



Annual ^{2020|21} Report



nhc

National Heritage Council
SOUTH AFRICA

an agency of the
Department of Sport, Arts and Culture



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PART A: GENERAL INFORMATION



1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	NATIONAL HERITAGE COUNCIL OF SOUTH AFRICA
PHYSICAL ADDRESS:	353 Festival Street, Hatfield Pretoria SOUTH AFRICA 0081
POSTAL ADDRESS:	PO Box 74097 Lynwood Ridge Pretoria 0040
TELEPHONE NUMBER/S:	+27 12 748 3949
EMAIL ADDRESS:	nhc@nhc.org.za
WEBSITE ADDRESS:	www.nhc.org.za
EXTERNAL AUDITORS:	Auditor General of South Africa
INTERNAL AUDITORS:	Rakoma and Associates
BANKERS:	First National Bank
COMPANY SECRETARY:	Mr. Tembile Yako (Acting)

2. LIST OF ABBREVIATIONS/ACRONYMS

ACH	Arts Culture and Heritage
AGSA	Auditor General of South Africa
AFS	Annual Financial Statements
APP	Annual Performance Plan
ARC	Audit and Risk Committee
BBBEE	Black Broad Based Economic Empowerment
CEO	Chief Executive Officer
DSAC	Department of Sport, Arts and Culture
DMV	Department of Military Veterans
MEC	Member of Executive Council
MHSC	Mining Health and Safety Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAC	National Arts Council
NFVF	National Film and Video Foundation
NHC	National Heritage Council
NIO	National Inventory Office
NLDTF	National Lotteries Distribution Trust Fund
PanSALB	Pan South African Language Board
PFMA	Public Finance Management Act
RLHR	Resistance and Liberation Heritage Route
SAHRA	South African Heritage Resources Agency
SAMSA	South African Maritime Safety Authority
SATMA	South African Traditional Music Achievement
SMME	Small, Medium and Micro Enterprises
SOMAFCO	Solomon Mahlangu Freedom College
TR	Treasury Regulations
UNESCO	United Nations Education, Scientific and Cultural Organisation



3. FOREWORD BY THE CHAIRPERSON

I present the Annual Report on behalf of the Council to the stakeholders as a reflection of the work undertaken in the 2020/21 financial year. This Annual Report is set against the backdrop of a very challenging period for the NHC. The external environment was compounded by the Covid-19 Global Pandemic, which necessitated a major rethink of our plans, to stop some and move some to online platforms to mitigate against the risk to lives posed by the pandemic.

The second challenge for the NHC was internal and as a result of several serious governance challenges, the Minister dissolved the then Council in August 2021. The CEO also resigned in the same month. A new Council and an Administrator who assumed the functions of Acting CEO were also duly appointed, the Council taking office in December 2020, with one quarter left

in the financial year. The Minister charged the new Council with restoring accountability, good governance, and service delivery at the NHC.

Chief among the Council's tasks has been to restore the NHC to its mandate and mission, to work with the administrative team and staff to continue with the work while attending to the work antecedent to the NHC getting back to do what it is meant to do. The work has been complex and daunting but Council's resolve and focus is good governance, which will lay a solid base for the NHC to respond to its legislative mandate and stakeholder expectations.

In the period from December to the end of the financial year Council used the opportunity to impress upon the officials the need to ensure that as many of the 2020/2021 annual targets as possible were attained, notwithstanding the challenges the organisation is going through. To this end the steps taken include the following:

- The duly ratified appointment of an Acting CEO.
- The appointment of a forensic audit team to investigate the allegations of financial and administrative irregularities.
- The initiation of a process to appoint a new CEO.

At the date of this report, the Council's corrective actions and fulfilling the Minister's mandate are still ongoing and the outcomes will be reported on in the next reporting cycle.

The work has been complex and daunting, but the Council's resolve and focus is good governance, which will lay a solid base for the NHC to respond to its legislative mandate and stakeholder expectations.

Strengthening governance

In pursuit of more focussed and stronger governance Council reviewed its committees and merged the previous Heritage, Research, Programmes and Projects Committee with the Repositioning and International Relations Committee to form the Heritage, Research and Development Committee. The previously inactive Social and Ethics Committee has been revived to play its rightful role in the organisation. A new Audit and Risk Committee has been appointed. Significantly, the ARC

has been appointed on a term independent to the Council, in order to ensure its continued tenure despite dissolution of Council, if and when such happens again in the future.

Filling of critical vacancies

The financial year ended as Council was putting in place the framework and process for the filling of key vacant positions of the Chief Executive Officer and Company Secretary. These are pivotal roles in the reinvigoration of the organisation. The Covid-19 pandemic has, among others, also affected employee morale and productivity and therefore the incoming CEO will have to re-establish a culture of service and excellence in the organisation to restore stakeholder confidence in the NHC as the first point of call in the heritage landscape. In this regard, Council is providing leadership through a positioning process and strategy review to map the road ahead for the organisation to ensure that the organisation is better placed as a resource and plays its role of policy advice and coordination more meaningfully, in a proactive rather than reactive way.

Fulfilling the legislative mandate of the NHC

The National Heritage Council Act clearly spells out what is expected from the NHC and as Council; we have a clear determination to ensure that it does that, by focussing on key issues and crystallising these in the five-year strategic plan and successive Annual Performance Plans. Without doubt the NHC remains an important organisation for the preservation and promotion of heritage and its role is critical in contributing to the building of a socially cohesive nation and fighting the challenges of inequality, poverty and unemployment.

On behalf of Council, I would like to express our gratitude for the support and guidance of the Minister of Sport, Arts and Culture, the Portfolio Committee and other critical stakeholders in the execution of the mandate of the NHC. Council undertakes to continue on the path of rebuilding and ensuring that the NHC fulfils its mandate.

Mr. E. Neluvhalani
Chairperson of Council



4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

It is my pleasure to present the 2020/21 Annual Report of the National Heritage Council (NHC).

Without doubt, the 2020/21 financial year was very difficult for the organisation, both from external and internal factors. The COVID-19 Pandemic limited the implementation of the Annual Performance Plan (APP) as the organisation had to adapt its business model to mitigate the threat posed by the pandemic.

The internal challenges relate to the governance challenges faced by the NHC which resulted in the dissolution of the then Council by the Minister of Sport, Arts and Culture and the appointment of the Administration Team to steer the NHC back to its legislative mandate and ensure the implementation of sound governance and administrative systems.

I present this annual report as a reflection of the financial and non-financial performance information as audited by the Auditor General of South Africa (AGSA). Despite the challenges, the NHC managed to deliver on some of the flagship programmes. Some of the milestones reached include the following:

- i. Submission of the Nomination Dossier for the listing of the Nelson Mandela Sites of Memory to the World Heritage Committee through the Department of Environment, Forestry and Fisheries (DEFF);
- ii. Draft Repatriation Policy;
- iii. Approval of funding for 32 community heritage projects to be funded to the tune of R7 Million;
- iv. Partnership with the Charlotte Manyya-Maxeke Institute (CMMI) to launch and roll out a build up to the 150th Anniversary Celebrations of Charlotte Maxeke in 2021

One of the key initiatives internally has been to ensure that funding and projects of the NHC reach all provinces equitably. Furthermore, I have re-examined the extent of utilisation of external service providers and sought to ensure that much work of the organisation is executed internally to save costs and build internal capacity. This is an ongoing effort, which requires a paradigm shift in the accomplishment of the mandate of the NHC.

Lastly, I wish to extend a word of gratitude to the previous Council and the new Council Members for their contribution in the governance and leadership of the NHC.

A handwritten signature in black ink, appearing to read 'Louisa Mabe', written in a cursive style.

Ms. Moruakgomo Louisa Mabe
Acting CEO

5. STRATEGIC OVERVIEW

5.1 Vision

A nation proud of its African heritage.

5.2 Mission

Through development, promotion and preservation of heritage for sustainable development and transformation, we will know that we are achieving this when South Africans experience the following:

- They are knowledgeable about heritage;
- Have access to their heritage;
- Benefit from heritage;
- Utilise heritage in their lives; and
- Behave in a way that demonstrates their pride in heritage.

5.3 Values

Within the Ubuntu philosophy, the following values will guide the programmes, actions and behaviours of Council Members and employees of the NHC and all those who are acting in its name:

- Batho Pele;
- Integrity;
- Professionalism;
- Equity; and
- Creativity

6. LEGISLATIVE MANDATE

The mandate of the NHC is contained in Section 4 of the National Heritage Council Act, 1999 (No. 11 of 1999). The objects of the act are:

- a. To develop, promote and protect the national heritage for present and future generations;
- b. To coordinate heritage management;
- c. To protect, preserve and promote the content and heritage which resides in orature in order to make it accessible and

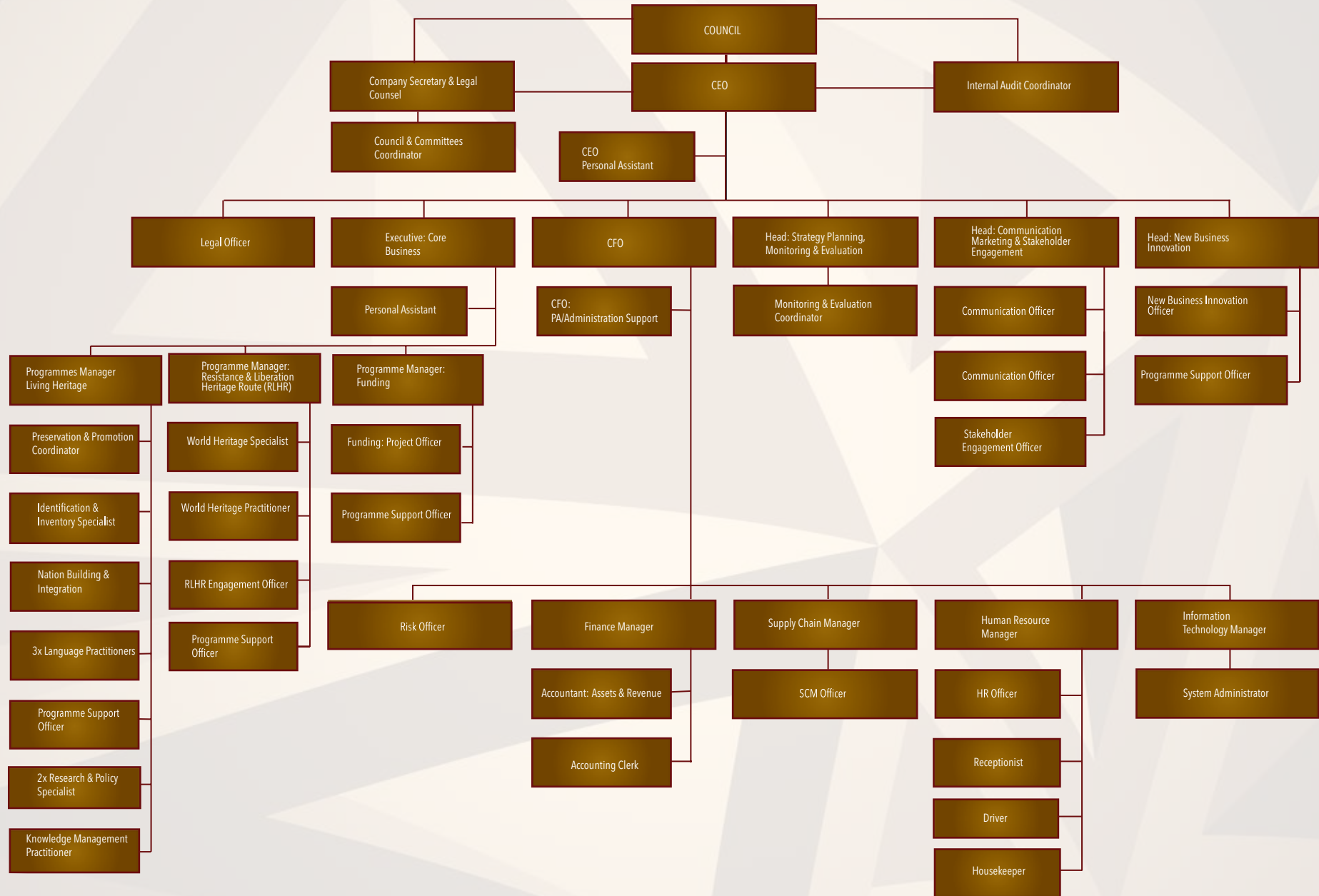
- d. To integrate living heritage with functions and activities of the Council and all other heritage authorities and institutions at national, provincial and local levels;
- e. To promote and protect indigenous knowledge systems including but not limited to enterprise and industry, social upliftment, institutional framework and liberatory processes, and;
- f. To intensify support for the promotion of the history and culture of all our peoples and particularly to support research and publications on enslavement in South Africa.

The core functions of the Council of the NHC are set out in the NHC Act. These core functions inform the day-to-day realities of the organisation and will therefore be pre-eminent in strategic initiatives and related objectives. The core functions of the Council are to:

- a. Advise the Minister on:
 - I. National policies on heritage matters, including indigenous knowledge systems, treasures, restitution and other relevant matters; and
 - II. Any other matter concerning heritage which the Minister may determine from time to time;
- b. Advise the Minister on the allocation of core funding to declared cultural institutions;
- c. Investigate ways and means of effecting the repatriation of South African heritage objects presently held by foreign governments, public and private institutions and individuals;
- d. Make grants to any person, organisation or institution in order to promote and develop national heritage activities and resources;
- e. Co-ordinate the activities of public institutions involved in heritage management in an integrated manner to ensure optimum use of state resources
- f. Monitor and co-ordinate the transformation of the heritage sector, with special emphasis on the development of heritage projects;

- g. Consult and liaise with relevant stakeholders on heritage matters;
- h. Generally support, nurture and develop access to institutions and programmes that promote and bring equity to heritage management;
- i. Promote an awareness of the history of all our people, including the history of enslavement in South Africa;
- j. Lobby for and secure funding for heritage management and to create a greater public awareness of the importance of our nation's heritage;
- k. Perform duties as assigned by the Minister; and
- l. The Council may on its own initiative advise the Minister on any matter concerning heritage.

7. ORGANISATIONAL STRUCTURE



8. MEMBERS OF THE COUNCIL



Mr. Edgar Neluvhalani
Chairperson of Council



Mr. Themba Dlamini
Deputy Chairperson of NHC and
Chairperson of National Library of
South Africa



Ms. Karabo Rapoo
Chairperson of Ditsong Museums
of SA



Mr. Moses Makhweyane
Chairperson of South African
Heritage Resources Agency



Adv. Mphalane Makhura
Chairperson of National Archives
and Records Service



Prof. Thenjiwe Meyiwa
Chairperson of National Heraldry



Adv. Rod Solomons
Chairperson of
Iziko Museums of
South Africa



Ms. Salome Mabilane
Ministerial Appointee



Ms. Nontlaza Sizani
Ministerial Appointee



Dr. Graham Dominy
Ministerial Appointee



Mr. Jabulani Sithole
Ministerial Appointee



Mr. Luthando Jack
Eastern Cape Provincial
Representative



**Ms. Elodie Seotseng
Tlhoale**
Free State Provincial
Representative



Mr. Tshako Tsehlana
Gauteng Provincial
Representative



**Dr. Vikunduku
Mnculwane**
KwaZulu Natal Provincial
Representative



**Hosi Adv. Khavhareni
Mahumani**
Limpopo Provincial
Representative



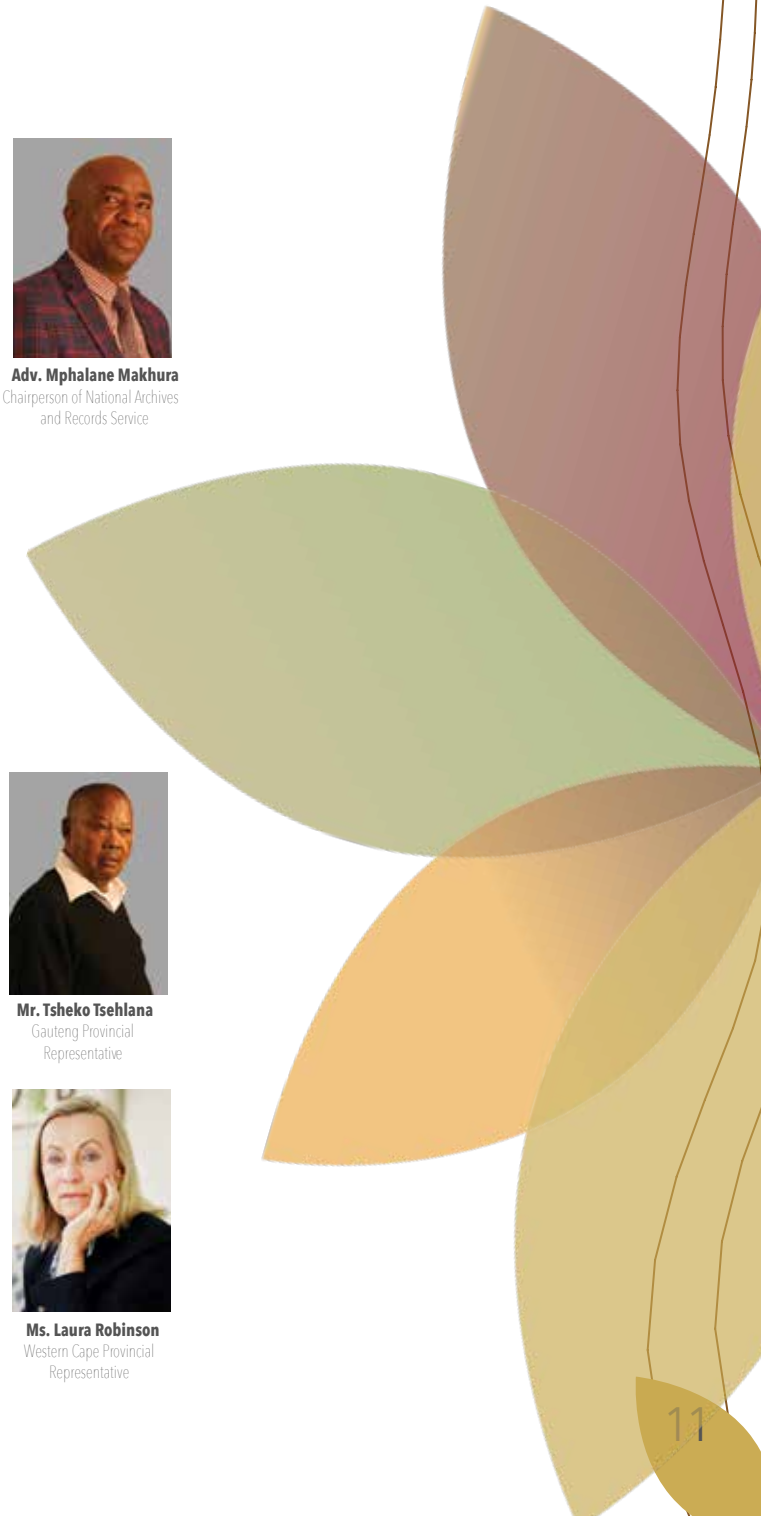
Ms. Lydia Moroane
Mpumalanga Provincial
Representative



Mr. Onkabetswe Mereki
Northern Cape Provincial
Representative



Ms. Laura Robinson
Western Cape Provincial
Representative



PART B: PERFORMANCE INFORMATION



1. STATEMENT OF RESPONSIBILITY REGARDING PERFORMANCE INFORMATION

Statement of Responsibility Regarding Performance Information for the Year ended 31 March 2021

The Chief Executive Officer is responsible for the preparation of the public entity's performance information and the judgements made in this information.

The Chief Executive Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance of the National Heritage Council for the financial year ended 31 March 2021.



Ms. Moruakgomo Louisa Mabe
Acting CEO

Date 30 July 2021

2. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General has conducted audit procedures on the performance information for usefulness and reliability, compliance with laws and regulations and internal control, but an opinion is not expressed on the performance information. Refer to page 59 of the Report of the Auditor General's Report, included in Part E: Financial Information.

3. OVERVIEW OF THE NATIONAL HERITAGE COUNCIL'S PERFORMANCE

3.1 Strategic Outcome Oriented Goals

The NHC has the following strategic outcome-oriented goals:

Strategic Outcome Oriented Goal 1	An internationally recognised heritage organisation on the African continent
Indicators	Increase the level of awareness and participation of the NHC as a heritage organisation in Africa through the following: <ul style="list-style-type: none"> · Number of activities to promote awareness of the NHC · Number of multilateral and bilateral heritage agreements initiated with African countries · Number of presentations of research data on African Liberation Heritage Programme · Number of heritage exchange programmes participated in
Strategic Outcome Oriented Goal 2	Mainstreaming of liberation heritage
Indicators	<ul style="list-style-type: none"> · Level of progress with domestic management of liberation heritage · Level of progress towards world heritage listing of the LHR · Number of submissions on the African Liberation Heritage Programme · Number of research reports and publications published · Number of presentations made on the liberation heritage · Number of knowledge partnerships signed · Number of inter-governmental arrangements formalised · Number of identified sites submitted for formal protection

Strategic Outcome Oriented Goal 3	Increased knowledge and awareness about South Africa's heritage by South Africa's citizens
Indicators	<ul style="list-style-type: none"> · Increased number of participants in heritage activities · Number of research outputs produced · Number of manuscripts from funded heritage projects published · Number of presentations made on heritage · Number of knowledge partnerships signed · Proportion of performance milestones achieved on the implementation of the NHC Language Policy · Level of implementation of the research agenda
Strategic Outcome Oriented Goal 4	The leading institution on intangible heritage in South Africa
Indicators	<ul style="list-style-type: none"> · Approved framework for the establishment of a heritage institute by 2017 · Number of Intangible Cultural Heritage (ICH) research initiatives funded · Number of intangible heritage programmes implemented and tangible heritage programmes supported
Strategic Outcome Oriented Goal 5	Social Cohesion and nation-building
Indicators	<ul style="list-style-type: none"> · Number of annual stakeholder engagement sessions held · Number of advocacy programmes/campaigns conducted annually · Number of nation-building initiatives implemented and funded annually
Strategic Outcome Oriented Goal 6	An effective, efficient and sustainable institution
Indicators	<p>Effectiveness</p> <ul style="list-style-type: none"> · Unqualified audit · Level of collaboration with experts in the field <p>Efficiency</p> <ul style="list-style-type: none"> · Level of the functionality of operational systems · Establishment of Project Management Office <p>Sustainability</p> <ul style="list-style-type: none"> · Level of skills retention · Alignment with adapted King III · Level of viability and credibility of the knowledge management strategy · Retention of institutional memory · Diversity of funding streams

3.2. Service Delivery Environment

In the year under review the NHC scaled down down its operations due to the Covid-19 Pandemic and implemented programmes that were in line with the risk based approach adopted by government. The following programmes were implemented in the year under review:

THE WORLD DAY OF AFRICAN AND AFRO-DESCENDANTS CULTURES

The NHC coordinated a Webinar on 22 January 2021, to highlight the shared cultural heritage between the Africans in the African Continent and those in the Diaspora. The participants and speakers in this Webinar were from South Africa, Zimbabwe, Kenya and Nigeria. The selected speakers presented on the topic: "Food as a tool for social cohesion: Fire side conversations in communities"

This commemorative day is strategically positioned in the sense that it is sandwiched on the one hand by Africa Day (month) which aims to highlight the opportunities in the different regions of the continent, provide practical leads on how to tackle these markets, and, most importantly, provide a platform for African companies to connect and share ideas, and on the other hand by the Black History day (month) which enables both adults and children to gain a broader understanding of Black histories, going beyond racism and slavery to also spotlight Black achievement.

In our case, it was felt that this day could be used to address some of the social ills like xenophobia. Dr Martin Luther King Jr said that "people fail to get along because they fear each other; they fear each other because they don't know each other; they don't know each other because they have not communicated with each other". The celebrations of the day were centred on Dr King Junior's dream that our children will one day live in a nation or continent where they are not judged by the colour of their skin, but by the content of their character.

LEARNER TEACHER SUPPORT TOOLKIT

Due to COVID-19 lockdown, the NHC was forced to cancel hosting of the annual Heritage Education Schools Outreach Programme (HESOP). With this flagship programme, the NHC gives learners an opportunity to become intimate with their heritage. The participating learners leave the project enriched, enlightened and filled with pride. We hope that they will also develop love and appreciation for their culture and heritage.

It was then decided to develop cultural heritage lessons and topics material that could be used by both Learners and Educators. We moved from the premise that cultural heritage forms integral part of the education curriculum in the South African schools. This was a deliberate and conscious move by government to ensure that the nation, especially the youth, has an opportunity to learn about the country's culture. In a society where there are as many interesting cultures that are diverse; it is important for government to step in and educate the public.

In our constant interaction with the educators and learners, on the subject matter, we have noted that, as much as heritage is part of the school curriculum, it is done in a limited way which doesn't give an opportunity for the learners to engage. Many-a-times, learners are tested of their knowledge on heritage especially the declared sites. There is no opportunity for instance to engage on how the particular sites could play a role in the realization of some of the objectives of the NDP Vision 2030 and or other programmes in broad terms; how the heritage sites could play a role in poverty alleviation, job creation and nation building.

The above observation is by no means the educators' fault. The 'devil' is in the text books and the approaches, hence the suggestion for this much needed intervention. It is not the intention of the NHC to recommend the revision of textbooks,

let alone the curriculum. The intention is to capacitate both educators and learners, and to some extent parents/public/communities, through the provision of learner support materials which will make the teaching and learning process to be participatory (educators serving as facilitators).

INDIGENOUS POETRY CHALLENGE

The creative arts have a special ability to enter cavities of human beings in ways no other. The arts have a powerful and creative way of capturing times for remembrance. It is also noteworthy that the Arts further have the power of inherently enabling intergenerational and cross-cultural engagement as they cut across audiences which promotes social cohesion and ultimately produces positive social impact.

It is for these reasons that the NHC, in partnership with the SOMAFCO Trust, implemented an exciting poetry initiative inspired by indigenous languages, folklore and other cultural assets from indigenous communities.

This was a vital intervention that recognised the crucial fact that cultural heritage and arts in their broadest sense have a vital role to play in maintaining mental wellbeing of societies that have been forced into isolation and abnormal ways of existing in order to be safe.

MILESTONES IN 2020-21

Since inception in 2004, the NHC has utilised its funding mandate managed to place heritage as a priority for nation building, social cohesion and national identity. The NHC public funding for 2020-2021 benefited projects from all nine provinces having shared an allocated grant of R7m. The call was made to fund the following categories as advertised:

1. Women and Heritage

Women constitute the broad category of unsung heroines, whose historical achievements have not been adequately captured. This programme called on proposals of projects which seek to explore and trace the historical contribution and achievement of women in the promotion, conservation and management of our heritage.

2. Youth and Heritage

This programme seeks to explore ways in which heritage can be used effectively to maximise the role of the youth in the promotion and conservation of heritage resources while at the same time explore what contribution heritage can have in addressing youth issues.

3. Education and Heritage

This programme integrates heritage conservation and management into the education system including public education programmes and forums/fora. It also seeks opportunities for research, knowledge production, capacity building and skills development in conservation and management of heritage resources.

4. Liberation Heritage

This programme seeks to preserve the historical South African Liberation Heritage Struggle and utilize it as a catalyst to stimulate local economic development by identifying, researching and packaging a network of Resistance and Liberation Heritage Route sites that will be targeted as key developmental intervention nodes in the country.

5. Indigenous Groups' heritage initiatives in the country

The capturing and impact of the origins and historical context of colonialism, oppression and obliteration on the identity and values of the people upon which colonialization was imposed. These projects highlight the importance to build upon the gains the country has made and creating awareness and affirmation of indigenous knowledge.

3.3 Overview of the Organisational Environment

The NHC strived to sustain its presence and interaction with stakeholders across the three tiers of government as well as internationally despite the challenges it faced in the 2020/21 financial year. Engagement with stakeholders was reduced in light of the Covid-19 pandemic.

The organisation enjoys a sound and stable labour relations environment, with employees regularly engaged and consulted on developments affecting their conditions of service. Consequently, there has been no unrest or recorded disharmony between management and staff in the year under review.

3.4 Key Policy Developments and Legislative Changes

There were no legislative changes subsequent to the consultations on the review of the White Paper on Arts, Culture and Heritage.

4. PERFORMANCE INFORMATION BY PROGRAMME

Programme 1: Administration

This programme aims to provide strategic leadership and enable NHC performance through the delivery of support services.

The programme is made up of the following sub-programmes:

- Office of the CEO;
- Communications;
- Company Secretariat; and
- Corporate Services.

Key performance measures, targets and actual results

Strategic objectives:

- 1.1. Provide strategic management services
- 1.2. Promote the NHC and its programmes
- 1.3. Development of highly capable organisational personnel
- 1.4. Financial and procurement support provided
- 1.5. Provide ICT support

Summary

- A total of **11** targets had been planned for Programme 1 in 2020/21.
- **7 (63,64%)** targets were achieved
- **4 (36,36%)** targets were not achieved.

Performance Indicator		Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations
1.1	a.	Dates by which compliance documents (APP, Quarterly Reports and Annual Report) are submitted to the Executive Authority.	Organisation-wide adherence to compliance dates achieved.	Organisation-wide adherence to compliance dates was not achieved.	The target was not achieved as planned as the Q3 Report was submitted to the Executive Authority after 30 days.	The Q3 Report was not submitted to the Executive Authority within 30 days after the end of the quarter due to it being completed late.

Performance Indicator			Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations
1.2	a.	Number of heritage publications produced.	One (1) heritage publication was produced.	One (1) heritage publication to be produced.	The target was not achieved as the one (1) heritage publication was not produced.	The target was not achieved, as the publication was not produced.	The publication (magazine) production was halted for investigation and its production was not approved.
	b.	Number of planned media engagements conducted.	Sixteen (16) planned media engagements were conducted (media coordination for projects e.g. briefings).	Twelve (12) planned media engagements conducted (media coordination for projects e.g. briefings).	Sixteen (16) planned media engagements were conducted (media coordination for projects e.g. briefings).	The target was exceeded by four (4) media engagements.	The target was exceeded with utilisation of additional opportunities to profile the work of the NHC.
	c.	Number of multi-media campaigns conducted about key NHC projects.	Seventeen (17) multimedia awareness campaigns were conducted about key NHC projects.	Ten (10) multimedia awareness campaigns to be conducted about key NHC projects.	Twelve (12) multimedia awareness campaigns were conducted about key NHC projects.	The target was exceeded by two (2) multimedia campaigns.	The target was exceeded by two (2) because of additional profiling of NHC projects.

Performance Indicator		Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations	
1.3	a.	Percentage of implementation of the Approved Annual Training Plan in critical skills.	82% Implementation of the approved Annual Training Plan on critical skills.	80% implementation of the approved Annual Training Plan on critical skills.	The target was not achieved. A total of 10.4% of the approved Annual Training Plan on critical skills was implemented.	The target missed by 69.6%.	Staff members could not undertake training due to Covid-19 disruptions.
	b.	Percentage of staff retained in funded positions.	92% staff retention in the funded posts.	85% staff retention in funded positions.	85% staff retention in the funded posts.	The target was achieved as planned, with no deviation.	There was one resignation in the 2020/21 financial year, however, the target was achieved.
	c.	Number of programmes to promote employee wellness implemented.	Four (4) programmes to promote employee wellness were implemented.	Four (4) programmes to promote employee wellness to be implemented.	Four (4) programmes to promote employee wellness were implemented.	The target was achieved as planned, with no deviation.	N/A

Performance Indicator		Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations	
1.4	a.	Audit opinion achieved.	Unqualified audit opinion achieved.	Unqualified audit opinion achieved.	Qualified audit opinion received.	The target of an unqualified audit opinion was not achieved.	Regression in the internal control environment and governance challenges experienced by the entity in the year under review.
1.5	a.	Percentage of IT Client Satisfaction Survey rating achieved (%).	IT client satisfaction survey 81% rating achieved.	IT client satisfaction survey rating achieved (80%).	IT client satisfaction survey rating of 87% achieved.	The target was exceeded by 7%.	Client satisfaction target exceeded due to the improvements in the service provided to staff with the insourced ICT.
	b.	Level of Local Area Network availability (%).	99,6% network availability achieved.	Local Area Network availability (95%).	100% network availability achieved.	The target was exceeded by 5%.	The target was exceeded due to increased frequency in the monitoring of the network and regular preventative maintenance performed to reduce downtimes.
	c.	Disaster Recovery & Business Continuity Plan approved and tested.	Disaster Recovery & Business Continuity Plan tested.	Disaster Recovery & Business Continuity Plan approved and tested.	Disaster Recovery & Business Continuity Plan approved and tested.	The target was achieved as planned, with no deviation.	N/A

Strategy to overcome areas of under-performance

The root causes of the under-performance will be identified and resolved to ensure that all targets are achieved going forward.

Changes to planned targets

Changes were made to the following targets due to the Covid-19 Pandemic:

- 1.2. (a) Number of documentaries produced – the target was cancelled for the financial year.
- 1.2. (b) Number of monthly newsletters produced – the target was cancelled for the financial year.
- 1.2. (f) Number of public engagements conducted per annum – the target was cancelled for the financial year.

Programme 2: Heritage Promotion

The purpose of the programme is to meet NHC customer expectations through the delivery of NHC products and services.

Programme 2 consists of the following sub programmes:

- Heritage Management
- Funding
- Resistance and Liberation Heritage Route

Key Performance measures, targets and actual results

Strategic objectives:

- To intensify the promotion of living heritage through collaborations and stakeholder engagements nationally and internationally
- To develop national planning, policy development and research capability that will create an enabling environment for the advancement and promotion of National Heritage content
- To build a network of strategic partnerships to strengthen and integrate heritage development by extending the influence of the NHC and leveraging the resources through partnerships
- To coordinate the management of the Liberation Heritage Route, the African Liberation Heritage Programme and national input into the world heritage agenda by promoting the influence of the South African heritage globally.

Summary:

- A total of 17 targets had been planned for Programme 2 in 2020/21.
- **12 (70,59%)** targets were achieved
- **5 (29,41%)** targets were not achieved.

Performance Indicator			Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations
2.1	a.	Number of heritage exchange programmes implemented per annum	The exchange programme was not implemented by the NHC. The NHC participated in the SOMAFCO Youth Exchange Programme.	Partnership with SOMAFCO Trust implemented.	Partnership with SOMAFCO Trust implemented.	The revised target was achieved as planned with no deviation.	The NHC implemented an Indigenous Poetry Programme and competition with the SOMAFCO Trust.
	b.	Number of community-based cultural expressions implemented or supported.	Three (3) cultural expressions supported.	Partnership with the Charlotte Maxeke Institute implemented.	Partnership with the Charlotte Maxeke Institute implemented.	The revised target was achieved as planned with no deviation.	The NHC implemented a partnership with the Charlotte Maxeke Institute on the countdown to the 150th Anniversary Celebrations.
	c.	Number of National Inventory Offices established.	New target.	One (1) National Inventory Office Framework developed.	One (1) National Inventory Office Framework was developed.	The target was achieved as planned with no deviation.	N/A
	d.	Number of nation-building initiatives implemented and funded.	Four (4) nation-building initiatives were implemented and funded.	1 anti-poverty and food security programme implemented in all provinces.(1 nation building initiative implemented and funded)	The 1 anti-poverty and food security programme was not achieved.	The target was missed due to Covid-19 disruptions.	Preparations for the implementation of the nation building initiative (anti-poverty and food security programme) could not be finalised due to the Covid-19 Pandemic.

Performance Indicator			Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations
2.2	a.	Number of research products produced per annum	Four (4) publications were produced.	One (1) research product produced per annum.	0 commemorative projects implimented/supported	The target was not achieved as the one research product was not produced.	The target was missed owing to the withdrawal of the Heritage Panel member assigned the task.
	b.	Number of policy position papers produced per annum.	Two (2) policy position papers produced per year	Two (2) policy position papers produced per annum.	One (1) Policy Position paper developed.	The target was not achieved as only one (1) Policy Position Paper was produced.	The target was not achieved due to delays caused by internal administration challenges.
	c.	Number of heritage journal articles contributed per annum	Two (2) journal articles contributed.	1 heritage journal article contributed per annum.	0 heritage journal articles were contributed.	The target was not achieved as no journal articles were contributed to any journal.	The target was not achieved due to delays caused by internal administration challenges.
	d.	Number of heritage education initiatives implemented per annum.	One (1) heritage education initiative supported	One (1) heritage education initiative implemented per annum.	One (1) heritage education initiative was implemented.	The target was achieved as planned with no deviation.	N/A.
	e.	Number of Indigenous Language Advocacy Seminars hosted.	New target.	One (1) indigenous knowledge seminar was hosted.	One (1) indigenous Knowledge Seminar or dialogue hosted virtually	The target was achieved as planned with no deviation.	N/A
2.3	a.	% of DSAC annual grant allocated to support community heritage projects.	28 community heritage projects supported and funded.	7% of DSAC annual grant allocated to support community heritage projects.	10% of DSAC annual grant allocated to support community heritage projects.	The target was exceeded by 3%.	Additional funds were committed to the funding of community heritage projects considering challenges posed by the Covid-19 pandemic.
	b.	% of funded projects monitored and evaluated.	New target.	100% of funded projects monitored and evaluated.	100% of funded projects monitored and evaluated.	The target was achieved as planned with no deviation.	N/A

Performance Indicator			Actual Achievement in 2019/20	Planned Target for 2020/21	Actual Achievement in 2020/21	Deviation from planned target to Actual Achievement in 2020/21	Comment on deviations
2.4	a.	Number of commemorative projects implemented/ supported.	2 Commemorative events supported	1 Commemorative events supported	One (1) Repatriation Policy developed.	The target was missed by 1 Commemorative project implemented/supported	The target was missed as it was cancelled owing to the Covid-19 Pandemic.
	b.	Number of repatriations supported	3 repatriations supported.	1 Repatriation Policy developed	1 Repatriation Policy developed.	The revised target was achieved as planned with no deviation.	N/A
	c.	Number of presentations on RLHR made to different stakeholders	Nine (9) presentations on LHR were made to different stakeholders.	Four (4) Presentations/ lectures made to different stakeholders and audiences.	Five (5) Presentations/ lectures were made to different stakeholders and audiences.	The target was exceeded with one (1) presentation on RLHR made to stakeholders.	The additional presentation came from an additional opportunity to engage with stakeholders on the RLHR.
	d.	Number of submissions on the African Liberation Heritage Programme.	Three (3) submissions on the African Liberation Heritage Programme.	Two (2) submissions on the African Liberation Heritage Programme	Two (2) submissions on the African Liberation Heritage Programme.	The target was achieved as planned with no deviation.	N/A
	e.	Number of milestones achieved in the World Heritage Listing Programme.	One (1) milestone was achieved (Submission of final amplified Nomination Dossier to DSAC).	One (1) milestone achieved.	Target achieved as planned (Amplified Dossier submitted to DSAC and Cabinet).	The Amplified Dossier was submitted to DSAC and Cabinet.	Cabinet supported the submission of the Nomination Dossier to UNESCO.
	f.	Percentage completion of Annual PMO Project Plan.	New target.	80% completion of Annual PMO Project Plan.	80% of Annual PMO Project Plan completed.	The target was achieved as planned with no deviation.	N/A

Strategy to overcome areas of under performance

The root causes of the under-performance will be identified and resolved to ensure that all targets are achieved going forward.

Changes to planned targets

Changes were made to the following targets due to the Covid-19 Pandemic:

- 2.1. (a) Number of heritage exchange programmes implemented per annum revised to Partnership with SOMAFCO Trust implemented.
- 2.1. (b) Number of international multilateral engagements per annum. No target was set for the financial year.
- 2.1. (c) Number of community-based cultural expressions implemented or supported revised to Partnership with the Charlotte Maxeke Institute implemented.
- 2.2. (e) Number of Indigenous Language Advocacy Seminars hosted revised to one (1) indigenous knowledge seminar hosted.
- 2.4. (a) Number of commemorative projects implemented/supported. No target was set for the financial year due to Covid-19.
- 2.4 (b) Number of repatriations supported revised to one (1) Repatriation Policy developed.

PART C: GOVERNANCE



1. INTRODUCTION

Corporate governance refers to the processes and systems by which the NHC is overseen, directed, controlled and held to account. In addition to legislative requirements based on the NHC's enabling legislation and the Companies Act, corporate governance concerning public entities is applied through the precepts of the Public Finance Management Act (PFMA), which is run in tandem with the Protocol on Corporate Governance (which encapsulates the principles contained in the King IV Report on Corporate Governance). Parliament, the Executive Authority and the Council of the NHC provide oversight on corporate governance. The NHC is committed to the principles of accountability, openness and integrity as prescribed by the King IV Code on Corporate Governance and its policies and charters formalise this commitment. This gives the shareholder and other stakeholders, the assurance that the NHC is ethically managed according to prudently determined risk parameters in compliance with best practices.

2. EXECUTIVE AUTHORITY

The Minister of Sport, Arts and Culture and the NHC signed a Shareholder's Compact, which captures the key performance measures and indicators that have been agreed upon by the Council, as the Accounting Authority of the NHC and the Minister, as the Executive Authority.

This a requirement for Public Entities listed in Schedule 2, 3B or 3D of the PFMA; however, notwithstanding the NHC being a Schedule 3A entity, and therefore not bound by this requirement, it was deemed necessary to do so for purposes of cooperative governance and accountability. The Shareholder's Compact captures the key performance measures and indicators agreed upon between the Council, as the Accounting Authority of the NHC,

As a consequence of the above agreement and in line with the PFMA, the NHC submits quarterly reports to the DSAC. During the year under review, the following reports were submitted:

- 1st Quarterly Report submitted on 27 August 2020;
- 2nd Quarterly Report submitted on 30 October 2020;
- 3rd Quarterly Report submitted on 31 January 2021;
- 4th Quarterly Report submitted on 30 April 2021.

3. THE COUNCIL

The NHC is a juristic entity established in terms of the National Heritage Council Act of 1999 (Act 11 of 1999). The Minister of Sport, Arts and Culture appoints members of the public of the Republic of South Africa as members of the NHC to manage the affairs of the NHC in terms of the Act and its regulations in line with corporate governance principles. The NHC is constituted in terms of Section 5. (1) of the National Heritage Council Act as follows:

- a. at least five members, appointed by the Minister;
- b. a representative of each province to be nominated by the MEC concerned; and
- c. the chairpersons of each of—
 - I. the Council of the South African Heritage Resources Agency;
 - II. the National Archives Commission;
 - III. the Heraldry Council;
 - IV. the Board of the National Library;
 - V. the Council of the Northern Flagship Institution (Ditsong Museums); and
 - VI. the Council of the Southern Flagship Institution (Iziko Museums)

The Council plays an advisory role to the Minister on heritage issues, including national policies on heritage, allocation of core funding and resources and any other matter concerning heritage that the Minister or the Council may determine.

The Council operates in terms of an approved Charter that spells out its role and responsibilities. The Council plays an oversight role and provides leadership on the affairs of the NHC. Its role includes the establishment, review and monitoring of strategic objectives. It also gives strategic direction and ensures compliance with corporate governance and legislative imperatives. The Council oversees the NHC's systems of governance, internal control, and risk management.

The Council meets at least once a quarter and special meetings are held when there is a need. The purpose of the quarterly meetings is to review the strategic and operational performance of the NHC. Amongst other matters, the Council looks into business plans, policies, the approval of major contracts and other strategic issues. The management team of the NHC is responsible for the implementation of the decisions and strategies of the Council.

4. STRUCTURE AND COMPOSITION OF THE COUNCIL

As mentioned, the Council is constituted by members appointed by the Minister of Sport, Arts and Culture and by the Provincial Arts and Culture MECs; the Chairpersons of certain declared cultural institutions (Iziko Museums of Cape Town, Ditsong Museums, NLSA, National Heraldry Council and SAHRA) and the National Archives Council. The members are from diverse backgrounds and have extensive skills in the heritage sector. In making appointments, the Minister takes into consideration of diversity and skills. In the period under review, there were nineteen (19) Council Members with the CEO being an ex officio member.

Composition of the Council

Below is the profile of Council members and attendance at Council meetings during the year ended 31 March 2021.

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Dr Thulani John Mbuli	Chairperson - Appointed by Minister	01/12/2017	Passed away on 15 July 2020	<ul style="list-style-type: none"> i) PhD: UNIZULU. ii) Master of Arts: UNIZULU iii) Bachelor of Arts: UNIZULU iv) B Paed: Environmental Science: UNIZULU v) Diploma in Logistics - International Trade: UJ and UNISA 	Heritage, Languages, Labour Law, Finance and Governance	<ul style="list-style-type: none"> i) Council Member of the University of Zululand ii) Council Member of Amafa AkwaZulu Natal 	None	7/8
Prof. Thenjiwe Meyiwa	Deputy Chairperson - Chairperson of Heraldry	01/12/2017 Reappointed 01/12/2020	21 August 2020 Active	<ul style="list-style-type: none"> i) PhD: UKZN ii) Mcom: Organizational Management: UKZN iii) MA, BA (Hons): UKZN iv) Diploma (Secondary Teachers): Indumiso College 	Gender Studies, IKS, Organisational Management	N/A	<ul style="list-style-type: none"> i) Heritage Programmes, Projects and Research Committee ii) Social and Ethics Committee 	7/8 3/6
Ms Salome Velma Mabilane	Member appointed by Minister	01/12/2017 Reappointed 01/12/2020	21 August 2020 Active	<ul style="list-style-type: none"> i) B Tech: Cost and Management Accounting: TUT ii) National Diploma: Cost and Management Accounting: TUT iii) Advanced Certificate in Municipal Governance: UJ iv) Accountant: SAIPA 	Financial and Management Accounting, Auditing, Financial Statements, Corporate Governance and performance Information	Managing Director: SUM Consulting and advising Services	<ul style="list-style-type: none"> i) Corporate Services and Finance Committee. ii) Repositioning and International Relations Committee iii) Social and Ethics Committee 	8/8 6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Chief Livhuwani Matsila	Member appointed by Minister	01/12/2017	21 August 2020	i) BSc Honours (Botany): UNIVEN ii) BSC (Botany and Zoology): UNIVEN iii) Masters of Science (Zoology): Wits University	Community and Rural Development, Conservation of Natural Resources, Preservation of Cultural Heritage, Research, Project Management, Financial Management, Human Resources Management, Skills Development	i) Matsila Community Development Trust ii) Matsila Community Business Trust iii) Livhuwani Matsila Family Trust	i) Heritage Programmes, Projects and Research Committee ii) Repositioning and International Relations Committee	7/8

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mrs. Reyhana Gani CA(SA)	Member appointed by Minister	01/12/2017	21 August 2020	<ul style="list-style-type: none"> i) BCom Hons: Univ. of Pretoria ii) IRBA: Board 2 iii) SAICA: Chartered Accountant SA 	PFMA and MFMA Compliance, Risk Management, Internal Audit, Fraud Risk Management, Performance Information, IT External Audit, Corporate Governance, Oversight, Compliance with Laws and Regulations, Disciplinary Committees	<ul style="list-style-type: none"> i) Trustee for Big Tree Trust ii) Chairperson of Performance and Audit Committee for Cape Winelands District Municipality iii) Committee Member of Performance and Audit for Bergriver Municipality iv) Chairperson of Performance and Audit Committee for Theewaterskloof Municipality v) Member of ARC for Marine Living Resource Agency vi) Member of Audit Committee for BonMed vii) Chairperson of Risk Committee for West Coast District Municipality 	i) Audit and Risk Committee	8/8

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Ms Nandi Madiba	Member appointed by The Minister	11/03/2020	21 August 2020	i) Chartered Directorship (IoDSA)- CDSA ii) Master of Business Administration (MBA) iii) MSc Financial Management-Part 1 (Post Graduate Diploma) iv) Hons BCompt v) B.Com Acc vi) Post Grad Cert: Advanced Taxation vii) Diploma: Human Resources Management viii) Certificate - Programme in Municipal Finance & Development (encompassing Strategy & Risk Management)	i) Financial and Risk Management ii) Governance.	i) Have been serving on boards of directors since 1995/6 and chairing/serving on various board committees. ii) CEO and Executive Chairman of About Survival Consulting Agency (ASCA) iii) Chairperson: Eastern Cape Development Corporation (ECDC) iv) Member of Overberg Water Board v) Member of Legislature Services Board (Gauteng) and chairing Audit and Risk Committee vi) Member of Sci-Bono Discovery Centre- Board vii) Member of South African Weather Service board (term ended July 2018) viii) Non-Exec Director Isibane NPC	i) Audit and Risk Committee ii) Corporate Services and Finance Committee	8/8

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mr Kagiso Johannes Seleke	North West Provincial Representative	01/12/2017 Reappointed 01/12/2020	21 August 2020 Reappointed 01/12/2020 and Resigned March 2021	i) National Diploma in Public Administration: UNISA (current) ii) National Certificate in IT: Extensive IT Academy iii) Fundamental of Project Management: Centurion Academy iv) Section 13 Trade Fitting: Engineering Skills Centre	Research, Project Management Coordinating, Administration on Governance, Mining Projects	i) Director for Monakato Sports Arts and Culture Council	i) Heritage Programmes, Projects and Research Committee ii) Repositioning and International Relations Committee iii) Corporate Services and Finance Committee	8/8 4/6
Ms Laura Robinson	Western Cape Provincial Representative	01/12/2017 Reappointed 01/12/2020	21 August 2020 Active	i) B Architecture: UCT	Architecture, Cultural Landscape, Intangible Heritage, Built Environment	i) Director for Cape Town Heritage Foundation ii) Director for Central City Improvement District	i) Heritage Programmes, Projects and Research Committee ii) Repositioning and International Relations Committee	8/8 6/6
Mr Tsheko Tshelana	Gauteng Provincial Representative	01/12/2017 Reappointed 01/12/2020	21 August 2020 Active	i) Certificate in Development Management: School of Public & Development Management ii) Certificate in Arts and Culture Management: University of Witwatersrand	Management, Project Management, Organisational Design	i) Board Member of SOWETO Heritage Foundation	i) Heritage Programmes, Projects and Research Committee ii) Repositioning and International Relations Committee	8/8 6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Ms Keneilwe Mable Modise	Northern Cape Provincial Representative	01/04/2018	21 August 2020	<ul style="list-style-type: none"> i) Higher Diploma (REQV 13): UNISA ii) Certificate in Adult Education: Western Cape University iii) Certificate in Occupational Based Practices 	Research, Facilitation, Community Development, Educator	None	<ul style="list-style-type: none"> i) Corporate Services and Finance Committee ii) Heritage Programmes, Projects and Research Committee 	7/8
Mr Mbasu Metuse	Eastern Cape Provincial Representative	12/02/2019	21 August 2020	<ul style="list-style-type: none"> i) Bachelor of Social Science Honours-incomplete- University of Fort Hare ii) Bachelor of Social Science: Fort Hare University iii) Project Management: Stellenbosch University Business School 	Governance, Programme Management, Research, Policy Development and Strategic Planning.	<ul style="list-style-type: none"> i) Executive Director of Itsamaya Holdings ii) Mayibuye Transport Corporation (Eastern Cape Dep of Transport) <p>- Chairperson of HR and Remuneration Committee - Member of Finance and Investment Committee - Member of Governance Committee</p>	<ul style="list-style-type: none"> i) Heritage Programmes, Projects and Research Committee ii) Repositioning and International Relations Committee iii) Corporate Services and Finance Committee 	8/8

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mr Puleng Herman Tsebe	Limpopo Provincial Representative	22/02/2019	21 August 2020	<ul style="list-style-type: none"> i) Diploma in Municipal Finance Management University of Pretoria ii) English Teaching Overseas: Leeds University iii) Special Art Teachers Course: Ndaleni Art School iv) Teachers Course: Mokopane College of Education 	RSA Constitution, Labour Relations Law, Municipal Finance Management, Municipal Systems and Structures	<ul style="list-style-type: none"> i) Member of NEDLAC ii) Member of Presidential BBBEE Advisory Council iii) Commissioner for Employment Equity Dep of Labour iv) Director of PM Trading Enterprise 	<ul style="list-style-type: none"> i) Corporate Services and Finance Committee ii) Heritage Programmes, Projects and Research Committee iii) Repositioning and International Relations Committee 	8/8
Ms Lydia Moroane	Mpumalanga Provincial Representative	28/05//2020 Reappointed 01/12/2020	21 August 2020 Active	<ul style="list-style-type: none"> i) Secondary Teachers Diploma: Tivumbeni Edu Collage ii) ACE in Life Orientation: University of North West iii) Certificate in Governance: University of JHB iv) Certificate in Ministry Leadership: Christian Family Church CECL v) Mediation: DIRCO 	<ul style="list-style-type: none"> i) Social Transformation ii) Issues and Plights of Women iii) All Matters Pertaining Transformation 	i) Board Member: DOLTS	None	6/8 6/6
Ms Elodie Seotseng Tlhoale	Free State Province Representative	24/04/ 2020 Reappointed 01/12/2020	21 August 2020 Active	<ul style="list-style-type: none"> i) BA Hons Architecture: University of Cape Town ii) BA Architecture Studies - UCT iii) ND Architecture - Pentech 	<ul style="list-style-type: none"> i) Professional Architect ii) Heritage Practitioner 	Managing Director: Architecture Impact Pty Ltd	None	7/8 6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mr Themba Dlamini	Member appointed by Minister – Chairperson of National Library of South Africa	01/12/2017 – 30/11/2020 Reappointed 01/10/2018 – 30/09/2021 Reappointed 01/12/2020	21 August 2020 Active	i) Master of Arts in Development Economics: William College, Massachusetts, USA ii) Bachelor of Arts in Economics Honours-(Cum Laude) : Howard University, Washington DC, USA iii) Diploma in Business Administration (Accounting): Northern Virginia Community College, Virginia, USA	Research Analyst, Project Management, Financial Management, Strategist, Budget and Planning	i) Chairperson of National Libraries ii) Commissioner: National Planning Commission	i) Corporate Services and Finance Committee ii) Heritage Programmes, Projects and Research Committee iii) Audit and Risk Committee	6/8 6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Ms Karabo Tebogo Rapoo	Member Appointed by Minister – Chairperson of Ditsong Museums	01/08/2016 – 31/07/2019 Reappointed 01/12/2020	21 August 2020 Active	i) Executive Development Programme: GIBS	Internal Audit and Risk Management, Corporate Governance, External Audit	i) Chairperson of Ditsong Museums ii) Trustee Board Member of Medipos Medical Aid Scheme iii) Audit Committee Member of BestMed Medical Aid Scheme iv) Audit Committee Member of Medipos Medical Aid Scheme v) Chairperson of Risk Management Committee of DSAC vi) Ex Officio member of the following Board Committees in SAPO: - Audit and Risk Management Committee - IT Governance Committee - Social and Ethics Committee	None	8/8 3/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mr Moses Makhweyane	Member appointed by The Minister: SAHRA Chairperson	20/02/2018 Reappointed 01/12/2020	21 August 2020 Active	i) B Juris: Limpopo University	Legal, Corporate Governance	i) Deputy Chairperson of Mpumalanga Heritage Resources Authority ii) Member of QSS Professional Consulting	i) Corporate Services and Finance Committee	8/8 4/6
Adv Roderick Solomons	Member appointed by The Minister – Chairperson of IZIKO Museums	01/08/2019 Reappointed 01/12/2020	21 August 2020 Active	i) Admitted Advocate of the SA High Court ii) B.Soc iii) LLB iv) Certificate in Sports Law	Legal and Corporate Governance, Risk Management and Compliance, Event and Project Management, IT and Infrastructure Property	i) Chairperson of IZIKO Museums ii) Chairperson of Western Cape Chapter & Member of the National Executive Committee for UCT Black Alumni Association	i) Repositioning and International Relations Committee	8/8 1/6
Dr Adv Mphalane Moses Makhura	Member appointed by The Minister: Chairperson of NAAC	01/01/2020 Reappointed 01/12/2020	21 August 2020 Active	i) LLB (Bachelors of Law): UNISA ii) D. Litt et Phil: Information Science: UJ iii) Masters Degree in Information Science (M.Inf): RAU iv) BA Honours Information Studies: University of the North v) BA Degree in Library and Information Science in Education: University of The North	i) Law ii) Library Management iii) Records and Information Management iv) Teaching	i) Chairperson: NAAC	None	1/8 6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (1), Special Meetings (4) and DSAC 2 Days Induction Workshop (1)
Edgar Neluvhalani	Chairperson Appointed by The Minister	01/12/2020	Active	<ul style="list-style-type: none"> i) Masters Environmental Education (Cum Laude): UJ ii) BA Education Honours: UNISA iii) Diploma Environmental Education: UJ 	<ul style="list-style-type: none"> i) Heritage ii) Governance iii) Strategy iv) Environment v) Leadership 	Previous: <ul style="list-style-type: none"> i) DYARA ii) My Acre of Africa iii) Kenneth Copeland Ministries Africa (NED) iv) Johannesburg Social Housing Company v) SAHRA vi) Johannesburg City Parks & Zoo 	None	6/6
Dr Graham Dominy	Member Appointed by The Minister	01/12/2020	Active	<ul style="list-style-type: none"> i) BA Hons HDE: University of Natal ii) N Diploma Archives Science: Dep National Education iii) MA: National University of Ireland iv) PG Diploma in Museum Science: University of Pretoria v) PhD: University of London 	<ul style="list-style-type: none"> i) Heritage ii) Archives iii) Museums iv) Policy v) Management vi) Libraries 	<ul style="list-style-type: none"> i) Member of various local heritage and historical and archival organisations in SA and Internationally 	None	6/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (1), Special Meetings (4) and DSAC 2 Days Induction Workshop (1)
Mr Jabulani Sithole	Member Appointed by The Minister	01/12/2020	Active	<ul style="list-style-type: none"> i) Master of Arts History: Univ. of Natal ii) BA Honours: Univ. of Natal iii) BA Degree: Univ. of Natal iv) Secondary Teachers Diploma: Indumiso College of Education 	<ul style="list-style-type: none"> i). Heritage ii) Research iii). History iv) Writer 	Previous: <ul style="list-style-type: none"> i) Commissioner: National Planning Commission ii) Member of the Ministerial Task Team: Department of Basic Education iii) Council Member: NHC iv) Chairperson: Luthuli Museum Council 	None	6/6
Ms Nontlaza Nosisa Joyce Sizani	Member Appointed by The Minister	01/12/2020	Active	<ul style="list-style-type: none"> i) AGA (SA) ii) Cert. Director (IoDSA) iii) B Compt Hons/CTA: UNITRA iv) BComm: UNITRA v) Senior Secondary Teachers Diploma: UNITRA vi) PG Diploma in Management: UKZN vii) Certificate of Competence: Intro to Property Investment and Practice: WITS 	<ul style="list-style-type: none"> i) Internal and External Audit ii) Financial and Risk Management iii) Credit Rating Advisory iv) Cash Management and Policy Development v) Budgeting, Project and Structured Finance 	<ul style="list-style-type: none"> i) Executive Director: Nakupenda Investments ii) NED: Dezzo Holdings iii) Executive Director: Invest Wealth 	ARC Chairperson: National Heritage Council until 21 August 2021	5/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (1), Special Meetings (4) and DSAC 2 Days Induction Workshop (1)
Mr Luthando Phillip Jack	Eastern Cape Provincial Representative	01/12/2020	Active	<ul style="list-style-type: none"> i) Masters of Commerce: UKZN ii) BA in Philosophy: University of Stellenbosch iii) BTech in Public Management: PE Technikon iv) ND in Public Management and Administration: Eastern Cape Technikon 	<ul style="list-style-type: none"> i) Organizational Compliance ii) Governance iii) Institutional Development 	<ul style="list-style-type: none"> i) Boxing South Africa ii) Chris Hani Co-operative Development Centre 	None	5/6
Dr Rev Vikinduku Mnculwane	Kwa Zulu-Natal Provincial Representative	01/12/2020	Active	<ul style="list-style-type: none"> i) Doctor of Administration: UKZN ii) Masters of Public Administration: University of Stellenbosch iii) Master of Theology: Univ. of Natal iv) BTh Honours: UNISA v) BA Hons Public Administration: University of Stellenbosch vi) PG Diploma Monitoring and Evaluation: University of Stellenbosch 	<ul style="list-style-type: none"> i) Public Policy ii) Monitoring and Evaluation 	<ul style="list-style-type: none"> i) Council Chairperson: KZN Amafa Research and Institute 	None	3/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (3), Special Meetings (4) and 3 Days Workshop (1)
Mr Onkabetse Wordsworth Mereki	Northern Cape Province Representative	01/12/2020	Active	i) B Soc Sci: University of North West	i) Public Administration ii) Heritage Services	i) Member: N. Cape Heritage Authority ii) Member: McGregor Museum iii) Chairperson: Legadima Industrial iv) Managing Member: Woxbricks Trading v) Member: Nkgodisana Social Connections	None	6/6
Hosi Adv Aarone Mahumani	Limpopo Province Representative	01/12/2020	Active	i) LL.M: Limpopo University in collaboration with Potchefstroom ii) B Juris Degree: University of Zululand iii) Post Graduate Diploma I Labour Law: University of Limpopo	i) Legal Administrative Issues ii)	i) Director: Mahumani Empowerment Services Centre ii) Board Member: Limpopo Gambling Board iii) Board Member: Dept. of Justice	None	6/6

Council Committees

In its operations, the Council is assisted by five committees. The committees are as follows:

- a. **Audit and Risk Committee (ARC)** - Assists the Council in fulfilling its responsibilities and provides oversight on related audit, finance, performance and risk matters. The ARC's charter is aligned to the duties prescribed by the PFMA and Treasury Regulations.
In the period under review, the term of the ARC came to an end after the Council was dissolved on 21 August 2021 and an Administrator was appointed. The ARC was deemed to also have been dissolved by virtue of the Council dissolution. The matter was verified with National Treasury who indicated that if the Council had been legally dissolved, so was the ARC.
- b. **Heritage Programmes, Projects and Research Committee** - Oversees the management of heritage in relation to the mandate of the NHC in the implementation of the coordination, promotion, funding, conservation, transformation and development of heritage in the Republic of South Africa.
- c. **Repositioning and International Relations Committee** - Oversees the NHC's engagement with international bodies, organisations, experts, programmes and projects on heritage management, ensures the sustainability of the NHC and provides advice and guidance on marketing and communications.
- d. **Corporate Services and Finance Committee** - Responsible for the determination and making recommendation for approval by the Council on sound human resources and remuneration philosophy, strategy and policies; reviews and monitors the integrity of NHC's monthly, quarterly and annual financial statements and any other formal announcements relating to the NHC's financial performance.
- e. **Social and Ethics Committee** - Responsible for ensuring that the NHC conducts its business responsibly and with regard for ethical standards and social responsibility.

All the committees operate according to approved Terms of Reference, which are set out in the respective mandates.

INTERNAL CONTROLS

There were some deficiencies with internal controls in the year under review, which were noted by the AGSA. These are being attended to. The process includes the review and updating of all internal policies and charters, which will be approved by the Council in the 2021/22 financial year.

INTERNAL AUDIT

The Internal Audit Function was outsourced for three quarters of the financial year to Rakoma & Associates. In December 2020 the function was in-sourced through the Internal Audit Coordinator. The AGSA noted challenges with this, including the issue of insufficient independence. Following this, the Internal Audit Function is being outsourced until the NHC is ready to have a fully-fledged in-house internal audit function

Composition of Council Committees

Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working sessions held	No. of members	Names of members
Heritage Programmes Projects and Research Committee.	1	0	0	0	9	Chief L Matsila (Chairperson) Mr. K Seleke Ms. L Robinson Prof T Meyiwa Mr. T Tsehlana Mr. T Dlamini Ms. K Modise Mr. M Metuse Mr. P Tsebe
Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working sessions held	No. of members	Names of members
Repositioning and International Relations Committee.	1	0	0	0	6	Mr. M Metuse - Chairperson Chief L Matsila Ms. L Robinson Mr. K Seleke Ms. S Mabilane Mr. P Tsebe Mr. T Tsehlana Adv R Solomons

Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of task team sessions held	No. of members	Names of members
Corporate Services and Finance Committee.	1	1	0	0	7	Mr. M Makhweyane – Chairperson Ms. Keneilwe Modise Ms. S Mabilane Mr. T Dlamini Mr. K Seleke Mr. M Metuse Mr. P Tsebe
	0	0	1	1	8	Members appointed 01/12/2020 1. Ms. S Mabilane – Chairperson 2. Mr. M Makhweyane 3. Dr. Adv M Makhura 4. Mr. O Mereki 5. Ms. L Moroane 6. Mr. J Sithole 7. Mr. L Jack 8. Adv R Solomons
Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working sessions held	No. of members	Names of members
Social and Ethics Committee	0	0	0	0	3	Prof T Meyiwa Ms. S Mabilane Mrs. R Gani

Committee	No. of ordinary meetings held	No. of special/teleconferencing meetings held	No. of workshops held	No. of round-robin sessions held	No. of members	Names of members
Audit and Risk Committee.	5	0	1	0	6	Independent Members i) Ms. N Sizani – Chairperson iii) Mr. Y Haffejee iii) Ms. P Mushwana Council Members iv) Mr. T Dlamini v) Mrs. R Gani vi) Ms. N Madiba

Profile of the Audit and Risk Committee

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Resignation Date	Qualifications	Area of Expertise	Board Directorship	Other Committee's (e.g. Audit Committee)	No. of Meetings attended out of 3 sittings
Ms. Nontlaza Nosisa Joyce Sizani	External/Independent Member.	01/01/2020 – 31/12/2022	Minister dissolved the Council with all its Sub Committees on 21 August 2020	i)AGA (SA) ii)Cert. Director (IoDSA) iii)B Compt Hons/CTA: UNITRA iv)BComm: UNITRA v)Senior Secondary Teachers Diploma: UNITRA vi)PG Diploma in Management: UKZN vii)Certificate of Competence: Intro to Property Investment and Practice: WITS	i) Internal Financial and Risk Management ii) Internal and External Audit iii) Budgeting iv) Cash Management and Policy Development v) Project and Structured Finance vi) Credit Ratings Advisory	i) Executive Director: Nakupenda Investments ii) NED: Dezzo Holdings iii) Executive Director: Invest Wealth	i) NHC Audit and Risk Committee	3/3
Ms. Portia Mushwana	External/Independent Member.	01/01/2020 – 31/12/2022	Minister dissolved the Council with all its Sub Committees on 21 August 2020	i) CISA: ISACA ii) BSC Comp Science: UP iii) BCom Hons: UP iv) Hons Comp Auditing: Wits University	IT Audit, IT Risk Management, IT Compliance, IT Governance	i) Director of Ntsetselelo Accounting	NHC Audit and Risk Management Committee Member	3/3

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Resignation Date	Qualifications	Area of Expertise	Board Directorship	Other Committee's (e.g. Audit Committee)	No. of Meetings attended out of 3 sittings
Mr. Yaasir Haffejee	External/Independent Member.	01/01/2020 – 31/12/2022	Minister dissolved the Council with all its Sub Committees on 21 August 2020	i) BCom Hons (Accounting): Natal University ii) CA(SA): SAICA iii). CIA: IIA iv). CRMA: IIA v). CFE: ACFE vi). MCom (Taxation): NMMU	Accounting, External and Internal Auditing, Performance Information and Reporting	None	NHC Audit and Risk Management Committee Member	3/3

5. MANAGEMENT COMMITTEES

In the 2020/21 financial year, the following committees were in place to support management in the execution of their duties

Risk Management Committee – Responsible for assisting the CEO and management in discharging the accountability for risk management by reviewing the effectiveness of the NHC's risk management systems, practices and procedures, and providing recommendations for improvement. The Committee also compliments the work done by the Internal Audit function of the NHC and reports to the ARC. The Committee is chaired by an Independent Chairperson who is a member of the Audit and Risk Committee.

Funding and Fundraising Committee – Responsible for adjudication of proposals received from the annual public call for applications for funding of community heritage projects. The Committee also compliments resource mobilisation efforts of management and the Council.

Heritage Panel of Experts – Responsible for provision of expert advice and technical expertise on heritage programmes and projects, as well as contributing to their development and implementation. It also provides assistance in conducting research and development of publications, including draft policy frameworks. Furthermore, the Panel reviews and conducts quality assurance of work produced, including research work and publications.

6. COMPLIANCE WITH LAWS AND REGULATIONS

The National Heritage Council strives to comply with relevant legislation and regulatory imperatives applicable to it including but not limited to The National Heritage Council Act 11 of

1999, Public Finance Management Act (PFMA), National Treasury Regulations and Practice Notes, Companies Act 71 of 2008, King I-IV Report, relevant Labour laws, Health and Safety Laws, Procurement Prescripts, Broad-Based Black Economic Empowerment (BBBEE), etc.

7. FRAUD AND CORRUPTION

To mitigate the risk of fraud and corruption the following instruments are in place:

- I. Fraud Prevention Policy, Strategy and Implementation Plan that are aimed at mitigating the risk of fraud and corruption;
- II. Anti-Fraud and Corruption Policy;
- III. Code of Ethics and Business Conduct; and
- IV. Risk Management Plan.

The report on fraud and corruption is a standing item on the agenda of the quarterly Audit and Risk Committee meetings. Furthermore, the DSAC has made its hotline for whistleblowing available to all its entities, including the NHC. During the period under review, no cases were reported to the hotline.

8. MINIMISING CONFLICT OF INTEREST

All NHC employees and Council members sign Declaration of Interest Forms in accordance with the National Heritage Council Act No.11 of 1999.

- Bid Evaluation Committee: At every meeting before bids are evaluated, members are given forms to sign declaring that they have no interest in the outcome of the bid;
- Bid Adjudication Committee: Once the Bid Evaluation Committee has finalised its work, the process goes to the Bid Adjudication Committee and members are also required to sign declaratory forms indicating that they have no interest in the outcome of the tender;
- On an annual basis, all Council and NHC staff members

declare their interest; and.

- A gift register for staff members to declare gifts received is in place.

9. CODE OF CONDUCT

The Council has an approved Code of Conduct and Ethics Policy in place. However, these policies need to be reviewed.

10. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The HR Management Unit is responsible for facilities management to ensure that health, safety and environmental issues are addressed.

11. COUNCIL SECRETARIAT

The Council Secretariat (previously Company Secretariat) function is in-house reporting functionally to the Council and administratively to the CEO, is responsible for ensuring that the Council complies with all applicable legal and statutory requirements and policy imperatives. The Council Secretary keeps Council members informed of their legal responsibilities, ensures the smooth running of Council activities, advises on Council procedures and adherence to legislative requirements, and ensures that Council and Committee resolutions are communicated to the relevant stakeholders and implemented timeously.

In the period under review there was an Acting Council Secretary, following the resignation of the then Council Secretary. The appointment of the new Council Secretary is underway. The Council Secretary endeavours to uphold the highest level of integrity as enshrined in the King I-IV Reports on Corporate Governance.

12. AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (ARC) consisted of six (6) members, made up of three (3) independent non-Council members and three (3) members representing Council. However, with the dissolution of the Council by the Minister of Sport, Arts, and Culture on 21 August 2021 and the appointment of Administrators, the then ARC was deemed to have been dissolved. A new Audit and Risk Committee was appointed in April 2021.

In terms of Section 77(b) of the Public Finance Management Act (PFMA), an audit committee must meet at least twice a year. In addition, Treasury Regulation 27 provides that an audit committee must meet at least annually with the Auditor General. Before its dissolution, the then ARC had met three (3) times during the year under review in compliance with the PFMA.

Audit and Risk Committee Responsibility

At the end of the 2020/21 financial year, the ARC was not in place and its functions were performed by the Administrator appointed by the Minister upon dissolution of Council. Unfortunately, the Charter was not reviewed in the 2020/21 financial year.

Risk Management

The entity risk management was affected by the dissolution of the Council in 2020. The Risk Management Committee which reported to the Audit and Risk Committee was not effective. However, management had continued to monitor the strategic and operational risks faced by the entity throughout the financial year

Effectiveness of Internal Control

Before its dissolution ARC strived to ensure that there is reasonably effective monitoring over the system of internal controls in place to mitigate risks as reported by Internal and external Auditors to an acceptable level.

In line with the PFMA, the internal audit coverage plan was informed by the risk management process. The coverage plan included the following reviews:

- Human Resources Management;
- Supply Chain Management;
- Performance Information;
- Projects and Programmes (Core Business);
- Financial Controls; and
- Information Technology General Controls.

However, at the end of the contract of the Internal Audit Service provider in December 2020, the above plan was not implemented. Management also sought to in-source internal Audit by appointing an Internal Audit Coordinator which was not sufficient to ensure adequate coverage.

In-Year Management and Monthly/Quarterly Reports

The NHC submitted Quarterly Reports approved by the Administrator and the Accounting Authority upon their appointment to the Executive Authority as required by the PFMA. However, due to the absence of an effective Internal Audit and Audit and Risk Committee, there was no independent assurance provided on the quality and accuracy of the reports submitted.

Evaluation of Annual Financial Statements

A new Audit and Risk Committee was appointed in April 2021 on time to provide oversight on the annual financial and performance reporting for 2020/21. The ARC reviewed and recommended the Unaudited Annual Financial Statements to the Council for approval and submission to the AGSA for the annual audit and was satisfied that they were in line with the quarterly reports submitted throughout the year under review. The ARC reviewed the accounting policies applied in the compilation of the Annual Financial Statements and it satisfied itself that the policies are consistent with those of prior years, and have been constantly applied following the National Treasury Guidelines.

Auditor's Report

The Audit and Risk Committee accepts the conclusions of the AGSA regarding the Annual Financial Statements and the Annual Performance Report and is of the opinion that the Audited Annual Financial Statements and Annual Performance Report be accepted and read together with the report of the AGSA.



Ms. Margaret Phiri
Chairperson
NHC Audit and Risk Committee
11 August 2021

B-BBEE Compliance Performance Information

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 - 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The NHC is the process of developing Terms of Reference (ToRs) in respect of the appointment of a service provider to assist the organisation in developing the criteria.
Developing and implementing a preferential procurement policy?	Yes	The NHC is the process of developing Terms of Reference (ToRs) in respect of the appointment of a service provider to assist the organisation in developing the criteria.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	Yes	The NHC is the process of developing Terms of Reference (ToRs) in respect of the appointment of a service provider to assist the organisation in developing the criteria.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	Yes	The NHC is the process of developing Terms of Reference (ToRs) in respect of the appointment of a service provider to assist the organisation in developing the criteria.

PART D:
**HUMAN
RESOURCE
MANAGEMENT**



1. INTRODUCTION

The primary objective of the Human Resources Unit is to ensure that the NHC has the right people in the right roles to enable it to effectively deliver on its mandate and strategic objectives. Following the job evaluation that was undertaken to migrate staff to the new organisational structure, some employees were not satisfied and appealed to the Review Committee set up by the CEO. A service provider was appointed and made recommendations on how best to attend to the appeals; however, the process was not concluded by year-end. In the year under review several staff engagement sessions led by the then CEO took place as part of change management focusing on:

- Employee awareness on the organisational changes underway;
- Ensuring employee readiness
- Employee participation in designing the future state
- The staff sessions were complemented with one-on-one feedback sessions.
- The staff complement of the NHC was 31 at the end of the 20/21 financial year. The CEO resigned in August 2020 and an Acting CEO was appointed. Council finalised the appointment of the new CEO.

Only three staff members were able to undertake training and development due to the Covid-19 pandemic.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel cost by programme

Programme	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average cost per employee (R'000)
CEO's Office.	7 507	6 894	13%	4	1724
Heritage.	9 182	4 998	10%	6	833
Corporate Services.	20 619	7 123	14%	11	648
Marketing.	2 229	1 864	4%	2	932
Funding.	3 545	2 701	5%	3	900
RLHR.	3 441	3 434	7%	3	1145
Company Secretariat.	5 196	1 362	26%	2	681
Total	51 719	28 376	55%	31	915

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average cost per employee (R'000)
Top Management.	1 949	7%	1	1 949
Senior Management.	16 710	59%	12	1 393
Professional qualified.	2 058	7%	2	1 029
Skilled.	7 073	25%	13	544
Semi-skilled.	244	1%	1	244
Unskilled.	342	1%	2	171
Total	28 376,00	100%	31	915

Performance Rewards

Programme	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management.	-	1 949	0%
Senior Management.	964	16 710	3%
Professional qualified.	141	2 058	0%
Skilled.	365	7 073	1%
Semi-skilled.	18	244	0%
Unskilled.	25	342	0%
TOTAL	1 513	28 376	5%

Training Costs

Directorate/ Business Unit	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
CEO's Office.	6 894	169	2	2	85
Heritage.	4 998	-	-	-	-
Corporate Services.	7 123	-	-	-	-
Marketing.	1 864	-	-	-	-
Funding.	2 701	-	-	-	-
RLHR.	3 434	17	0	1	17
Company Secretariat.	1 362	-	-	-	-
Total	28 376	186	1%	3	62

Employment and vacancies

Programme	20/2021 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Top Management.	1	1	1	0	
Senior Management.	12	16	12	4	
Professional Qualified.	2	16	2	14	
Skilled.	13	19	13	6	
Semi-Skilled.	1	1	1	-	

Programme	20/2021 No. of Employees	2020/2021 Approved Posts	2020/2021 No. of Employees	2020/2021 Vacancies	% of vacancies
Unskilled.	2	2	2	-	
TOTAL	31	55	31	24	

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management.	1	-	-	1
Senior Management.	12	-	-	12
Professional qualified.	2	-	-	2
Skilled.	8	5	-	13
Semi-skilled.	1	-	-	1
Unskilled.	2	-	-	2
Total	26	5	0	31

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death.	-	-
Resignation.	1	100%
Dismissal.	-	-
Retirement.	-	-
Ill health.	-	-
Expiry of contract.	-	-
Other.	-	-
Total	1	100%

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning.	-
Written Warning.	3
Final Written warning.	-
Dismissal.	-

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management.	1	1	-	-	-	-	-	-
Senior Management.	12	13	-	1	-	1	-	1
Professional qualified.	2	11	-	1	-	1	-	1
Skilled.	13	11	-	-	-	1	1	1
Semi-skilled.	1	1	-	-	-	-	-	-
Unskilled.	2	2	-	-	-	-	-	-
Total	31	39	-	2	-	3	1	3

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management.	-	-	-	-	-	-	-	-
Senior Management.	5	6	-	1	-	1	-	1
Professional qualified.	-	2	-	1	-	1	-	1
Skilled.	4	5	-	1	-	1	1	1
Semi-skilled.	1	1	-	-	-	-	-	-
Unskilled.	1	1	-	-	-	-	-	-
TOTAL	11	15	-	3	-	3	1	3

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management.	-	-	-	-
Senior Management.	-	2	-	2
Professional qualified.	-	2	-	2
Skilled.	-	3	-	3
Semi-skilled.	-	-	-	-
Unskilled.	-	-	-	-
TOTAL	-	7	-	7

PART D: **FINANCIAL INFORMATION**



Report of the auditor-general to Parliament on the National Heritage Council of South Africa

Report on the audit of the financial statements Opinion

1. I have audited the annual financial statements of the National Heritage Council, set out on pages 64 to 104, 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 information with actual information 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 Heritage Council 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).

Context for the 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 matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 35 to the financial statements, the corresponding figures for 31 March 2020 have been restated as a result of errors in the financial statements of the public entity at, and for the year ended, 31 March 2021.

Other matter

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

Supplementary information

9. The supplementary information set out on pages 105 to 108 does not form a part of the annual financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting authority for the financial statements

10. 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 the financial statements that are free from material misstatement, whether due to fraud or error.

11. 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

12. 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.
13. 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

14. 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.

15. 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.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the public entity's annual performance report for the year ended 31 March 2021:

Programmes	Pages in the annual performance report
Programme 2- heritage promotion	22 - 26

17. 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.
18. I did not raise any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 2 - heritage promotion.

Other matter

19. I draw attention to the matters below.

Achievement of planned targets

20. Refer to the annual performance report on pages 18 to 26 for information on the achievement of planned targets for the year and management's explanations provided for the under achievement of targets.

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 2 - heritage promotions. As management subsequently corrected the misstatements, I did not raise any finding of the usefulness and reliability of the reported performance information.

**Report on the audit of compliance with legislation
Introduction and scope**

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

24. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the administrator's report and the chief executive officer's 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.

25. 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.
26. 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.
27. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate this to those charged with governance and request that this other information be corrected. If the other information is not corrected, I may have to retract this audit report and re-issue an amended report as necessary. However, if it is corrected this will not be necessary.

Internal control deficiencies

28. 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.

Other reports

29. I draw attention to the following engagement conducted by a party which had, or could have, an impact on the matters reported in the public entity's financial statements, reported performance information, compliance with

applicable legislation and other related matters. This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

30. During the year under review, an independent forensic audit firm was appointed to investigate allegations of fraudulent activities at the public entity. At the date of this auditors' report, the outcome of this investigation was not yet known.

Auditor-General

Pretoria

20 August 2021



**AUDITOR-GENERAL
SOUTH AFRICA**
Auditing to build public confidence

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 Heritage Council to continue as 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 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.

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STATEMENT OF RESPONSIBILITY for the year ended 31 March 2021

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the accounting standards applicable to the public entity.

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

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

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

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



MS L. MABE
ACTING CHIEF EXECUTIVE OFFICER



MR E. NELUVHALANI
CHAIRPERSON OF COUNCIL

STATEMENT OF FINANCIAL POSITION as at 31 March 2021

ASSETS	NOTES	2021 R '000	2020 R '000
Non-current assets		3,390	4,412
Property, plant and equipment	2	3,067	4,264
Intangible assets	3	323	148
		67,604	49,115
Current assets			
Receivables from exchange transactions	4	314	248
Receivables from non- exchange transactions	5	811	21,209
Prepayments and advances	6	16,923	17,088
Cash and cash equivalents	7	49,556	10,570
		70,994	53,527
Total Assets			
LIABILITIES			
Non-current liabilities		420	720
Deferred income/unspent conditional grants/transfers and receipts	9	420	720
		50,773	49,779
Current liabilities			
Payables from exchange transactions	8	10,289	7,227
Deferred income/unspent conditional grants/transfers and receipts	9	37,452	38,308
Finance lease obligation	10	-	146
Leave Accrual	11	1,450	916
Performance Bonuses	12	1,582	3,182
		51,193	50,499
Total Liabilities			
TOTAL NET ASSETS		19,801	3,028
Accumulated Surplus		19,801	3,028
NET ASSETS		19,801	3,028

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021

	NOTES	2021 R '000	2020 R '000
TOTAL REVENUE		68,492	72,597
Non-exchange revenue		68,124	72,245
Government grant/Transfer – Department of Sport, Arts and Culture	13	66,968	71,353
Amortised Government/Transfers/ Partnerships - Other	14	1,156	892
Exchange revenue		368	352
Other income	15	98	1
Interest received	16	270	351
TOTAL EXPENSES		(51,719)	(70,125)
Operating expenses	17	(5,864)	(19,140)
Administrative expenses	18	(12,468)	(15,807)
Employee related costs	19	(29,038)	(31,299)
Operating lease expenses	20	(2,711)	(2,688)
Finance costs	21	(8)	(26)
Depreciation	22	(1,485)	(1,082)
Amortisation	23	(145)	(83)
SURPLUS FOR THE YEAR		16,773	2,472
SURPLUS FOR THE YEAR			
Attributable to:			
Owners of the controlling entity		16,773	2,472
		16,773	2,472

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2021

Balance at 1 April 2019

Surplus for the period

Balance at 31 March 2020

Surplus for the period

Balance at 31 March 2021

Accumulated Surplus	Total net Assets
R '000	R '000
556	556
2,472	2,472
3,028	3,028
16,773	16,773
19,801	19,801

CASH FLOW STATEMENT for the year ended 31 March 2021

	NOTES	2021 R '000	2020 R '000
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS		89,091	73,292
Government Grant/Transfer – Department of Sport, Arts and Culture	13	66,968	71,353
Other Receipts		33	90
Conditional Grants/Transfers/ Partnerships		21,398	628
Interest Received		692	1,221
CASH PAID TO SUPPLIERS AND EMPLOYEES		(49,351)	(83,094)
Employee Related Costs		(28,393)	(30,970)
Suppliers		(20,950)	(52,098)
Interest Paid		(8)	(26)
NET CASH FLOW FROM OPERATING ACTIVITIES	25	39,740	(9,802)
CASH FLOW FROM INVESTING ACTIVITIES		(608)	(2,685)
Acquisition of Property, plant and equipment	2	(288)	(2,588)
Acquisition of Intangible assets	3	(320)	(97)
Proceeds or Loss on disposal of Property, plant and equipment		-	-
CASH FLOW FROM FINANCING ACTIVITIES		(146)	(158)
Payment for finance lease		(146)	(158)
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS		38,986	(12,645)
Cash and Cash Equivalents at the beginning of the year		10,570	23,215
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	49,556	10,570

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS for the year ended 31 March 2021

	Approved Budget R '000	Adjustments R '000	Final Budget R '000	Actual R '000	Variance R '000
REVENUE					
TOTAL REVENUE	74,172	(6,048)	68,492	68,492	368
Non-exchange revenue	74,172	(6,048)	68,124	68,124	-
Government grant/Transfer -Department of Sport, Arts and Culture	74,172	(7,204)	66,968	66,968	
Amortised Government/Transfers Partnerships – Other	-	1,156	1,156	1,156	-
Exchange revenue				368	368
Other income	-	-	-	98	98
Interest received	-	-	-	270	270
EXPENSES					
TOTAL EXPENSES (Excluding CAPEX)	(73,161)	6,048	(67,113)	(51,719)	(15,394)
Operating expenses	(24,791)	1,897	(22,894)	(5,864)	(17,030)
Administrative expenses	(15,939)	1,947	(13,992)	(12,468)	(1,524)
Employee related costs	(29,963)	2,204	(27,759)	(29,038)	(1,279)
Operating lease expenses	(2,468)	-	(2,468)	(2,711)	(243)
Finance costs	-	-	-	(8)	(8)
Depreciation	-	-	-	(1,485)	(1,485)
Amortisation	-	-	-	(145)	(145)
SURPLUS FOR THE YEAR	1,011	-	1,011	16,773	15,762
Capital Expenditure	1,011	-	1,011	(633)	378

See Note 34 for significant budget variance explanations:

Transfers and Partnerships 34 (a), (b) & (c), Operating Expenses 34 (d), Administrative Expenses 34 (e) & Employee related costs 34 (f)

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements are presented in accordance with the prescribed Standards of Generally Recognised Accounting Practice (GRAP), and the provisions of the Public Finance Management Act (Act 1 of 1999), as amended, as well as other applicable legislation, including any interpretations of such Statements issued by the Accounting Practices Board. The preparation of annual financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the annual financial statements are disclosed in the relevant notes.

The cash flow statement can only be prepared in accordance with the direct method.

Accounting policy developments include new standards issued, amendments to standards, and interpretation issued on new standards. These developments resulted in the first time adoption of new standards, the restatement of prior year where applicable. Management assessed the impact of all new standards issued, amendments to standards, and interpretations issued on current standards.

Effect of new Standards of GRAP issued

At the date of approval of these annual financial statements, the following standards were issued but not yet effective. These approved standard of GRAP are not likely to affect Annual Financial Statements when they are adopted since accounting policies have been determined based on the principles in these standards:
Standards

GRAP 25: Employee Benefits GRAP 104: Financial Instruments

1.1 Basis of Preparation

The annual financial statements have been prepared on the historical cost basis, except where stated otherwise. These annual financial statements are presented in South African Rands. The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The following are the principal accounting policies used by the National Heritage Council which are consistent with those of the previous year.

1.2 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 associated with the item will flow to the National Heritage Council; and
- The cost of the item can be measured reliably.

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.

Property, plant and equipment that qualifies as for recognition as an asset shall be measured at its cost.

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

The depreciable amounts of property, plant and equipment are allocated on systematic basis over their useful lives. The estimated useful lives are currently as follows:

Item	Average Useful life
Computer equipment	2 - 10 years
Office equipment	2 - 12 years
Motor vehicles	5 - 16 years
Furniture and Fittings	2 - 13 years
Leasehold Improvements	Remainder of lease period
Assets	3 years (33%)/ Lease term

Leasehold improvements and leased assets are depreciated over the period of the building lease agreement and lease term respectively. For all other categories, depreciation is provided on a straight-line basis over their useful life. Depreciation rates and residual values are considered annually and adjusted if appropriate.

The residual value and the useful life of each asset are reviewed at each financial period-end. 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 shall be depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset. The gain or loss arising from de-recognition 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 de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceed, if any, and the carrying amount of the item.

ACCOUNTING POLICIES

1.3 Intangible Assets

An intangible asset is recognised when:

- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) 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;
- There are available technical, financial and other resources to complete the development and use or sell the asset; and
- The expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets. For all other intangible assets, amortisation is provided on a straight-line basis over their useful lives.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets on a straight-line basis, to their residual values. The estimated useful lives of intangible assets is currently as follows:

Item	Average useful life
Computer software	2 years

1.4 Financial Instruments

Initial Recognition and Measurement

Financial instruments are recognised initially when the National Heritage Council becomes a party to the contractual provisions of the instruments.

The National Heritage Council classifies financial instruments, or their component parts, on initial recognition as a financial asset or financial liability in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value. Financial assets and financial liabilities have not been offset in the Statement of Financial Position.

Trade and Other Receivables

Trade and other receivables are measured at initial recognition

at fair value, and are subsequently measured at amortised cost which, due to their short-term nature, closely approximates their fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other receivables are classified as loans and receivables. Other receivables consist of prepaid expenses and deposits relating to the provision of electricity and the leasing of premises. These receivables are stated at cost.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Trade and Other Payables

Trade and other payables are stated at fair value. Items classified within trade and other payables are not usually re-measured, as obligations are usually known with a high degree of certainty and its settlement is short term.

ACCOUNTING POLICIES

1.5 Taxation

Tax Expenses

The National Heritage Council is exempt from taxation in terms of Section 10(1)(cA)(i) of the Income Tax Act.

The National Heritage Council is exempt from the payment of Value Added Tax (VAT) on the transfers and subsidies received. As a result, any VAT paid by the National Heritage Council is also not refundable by South African Revenue Service.

1.6 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.

Operating Leases

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.

Finance Leases

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

1.7 Impairment of assets

The National Heritage Council assesses at each statement of financial position date whether there is any indication that an asset may be impaired. If any such indication exists, the National Heritage Council estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the National Heritage Council also:

- Tests intangible assets with an indefinite useful lives or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at year end and at the same time every period.

If there is an indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

1.8 Employee benefits

Short term benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and bonus), 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 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

Pension contributions are provided for employees by means of a defined contribution provident fund externally administered by Liberty Life. The defined contribution provident fund is governed by the Pension Funds Act, 1956. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.9 Accruals

Accruals are recognised when:

- The National Heritage Council has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of accruals is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required in settling a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation.

ACCOUNTING POLICIES

1.9 Accruals (continued)

The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursements shall not exceed the amount of the accruals. Accruals are not recognised for future operating deficits.

1.10 Revenue from Non-Exchange Transactions

Transfers and subsidies are recognised when there is reasonable assurance that:

- The National Heritage Council will comply with the conditions attaching to them; and
- The transfers and subsidies will be received.

Transfers and subsidies to which conditions are attached are recognised as revenue in the Statement of Financial Performance to the extent that the entity has complied with any criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions and obligations have not been met, a liability is raised in the Statement of Financial Position.

Unconditional transfers and subsidies are recognised as revenue in the Statement of Financial Performance at the earlier of the date of receipt or when the amount is receivable. All transfers and subsidies are recognised at fair value.

1.11 Revenue

Revenue comprises the fair value of considerations received or receivable in the ordinary course of the Council's business.

Revenue is also recognised as follows:

- Transfers and subsidies as stated in accounting policy 1.10

- Interest income is recognised in the statement of financial performance on a time proportionate basis using the effective interest rate method.

1.12 Comparative figures

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

The comparative figures shown in these financial statements are limited to the figures shown in the previous years audited financial statements and such other comparative figures that the National Heritage Council may reasonably have available for reporting in terms of the Public Finance Management Act (PFMA).

1.13 Fruitless and wasteful expenditure

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

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.

1.14 Irregular expenditure

Irregular expenditure as defined in Section 1 of the Public Finance Management Act (PFMA) is expenditure other than unauthorised expenditure, incurred in contravention of or is not in accordance with a requirement of any applicable legislation.

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year-end and/or before finalisation of the financial statements would also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is 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 would 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 have been updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which has not been condoned by the National Treasury or the relevant authority have been 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 have thereafter been taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority would write off the amount as bad debt and disclose such in the relevant note to the financial statements. The irregular expenditure register would also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto would 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.

ACCOUNTING POLICIES

1.15 Research and development expenditure

Research costs are charged against operating surplus as incurred.

Development costs are recognised as an expense in the period in which they are incurred unless the following criteria are met:

- The product or process is clearly defined and the costs attributable to the process or product can be separately identified and measured reliably;
- The technical feasibility of the product or process can be demonstrated;
- The existence of a market or, if to be used internally rather than sold, its usefulness to the entity can be demonstrated;
- Adequate resources exist, or their availability can be demonstrated, to complete the project and then market or use the product or process; and
- The asset must be separately identifiable.

Where development costs are deferred, they are written off on a straight-line basis over the life of the process or product, subject to a maximum of five years. The amortisation begins from the commencement of the commercial production of the product or use of the process to which they relate.

1.16 Judgments made by Management

In preparing the financial statements, management is required to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses, and related disclosures. Historical experience and various other factors believed to be reasonable under the circumstances are used in these instances. Actual results in the future could differ from these estimates. Significant judgment has been exercised in determining the following:

Fair value estimation

The amortised cost (using the effective interest method); less impairment provision of trade receivables and payables are assumed to approximate their fair values. The present value of future cash flows (using the effective interest method), is assumed to approximate the fair value of revenue and purchase transactions.

Impairment testing

The entity makes judgment as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Provisions

Provisions are based on estimates using the information available to management at reporting date.

1.17 Services received in kind

Services received in kind consist primarily of technical assistance received by the National Heritage Council and project group members. The National Heritage Council cannot reliably determine a fair value for this assistance, and as a result does not recognise the value of these services received in the Statement of Financial Performance.

1.18 Related Parties

The Council operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the constitutional

independence of all three spheres of government in South Africa, only national sphere of government will be related parties.

Key management is defined as being individuals with the authority and responsibility for planning, directing and controlling the activities of the entity. The Chief Executive Officer, Chief Financial Officer, Executive Core Business, Company Secretary and Head: Strategy Planning, Monitoring & Evaluation are the only positions regarded as being at key management level.

Close family members of key management are considered to be those family members who may be expected to influence, or be influenced by key management individuals or other parties related to the entity.

Related party transactions do not require disclosure if the transactions occurred in a normal supplier/client relationship with more or less favourable conditions and which occurred with normal operating parameters established by that reporting entity's legal mandate.

1.19 Finance Income

Finance income comprises interest receivable on positive bank balances and funds invested. Interest income is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

ACCOUNTING POLICIES

1.20 Material Losses

Material losses are losses incurred that do not comprise normal expenditure or income due to the Council and not recovered.

1.21 Contingent Liabilities

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

1.22 Budget Information

The National Heritage Council is subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by National Heritage Council shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

2. PROPERTY, PLANT AND EQUIPMENT

2021

	Leasehold Improvements	Furniture and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Leased Assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Opening Balances							
Cost	2,495	1,967	337	664	2,454	476	8,393
Accumulated depreciation	(221)	(1,472)	(89)	(503)	(1,500)	(344)	(4,129)
Carrying amount	2,274	495	248	161	954	132	4,264
Movements during the year	(499)	(291)	(42)	(71)	(162)	(132)	(1,197)
Additions	-	2	-	45	266	-	313
De-recognition/Disposal	-	(5)	-	(12)	(8)	-	(25)
Depreciation	(499)	(288)	(42)	(104)	(420)	(132)	(1,485)
Closing balances							
Cost	2,495	1,811	337	671	2,694	476	8,484
Accumulated depreciation	(720)	(1,607)	(131)	(581)	(1,902)	(476)	(5,417)
Carrying amount	1,775	204	206	90	792	-	3,067

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

2. PROPERTY, PLANT AND EQUIPMENT (continued) Leasehold Improvements

2020

	Leasehold Improvements	Furniture and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Leased Assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Opening Balances							
Cost	571	1,967	337	650	2,460	476	6,461
Accumulated depreciation	(535)	(1,336)	(22)	(442)	(1,129)	(185)	(3,649)
Carrying amount	36	631	315	208	1,331	291	2,812
Movements during the year	2,238	(136)	(67)	(47)	(377)	(159)	1,452
Additions	2,495	-	-	22	71	-	2,588
Derecognition/Disposal	-	-	-	(1)	(53)	-	(54)
Depreciation	(257)	(136)	(67)	(68)	(395)	(159)	(1,082)
Closing balances							
Cost	2,495	1,967	337	664	2,454	476	8,393
Accumulated depreciation	(221)	(1,472)	(89)	(503)	(1,500)	(344)	(4,129)
Carrying amount	2,274	495	248	161	954	132	4,264

A register containing the information required by section 55 of the Public Finance Management Act (PFMA) is available for inspection at the registered office of the National Heritage Council (NHC). The register reconciles to Note 2.

The NHC entered into a three (3) year rental agreement (leased assets) with Kopano Solutions t/a Nashua Kopano for five (5) photocopy machines effective from 1 February 2018 which ended on 31 January 2021. Refer to Finance Lease Obligation (See note 10)

The NHC has reassessed the useful lives of property, plant and equipment which resulted in certain assets remaining useful lives to change from their original estimates. Refer to Change in Accounting Estimates (See note 25)

Pledge as security

None of the Property, Plant and Equipment has been pledged as security for any liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

3. INTANGIBLE ASSETS

INTANGIBLE ASSETS- 2021

Opening Balance (Cost)
Opening balance (Accumulated Amortisation)
Carrying Amount (Opening Balances)
Additions
Disposals
Amortisation (During the year)
Carry Amount (Closing Balances)
Cost
Accumulated Amortisation

INTANGIBLE ASSETS - 2020

Opening Balance (Cost)
Opening balance (Accumulated Amortisation)
Carrying Amount (Opening Balances)
Additions
Disposals
Amortisation (During the year)
Carry Amount (Closing Balances)
Cost
Accumulated Amortisation

	2021 R '000	2020 R '000
		Total
Computer Software		
	705	705
	(557)	(557)
	148	148
	320	320
	-	-
	(145)	(145)
	323	323
	1,025	1,025
	(702)	(702)
		Total
Computer Software		
	608	608
	(474)	(474)
	134	134
	97	97
	-	-
	(83)	(83)
	148	148
	705	705
	(557)	(557)

A register containing the information required by section 55 of the Public Finance Management Act (PFMA) is available for inspection at the registered office of the National Heritage Council (HNC). The register reconciles to Note 3.

The NHC has reassessed the useful lives of intangible assets which resulted in certain assets remaining useful lives to change from their original estimates. Refer to Change in Accounting Estimates (See note 25)

Pledge as security

None of the Intangible assets have been pledged as security for any liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Sundry Debtors
Staff Debtors
Interest receivable

Financial assets

Pledge as security

None of the receivables from exchange transactions have been pledged as security for any liabilities.

5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Conditional Grant/Transfer Receivable
Less: Provision for Doubtful Debts – National Lotteries Commission Receivable

Financial assets

Pledge as security

None of the receivables from non-exchange transactions have been pledged as security for any liabilities.

	2021 R '000	2020 R '000
	241	145
	20	60
	53	43
	314	248

	811	21,689
	-	(480)
	811	21,209

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

6. PREPAYMENTS AND ADVANCES

	2021 R '000	2020 R '000
Deposit for rent	150	378
Prepayments and advances	16,773	16,710
	16,923	17,088

Included under prepayment and advances is R 11,650 million of disbursed funds to provincial government departments on ring-fenced conditional funds relating to Department of Sport, Arts and Culture for the implementation of Resistance and Liberation Heritage Route (Project Management Office).

Cash on hand	5	5
Cash at bank	49,550	10,560
Funds held on call deposit	1	5
<i>Financial assets</i>	49,556	10,570

8. PAYABLES FROM EXCHANGE TRANSACTIONS

<i>Financial liabilities</i>	9,661	6,893
Trade payables	7,021	5,964
Salary related payables	2,640	929
<i>Other Payables</i>	628	334
Operating lease payables	628	334
<i>Financial liabilities</i>	10,289	7,227

The operating lease is straight lined.

Included under trade payables is R 3,359 million of accumulated interest earned on ring-fenced conditional funds relating to Department of Sport, Arts and Culture. See Note 27 on Financial Instruments on how risk is managed in relation to the financial assets listed above

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

9. DEFERRED INCOME/UNSPENT CONDITIONAL GRANTS/TRANSFERS

	2021 R '000	2020 R '000
Balance at the beginning of the year	39,013	39,013
Conditional Grant/Transfers – Department of Sport, Arts and Culture (PMO)	39,013	39,013
Conditional Grants/Transfers - National Lotteries Commission	15	15
Movement during the year - Receipts	-	20,398
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO) – Receivable	-	20,398
Movement during the year - Amortized	(1,156)	(2,427)
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO) – Revenue	(1,156)	(892)
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO) – Receivable	-	(1,535)
Balance at year end	37,872	39,028
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	37,857	39,013
Conditional Grants/Transfers - National Lotteries Commission	15	15
Current portion	37,452	38,308
Non-current portion	420	720
	37,872	39,028

The National Heritage Council (NHC) received conditional or ring-fenced grants from Executive Authority or Shareholder (Department of Sport, Arts and Culture (DSAC)) for the implementation of the Resistance and Liberation Heritage Route – Project Management Office (PMO). In total the NHC received R 41,548 million to date from DSAC for the PMO (R21,150 million in 2017/18 and R 20,398 million in 2020/21)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

10. FINANCE LEASE OBLIGATION

Minimum Lease payments due

- Within one year
- In second to fifth year inclusive

Less: Future finance charges

Present value of future minimum lease payments

Present value of minimum lease payments due

- Within one year
- In second to fifth year inclusive

Current portion of finance lease obligation

Non-current portion of finance lease obligation

	2021 R '000	2020 R '000
	-	153
	-	-
	-	153
	-	(7)
	-	146
	-	146
	-	-
	-	146
	-	146
	-	-
	-	146

It is National Heritage Council policy to lease certain equipment under finance leases:

Entered into a rental operational agreement with Kopano Solutions t/a Nashua Kopano for five (5) photocopier machines effective from 1 February 2018. The contract is for a period of 3 years (36 months) at R 183,625 per annum. The lease is accounted for as a finance lease since the lease term is for the major part of the economic life of the assets, even though the title to the asset may not be transferred on expiry of the lease term. Additional finance costs are charged by the lessor which based on the prime rate, thus attracting additional finance costs which are not included in the above reconciliation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

11. LEAVE ACCRUAL

Opening balances

Leave accrual

Additions

Leave accrual

Utilised

Leave accrual

Reversed

Leave accrual

Closing balances

Leave accrual

	2021 R '000	2020 R '000
	916	774
	916	774
	1,450	916
	1,450	916
	(213)	(63)
	(213)	(63)
	(703)	(711)
	(703)	(711)
	1,450	916
	1,450	916
	1,450	916

Employees are entitled to 21,96 working days of annual leave. The leave is allocated at a monthly rate of 1,83 days. The annual leave cycle is the period from 1 April of one year to 31 March of the following year. All employees must utilise their accrued leave within six (6) months after the annual leave i.e. accrued leave must be utilised before 30 September of the following year. Should such leave not be utilised, it is forfeited.

The NHC does not pay employees in respect of unutilised leave balances except on termination employment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

12. PERFORMANCE BONUSES

Opening balances

Performance Bonuses

Additions

Performance Bonuses

Utilised

Performance Bonuses

Reversed

Performance Bonuses

Closing balances

Performance Bonuses

	2021 R '000	2020 R '000
	3,182	3,017
	3,182	3,017
	1,582	3,182
	1,582	3,182
	(1,513)	(3,017)
	(1,513)	(3,017)
	(1,669)	-
	(1,669)	-
	1,582	3,182
	1,582	3,182
	1,582	3,182

Performance bonus are payable in or around September after external audit outcome and on how employees performed against their performance targets. As at 31 March 2021, there was no certainty on the two prerequisites therefore a provision based on 7.5% of annual cash component was raised with an overall average rating of 3.8. and cost-of-living adjustment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

13. GOVERNMENT GRANT/TRANSFER

Grant/Transfer received – Department of Sport, Arts and Culture

2021 R '000	2020 R '000
66,968	71,353
66,968	71,353

14. AMORTISED GOVERNMENT/TRANSFERS/PARTNERSHIPS - OTHER**AMORTISED GRANT/TRANSFER/PARTNERSHIPS - OTHER**

Department of Sport, Arts and Culture - Resistance & Liberation Heritage Route (Project Management Office/PMO)

1,156	892
1,156	892

15. OTHER INCOME

Sundry Income

Gain on Disposal of assets

85	1
13	-
98	1

16. INTEREST RECEIVED

Interest received

270	351
------------	------------

Interest revenue comprises of interest received on positive bank balances and funds invested on one-day call account. Interest revenue is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

17. OPERATING EXPENSES

Legal fees

Heritage projects and programmes

Staff training and development

Maintenance, repairs and running costs

343	-
5,005	18,569
273	319
243	252
5,864	19,140

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

18. ADMINISTRATIVE EXPENSES

General and Administrative expenses
Loss on disposal of assets
Travel and Accommodation

	2021 R '000	2020 R '000
	12,168	13,082
	-	23
	300	2,702
	12,468	15,807

19. EMPLOYEE RELATED COSTS

Basic salaries
Acting Allowance
Overtime
Employees contributions - Provident Fund
Employees contributions - UIF
Leave and bonus
Employer contributions - Provident Fund
Employer contributions - UIF
Employer contributions - SDL
Employer contributions - Medical Aid

	23,203	22,629
	640	768
	26	41
	1,922	1,849
	61	55
	662	3,455
	1,922	1,849
	61	55
	193	274
	348	324
	29,038	31,299

Prior period disclosure note figures have been restated: Employees and Employer contributions (UIF) previously disclosed figure or amount - R137 thousand respectively and Employer contributions (SDL) previously disclosed figure or amount R 110 thousand.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

20. OPERATING LEASE EXPENSES

Office space

Parking

Refer to Operating Leases. (See note 24)

21. FINANCE COSTS

Interest paid on leased assets

22. DEPRECIATION

Motor vehicles

IT equipment

Office equipment

Furniture and fittings

Leasehold improvement

Leased assets - office equipment

23. AMORTISATION

Computer software

	2021 R '000	2020 R '000
	2,298	2,311
	413	377
	2,711	2,688
	8	26
	8	26
	42	67
	420	395
	104	68
	288	136
	499	257
	132	159
	1,485	1,082
	145	83

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

24. OPERATING LEASES

The National Heritage Council entered into a rental agreement with the Gremgrow Properties Limited, effective from 1 July 2019. The office lease contract is for sixty (60) months at a cost of R 2,264,580 per annum, escalating at 9% per annum.

Lease commitments (operating leases)

Up to one year

Later than one year and not later than 5 years

	2021 R '000	2020 R '000
	2,635	2,417
	6,003	8,638
	8,638	11,055

25. CASH GENERATED FROM OR (USED IN) OPERATIONS

(Deficit) / Surplus for the year

Adjustments for:

Depreciation – Property, Plant and Equipment

Amortisation - Intangible Assets

Movement in Leave and Bonuses Pay

(Gain) or loss of Derecognition of Property, Plant and Equipment

Other Non-Cash – Operating Lease Accrual

Other Non-Cash – Movement

Provision for Doubtful Debt

Debt Written-Off

Changes in working capital:

Trade and Other Receivables

Prepayments and Advances

Trade and Other Payables

	16,773	2,472
	(297)	19,829
	1,485	1,082
	145	83
	(1,066)	307
	(13)	53
	294	334
	(1,142)	17,970
	-	-
	-	-
	23,264	(32,103)
	20,332	(18,289)
	164	(13,346)
	2,768	(468)
	39,740	(9,802)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

26. RELATED PARTIES

Related party transactions (Receipts)

Grant/Transfer – Recurring expenditure – Department of Sport, Arts and Culture

Receivable from non-exchange – Department of Sport, Arts and Culture (Project Management Office)

Related party transactions (Payments)

None

	2021 R '000	2020 R '000
Grant/Transfer – Recurring expenditure – Department of Sport, Arts and Culture	66,968	71,353
Receivable from non-exchange – Department of Sport, Arts and Culture (Project Management Office)	-	20,398
	66,968	91,751

Nature:

The National Heritage Council is a schedule 3A public entity under the National Department of Sport, Arts and Culture. The Department of Sport, Arts and Culture acts on behalf of the Minister of Sport, Arts and Culture as Executive Authority and has the responsibility to make provision for funding the activities of the Council by way of a grant or transfer listed in the Estimates of National Expenditure. The National Heritage Council received R 66, 968 million (2021) and R 71,353 million (2020) as operational grant.

In addition, an allocation of R 20,398 million was set aside in 2019/20 and transferred in 2020/21 by the Department of Sport, Arts and Culture for the continued implementation of Resistance and Liberation Heritage Route (Project Management Office).

By virtue of the fact that the National Heritage Council is a national public entity and controlled by the national government, any other controlled entity of the national government is a related party. All transactions with such entities are at arm's length and on normal commercial terms, except where employees of national departments or national public entities participate in our processes and do not receive any remuneration. The National Department of Sport, Arts and Culture is the related party of the National Heritage Council.

Key management is defined as being individuals with the authority and responsibility for planning, directing and controlling the activities of the entity. The Chief Executive Officer, Chief Financial Officer, Executive Core Business, Company Secretary and Head: Strategy Planning, Monitoring & Evaluation are the positions regarded as being at key management level at the National Heritage Council.

Refer to key management disclosure. (See note 28 and 29)

27. FINANCIAL INSTRUMENTS

Liquidity risk

The National Heritage Council is only exposed to liquidity risk with regards to the payment of its trade payables. These trade payables are all due within the short-term. The National Heritage Council manages its liquidity risk by holding sufficient cash in its bank account, supplemented by cash available in a money market account.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The National Heritage Council only deposits cash with major banks with high quality credit standing and limits exposure to any other counter-party.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

Interest rate risk

This is a risk that fair value or future cash flows from financial instrument will fluctuate as a result of changes in the market interest rates. Values in the financial instruments may change, thus resulting in both potential gains and losses. The National Heritage Council's activities do not expose it to significant market interest rate risks. Therefore, there are no procedures in place to mitigate these risks.

Current and Call Account Interest Rate

A one percentage point increase/decrease in current account interest rate.

A one percentage point increase/ decrease in call account interest rate.

A one percentage point increase/ decrease in Finance Lease Agreement interest rate.

2021

Current & call account interest rate.			
Current Balance			
	R'000	R'000	R'000
Current bank and call account Balance	49,556	52,282	46,830
% change		5.5%	-5.5%
Finance lease agreement interest			
Current Balance			
Finance Lease Agreement	-	-	-
% change			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

27. FINANCIAL INSTRUMENTS (continued)

2020

Current & call account interest rate.			
Current Balance			
	R'000	R'000	R'000
Current bank and call account Balance	10,570	11,151	9,989
% change		5.5%	-5.5%
Finance lease agreement interest			
Current Balance			
Finance Lease Agreement	146	161	131
% change		10.5%	-10.5%

1) An analysis of the ageing of Debtors that are more than 30 days				
Debtors type	Total	Current	30-120	120+
	R'000	R'000	R'000	R'000
2021				
Staff Debtors	20	-	-	20
Sundry Debtors	241	118	-	123
Interest Receivable	53	53	-	-
Eastern Cape (Office of the Premier)	733	-	-	733
Mine, Health & Safety Council	78	-	-	78
Totals	1,125	171	-	954

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

2) An analysis of the ageing of Debtors that are more than 30 days				
Debtors type	Total	Current	30-120	120+
2020				
	R'000	R'000	R'000	R'000
Staff Debtors	60	60	-	-
Sundry Debtors	145	129	16	-
Interest Receivable	43	43	-	-
Eastern Cape (Office of the Premier)	733	-	-	733
Department of Sport, Arts and Culture	20,398	20,398	-	-
Mine, Health & Safety Council	78	-	-	78
Totals	21,457	20,630	16	811

3) Financial Assets Subject to credit risk				
Debtors type	Total	Fully Performing	Over 30 days but not Impaired	Impaired
2021				
	R'000	R'000	R'000	R'000
Staff Debtors	20	-	20	-
Other Debtors	241	-	241	-
Interest Receivable	53	53	-	-
Eastern Cape (Office of the Premier)	733	-	733	-
Mine, Health & Safety Council	78	-	78	-
Totals	1,125	53	1,072	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

3) Financial Assets Subject to credit risk

Debtors type	Total	Fully Performing	Over 30 days but not Impaired	Impaired
2020				
	R'000	R'000	R'000	R'000
Staff Debtors	60	60	-	-
Other Debtors	145	129	16	-
Interest Receivable	43	43	-	-
Eastern Cape (Office of the Premier)	733	-	733	-
Department of Sport, Arts and Culture	20,398	20,398	-	-
Mine, Health & Safety Council	78	-	78	-
Totals	21,457	20,630	827	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

4) Maturity Profile of Financial Instruments

31-Mar-21	1 year or less	1-5 years	Total
Assets			
	R'000	R'000	R'000
Trade and otherReceivables	1,125	-	1,125
Call Account	1	-	1
Current Account -National Lotteries Commission Funds	22	-	22
Current Account - Department of Sport, Arts and Culture -	19,483	-	19,483
Current Account - Department of Sport,Arts and Culture - Ring fenced	30,045	-	30,045
Partnerships - CurrentAccount	-	-	-
Cash on hand	5	-	5
Total Financial assets	50,681	-	50,681
Finance lease	-	-	-
Trade and otherPayables	10,289	-	10,289
Total Finance Liability	10,289	-	10,289
Net Financial Asset/ liability	40,392	-	40,392

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

27. FINANCIAL INSTRUMENTS (continued)

5) Maturity Profile of Financial Instruments

31-Mar-20	1 year or less	1-5 years	Total
Assets			
	R'000	R'000	R'000
Trade and other Receivables	21,457	-	21,457
Call Account	5	-	5
Current Account - Lotteries National Commission Funds	23	-	23
Current Account - Department of Sport, Arts and Culture -	551	-	551
Current Account - Department of Sport, Arts and Culture - Ring fenced	9,986	-	9,986
Partnerships - Current Account	1	-	1
Cash on hand	5	-	5
Total Financial assets	32,028	-	32,028
Liabilities			
Finance lease	(146)	-	(146)
Trade and other Payables	(7,227)	-	(7,227)
Total Finance Liability	(7,373)	-	(7,373)
Net Financial Asset/ liability	24,655	-	24,655

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

27. FINANCIAL INSTRUMENTS (Continued)

5) Line items presented in the statement of financial position summarised per category of Financial Instrument

2021			
	Carrying Amount	Adjustment	Fair value
	R'000	R'000	R'000
Financial Assets			
Cash and Cash equivalents	49,556	-	49,556
Trade and other receivables	1,125	-	1,125
Financial Liability			
Finance lease Agreement	-	-	-
Trade and other Payables	10,289	-	10,289

Line items presented in the statement of financial position summarised per category of Financial Instrument

2020			
	Carrying Amount	Adjustment	Fair value
	R'000	R'000	R'000
Financial Assets			
Cash and Cash equivalents	10,570	-	10,570
Trade and other receivables	21,457	-	21,457
Financial Liability			
Finance lease Agreement	146	-	146
Trade and other Payables	7,227	-	7,227

Pledge as security

None of the Financial Assets have been pledged as security for any liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

28. MEMBERS EMOLUMENTS - NON-EXECUTIVE 2021

Names and Designations	Honoraria R'000	Travel R'000	Honoraria Other R'000	Travel Other R'000	Total R'000
Dr T Mbuli (Chairperson) ###	35	-	13	14	62
Mr E Neluvhalani (Chairperson) #*	43	-	35	1	79
Mr T Dlamini (Deputy Chairperson) #*	97	-	19	1	117
Prof T Meyiwa #*	89	-	19	-	108
Ms K Modise #*	66	-	26	-	92
Mr T Tsehlana #*	70	-	8	-	78
Chief L Matsila #	47	-	-	-	47
Mr M.T Makhweyane #*	89	-	37	-	126
Ms S Mabilane #*	102	4	21	-	127
Mrs L Robinson #*	63	-	10	-	73
Ms K Rapoo #*	50	-	10	-	60
Mr K Seleke #*	97	-	43	1	141
Ms R Gani #	61	-	10	-	71
Adv R Solomons #*	45	-	10	-	55
Mr M Mbaso #	81	-	29	-	110
Mr P Tsebe #	75	-	24	1	100
Ms E Tlhoale #*	60	3	11	-	74
Ms L Moroane #*	44	-	37	6	87
Mr J Phillips #*	13	-	-	-	13
Adv M Makhura #*	31	-	5	1	37
Dr G Dominy #*	21	1	5	-	27
Adv Hosi A Mahumani #*	26	5	-	-	31
Mr O Mereki #*	37	-	5	-	42
Mr J Sithole #*	37	-	5	-	42

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

28. MEMBERS EMOLUMENTS - NON-EXECUTIVE (continued) 2020

Dr Rev Mculwane #*	8	-	-	-	8
Ms N Sizani (Chairperson of Audit and Risk) - Independent #*	106	-	32	-	138
Ms N Madiba - Independent #	86	-	32	-	118
Ms P Mushwana - Independent #	24	-	-	-	24
Mr Y Haffejee - Independent #	-	-	-	-	-
	1,604	13	445	25	2,087

Appointment Terminated/Resigned

Lapsed

Deceased

* Appointed in 2020/2021

NON-EXECUTIVE 2020

Names and Designations	Honoraria R'000	Travel R'000	HonorariaOther R'000	Travel Other R'000	Total R'000
Council					
Dr T Mbuli (Chairperson)	155	63	281	119	618
Prof T Meyiwa (Deputy Chairperson)	78	2	7	-	87
Ms K Modise	100	7	13	-	120
Mr T Tsehlana	63	-	-	-	63
Chief L Matsila	73	57	3	2	135
Ambassador D Moopela ##	16	2	-	-	18
Mr M.T Makhweyane	79	7	3	-	89
Prof S Bouillon ##	52	2	-	-	54
Ms S Mabilane	100	32	2	2	136
Mrs L Robinson	58	-	-	-	58
Ms K Rapoo	37	1	-	-	38
Adv M Mopeli ###	26	1	-	5	32
Mr K Seleke	144	14	36	11	205

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

Mr Z Mkiva #	38	12	-	-	50
Mr T Dlamini	147	6	-	-	153
Ms R Gani	88	-	-	1	89
Adv R Solomons #*	21	-	-	-	21
Mr M Mbaso	94	2	118	20	234
Mr P Tsebe	94	7	29	8	138
Audit and Risk Committee					
Ms N Madiba (Chairperson) - Independent ##	171	12	11	-	194
Mr Y Haffejee (Chairperson) - Independent	67	3	-	-	70
Mr Z Nomafu (Chairperson of Risk Management Committee) - Independent ##	112	7	-	-	119
Ms P Mushwana - Independent #*	16	-	-	-	16
Ms N Sizani (Chairperson of Risk Management Committee) - Independent #*	24	1	-	-	25
	1,854	238	503	168	2,762

Lapsed

Appointment Terminated/Resigned

#* Appointed in 2019/20

Appointment Terminated/Resigned

Lapsed

Deceased

#* Appointed in 2020/2021

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

29. MEMBERS EMOLUMENTS (EXECUTIVE) 2021

Designation	Effective Date	Basic Salary R'000	Acting Allowance R'000	Travel Allowance R'000	Medical R'000	Resignation Leave R'000	Provident Fund R'000	Performance Bonuses R'000	Total R'000
Acting Chief Executive Officer	1-April-20	911	-	-	-	-	-	-	911
Chief Executive Officer*	1-April-20	792	-	63	10	213	159	-	1,237
Executive Core Business	1-April-20	1,113	-	-	12	-	196	80	1,401
Chief Financial Officer	1-April-20	1,371	-	-	14	-	242	98	1,725
Head: Strategy Planning, Monitoring & Evaluation	1-April-20	1,236	-	151	40	-	245	99	1,771
Acting Company Secretary#	1-April-20	-	396	-	-	-	-	-	396
		5,423	396	214	76	213	842	277	7,441

Vacant – Received Acting Allowance

* Resigned

29. MEMBERS EMOLUMENTS (EXECUTIVE) 2020

Designation	Effective Date	Basic Salary R'000	Acting Allowance R'000	Travel Allowance R'000	Medical R'000	Performance Bonuses R'000	Provident Fund R'000	Long Service Award R'000	Total R'000
Chief Executive Officer	1-April-19	1,783	-	150	26	507	342	-	2,808
Executive Core Business	1-April-19	1,060	-	-	13	38	187	-	1,298
Chief Financial Officer	1-April-19	1,306	-	-	25	187	230	5	1,753
Head: Strategy Planning, Monitoring & Evaluation	1-April-19	1,169	-	151	39	189	233	-	1,781
Company Secretary*	1-April-19	328	-	-	10	189	55	-	582
Acting Company Secretary#	1-July-19	-	297	-	-	-	-	-	297
		5,646	297	301	113	1,110	1,047	5	8,519

Vacant – Received Acting Allowance

* Resigned

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

IRREGULAR, FRUITLESS AND WASTEFULL EXPENDITURE (CONTINUED)

30.1 Details of Irregular Expenditure

Opening Balance	
Add: Irregular Expenditure current year	
Less: Irregular Expenditure condoned/recovered	

Analysis of irregular expenditure condoned per age classification:

Current Year	
Prior Years	

Analysis of irregular expenditure per age classification awaiting condonation per classification:

Current Year	
Prior Years	

Details of irregular expenditure - current year: Incident

Expenditure incurred without following procurement process Appointment of Legal Services	
Expenditure incurred on expired contract - Security Services	
Expenditure incurred without following a procurement process - Office Space (Lease)	
Non-compliance with the PFMA and the Preference Procurement Regulations - Office Space (Lease)	

Action taken	2021 R'000	2020 R'000
	3,951	134
	2,785	3,817
	-	-
	6,736	3,951
	-	-
	-	-
	-	-
	2,785	3,817
	3,951	134
	6,736	3,951
Under Review	67	-
Under Investigation	7	86
Under Investigation	-	2,033
Under Investigation	2,711	1,698
	2,785	3,817

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

IRREGULAR, FRUITLESS AND WASTEFULL EXPENDITURE (CONTINUED)

30.1 Details of Fruitless and Wasteful Expenditure

Opening Balance

Add: Fruitless and Wasteful Expenditure current year

Less: Fruitless and Wasteful Expenditure condoned/ recovered-

Analysis of fruitless and wasteful expenditure condoned per age classification:

Current Year

Prior Years

Analysis of fruitless and wasteful expenditure per age classification awaiting condonation per classification:

Current Year

Prior Years

Details of fruitless and wasteful expenditure - current year: Incident

Expenditure incurred for cancelled flight tickets - Receivable from Airlines

Overpayment to suppliers-Fees Erroneously Charged

Action taken	R`000	R`000
	79	-
		79
	(27)	-
	52	79
	-	79
	79	-
	79	79
	-	79
	52	-
	52	79
	-	52
Awaiting refund from the Airlines		
Recovered	-	27
	-	79

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

31. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Nothing has come to the attention of Management and Accounting Authority to indicate that the organisation would not remain a going concern for the foreseeable future, based on forecasts and its liquidity.

32. EVENTS AFTER REPORTING DATE

- 32.1 The National Heritage Council entered into a new rental agreement with TSL Telecommunications and Automation (Pty) Ltd for three (3) photocopy machines, effective from 6 April 2021 through participation agreement concluded between National Treasury and the Service Provider. The contract is for thirty-six (36) months at a cost of R 225,326.
- 32.2 In May 2021, the former official brought an application to have the appointment of Administrators set aside and consequently the appointment of Forensic Auditors. The matter was not brought as an urgent application. Thus the matter will only be argued later in 2021/2022 financial year.

33. CONTINGENT LIABILITIES

- 33.1 In March 2021, an official brought an application in the Labour Court to have her suspension set aside. The application was dismissed with costs and she has also been refused Leave to Appeal. She has now petitioned the Labour Appeal Court for a further Leave to Appeal which the National Heritage Council (NHC) is opposing. The NHC considers the likelihood of the action against the institution being successful as unlikely.

34. BUDGET VARIANCES

- a. The Executive Authority or Shareholder (Department of Sport, Arts and Culture) implemented budget reductions in respect of Compensation of Employees (COE) and Goods and Services/Projects and Programmes by R 7,204 million i.e. R 2,204 million and R5,000 million respectively.
- b. Non-exchange revenue includes R 1,156 million amortisation (non-cash) of deferred conditional or ring-fenced grant in respect of continued implementation of Resistance and Liberation Heritage Route: Project Management Office (PMO).
- c. Exchange revenue includes R 270 thousands of interest earned on the operation grant received from DSAC and insurance claim of R 13 thousand and derecognised payable of R 85 thousand in line with the Prescription Act.
- d. The R 16,920 and R 1,030 million respectively relates to unachieved planned targets for the 2020/21 due to circumstances beyond NHC's control and delayed implementations due to Covid-19 restrictions or limitations. A decision was since taken to roll-over unspent funds relating to unachieved targets to 2021/22 financial year.
- e. Budget reduction of R 2,204 million was implemented in respect employee related costs.
- f. Included in the operating lease expenses is an accrual of R 294 thousand relating to accounting treatment in respect of straight-lining of lease monthly lease rentals over the contracted period inclusive of the escalation clause.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

35. PRIOR YEAR PERIOD ERROR

The corresponding figures for 31 March 2020 have been restated as a result of errors in reassessment of assets' useful lives discovered during financial year end 31 March 2021.

The effect of the above errors is as follows:

STATEMENT OF CHANGES IN NET ASSETS

Effect:

Increase in accumulated surplus

Decrease in accumulated depreciation

Nature:

Correction of an error relates to overstatement of depreciation due to reassessment of useful lives.

R'000

43

(43)

STATEMENT OF FINANCIAL POSITION

Effect:

Decrease in accumulated depreciation

Nature:

Correction of an error relates to overstatement of depreciation due to reassessment of useful lives.

R'000

(43)

STATEMENT OF FINANCIAL PERFORMANCE

Effect:

Decrease in depreciation

Nature:

Correction of an error relates to overstatement of depreciation due to reassessment of useful lives.

R'000

(43)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2021

36. CHANGES IN ACCOUNTING ESTIMATES

The National Heritage Council has reassessed the useful lives on intangible assets and property, plant and equipment which resulted in certain assets remaining useful lives to change from their original estimates. The effect of the change in accounting estimates has resulted in the following decrease or increase:

Category	Depreciation/ Amortisation R'000	Accumulated Depreciation/ Amortisation R'000	Effect: Statement of Financial Performance	Effect: Statement of Financial Position
Office Equipment	52	52	Increase in depreciation	Increase in accumulated depreciation
Furniture and Fittings	185	185	Increase in depreciation	Increase in accumulated depreciation
IT Equipment	166	166	Increase in depreciation	Increase in accumulated depreciation
Motor Vehicle	(25)	(25)	Decrease in depreciation	Decrease in accumulated depreciation
Intangible Assets	75	75	Increase in amortisation	Increase in accumulated amortisation
Total	453	453		

37. COMMITMENTS	2021 R'000	2020 R'000
Up to one year		
Funding Disbursements (Heritage Funded Projects)	3,475	2,909
Heritage Projects	107	122
Quotations and contracts (Excluding Finance and Operating Leases)	1,643	3,168
Later than one year and not later than 5 years		
Quotations and contracts (Excluding Finance and Operating Leases)	204	-
TOTAL	5,429	6,199

Included under the current balance of commitments is R 99 thousand in respect of goods and services funded by Project Management Office (PMO).

DETAILED STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021 (continued)

	2021 R'000	2020 R'000
TOTAL REVENUE	68,492	72,597
Revenue from Non-exchange	68,124	72,245
Government grant/transfer	66,968	71,353
Amortised conditional grants/transfers/partnerships - Other	1,156	892
Revenue from exchange transactions	368	352
Other income	98	1
Interest received	270	351
TOTAL EXPENSES	(51,719)	(70,125)
Operating expenses	(5,864)	(19,140)
Administrative expenses	(12,468)	(15,807)
Employment related costs	(29,038)	(31,299)
Operating lease expenses	(2,711)	(2,688)
Finance costs	(8)	(26)
Depreciation	(1,485)	(1,082)
Amortisation	(145)	(83)
SURPLUS FOR THE YEAR	16,773	2,472

DETAILED STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021 (continued)

OPERATING EXPENSES

Legal Fees

Heritage Projects and Programmes

Funding disbursements (Heritage Funded Projects)

Heritage Resource Centre

Ubuntu in Nation building

Heritage Strategic Programmes

Heritage Engagement with Sector

SATMA Awards

Heritage Awards

Support of Youth Heritage

Heritage and Education Outreach Programme Project

Heritage Journal

National Heritage Liberation Route

Position Papers

Research Plan

Impact Studies

Heritage Experts

Publish of Heritage Volumes

Contribution to Policy

LHR Struggle Icon

Home of Legends

Heritage Project Expense

National Liberation Route

Heritage sites

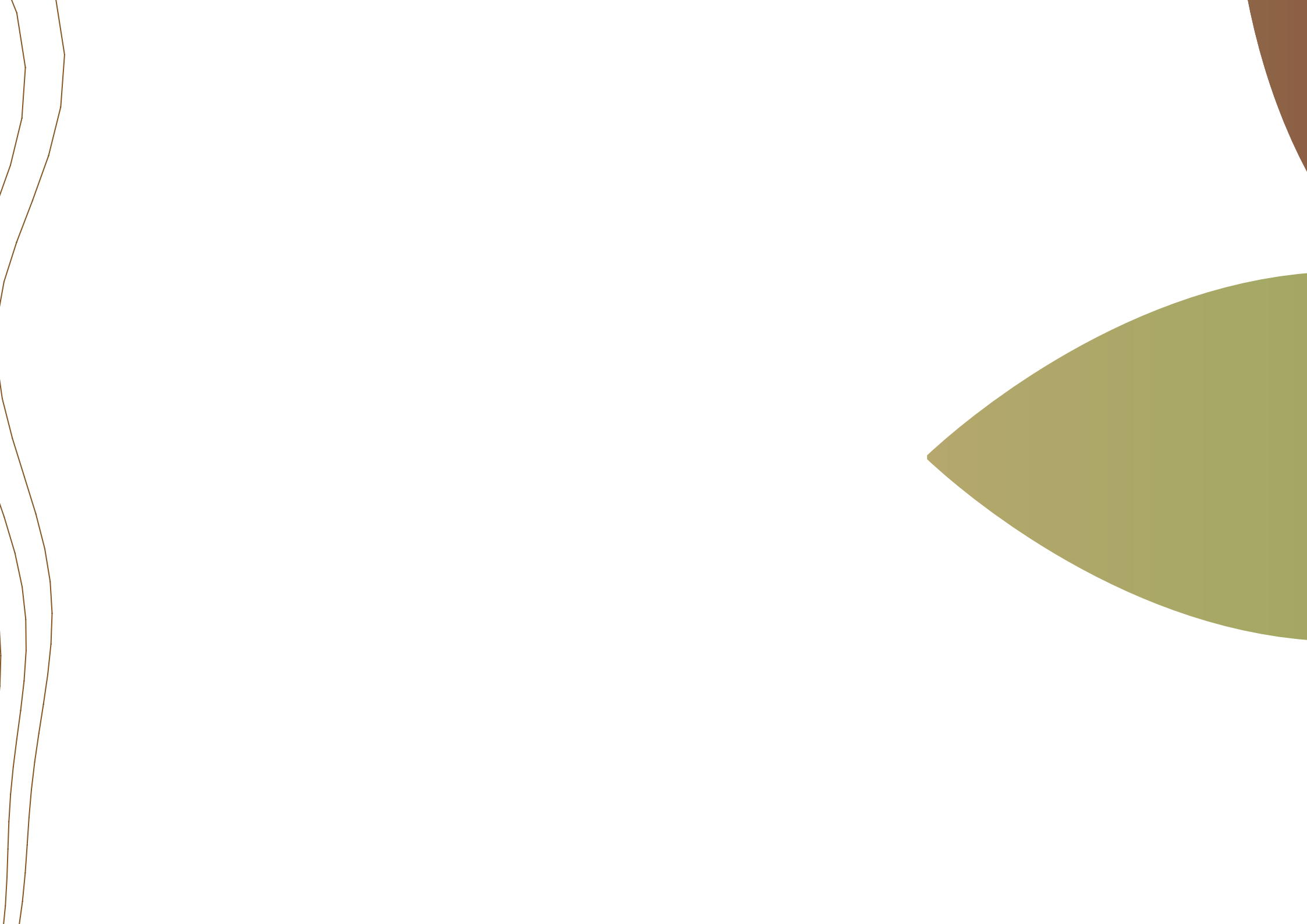
	2021 R'000	2020 R'000
	343	-
	5,005	18,569
	754	2,462
	11	32
	52	58
	2,045	3,610
	321	4,427
	-	400
	-	2,157
	-	342
	-	939
	23	18
	1,156	893
	200	567
	69	39
	-	-
	-	-
	-	14
	-	1
	308	-
	-	86
	55	1,057
	11	874
	-	593


DETAILED STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021 (continued)

	2021 R'000	2020 R'000
Staff Training and Development	273	319
Staff Training	187	122
Subscriptions	86	197
Maintenance, Repairs and Running Costs	243	252
Repairs and Maintenance	243	252
	5,864	19,140
ADMINISTRATIVE EXPENSES		
General and Administrative Expenses	12,168	13,105
Catering Meetings	14	150
Audit Fees (Internal)	148	406
Audit Fees (External)	1,314	1,025
Advertising of Posts	-	178
Fruitless & Irregular Expenditure	-	-
Marketing & Communication	174	235
Advertising - Tenders & Policies	40	64
Bank Charges	28	37
Consulting Fees	2,530	2,657
Courier & Postage	10	50
Electricity, Water & Refuse	505	534
COIDA	38	54
Honoraria – Council and ARC	2,049	2,356
Honoraria – Funding Committee	81	39
Insurance	77	31
Staff Welfare	170	301
Loss on disposal of assets -	-	23
Rentals - Office Equipment	7	41

DETAILED STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2021 (continued)

	2021 R'000	2020 R'000
Motor Vehicle Expenses	61	96
Printing & Stationery	220	145
Rates & Taxes	142	96
Publications	255	144
Recruitment Cost	4	243
Workshops	552	770
Relocation Costs	248	-
Telephone & Faxes	553	909
Cell phone Accounts	458	536
Temp Staff	1,176	773
IT Support	-	288
Service Charges	944	924
Travel and Subsistence	300	2,702
	12,468	15,807
EMPLOYEE RELATED COSTS		
Salaries	28,376	27,845
Leave Pay	749	272
Performance Bonus Pay	(87)	3,182
	29,038	31,299





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