of 1999) Employment Equity Act (No. 55 of 1999) Skills Development Levies Act (Act No. 9 of 1999) Unemployment Insurance Act (Act No. 30 of 1966) Basic Conditions of Employment (Act No. 75 of 1997)
<b>Chief Executive Officer</b>	Ms. S. Snell (Appointed 1 April 2018)
<b>Chief Financial Officer</b>	Ms. Gabisile Simelane CA(SA) (Appointed 01 January 2020)

# REPORT OF THE ACCOUNTING OFFICER

The Accounting Officer are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are 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 was 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 Museum'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 2021 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 entity's external auditors and their report is presented on page 62.

The Annual Financial Statements set out on page 66, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 March 2021 and were signed on its behalf by:



**Sharon Snell**  
**Chief Executive Officer**  
**National Museum, Bloemfontein**  
**31 March 2021**

# AUDIT COMMITTEE REPORT

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

## 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, four meetings were held during the year. i.e. four meetings to consider the Quarterly Performance Reporting (financial and non-financial), one special audit committee to review and discuss the Annual Financial Statements and the Auditor- General of South Africa's (AGSA) Audit and Management Reports.

<b>Name of member</b>	<b>Number of meetings attended</b>
Mr. K. Nkoe (Chairperson) - term ended 31 January 2021	3 (3 Year term appointed as an independent member)
Mr. N. Noge	5 (3 year term appointed as a non-independent member)
Mr. MP. Mphi	4 (3 year term appointed as an independent member)
Mr. MR. Mothapo (Acting Chairperson) - from 01 February 2021	5 (3 year term appointed as an independent member)
Dr. L. Munsamy	3 (3 year term appointed as a non-independent member)

## Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 38(10)(1) of the PFMA and Treasury Regulation 3.1. The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

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.



## **The quality of quarterly reports submitted in terms of the PFMA.**

The audit and risk committee is satisfied with the content and quality of quarterly reports prepared and issued by the management of the entity during the year under review.

## **Evaluation of annual financial statements**

The audit and risk committee has:

- reviewed and discussed the unaudited annual financial statements to be included in the annual report, with the Auditor-General;
- reviewed the Auditor-General of South Africa's management report and management's response thereto;
- reviewed changes in accounting policies;
- reviewed the entity's compliance with legal and regulatory provisions;
- reviewed information on predetermined objectives to be included in the annual report.

## **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.

## **Auditor-General's Report**

The audit and risk committee concurs with and accepts the Auditor-General of South Africa's report on the annual financial statements, and believes the annual financial statements be accepted and read together with the report of the Auditor-General.



Mr. M.R. Mothapo  
Acting Chairperson of the Audit Committee  
31 March 2021

## Statement of Financial Position as at March 31, 2021

Figures in Rand thousand	Note(s)	2021	2020
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	7	109	105
Receivables from exchange transactions	8	1,953	703
Cash and cash equivalents	9	130,088	106,884
		<b>132,150</b>	<b>107,692</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	3	12,197	12,050
Heritage assets	4	139,422	139,190
Employee benefit asset	5	5,197	14,839
		<b>156,816</b>	<b>166,079</b>
<b>Total Assets</b>		<b>288,966</b>	<b>273,771</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	14	37	33
Payables from exchange transactions	10	4,840	3,864
Unspent conditional grants and receipts	13	68,939	63,332
Provisions	11	1,724	-
Payables from non-exchange transactions	12	18,000	-
		<b>93,540</b>	<b>67,229</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	14	82	119
Employee benefit obligation	5	30,848	26,378
		<b>30,930</b>	<b>26,497</b>
<b>Total Liabilities</b>		<b>124,470</b>	<b>93,726</b>
<b>Net Assets</b>		<b>164,496</b>	<b>180,045</b>
<b>Reserves</b>			
Capital replacement reserves		2,543	2,448
Accumulated surplus		161,953	177,597
<b>Total Net Assets</b>		<b>164,496</b>	<b>180,045</b>

## Statement of Financial Performance

Figures in Rand thousand	Note(s)	2021	2020
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Artbank Income		206	113
Rental income		2	367
Projects income		241	56
Trading revenue	18	34	271
Interest received	19	4,281	7,725
Gain on disposal of assets and liabilities		-	8
Actuarial gains		-	11,763
<b>Total revenue from exchange transactions</b>		<b>4,764</b>	<b>20,303</b>
<b>Revenue from non-exchange transactions</b>			
External funding		272	453
Free use of buildings		3,994	3,771
Local and foreign aid assistance		-	9
Presidential employment stimulus programme	16	5,147	-
Transfers and subsidies received	20	57,958	53,735
<b>Total revenue from non-exchange transactions</b>		<b>67,371</b>	<b>57,968</b>
<b>Total revenue received</b>	15	<b>72,135</b>	<b>78,271</b>
<b>Expenditure</b>			
Staff costs	21	(46,570)	(42,925)
Remuneration of councillors		(384)	(389)
Depreciation		(2,488)	(2,414)
Finance costs	22	(1,645)	(2,763)
Bad debts		(9)	(70)
Presidential employment stimulus programme expenses	16	(4,393)	-
Actuarial losses		(12,637)	-
Other operating expenses	23	(17,482)	(16,241)
<b>Total expenditure</b>		<b>(85,608)</b>	<b>(64,802)</b>
<b>Surplus (Deficit) for the year</b>		<b>(13,473)</b>	<b>13,469</b>

## Statement of Changes in Net Assets

Figures in Rand thousand	Capital replacement reserve	Accumulated surplus	Total net assets
<b>Balance at April 1, 2019</b>	<b>2,285</b>	<b>164,888</b>	<b>167,173</b>
Changes in net assets			
Adjustments to accumulated depreciation	-	(1,184)	(1,184)
Additions to heritage assets	-	273	273
Other movements and changes	-	151	151
<b>Net income (losses) recognised directly in net assets</b>	<b>-</b>	<b>(760)</b>	<b>(760)</b>
Surplus for the year	-	13,469	13,469
Total recognised income and expenses for the year	-	12,709	12,709
Movement in accumulated reserves	163	-	163
<b>Total changes</b>	<b>163</b>	<b>12,709</b>	<b>12,872</b>
<b>Balance at 01 April 2020 as restated*</b>	<b>2,448</b>	<b>175,425</b>	<b>177,873</b>
Changes in net assets			
Surplus for the year	-	(13,473)	(13,473)
Movement in accumulated reserves	95	-	95
Other movements and changes	-	1	1
<b>Total changes</b>	<b>95</b>	<b>(13,472)</b>	<b>(13,377)</b>
<b>Balance at March 31, 2021</b>	<b>2,543</b>	<b>161,953</b>	<b>164,496</b>

## Cash Flow Statement

Figures in Rand thousand	Note(s)	2021	2020
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts from customers		5,997	1,127
Grants received		57,958	53,735
Interest received		4,281	5,961
		<b>68,236</b>	<b>60,823</b>
<b>Payments</b>			
Employee costs		(45,095)	(40,199)
Suppliers		(7,509)	(11,061)
Finance costs		(1,645)	(2,763)
		<b>(54,249)</b>	<b>(54,023)</b>
<b>Net cash flows from operating activities</b>	<b>26</b>	<b>13,987</b>	<b>6,800</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(2,656)	(2,036)
Proceeds from sale of property, plant and equipment	3	7	8
Purchase of heritage assets	4	(232)	(273)
Other non-cash items		(5,869)	2,551
<b>Net cash flows from investing activities</b>		<b>(8,750)</b>	<b>250</b>
<b>Cash flows from financing activities</b>			
Movement in other liability		18,000	-
Finance lease payments		(33)	(29)
<b>Net cash flows from financing activities</b>		<b>17,967</b>	<b>(29)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>23,204</b>	<b>7,021</b>
Cash and cash equivalents at the beginning of the year		106,884	99,863
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>130,088</b>	<b>106,884</b>



## 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 Performance

#### Revenue

##### Revenue from exchange transactions

Artbank income	-	-	-	206	206	1
Rental income	300	-	300	2	(298)	2
Projects income	-	-	-	241	241	4
Trading revenue	154	-	154	34	(120)	5
Interest received - investment	2,409	-	2,409	4,281	1,872	6
<b>Total revenue from exchange transactions</b>	<b>2,863</b>	<b>-</b>	<b>2,863</b>	<b>4,764</b>	<b>1,901</b>	

##### Revenue from non-exchange transactions

##### Transfer revenue

Grants received	69,917	(12,518)	57,399	57,958	559	7
Free Use of Building	-	-	-	3,994	3,994	
Local and foreign aid assistance	-	-	-	5,147	5,147	
External funding	-	-	-	272	272	8
<b>Total revenue from non-exchange transactions</b>	<b>69,917</b>	<b>(12,518)</b>	<b>57,399</b>	<b>67,371</b>	<b>9,972</b>	
<b>Total revenue</b>	<b>72,780</b>	<b>(12,518)</b>	<b>60,262</b>	<b>72,135</b>	<b>11,873</b>	

#### Expenditure

Staff costs	(45,095)	-	(45,095)	(46,570)	(1,475)	
Remuneration of councillors	(384)	-	(384)	(384)	-	
Depreciation and amortisation	(2,227)	-	(2,227)	(2,488)	(261)	9
Finance costs	-	-	-	(1,645)	(1,645)	10
Bad debts written off	-	-	-	(9)	(9)	
Presidential Employment	-	-	-	(4,393)	(4,393)	3
Stimulus Programme	-	-	-	-	-	
General Expenses	(15,443)	-	(15,443)	(17,482)	(2,039)	11
<b>Total expenditure</b>	<b>(63,149)</b>	<b>-</b>	<b>(63,149)</b>	<b>(72,971)</b>	<b>(9,822)</b>	
<b>Operating deficit</b>	<b>9,631</b>	<b>(12,518)</b>	<b>(2,887)</b>	<b>(836)</b>	<b>2,051</b>	
Actuarial gains/losses	-	-	-	(12,637)	(12,637)	
<b>Deficit before taxation</b>	<b>9,631</b>	<b>(12,518)</b>	<b>(2,887)</b>	<b>(13,473)</b>	<b>(10,586)</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>9,631</b>	<b>(12,518)</b>	<b>(2,887)</b>	<b>(13,473)</b>	<b>(10,586)</b>	

## 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	1,770	-	1,770	109	(1,661)	12
Receivables from exchange transactions	703	-	703	1,953	1,250	13
Cash and cash equivalents	106,884	-	106,884	130,088	23,204	14
	<b>109,357</b>	-	<b>109,357</b>	<b>132,150</b>	<b>22,793</b>	

##### Non-Current Assets

Appreciative Artworks	3,848	-	3,848	-	(3,848)	
Property, plant and equipment	9,593	-	9,593	12,197	2,604	15
Heritage assets	139,190	-	139,190	139,422	232	16
Employee benefit asset	14,839	-	14,839	5,197	(9,642)	17
	<b>167,470</b>	-	<b>167,470</b>	<b>156,816</b>	<b>(10,654)</b>	
<b>Total Assets</b>	<b>276,827</b>	-	<b>276,827</b>	<b>288,966</b>	<b>12,139</b>	

#### Liabilities

##### Current Liabilities

Finance lease obligation	33	-	33	37	4	
Payables from exchange transactions	3,864	-	3,864	4,840	976	18
Unspent conditional grants and receipts	63,512	-	63,512	68,939	5,427	19
Provisions	-	-	-	1,724	1,724	20
Payables from non-exchange transactions	-	-	-	18,000	18,000	
	<b>67,409</b>	-	<b>67,409</b>	<b>93,540</b>	<b>26,131</b>	

##### Non-Current Liabilities

Finance lease obligation	119	-	119	82	(37)	
Employee benefit obligation	26,378	-	26,378	30,848	4,470	17
	<b>26,497</b>	-	<b>26,497</b>	<b>30,930</b>	<b>4,433</b>	
<b>Total Liabilities</b>	<b>93,906</b>	-	<b>93,906</b>	<b>124,470</b>	<b>30,564</b>	
<b>Net Assets</b>	<b>182,921</b>	-	<b>182,921</b>	<b>164,496</b>	<b>(18,425)</b>	

#### Net Assets

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

##### Reserves

Accumulated reserves	2,448	-	2,448	2,543	95	
Accumulated surplus	177,298	-	177,298	161,954	(15,344)	
<b>Total Net Assets</b>	<b>179,746</b>	-	<b>179,746</b>	<b>164,497</b>	<b>(15,249)</b>	

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Reasons for the difference between budgeted and actual.

### 1. Artbank income

The variance is due to sale of artworks 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 the Oliewenhuis Terrace Restaurant not being in operation during the year.

### 3. Presidential Employment Stimulus Programme

The variance is due to the PESP which came into effect because of the COVID-19 pandemic. This was not budgeted for as the impact of the pandemic could not be predicted.

### 4. Project income

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

### 5. Trading revenue

The variance is due to the decrease visitors due to the COVID-19 pandemic which forced the Museum to be closed to the public for the greater part of the financial year.

### 6. Interest received

The variance is due to the fluctuation of interest rates by financial institutions in response to the pandemic.

### 7. Grants received

The variance is due to less funding received than the initial amounts budgeted for.

### 8. External funding

The variance is due to external funding not being budgeted for as this is received from third parties for scientific research purposes.

### 9. Depreciation

The variance is due to 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. General expenses

The variance is due to less expenditure incurred during the year as a result of the COVID-19 pandemic which had an impact on the Museum's operations.

### 12. Inventories

The variance is due to current year additions to Artworks.

### 13. Receivables from exchange transactions

The variance is largely due to outstanding amounts from the Department of Sports, Arts and Culture which was not budgeted for.

### 14. Cash and Cash equivalents

Cash and cash equivalents is not budgeted for. The prior year comparative is used as a basis, with the net movements in the bank accounts being the variance shown as at the end of the financial year.

### **15. Property, plant and equipment**

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

### **16. Heritage assets**

The variance is due to the valuation on the new acquisitions, this is an area that requires significant judgement and therefore the budgeted figure will likely not equal actual.

### **17. Employee Benefits**

The variance is due to the valuation of the fund at year end. This was also affected by the pension fund being converted entirely to DC during the financial year.

### **18. Payables from exchange transactions**

The variance is due to an overpayment amount from DSAC during March 2021 which had to be returned by the Museum. This transaction was not completed at the end of the financial year.

### **19. Unspent conditional grants**

The variance is due to more conditional grants received during the year resulting in a greater unspent liability due to conditions not being met for transfers to revenue.

### **20. Provisions**

The variance is due to the provision for municipal charges which was raised during the year as a result of inconsistencies and disputes on the monthly invoices.

# ACCOUNTING POLICIES

## 1. Presentation of Financial Statements

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

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand and are rounded off to the nearest thousand (R'000).

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

These accounting policies are consistent with the previous period, except for the changes set out in note First-time adoption of Standards of GRAP.

### 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**

#### **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 valueless 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 as follows:

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;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- 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.

### **Finance leases - lessor**

The entity recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the entity's net investment in the finance lease.

## **Finance leases - lessee**

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

The discount rate used in calculating the present value of the minimum lease payments is the .

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

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

## **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 entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required 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 entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

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

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

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity 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 an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/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 entity

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

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

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.

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

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment)



that impact on the ability of entities to repay their obligations.

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, an entity recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions

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

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.

#### **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.

### **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. Services in kind are measured at the fair value amount calculated as user charges by the Department of Public Work and approved by National Treasury.

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 Comparative figures**

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

## **1.18 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.

## **1.19 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 the 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.

## **1.20 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.

### **1.21 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.

### **1.22 Related parties**

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

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

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

### **1.23 Events after reporting date**

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

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

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements



## 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

There were no Standards and Interpretations effective in the current year. The entity has thus not adopted any standards and interpretations.

#### 2.2 Standards and Interpretations early adopted

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

#### 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 April 1, 2021 or later periods.

## National Museum Bloemfontein

Financial Statements for the year ended March 31, 2021

### Notes to the Financial Statements

Figures in Rand thousand

#### 3. Property, plant and equipment

	2021			2020		
	Cost / Valuation	Accumulated depreciation and impairment	Carrying value	Cost / Valuation	Accumulated depreciation and impairment	Carrying value
Fixtures	5,574	(3,459)	2,115	5,541	(3,001)	2,540
Vehicles	5,255	(2,038)	3,227	5,428	(1,863)	3,565
Furniture & fittings	3,893	(3,393)	500	3,801	(2,989)	812
Computers	4,889	(4,055)	834	4,304	(3,590)	714
Appreciative Artworks	3,847	-	3,847	2,511	-	2,511
Equipment	5,517	(4,252)	1,265	5,061	(3,660)	1,401
Library books	3,716	(3,307)	409	3,716	(3,209)	507
<b>Total</b>	<b>32,701</b>	<b>(20,504)</b>	<b>12,197</b>	<b>30,362</b>	<b>(18,312)</b>	<b>12,050</b>

#### Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Other changes, movements	Depreciation	Total
Fixtures	2,540	33	-	-	(458)	2,115
Vehicles	3,565	-	-	-	(338)	3,227
Furniture & fittings	812	97	-	(2)	(407)	500
Computers	714	706	(7)	(1)	(578)	834
Appreciative Artworks	2,511	1,336	-	-	-	3,847
Equipment	1,401	484	-	(10)	(610)	1,265
Library books	507	-	-	(1)	(97)	409
<b>Total</b>	<b>12,050</b>	<b>2,656</b>	<b>(7)</b>	<b>(14)</b>	<b>(2,488)</b>	<b>12,197</b>

## National Museum Bloemfontein

Financial Statements for the year ended March 31, 2021

### Notes to the Financial Statements

Figures in Rand thousand

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

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

	Opening balance	Additions	Other changes, movements	Depreciation	Total
Fixtures	2,905	169	(38)	(496)	2,540
Vehicles	3,925	-	(56)	(304)	3,565
Furniture & fittings	922	210	(55)	(265)	812
Computers	1,397	311	(409)	(585)	714
Appreciative Artworks	1,677	834	-	-	2,511
Equipment	1,526	512	14	(651)	1,401
Library books	633	-	(13)	(113)	507
	<b>12,985</b>	<b>2,036</b>	<b>(557)</b>	<b>(2,414)</b>	<b>12,050</b>

## Notes to the Financial Statements

Figures in Rand thousand

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

#### Other disclosures

Rental revenue generated from appreciative artworks	11	11
<b>Expenses that generated rental revenue</b>		
Direct operating expenses	31	48
<b>Expenses that did not generated rental revenue</b>		
Cumulative expenditure recognised in the carrying value of aporeciative artworks	31	48
Terms and conditions		

Artworks categorised as appreciative artworks are:

All kinds of artworks, art collections or individual pieces, including various paintings and statues, acquired, and is held primarily as a store of wealth.

The primary goal for acquiring these artworks is for investment purposes and for the purpose of storing value. In the period of which the artwork is appreciating in value (usually a period of five years), the entity leases these artworks to obtain rentals in that period.

There is no existence of restrictions on the realisability of Appreciative Artwork or the remittance of revenue and proceeds of disposal.

There are no contractual obligations to purchase, construct or develop Appreciative Artwork or for repairs, maintenance, or enhancements.

After the "ARTBANK" recognises the artwork as an item of Appreciative Artwork, the artwork shall be measured at fair value.

Through consideration of the following the "ARTBANK" considers that that the fair value of the Appreciative Artwork cannot reliably be determined on a continuing basis:

- All the artworks are unique, thus not comparable;
- The artworks comprise of emerging South African artists;
- The artworks serve the purpose of providing opportunities;
- No assurance that the artworks will be leased; and
- The artwork is held for the purpose to foster and appreciate.

The "ARTBANK" determines that the fair value of the artwork will be reliably measurable on the disposal date.

Thus, the artwork shall be measured at cost until the day of disposal whereby the "ARTBANK" shall remeasure the artwork to the fair value – disposal price.

The entity did not dispose of Appreciative Artworks carried at fair value

The entity did not dispose of Appreciative Artworks not carried at fair value.

There were no gains or losses recognised from the sale of Appreciative Artworks.

#### Pledged as security

There is no property, plant and equipment that was pledged as security for the financial year ended 31 March 2021.

#### Depreciation rates

Item	Depreciation method	Average useful life
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## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>3. Property, plant and equipment (continued)</b>		
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	10 years
<b>Assets subject to finance lease (Net carrying amount)</b>		
Other equipment		1,265
		1,401
<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		46,052
		62,143

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 422 000. 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 March 31, 2021

## Notes to the Financial Statements

Figures in Rand thousand

### 4. Heritage assets

	2021			2020		
	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	72	-	72
Firearms	1,751	-	1,751	1,751	-	1,751
Herpetology Taxidermy	11	-	11	11	-	11
Library books	7,248	-	7,248	7,242	-	7,242
Coins	1,316	-	1,316	1,316	-	1,316
Mammology Taxidermy	1,676	-	1,676	1,676	-	1,676
Objects	11,752	-	11,752	11,752	-	11,752
Ornithology Taxidermy	591	-	591	591	-	591
Anthropology	4,496	-	4,496	4,496	-	4,496
Heritage assets which fair values cannot be reliably measured: (Para .94)						
Photographs	213	-	213	213	-	213
Textiles	2,347	-	2,347	2,345	-	2,345
Artworks	107,500	-	107,500	107,276	-	107,276
<b>Total</b>	<b>139,422</b>	<b>-</b>	<b>139,422</b>	<b>139,190</b>	<b>-</b>	<b>139,190</b>

### Reconciliation of heritage assets 2021

	Opening balance	Additions	Total
Shell collection	136	-	136
Minerology	313	-	313
Documents	72	-	72
Firearms	1,751	-	1,751
Herpetology Taxidermy	11	-	11
Library books	7,242	6	7,248
Coins	1,316	-	1,316
Mammology Taxidermy	1,676	-	1,676
Objects	11,752	-	11,752

## National Museum Bloemfontein

Financial Statements for the year ended March 31, 2021

### Notes to the Financial Statements

Figures in Rand thousand

<b>4. Heritage assets (continued)</b>	
Omithology Taxidermy Artworks	591 4,496
Heritage assets which fair values cannot be reliably measured: (Para .94)	-
Photographs	213
Textiles	2,345
Artworks	107,276
	224
	<b>139,190</b>
	<b>232</b>
	<b>139,422</b>

### 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
Omithology 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>

## Notes to the Financial Statements

Figures in Rand thousand

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### 4. Heritage assets (continued)

#### Heritage assets which fair value 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.

##### Ornithology

## Notes to the Financial Statements

Figures in Rand thousand

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### 4. Heritage assets (continued)

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.

## Notes to the Financial Statements

Figures in Rand thousand

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### 5. Employee benefit obligations (continued)

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

Opening balance	41,219	36,010
Contributions by plan participants	8,107	(8,390)
Exchange differences	893	968
Benefits paid	(38,548)	(5,573)
Actuarial (gains)/losses	12,637	(11,763)
Past service costs	11,739	34,805
Net expense recognised in the statement of financial performance	-	(4,838)
	<b>36,047</b>	<b>41,219</b>

Defined benefit obligation as at 31 March 2021	Pension fund	Medical aid	Total
Opening balance	14,839	26,378	41,219
Interest costs	5,153	2,954	8,107
Current service cost	440	453	893
Benefits paid (expected)	(37,087)	(1,461)	(38,548)
Actuarial (Gain)/Loss	10,113	2,524	12,637
Past Service Cost	11,739	-	11,739
Defined benefit obligation as at 31 March 2021	5,197	30,848	36,047

Defined benefit obligation as at 31 March 2020	Pension fund	Medical aid	Total
Opening balance	5,492	25,679	31,171
Interest costs	(10,990)	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	900	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

Estimated future contributions	Pension fund	Medical aid	Total
Opening balance	5,197	30,848	36,047
Interest costs	224	3,874	6,722
Current service cost	-	511	1,192
Benefits paid (expected)	-	(1,682)	(2,810)
Estimated future contributions	5,421	33,551	41,151

## Notes to the Financial Statements

Figures in Rand thousand

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### 5. Employee benefit obligations (continued)

#### Assumptions used on 31 March 2021:

Assumptions used at the reporting date:

Actual return on plan assets	- %	11.31 %
Discount rates used	12.68 %	11.71 %
Expected rate of return on assets	6.85 %	6.85 %
Expected rate of return on reimbursement rights	5.50 %	5.50 %
Actual return on reimbursement rights	9.64 %	7.00 %
Medical cost trend rates	2.77 %	8.84 %
Expected increase in salaries	4.03 %	4.03 %
Expected pension increases	11.71 %	11.71 %
Proportion of employees opting for early retirement	4.88 %	4.88 %
Expected increase in healthcare costs	2.63 %	2.63 %
Future changes in maximum state healthcare benefits	8.14 %	5.85 %
Other material actuarial assumptions [provide details]	10.00 %	10.00 %
Mortality	SA85-90	SA85-90
Expected retirement age (in years)	62 years	62 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	34,500	27,745
Effect on the aggregate of the service cost	602	437
Effect on the aggregate of the interest cost	4,348	3,471

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

	2021 '000	2020 '000	2019 '000	2018 '000	2017 '000
Defined benefit obligation	36,047	36,380	31,171	32,257	44,811
Experience adjustments on plan liabilities	1,142	(9,780)	352	(12,613)	(12,289)



## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>6. Operating lease asset</b>		
<b>Gross investment in the lease due</b>		
- not later than one year	15	15
- later than one year and not later than five years	43	58
	<b>58</b>	<b>73</b>
<b>Present value of minimum lease payments due</b>		
- not later than one year	15	15
- later than one year and not later than five years	43	58
	<b>58</b>	<b>73</b>
<p>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.</p> <p>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.</p> <p>The Lender reserves the right to recall any Art Work at any time upon the giving of reasonable notice in writing to the Borrower.</p> <p>The Lender and the Borrower will jointly prepare Condition Reports for each Art Work at the start and at the end of the Loan.</p> <p>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.</p> <p>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").</p> <p>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.</p>		
<b>7. Inventories</b>		
Inventories: Shop	69	76
Inventories: Stores	40	29
	<b>109</b>	<b>105</b>
<b>Inventory pledged as security</b>		
<p>There was no inventory pledged as security for the year ended 31 March 2021.</p>		
<b>Inventory expensed</b>		
Inventory recognised as expense during the year	11	90
<b>8. Receivables from exchange transactions</b>		
Deposits paid	20	20
Trade receivables from exchange transactions	1,640	544
Creditors with debit balances	293	139
	<b>1,953</b>	<b>703</b>

## Notes to the Financial Statements

Figures in Rand thousand

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### 8. Receivables from exchange transactions (continued)

#### 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 March 31, 2021, 451,512 (2020: 309,441) were past due but not impaired.

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

1 month past due	6,516	26,145
2 months past due	451,512	25,000
3 months past due	451,512	309,441

### 9. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	11	11
Bank balances	19,408	456
Investments	47,446	45,668
Call accounts	63,223	60,749
	<b>130,088</b>	<b>106,884</b>

#### The entity had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
ABSA Cheque Account	19,408	456	633	19,408	456	633
ABSA Call Account	63,223	60,749	56,594	63,223	60,749	56,594
Petty Cash	9	9	9	9	9	9
Float	2	2	2	2	2	2
<b>Total</b>	<b>82,642</b>	<b>61,216</b>	<b>57,238</b>	<b>82,642</b>	<b>61,216</b>	<b>57,238</b>

#### The entity had the following investment accounts

Account number / description	Bank statement balances			Cash book balances		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Transformation fund	1,646	1,584	1,479	1,646	1,584	1,479
Museum CPD	44,903	43,220	40,340	44,903	43,220	40,340
Purchase of Art Works CPD	898	864	806	898	864	806
<b>Total</b>	<b>47,447</b>	<b>45,668</b>	<b>42,625</b>	<b>47,447</b>	<b>45,668</b>	<b>42,625</b>

### 10. Payables from exchange transactions

Payables from exchange transactions	868	577
Accruals at year end	88	386
Accounts payable: Leave	2,493	1,742
Accounts payables: Bonus	933	896
Deposits held	162	132
Union control accounts	-	4
Debtors with credit balances	237	121
Social club: Employee contributions	21	6
Skills Development Levy	38	-
	<b>4,840</b>	<b>3,864</b>

## Notes to the Financial Statements

Figures in Rand thousand 2021                      2020

### 11. Provisions

#### Reconciliation of provisions - 2021

	Opening Balance	Additions	Total
Provision for Municipal Charges	-	1,724	1,724

The provision for municipal service charge relates to the legal obligation of the municipal services consumed by the National Museum and paid for by the Department of Public Works and Infrastructure (DPWI) and in turn the National Museum would reimburse DPWI based on the actual charge plus 5% management fee, the invoices provided were inaccurate and incomplete, the provision was determined using actual service charge received from DPWI-Free State.

### 12. Payables from non-exchange transactions

**Department of Sport, Arts & Culture** **18,000**

On 29 March 2021 and overpayment was received from DSAC due to an error during the processing of the amount intended for the National Museum. A refund was then requested on 14 April 2021 by the Department which was not processed at year end.

### 13. Unspent conditional grants and receipts

#### Unspent conditional grants

##### Unspent conditional grants and receipts

Capital Works Allocation Grant	13,229	8,885
Art Bank Grant	6,294	5,225
National Research Foundation Grant	4,016	3,836
GRAP 103 Grant	45,344	45,386
COE: Grant (B Cohen)	56	-
	<b>68,939</b>	<b>63,332</b>

#### Movement during the year

Balance at the beginning of the year	65,097	62,067
Additions during the year	8,656	5,248
Income recognition during the year	(4,814)	(3,983)
	<b>68,939</b>	<b>63,332</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 20 for the purposes and brief summary on the specifications of the grant.

## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>14. Finance lease obligation</b>		
<b>Minimum lease payments due</b>		
- within one year	48	48
- in second to fifth year inclusive	93	141
	141	189
less: future finance charges	(22)	(37)
<b>Present value of minimum lease payments</b>	<b>119</b>	<b>152</b>
<b>Present value of minimum lease payments due</b>		
- within one year	37	33
- in second to fifth year inclusive	82	119
	<b>119</b>	<b>152</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.

### 15. Total revenue received

Artbank income	206	113
Rental income	2	367
Projects income	241	56
Trading revenue	34	271
Interest received - investment	4,281	7,725
Transfers and subsidies	57,958	53,735
Free Use of Buildings	3,994	3,771
Local and foreign aid assistance	-	9
Gain on disposal of assets and liabilities	5,147	8
Actuarial gains	272	11,763
External Funding	-	453
	<b>72,135</b>	<b>78,271</b>

#### The amount included in revenue arising from exchanges of goods or services are as follows:

Artbank income	206	113
Rental income	2	367
Project income	241	56
Gain on disposal of assets	-	8
Trading revenue	34	271
Interest received	4,281	7,725
Actuarial gain	-	11,763
	<b>4,764</b>	<b>20,303</b>

#### The amount included in revenue arising from non-exchange transactions is as follows:

<b>Taxation revenue</b>		
<b>Transfer revenue</b>		
Transfers and subsidies	57,958	53,735
Free Use of Buildings	3,994	3,771
Local and foreign aid assistance	-	9
Gain on disposal of assets	5,147	-
External Funding	272	453
	<b>67,371</b>	<b>57,968</b>

## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>16. Presidential Employment Stimulus Programme</b>		
Art Bank Income	3,582	-
Oliewenhuis income	1,565	-
	<b>5,147</b>	<b>-</b>
Art Bank expense	3,381	-
Oliewenhuis expense	1,012	-
	<b>4,393</b>	<b>-</b>
<b>17. Other income</b>		
Rental income	2	367
Projects income	241	56
Trading revenue	34	271
	<b>277</b>	<b>694</b>
<b>18. Trading revenue</b>		
Entrance fees: Museum	20	137
Entrance fees: Freshford	1	3
Shoo sales	11	110
Olwh: Education income	-	2
Freshford: other income	-	1
Olwh: Carousel income	1	17
Office admin income	1	1
	<b>34</b>	<b>271</b>
<b>19. Interest received</b>		
<b>Interest revenue</b>		
Interest: Museum CPD	1,836	3,030
Interest: Call account ABSA	2,445	4,695
	<b>4,281</b>	<b>7,725</b>

The amount included in Investment revenue arising from exchange transactions amounted to R3 172 976.39.

## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>20. Transfers and subsidies received</b>		
<b>Operating grants</b>		
Subsidy received: Annual	50,992	47,553
Subsidy received: Operating leases	2,281	2,112
Subsidy received: Municipal Services	2,912	2,760
Transfers to revenue: Other grants	1,773	1,310
	<b>57,958</b>	<b>53,735</b>

### Conditional and Unconditional

Included in above are the following grants and subsidies transferred:

Unconditional grants transferred	50,992	47,553
Conditional grants transferred	6,966	6,182
	<b>57,958</b>	<b>53,735</b>

### Capital Works Grant

Balance unspent at beginning of year	8,885	8,451
Current-year receipts	5,081	600
Conditions met - transferred to revenue	(737)	(166)
	<b>13,229</b>	<b>8,885</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.

### National Art Bank Grant

Balance unspent at beginning of year	5,225	4,288
Current-year receipts	3,173	3,254
Conditions met - transferred to revenue	(2,104)	(2,317)
	<b>6,294</b>	<b>5,225</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	3,836	3,893
Current-year receipts	153	272
Conditions met - transferred to revenue	(120)	(179)
Prior period error	147	(150)
	<b>4,016</b>	<b>3,836</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.



## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
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### 20. Transfers and subsidies received (continued)

#### GRAP 103 implementation grant

Balance unspent at beginning of year	45,386	45,436
Conditions met - transferred to revenue	(42)	(50)
	<b>45,344</b>	<b>45,386</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	27	38
Conditions met - transferred to revenue	(27)	(38)
	-	-

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: BothaBrink AOP Grant

Current-year receipts	200	1,122
Conditions met - transferred to revenue	(200)	(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.

#### NRF: B Cohen

Current-year receipts	21	-
Conditions met - transferred to revenue	(21)	-
	-	-

Conditions still to be met - remain liabilities (see note 13).

#### Municipal charges grant

Current-year receipts	2,912	2,760
Conditions met - transferred to revenue	(1,183)	(2,760)
Other	(1,729)	-
	-	-

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

#### Operating leases grant

Current-year receipts	2,281	2,112
Conditions met - transferred to revenue	(2,528)	(2,112)
Other	247	-
	-	-

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

#### COE Grant: B Cohen

## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>20. Transfers and subsidies received (continued)</b>		
Current-year receipts	60	-
Conditions met - transferred to revenue	(4)	-
	<b>56</b>	<b>-</b>
Conditions still to be met - remain liabilities (see note 13).		
<b>21. Staff costs</b>		
Basic	32,964	29,186
Bonus	2,671	2,236
Medical aid - company contributions	4,250	4,118
UIF	205	185
SDL	38	-
Leave pay provision charge	149	40
Defined contribution plans	1,475	3,116
Overtime payments	148	562
Long-service awards	47	71
Housing benefits and allowances	1,781	1,702
Compensation Commissioner	67	53
Recruitment fees	-	18
	<b>43,795</b>	<b>41,287</b>
<b>Remuneration of Chief Financial Officer</b>		
Annual Remuneration	994	235
Contributions to UIF, Medical and Pension Funds	158	37
Housing allowance	16	4
Annual bonus	95	-
	<b>1,263</b>	<b>276</b>
<b>Remuneration of the Chief Executive Officer</b>		
Annual Remuneration	1,177	1,145
Contributions to UIF, Medical and Pension Funds	207	201
Housing allowance	16	16
Annual bonus	112	-
	<b>1,512</b>	<b>1,362</b>
<b>22. Finance costs</b>		
Service concession arrangements	1,645	2,763

## Notes to the Financial Statements

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### 23. Other operating expenses

Administrative expenses	645	595
Art Bank expenses	-	2
Asset expenses	261	-
Assets written off at carrying value	7	-
Audit expenses	816	854
Bank charges	83	102
Cleaning	84	101
Consulting and professional fees	115	139
Entertainment	11	59
Exhibitions	158	475
Free use of buildings	3,994	3,771
Fuel and oil	511	571
GRAP 103 expenses	-	49
General expenses	1,459	3,031
Human Resource expenses	99	112
IT expenses	329	299
Insurance	704	696
Inventory purchases	8	85
Licenses	161	204
Maintenance costs	1,101	815
Municipal expenses	2,907	945
NRF Hugo expenses	20	38
Office expenses	232	305
Operating lease expenses	2,528	1,355
Photocopies	63	113
Security	980	876
Telephone and fax	161	188
Travelling expenses	9	395
Uniforms	12	26
Vacancy adverts expenses	24	40
	<b>17,482</b>	<b>16,241</b>

### 24. Auditors' remuneration

External audit fees	762	677
Internal auditors	54	177
	<b>816</b>	<b>854</b>

### 25. Operating deficit

Operating deficit for the year is stated after accounting for the following:

Gain on sale of property, plant and equipment	-	8
Depreciation	2,488	2,414
Staff costs	46,954	43,314

## Notes to the Financial Statements

Figures in Rand thousand

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### 26. Cash generated from operations

(Deficit) surplus	(13,473)	13,469
<b>Adjustments for:</b>		
Depreciation and amortisation	2,488	2,414
Loss on sale of assets and liabilities	-	(8)
Bad debts	9	70
Movements in retirement benefit assets and liabilities	14,112	(8,648)
Movements in provisions	1,724	-
Purchase of property, plant and equipment	(2,657)	(2,036)
Other non-cash items	6,455	(625)
<b>Changes in working capital:</b>		
Inventories	(4)	(12)
Receivables from exchange transactions	(1,250)	(162)
Other receivables from non-exchange transactions	-	318
Payables from exchange transactions	976	755
Unspent conditional grants and receipts	5,607	1,265
	<b>13,987</b>	<b>6,800</b>

## Notes to the Financial Statements

Figures in Rand thousand

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### 27. Commitments

#### Authorised operational expenditure

##### Already contracted for but not provided for (Commitments within 1 year)

• Internal audit contract (Contract ended 31 March 2020)	-	69
• Leasing of photocopying machine (Contract ending 30 April 2024)	48	48
• Security services (Contract ended 30 December 2020)	-	1,229
• Grass cutting & tree felling at Florisbad (Contract ended 31 October 2020)	-	79
• Brochure management (Contract ended 30 April 2020)	-	36
• Gardening services at OLWH (Contract ended 21 March 2021)	47	284
• Maintenance contract for Internet network system (Contract ended 31 August 2020)	-	46
• Plantech - Project Management HVAC installation (Contract ending 10 November 2021)	244	-
• Gardening services at Freshford (Contract ending 21 March 2022)	96	-
• Multiiec - Maintenance of Generators (Contract ending 30 September 2021)	15	-
• Museum Vehicle service (Contract ending 29 February 2022)	9	-
• Supply of S.H.E bins (Contract ending on 30 November 2021)	38	-
• VANSAs - PESP (Contract ended 31 March 2021)	1,430	-
• Lumacon - HVAC Installation (Contract ending 10 November 2021)	7,797	-
• Gardening - Freshford House Museum (Contract ending 30 June 2021)	44	-
• Website hosting services (Contract ending 23 December 2021)	2	-
• Artfundi - Website hosting services (Contract ending 31 March 2022)	29	-
• NCC - Internet network system (Contract ending 30 November 2021)	29	-
	<b>9,828</b>	<b>1,791</b>

##### Commitments between 2-5 years

• Supply of S.H.E bins (Contract ending on 30 November 2021)	-	59
• Generator maintenance services (Contract ending on 21 September 2021)	-	15
• Photocopying contract (Contract ending on 30 April 2024)	71	119
• 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)	52	156
• Electrical services all Museums (Contract ending 31 December 2023)	190	-
• National Security - Armed Response (Contract ending 31 July 2024)	337	-
• Stallion - Security services (Contract services 31 January 2024)	1,662	-
• Website hosting services (Contract ending 17 November 2024)	7	-
• Morar Inc. - Internal Audit services (Contract ending 31 December 2024)	589	-
	<b>2,908</b>	<b>922</b>

#### Total operational commitments

Already contracted for but not provided for (Commitments within 1 year)	9,828	1,791
Commitments between 2-5 years	2,908	922
	<b>12,736</b>	<b>2,713</b>

#### Total commitments

##### Total commitments

Authorised operational expenditure	12,736	2,713
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## Notes to the Financial Statements

Figures in Rand thousand

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### 28. Related parties

Relationships

Associates

Department of Public Works

Controlling entity

Department of Sports, 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
Unspent conditional grants and receipts	69,992	65,097

### Related party transactions

#### Revenue

Annual subsidy	50,992	47,553
Subsidy received: Operating leases	2,281	2,112
Payments on behalf of the Museum	2,912	2,780
Free use of building	3,771	3,545

#### Amounts outstanding in relation to the grants included in the balance sheet:

Unspent grant included in the balance sheet in relation to GRAP 103 Implementation grant.	46,300	47,001
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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 councilors

Refer to note 29 for details of councilors remuneration.

#### Key management information



## Notes to the Financial Statements

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### 28. Related parties (continued)

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

### Remuneration of management

# National Museum Bloemfontein

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### 28. Related parties (continued)

#### Management class: Executive management

2021

Name	Basic salary	Service Bonuses (13th Cheque)	Housing allowance	Contributions to UIF, Medical and Pension funds	Total
Ms S Snell (CEO) - Appointed 1 April 2018	1,177	112	16	207	1,512
Ms G Simelane (CFO) - Appointed 01 January 2020	994	95	16	158	1,263
Acting Deputy Director - Mr DH De Swardt	471	49	16	123	659
Acting Deputy Director - Mrs Lizel Hugo-Coetzee	471	54	16	161	702
Acting Deputy Director - Ms Sudre Havenga	471	49	16	138	674
	<b>3,584</b>	<b>359</b>	<b>80</b>	<b>787</b>	<b>4,810</b>

2020

Name	Basic salary	Service Bonuses (13th Cheque)	Housing allowance	Contributions to UIF, Medical and Pension funds	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
Acting Deputy Director - 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>

## Notes to the Financial Statements

Figures in Rand thousand

2021

2020

### 29. Councillors' emoluments

#### Remuneration to council members

##### 2021

	Sitting allowances	Other allowances	Total
Adv J Leshabane (Chairperson of Council) -appointed 1 September 2018	18	75	93
Dr E Mohatlane	24	46	70
Dr L Munsamy	27	35	62
Mrs G. Ritchie	12	20	32
Ms M De Roche-Holmes	17	20	37
Mr M Noge	18	35	53
Mr C Fortune	9	13	22
Dr D Morris	3	-	3
Ms L Coetzee - Minute taker	17	-	17
	<b>145</b>	<b>244</b>	<b>389</b>

##### 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>

## Notes to the Financial Statements

Figures in Rand thousand

2021

2020

### 30. Prior period errors

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.

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

The errors on property, plant and equipment relate to assets identified on the asset register which were not included at the correct values, this meant that these need to be adjusted in order to present the correct carrying value of property, plant and equipment. Other errors included incorrect depreciation values resulting from formula and format errors.

The error presented on cash and cash equivalents was as a result of a difference in the bank confirmation of the previous financial year as well as the cash book balances on the system. This has been corrected to ensure the correct bank balance.

During the current financial year, management were made aware that the user charges for services in kind had been approved by National Treasury. The comparative figures were then adjusted to reflect an amount of the free use of buildings using the approved charges.

The correction of the error(s) results in adjustments as follows:

#### Statement of financial position

Increase in depreciation: Library Books	-	8
Increase in cost price: Equipment	-	1
Decrease in accumulated depreciation: Fixtures	-	2
Increase in accumulated depreciation: Vehicles	-	(58)
Increase in accumulated depreciation: Library books	-	(8)
Increase in accumulated depreciation: Furniture	-	(1)
Increase in cost price: Computers	-	508
Increase in accumulated depreciation: Computers	-	(328)
Decrease in accumulated depreciation: Equipment	-	7
Increase in cash and cash equivalents: Call Account	-	4,869
Increase in reserves: Accumulated fund	-	(3,415)
Increase in interest received	-	(1,585)
Decrease in the free use of buildings income	-	26,951
Decrease in the free use of buildings expense	-	(26,951)
Increase in bad debts	-	9
Decrease in receivables from non-exchange transactions	-	(9)
	-	-

### 31. 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 2021	31 March 2020
Trade and other payables	22 840	3 863
Finance lease obligations	119	152
Provisions	1 724	

## Notes to the Financial Statements

Figures in Rand thousand

2021

2020

### 31. Risk management (continued)

#### 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 counter-party.

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	2021	2020
Receivables from exchange transactions	1,953	703
Receivables from non-exchange transactions	-	9
Cash and cash equivalents	130,088	106,884

#### Market risk

##### Interest rate risk

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

### 32. Financial instruments disclosure

#### Categories of financial instruments

##### 2021

##### Financial assets

	At fair value	Total
Receivables from exchange transactions	1,953	1,953
Cash and cash equivalents	130,088	130,088
	<b>132,041</b>	<b>132,041</b>

##### Financial liabilities

	At fair value	Total
Trade and other payables from exchange transactions	4,840	4,840
Trade and other payables from non-exchange transactions	18,000	18,000
Provisions	1,724	1,724
Finance lease obligations	119	119
	<b>24,683</b>	<b>24,683</b>

##### 2020

##### Financial assets

	At fair value	Total
Receivables from exchange transactions	703	703
Receivables from non-exchange transactions	9	9
Cash and cash equivalents	106,884	106,884
	<b>107,596</b>	<b>107,596</b>

##### Financial liabilities

## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>32. Financial instruments disclosure (continued)</b>		
	At fair value	Total
Trade and other payables from exchange transactions	3,864	3,864
Finance lease obligations	152	152
	<b>4,016</b>	<b>4,016</b>

### 33. 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 Government 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.

### 34. Events after the reporting date

#### Re-organisation of Departments

Re-organisation of the Botany and Herpetology Departments to create the Department of Animal and Plant Systematic, effective 01 April 2021.

### 35. Irregular expenditure

Opening balance as previously reported	13	13
<b>Opening balance as restated</b>	<b>13</b>	<b>13</b>
Add: Irregular Expenditure - current	10	-
<b>Closing balance</b>	<b>23</b>	<b>13</b>

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

	Disciplinary steps taken/criminal proceedings
Three written quotations not invited	Matter referred to HR
Splitting of orders	Matter referred to HR

### 36. Free use of buildings

Free use of building	3 994	3 771
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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.

The National Museum has the following buildings:

ERF 2124 Portion 0 of Bloemfontein - 36 Aliwal Street

ERF 3278 Portion 0 of Bloemfontein - 16 Harry Smith Street

ERF 3301 Portion 0 of Bloemfontein - 16 Harry Smith Street

SDF - Florisbad National Museum - Soutoan - 45km NW of Bloemfontein

SDF - Museum (Eerste Raadsaal) - 95 St Georges Street

Erven 26235 Portion 0 of Bloemfontein - 95 St Georges Street

#### Prior period error



## Notes to the Financial Statements

Figures in Rand thousand	2021	2020
<b>36. Free use of buildings (continued)</b>		
During the current financial year, management were made aware that the user charges for services in kind had been approved by National Treasury. The comparative figures were then adjusted to reflect an amount of the free use of buildings using the approved charges.		
<b>37. Reconciliation between budget and statement of financial performance</b>		
Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:		
Net (deficit) surplus per the statement of financial performance	(13,473)	13,469

## Supplementary Information (Unaudited)

### 38. 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.

Paragraph 36(2) of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the Council and includes a note to the financial statements.

#### Deviations

Reason for deviation	Date	Supplier	Amount (R)
Sole provider - Zoom software licence	12/05/2020	Techsonic	3,344
Sole provider - SAWS weather data	15/05/2020	SA Weather Services	2,445
Sole provider - Zoom licence 12 months	15/05/2020	Techsonic	3,344
Sole provider - WC Fossil Park Trip	03/06/2020	Iziko Museum SA	4,360
Sole provider - Mindex software renewal	18/06/2020	Mindex	15,249
Sole provider - Pastel software renewal	18/06/2020	Sage Pastel	20,720
Sole provider - Paleo Tools	20/06/2020	Fedex	7,910
Sole provider - Consultation on VIP Payroll	25/06/2020	Sage VIP	1,093
Sole provider - taxes and import duties	01/07/2020	Fedex	7,910
Sole provider - Mid year tax returns	31/08/2020	Sage VIP	4,630
Sole provider - Bulk updates to Art collection	16/09/2020	Logos Flow	1,200
Sole provider - Upgrading digital database	16/09/2020	Logos Flow	2,400
Sole provider - Distribution of Culna	30/09/2020	SA Post Office	12,304
Sole provider - Zoom licence 12 months	30/09/2020	Techsonic	2,161
Sole provider - Zoom licence 12 months	10/09/2020	Techsonic	2,161
Sole provider - Framing of Artworks	23/09/2020	Esre Claasen	2,500
Sole provider - Anton Paar DMA	13/10/2020	Anton Paar	55,154
Sole provider - Caseware renewal	28/10/2020	Caseware Africa	89,173
Sole provider - Motor for Accutom-100	28/10/2020	Advance Laboratory Solutions	11,145
Sole provider - Motor for Accutom-100	28/10/2020	Advance Laboratory Solutions	14,123
Sole provider - Upgrading VIP software	28/10/2020	Sage VIP	70,593
Sole provider - CoC for poles and boards	08/12/2020	Cohen Advanced Electrical	2,565
Presidential Stimulus Programme	10/12/2020	VANSA	1,430,016
Presidential Stimulus Programme	10/12/2020	CCIFSA	114,000
UP Genetic Laboratory work	11/12/2020	University of Pretoria	14,548
Sole provider - Stipends for interns	21/12/2020	VANSA	279,300
Sole provider - Servicing of Accutom-100	25/01/2021	Advanced Laboratory Solutions	12,409
Sole provider - Service Tissue processor	25/02/2021	Baytronics Medical	9,304
Sole provider - Administration fee	12/01/2021	CCIFSA	28,500
Sole provider - Struers Equipment	10/02/2021	Advanced Laboratory Solutions	39,456
Sole provider - Administration fee	03/02/2021	CCIFSA	28,500
Renewal of SAICA Membership	03/02/2021	SAICA	8,280
Renewal of SAICA Membership	03/02/2021	SAICA	7,344
Sole provider - Intern stipends and Admin fee	09/02/2021	VANSA	355,506
Sole provider - VIP Annual licence fee	30/03/2021	Sage VIP	67,628
Sole provider - Stipend for Interns	31/03/2021	VANSA	302,100
Sole provider - Stipends for interns	31/03/2021	VANSA	28,500
Sole provider - Administration fee	31/03/2021	CCIFSA	28,500



an agency of the  
Department of Sport, Arts and Culture



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