

2021/22 Annual Report



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nhc
National Heritage Council
SOUTH AFRICA

an agency of the
Department of Sport, Arts and Culture

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Part A:
General Information



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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, Lynnwood 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: Nexia SAB&T

BANKERS: First National Bank

COMPANY SECRETARY: Adv. Thato Mohapi

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
DAC	Department of Arts and Culture
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
PESP	Presidential Employment Stimulus Programme
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
TR	Treasury Regulations
UNESCO	United Nations Education, Scientific and Cultural Organisation



3. FOREWORD BY THE CHAIRPERSON

I present the 2021/22 Annual Report on behalf of the Council of the National Heritage Council (NHC) to the stakeholders of the NHC and public at large as a reflection of the work undertaken in the 2021/22 financial year. The Annual Report gives an overview of the work done in pursuit of the legislative mandate of the NHC, which is to preserve and promote the nation's heritage for current and future generations. It is important to preserve our cultural heritage in order to maintain our identity as a nation.

The NHC like all other organisations is emerging from the challenges brought about by COVID-19, which disrupted established business models and necessitated adaptation and innovation in order to continue with service delivery. To meet the demands from the pandemic the NHC had to be innovative to meet stakeholder needs and our legislative mandate of protecting and promoting the nation's heritage. We had to adopt new ways to deploy our resources and capabilities while absorbing the challenges and limitations resulting from the COVID-19 Pandemic.

Strengthening governance

The Council of the National Heritage Council (NHC) is committed to providing effective and ethical leadership whilst maintaining the highest standards of good corporate governance. Good corporate governance contributes to services delivery and value creation by ensuring accountability, effective performance management and risk management. As a Council we strive to operate in line with best practices in all spheres of our organisation.

The diversity of our Council in terms of professional backgrounds and experience, race and gender fosters an environment conducive to constructive dialogue and insightful leadership. This diversity encourages the Council to consider the needs of a wide range of stakeholders within our mandate.

The Council spent a significant time on NHC matters to stabilise the institution. The pursuit of sound governance and administrative systems has been instrumental in the achievement of the performance against the predetermined objectives as well as the good audit results.

The Council and its committees were functional with high attendance and participation rates to offer leadership and support to management in critical

areas of high level vacancy filling, seeking of alternative office accommodation, stakeholder engagement and other areas of the organisation that needed attention. The Council appointed the CEO and Company Secretary, closing a critical gap in the organisational leadership. As Council we pledge to continue providing direction and support to the newly appointed members of the secretariat as they lead the organisation in this new phase.

Strategy Review

The Council revised the Strategy to optimise effectiveness and streamline operations within the same vision of "A nation proud of its African heritage". The revised strategy is focussed on supporting existing initiatives and programmes while also envisioning new programmes in light of the impending changes and the envisaged merger with the South African Heritage Resources Agency (SAHRA).

The Council also adopted the Balanced Scorecard Methodology to enhance our strategic planning and make it easier to communicate the strategy to all employees of the NHC. The framework is being cascaded to all employees and will be fully rolled out by the next financial year.

The revised strategy focuses on enhancing social cohesion and transformation through the coordination of heritage, with emphasis on living heritage and support for and implementation of initiatives to promote social cohesion and nation building.

As part of the continuing work of transforming the heritage sector, the NHC will be disaggregating the beneficiaries in terms of rural, urban, provincial and regional spread to have a deeper insight on the actual beneficiaries. This process will also help to reverse the skewed allocations to certain provinces particularly Gauteng, Western Cape, Eastern Cape and KwaZulu Natal in order to focus on the under serviced provinces.

Our diverse cultural heritage as a nation is unique and irreplaceable. This places an enormous duty on bodies like the NHC to intensify our work in the preservation of this cultural heritage for future generations. Given the limited resources that are



available for this work, the NHC needs to identify and work with other stakeholders who are willing to pool resources together for the achievement of this goal. This includes partnerships with other government departments like the Department of Basic Education (DBE), SAHRA and SanParks in the Heritage Schools Outreach Programmes (HESOP), a flagship annual programme of the NHC which is implemented nationally.

The Resistance and Liberation Heritage Route (RLHR) remains a key strategic project implemented by the NHC. In the year under review, several milestones were achieved under the RLHR, including the conclusion of feasibility studies for infrastructure development.

The NHC was also included in the roll-out of the Presidential Employment Stimulus Programme (PESP) with an allocation of R64 Million. Systems are being put in place to roll-out the programme by

inviting proposals and applications from the public. The priority is labour intensive projects that will create employment opportunities for women, youth and the differently abled members of our society.

During the year under review, the Council was tasked with, amongst other things, engaging forensic investigators to give consideration to allegations of maladministration and corruption at the NHC, in light of a whistle-blowing report.

The Council is pleased to advise that the concluded forensic investigation revealed several incidents of corruption, irregular expenditures and the circumvention of policies and procedures deliberately designed for the unlawful enrichment of various parties. The forensic report has recommended taking disciplinary actions where appropriate, as well as the referral of various aspects to the appropriate law enforcement agencies. The Council is taking action pursuant to this forensic

report, and remains committed to transparent and sound governance aimed at ensuring the country's heritage is protected and promoted. The Council has resolved to take a zero tolerance approach to corruption and maladministration.

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

Thank You.

Mr. E. Neluvhalani
Council Chairperson

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW

It is my honour and pleasure to present the 2021/22 Annual Report of the National Heritage Council (NHC).

Undoubtedly, the 2021/22 financial year posed a number of internal and external challenges from which the organisation managed to pull through as a result of the leadership of the Council coupled with the commitment and cooperation of staff. This cooperation helped us to navigate the COVID-19 pandemic and the internal transitional phase as the organisation moved from administration to normal governance and management structures and operations.

In the year under review, to strengthen the NHC's corporate governance, all organisational policies were reviewed to eliminate the risks posed by outdated policies, and aligned with current developments in the country and beyond.

Despite the challenging operational environment under the COVID-19 regulations, which restricted the hosting of events and the usual format of rolling out of programmes, the NHC managed to achieve all core business targets, save for only four targets which were not achieved in Programme 1. We credit our achievements to our innovative and creative staff, and to our committed stakeholders. Programmes were hosted both virtually and in hybrid formats with limited physical audiences in line with the COVID-19 regulations.

Programme Implementation

Some of the key programmes implemented in the 2021/22 financial year include the following:

Funding – One of the key legislative mandates of the NHC is to disburse funding to approved community heritage projects. In the period under review, the NHC approved 32 projects for funding to the tune of R7 Million.

Golden Shield Heritage Awards – This is an annual award extended to acknowledge active citizenship that protects and promotes the country's heritage against obliteration.

Heritage Schools Outreach Programme – This is an annual national schools project for grade 8 to 11 learners aimed at encouraging the youth to know their

heritage better as well as exploring traditions of other cultures. Schools in the country challenge each other to represent their province at a week-long camp at a national heritage site where learners are taken through an educational exchange experience of a lifetime.

Resistance and Liberation Heritage Route – In addition to contributing to the African Liberation Heritage Programme, the RLHR Unit supported commemorative events and the year-long Centenary Celebrations of Mme Charlotte Manny-Maxeke. In this regard the NHC initiated and supported the declaration of the Wilberforce College as a national heritage site by SAHRA. Furthermore the NHC supported the promulgation of the National Repatriation Policy.

On the communication front an Internal Quarterly Newsletter was initiated to keep staff informed of developments both in and outside the organisation. The NHC Website also underwent an extensive revamp to enhance our communication with external stakeholders worldwide.

Employee Relations and Wellness

The Council, through the Social and Ethics Committee, engaged in various initiatives aimed at providing assurance to staff that the uncertainties of the transitional period did not lead to strained or unpleasant working conditions. The CEO also had regular engagements with staff through their Employee Forum to address issues of mutual interest and communicate Council decisions. The resilience and commitment of the leadership and staff made the challenging journey manageable, further anchoring the organisation on course, with many valuable lessons learnt along the way.

Although some of our staff members lost family members to the COVID-19 pandemic, the NHC did not lose any member during the peak of the pandemic. Regrettably however, in May 2022 we lost a long serving and key colleague, Mr. Siseko Ntshanga who was Programmes Manager for Living Heritage. This was a big loss for the NHC and his contribution will be sorely missed. We are grateful to colleagues who have been able to hold the fort while processes to replace Mr Ntshanga are underway.



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Audit Outcomes

Despite the challenges listed above, the NHC managed to deliver on its mandate and receive a positive audit report. I present this annual report as a true reflection of the financial and non-financial performance of the NHC as audited by the Auditor General of South Africa (AGSA).

Lastly, I wish to extend a word of gratitude to the Council for their contribution in the governance and leadership of the NHC. I would like to also thank the members of staff for their commitment to the work of the NHC.



Dr. Ndivhoniswani Lukhwareni
Chief Executive Officer

5. STRATEGIC OVERVIEW

5.1 Vision

A nation proud of its African heritage.

5.2 Mission

To transform, protect and promote heritage through the coordination and management of heritage knowledge and resources for social cohesion and sustainable development.

5.3 Values

Within 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 MANDATES

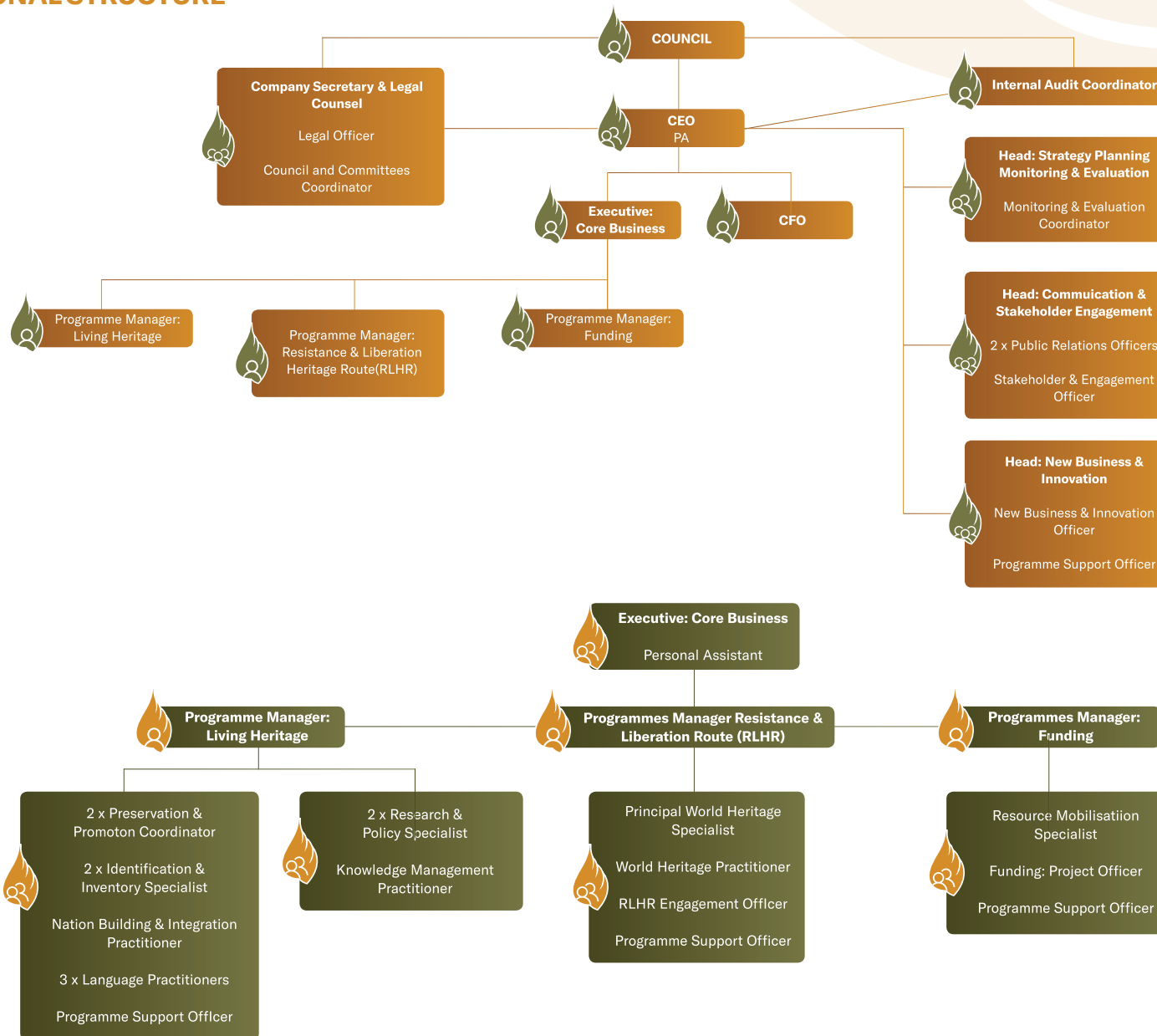
The mandate of the National Heritage Council (NHC) is contained in Section 4 of the National Heritage Council Act, 1999 (No. 11 of 1999). The objects of the act are:

- 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 dynamic;
- 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 history and culture of all our peoples and particularly to support research and publications on enslavement in South Africa.

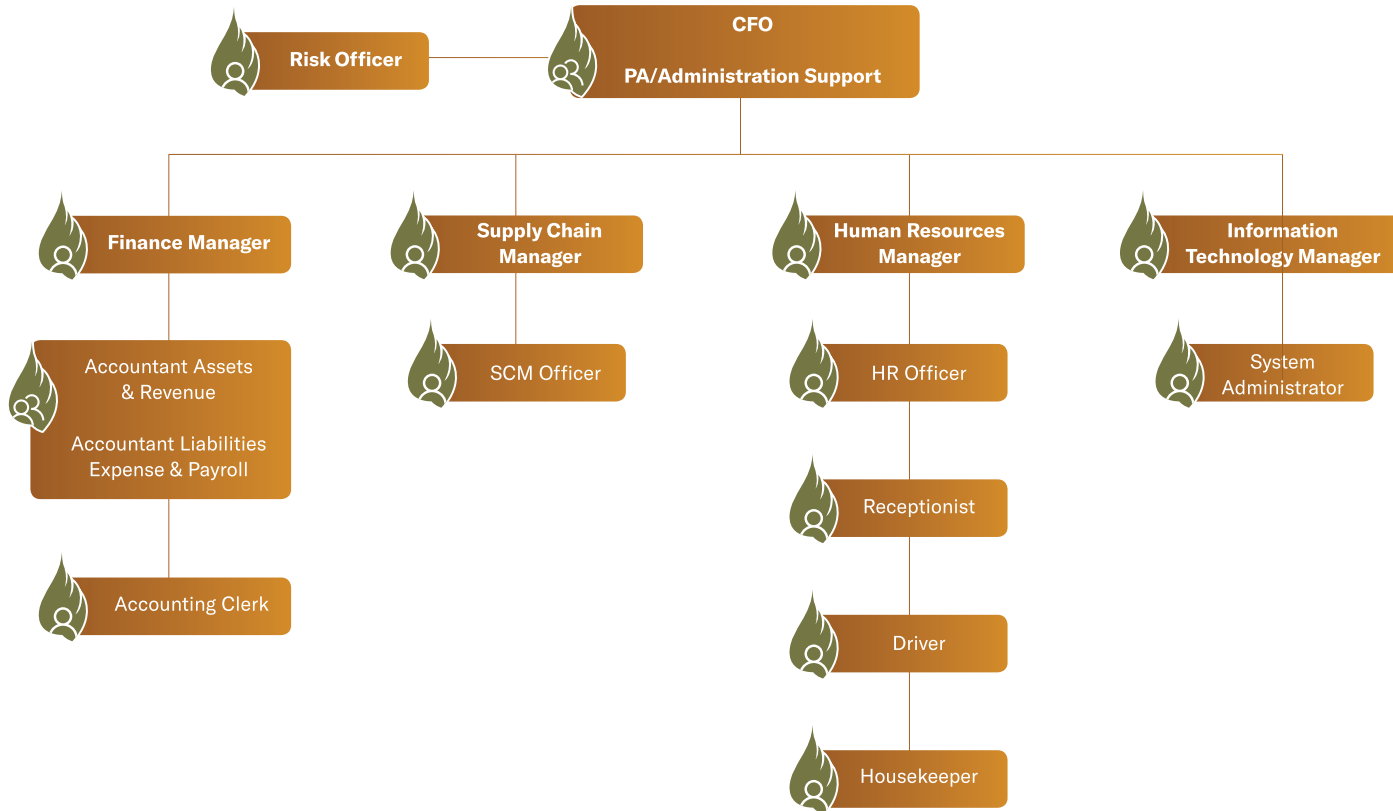
The core functions of the Council of the NHC are set out in the NHC Act. These core functions inform the day-to-day realities of the organisation and will therefore be pre-eminent in strategic initiatives and their related objectives. The core functions of the Council are to:

- 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 from time to time determine;
- 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 peoples, including the history of enslavement in South Africa;
- j. Lobby in order to secure funding for heritage management and to create a greater public awareness of the importance of our nation's heritage;
- k. Perform such duties in respect of its objects as the Minister may assign to it; and
- l. The Council may on its own initiative advise the Minister on any matter concerning heritage.

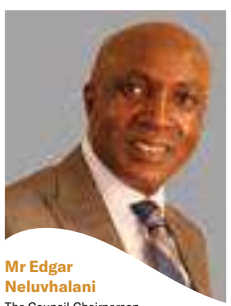
7. ORGANISATIONAL STRUCTURE



7. ORGANISATIONAL STRUCTURE cont...



8. MEMBERS OF THE COUNCIL



Mr Edgar Neluvhalani
The Council Chairperson



Adv Mphalane Makhura
Chairperson of National Archives Advisory Council (NAAC)



Ms Karabo Rapoo
Chairperson of DITSONG Museums of South Africa



Mr Moses Makhweyane
Chairperson of South African Heritage Resources Agency – SAHRA



Mr Onkabetse Mereki
Northern Cape Provincial Appointee



Ms Esther Netshivongweni
Chairperson of Heraldry



Ms Refiloe Mabaso
Chairperson of the National Library 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 Appointee



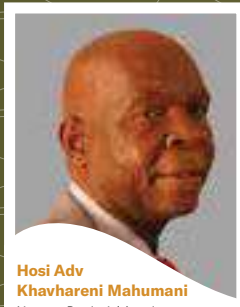
Ms Elodie Seotseng Tlhoale
Free State Provincial Appointee



Mr Tshoko Tsehlana
Gauteng Provincial Appointee



Adv. Rod Solomons
Chairperson of Iziko Museums



Hosi Adv Khavhareni Mahumani
Limpopo Provincial Appointee



Ms Lydia Moroane
Mpumalanga Provincial Appointee



Ms Laura Robinson
Western Cape Provincial Appointee



Dr Vikunduku Mnculwane
Kwazulu Natal Provincial Appointee



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Part B:

Performance **Information**



Part B: Performance Information

1. STATEMENT OF RESPONSIBILITY REGARDING PERFORMANCE INFORMATION

Statement of Responsibility Regarding Performance Information for the Year ended 31 March 2022

The Chief Executive Officer is responsible for preparation of the public entity's performance information and for 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 2022.

Dr. N. Lukhwareni
CEO
31 July 2022

2. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General has conducted some 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 58 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 had the following strategic outcome-oriented goals:

Strategic Outcome Oriented Goal 1	An internationally recognised heritage organisation on the African continent
Indicators	<p>Increase the level of awareness and participation of the NHC as a heritage organisation in Africa through the following:</p> <ul style="list-style-type: none"> • Number of activities to promote awareness about 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 • 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"> • Percentage increase 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 • 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 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

Some of the programmes implemented in the 2021/22 financial year are as follows:

3.2.1 Heritage Education Schools Outreach Programme (HESOP)

The 2021 HESOP was hosted in the Limpopo Province at the Marakele National Park, in Thabazimbi. The camp took place from the 4th - 8th October 2021. All provinces participated except the Western Cape. Participating provinces were represented by teams of consisting of four learners, one educator as well as officials from the provinces and districts.

Name of the Province	Name of the School	Position
Free State	Selelekela Secondary School	1 st
Eastern Cape	Zanempucuko Senior Secondary	2 nd
Mpumalanga	Sitintile Secondary School	3 rd

3.2.2 UBUNTU Initiatives

The annual Ubuntu initiative seeks to uphold the legacy of our former statesman and global icon, Nelson Rolihlahla Mandela, by carrying and emulating the values of Ubuntu to make a difference in our communities. This project promotes values that underpin Mandela's legacy. **'I am because you are, and you are because I am'** – which means no man is an island. The project activities commence in July to commemorate and celebrate the Mandela Legacy by making a concerted effort that enhances the work of community based projects.

The project commenced in July 2021, with a public call to eligible organisations to send their proposals, and was implemented throughout the financial year, ending in March 2022.

List of Ubuntu Initiative beneficiaries

Name of Organisation	Amount	Province
Honey and Milk ECD	R30 000.00	Gauteng
Qaza drop-in Centre	R20 000.00	Limpopo
U Legacy	R10 000.00	Limpopo
SEK Mqhayi Centre for development	R30 000.00	Eastern Cape
Inhlangano Development Agenda	R30 000.00	Kwa-Zulu Natal

3.2.3 HERITAGE FUNDING MILESTONES IN 2021/22

Since inception in 2004, the NHC has utilised its funding mandate to place heritage as a priority for nation building, social cohesion and national identity.

The NHC public funding for 2021/22, an allocated grant of R7m, benefited projects from all nine provinces. The call was made to fund the following categories as advertised:

3.2.3.1 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.

3.2.3.2 Youth and Heritage

This programme sought 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 exploring what contribution heritage can have in addressing youth issues.

3.2.3.3 Education and Heritage

This programme supported initiatives that can assist to integrate heritage conservation and management into the education system, including public education programmes and fora. It also supported opportunities for research, knowledge production, capacity building and skills development in conservation and management of heritage resources.

3.2.3.4 Liberation Heritage

This programme sought projects involved in the preservation of the historical South African Liberation Heritage Struggle, 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.

3.2.3.5 Indigenous Groups' heritage initiatives in the country

Initiatives supported under this programme aimed to capture the impact of the process of colonization in imposing oppression and obliteration of the identity and values of the African people, the grouping upon which colonialization was imposed. These projects highlight the importance to build upon the gains the country has made post-independence, as well as creating awareness and affirmation of indigenous knowledge.

3.3 Overview of the Organisational Environment

The NHC strove 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 2021/22 financial year. Engagement with stakeholders was reduced in light of the Covid-19 pandemic regulations.

The labour relations environment has been established for regular engagements with members of staff (individually and collectively) on issues of mutual concern, particularly on matters relating to 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

4.1 Programme 1: Administration

The aim of this programme is 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 and Stakeholder Management;
- 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. Develop highly capable organisational personnel
- 1.4. Provide financial and procurement support
- 1.5. Provide ICT support

SUMMARY

- A total of 12 targets had been planned for Programme 1 in 2021/22.
- 8 (67%) targets were achieved
- 4 (33%) targets were not achieved.

Performance Indicator			Actual Achievement in 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	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 date was not achieved.	Organisation wide adherence to compliance dates achieved.	Organisation wide adherence to compliance dates was achieved.	The target was achieved as planned with no deviations.	N/A
	b.	Percentage of institutional policies and charters due for review reviewed and approved.	No target set.	100% of institutional policies and charters due for review reviewed and approved.	95% of institutional policies and charters due for review reviewed and approved	The target was missed by 5%	There were delays in finalisation of the review and approval prior the end of the 2021/22 financial year as other policies had to undergo further review prior Council approval.

Performance Indicator			Actual Achievement in 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	Comment on deviations
1.2	a.	Number of documentaries produced.	No target set.	1 documentary produced.	0 documentaries produced.	The target was missed by the 1 documentary not produced.	The target was not achieved due to delays owing to ill-health and subsequent passing away of the subject; and procurement delays.
	b.	Number of monthly newsletters published	No target set.	12 monthly newsletters published.	12 monthly newsletters published.	The target was achieved as planned with no deviations.	N/A
	c.	Number of media engagements conducted.	16 x (planned) Media engagements conducted (media coordination for projects e.g. briefings).	12 x planned Media engagements conducted (media coordination for projects e.g. briefings).	22 Media engagements conducted (media coordination for projects e.g. briefings).	The target was exceeded by 10 media engagements.	The target was exceeded with utilisation of additional opportunities to profile the work of the NHC.
	d.	Number of multi-media campaigns conducted about key NHC projects.	Twelve (12) multimedia Awareness campaigns were conducted about key NHC projects.	10 multimedia awareness campaigns conducted about key NHC projects.	19 multimedia awareness campaigns conducted about key NHC projects.	The target was exceeded by 9 multimedia campaigns.	The target was exceeded with 9 campaigns because of additional profiling of NHC projects.
1.3	a.	Percentage of implementation of the Approved Annual Training Plan in critical skills.	The target was not achieved. A total of 10.4% of the approved Annual Training Plan on critical skills was implemented.	80% implementation of the approved Annual Training Plan on critical skills.	The target was not achieved. 7% of the approved Annual Training Plan on critical skills was implemented.	The target missed by 73%.	Staff members could not undertake training due to Covid-19 disruptions and some requested training interventions not being aligned to NHC mandate.
	b.	Number of programmes to promote employee wellness implemented.	4 programmes to promote employee wellness implemented.	4 programmes to promote employee wellness implemented.	3 programmes to promote employee wellness implemented.	The target missed by 1 training intervention that could not be implemented in Q4.	Programme not achieved due to Covid-19 challenges and National Treasury Moratorium on procurement impacted the roll-out of the wellness programme that was planned for Q4.

Performance Indicator			Actual Achievement in 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	Comment on deviations
1.4	a.	Audit opinion achieved.	Unqualified audit opinion not achieved.	Unqualified audit opinion achieved.	Unqualified audit opinion achieved.	The target was achieved as planned, with no deviation.	N/A
1.5	a.	Percentage of IT Client Satisfaction Survey rating achieved (%).	IT client satisfaction survey rating of 87% achieved.	IT client satisfaction survey rating achieved (85%).	IT client satisfaction survey rating of 91.4% was achieved.	The target was exceeded by 6.4%.	Client satisfaction target exceeded due to the improvements in the service provided to staff with the in-sourced ICT management.
	b.	Level of Local Area Network availability (%).	100% network availability achieved.	Local Area Network availability (95%)	97% network availability achieved.	The target was exceeded by 2%.	Target exceeded due to improved service standards in the ICT management.
	c.	Disaster Recovery & Business Continuity Plan approved and tested.	Disaster Recovery & Business Continuity Plan approved and 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

Root causes of under-performance were identified and resolved to ensure that all targets are achieved going forward. The underachieved targets were rolled over to 2022/23.

Changes to planned targets

There were no changes to planned targets.

4.2 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:

- 1.1. To intensify the promotion of living heritage through collaborations and stakeholder engagements nationally and internationally
- 1.2. To develop a national planning, policy development and research capability that will create an enabling environment for the advancement and promotion of National Heritage content
- 1.3. 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
- 1.4. To coordinate the management of the Liberation Heritage Route, the African Liberation Heritage Programme and national input in 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 2021/22.
- All **17 (100%)** targets were achieved as planned.

Performance Indicator			Actual Achievement in 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	Comment on deviations
2.1	a.	Number of heritage exchange programmes implemented/participated in per annum.	Partnership with SOMAFCO Trust implemented.	2 heritage exchange programmes implemented/participated in.	2 heritage exchange programmes implemented/ participated in per annum (Dubai EXPO and the Charlotte Maxeke Intergenerational Dialogue)	The target was achieved as planned, with no deviation.	N/A
	b.	Number of international multilateral engagements implemented per annum.	No target set.	2 international multilateral engagements implemented per annum.	3 international multilateral engagements implemented per annum.	The target was exceeded with 1 multilateral engagement.	There was an additional opportunity for the NHC to participate in international multilateral for a.
	c.	Number of community based cultural expressions implemented or supported.	Partnership with the Charlotte Maxeke Institute implemented.	3 Cultural expressions implemented.	3 community based cultural expressions implemented or supported.(Kwaanza Festival, Kuluma Vhukanyi and Komjeke-jeke Festival)	The target was achieved as planned, with no deviation.	N/A
	d.	Number of National Inventory Offices established.	1 National Inventory Office Framework developed.	1 National Inventory Office Framework approved.	1 National Inventory Office Framework approved.	The target was achieved as planned with no deviation.	N/A
	e.	Number of nation building initiatives implemented and funded.	The 1 anti-poverty and food security programme was not achieved.	3 nation-building initiatives implemented and funded.	6 nation-building initiatives implemented and funded (GOSHA and 5 Mandela Ubuntu Initiatives).	The target exceeded with three nation-building initiatives.	The additional initiatives were part of the Mandela-Ubuntu programme of the NHC.

Performance Indicator			Actual Achievement in 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	Comment on deviations
2.2	a.	Number of policy position papers produced per annum.	1 Policy Position paper developed.	2 Policy Position Papers produced per annum.	2 Policy Position Papers produced.	The target was achieved as planned with no deviation.	N/A
	b.	Number of heritage journal articles contributed per annum	0 heritage journal articles contributed.	1 heritage journal article contributed per annum.	1 heritage journal article contributed per annum.	The target was achieved as planned with no deviation.	N/A
	c.	Number of heritage education initiatives implemented per annum.	1 heritage education initiative implemented.	1 heritage education initiative implemented per annum.	1 heritage education initiative implemented per annum.	The target was achieved as planned with no deviation.	N/A.
	d.	Number of Indigenous Language Advocacy Seminars hosted.	1 indigenous Knowledge Seminar/dialogue hosted virtually	1 indigenous Language Advocacy Seminar hosted.	1 Indigenous Language Advocacy Seminar hosted.	The target was achieved as planned with no deviation.	N/A
2.3	a.	Number of community heritage projects supported and funded.	10% of DSAC annual grant allocated to support community heritage projects.	30 community heritage projects supported and funded.	30 community heritage projects supported and funded.	The target was achieved as planned with no deviation.	N/A
	b.	% of funded projects monitored and evaluated.	No target set.	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 2021/22	Planned Target for 2021/22	Actual Achievement in 2021/22	Deviation from planned target to Actual Achievement in 2021/22	Comment on deviations	
2.4	a.	Number of commemorative projects implemented/ supported.	0 Commemorative project implemented/supported	3 Commemorative projects implemented/supported.	3 Commemorative projects implemented/ supported ¹ .	The target was achieved as planned with no deviation.	N/A
	b.	Number of repatriations supported.	1 Repatriation Policy developed.	4 repatriations supported.	4 repatriations supported. ²	The target was achieved as planned with no deviation.	N/A
	c.	Number of presentations/ dialogues on the RLHR made to different stakeholders.	5 Presentations/lectures made to different stakeholders and audiences.	5 presentations/dialogues on the RLHR made to different stakeholders.	6 presentations/ dialogues on the RLHR made to different stakeholders. ³	The target was exceeded with one presentation/ dialogue.	An opportunity to deliver an additional presentation/ dialogue was utilised.
	d.	Number of engagements on the African Liberation Heritage Programme.	2 submissions on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme. ⁴	The target was achieved as planned with no deviation.	N/A
	e.	Number of engagements achieved in the World Heritage Programme.	Target achieved as planned (Amplified Dossier submitted to DSAC and Cabinet).	1 engagement achieved.	1 engagement achieved (Amplified Dossier submitted to UNESCO).	The target was achieved as planned with no deviation.	N/A
	f.	Number of Provincial Resistance and Liberation Heritage Route (RLHR) Sites developed and managed.	80% of Annual PMO Project Plan completed.	9 RLHR Sites developed and managed.	9 RLHR Sites developed and managed. ⁵	The target was achieved as planned with no deviation.	N/A

Strategy to overcome areas of under performance

There was no under-performance in Programme 2.

Changes to planned targets

There were no changes to the planned targets



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Part C:
Governance



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Part C: Governance

1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. It enhances organisational discipline, integrity, transparency, accountability, responsibility, fairness and sustainable economic, social and environmental performance. In addition to legislative requirements based on a public entity's enabling legislation, corporate governance in a public entity is applied through the precepts of the Public Finance Management Act (PFMA, Act 1 of 1999) and run in tandem with the principles contained in the King IV Report on Corporate Governance.

The NHC is committed to the principles of accountability, openness and integrity, 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 agreed

upon between the Council as the Accounting Authority of the NHC, and the Minister as the Executive Authority.

This is 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 30 July 2021;
- 2nd Quarterly Report submitted on 30 October 2021;
- 3rd Quarterly Report submitted on 30 January 2022;
- 4th Quarterly Report submitted on 30 April 2022.

3. THE COUNCIL

3.1 Description of 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 certain 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 clearly 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 meetings is to review the strategic and

operational performance of the NHC. Amongst other matters, it looks into business plans, policies, the approval of major contracts and other strategic issues. The management team of the NHC is responsible for implementation of the decisions and strategies of the Council.

3.2 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 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), the National Heraldry Council, and the National Archives Council. They are people 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

During the year ended 31 March 2022 five (5) Ordinary Meetings, seven (7) Special Meetings and two (2) Strategy Review Workshops were conducted. Below is the profile of Council members and attendance at Council meetings:

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Mr Edgar Neluvhalani	Chairperson Appointed by the Minister	01/12/2020	Active	i) Masters Environmental Education (Cum Laude): University of JHB ii) BA Education Honors: UNISA iii) Bed: University of Venda iv) Diploma Environmental Education: University of JHB	i) Heritage ii) Governance iii) Strategy iv) Environment v) Leadership	i) Director: DYARA ii) Non-Executive Director: KCM (Kenneth Copeland Ministries Africa (Religious)) iii) Non-Executive Director: GMC (Religious)	None	14/14
Dr Graham Dominy	Member Appointed by the Minister	01/12/2020	Active	i. PhD (University of London) ii. MA (National University of Ireland) iii. Post Graduate Diploma Museum Science (University of Pretoria) iv. National Diploma in Archival Science (Department of National Education) v. BA Honours HDE (University of Natal)	i) Heritage ii) Archives iii) Museums iv) Policy v) Management vi) Libraries	i) Research Fellow: UNISA ii) Research Fellow: HSF	i) Chairperson: Social and Ethics Committee ii) Member: Heritage Research and Development Committee	14/14
Mr Jabulani Dennis Sithole	Member Appointed by the Minister	01/12/2020	Active	i) Master of Arts History: University of Natal ii) BA Honours: University of Natal iii) BA Degree: University of Natal iv) Secondary Teachers Diploma: Indumiso College of Education	i) Heritage ii) Culture iii) History iv) Research	Director: Imvukuzane Foundation (NPO)	i) Chairperson: Heritage Research and Development Committee ii) Member: Corporate Services Committee	13/14

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Ms Nontlaza Nosisa Joyce Sizani	Member Appointed by the Minister	01/12/2020	Active	i) B Comm, B Compt Hons/ CTA: University of Transkei iii) Post Graduate Diploma in Management: University of KZN	i) Internal and External Audit ii) Financial and Risk Management iii) Credit Rating Advisory iv) Cash Management and Policy Development v) Budgeting vi) Project and Structured Finance	i) SAICA - AGA (SA) ii) IoDSA - Cert. Director iii) Council Member: Sefako Makgatho University	i) ARC Member	12/14
Ms Salome Velma Mabilane	Member appointed by the Minister	01/12/2020	Resigned April 2022	i) B Tech Degree- Cost and Management Accounting: Tshwane University of Technology ii) Advanced Certificate in Municipal Governance: University of Johannesburg iii) Professional Accountant (SA): SAIPA iv) Accounting Technician (SA): SAICA (AT-SA)	i) Corporate and Municipal Governance ii) Finance, Audit and Risk iii) Performance Management iv) HR and Remuneration vi) Social and Ethics	i) Managing Director/ Founder: SVM Consulting Services ii) Director: Siguqula Izimpilo Association iii) Director/Chairperson: PTK Mabilane Primary Cooperative Ltd	i) Chairperson: Corporate Services Committee iii) Member: Social and Ethics Committee	14/14

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Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Mr Luthando Phillip Jack	Eastern Cape Provincial Representative	01/12/2020	Active	i) Masters in Commerce with Specialised in Leadership Studies: University of KZN ii) BA in Philosophy: University of Stellenbosch iii) BTech in Public Management: PE Technikon iv) NDiploma in Public Management and Administration: Eastern Cape Technikon	i) Governance ii) Strategy iii) Research	i) Chairperson: Boxing South Africa ii) Chairperson: Chris Hani Corporation Development Centre iii) Director: Learning Futures iv) Deputy President: SA Association of Senior Student Affairs Professionals v) Director: Eastern Cape Socio Economic Consultative Council	i) Heritage Research and Development Committee ii) Corporate Services Committee	11/14
Bishop Dr Vikinduku Mnculwane	Kwa Zulu-Natal Provincial Representative	01/12/2020	Active	i) Doctor of Administration: University of KZN ii) Masters of Public Administration: University of Stellenbosch iii) Master of Theology: University of Natal iv) BTh Honours: UNISA v) BA Hons Public Administration: University of Stellenbosch vi) Post Graduate Diploma Monitoring and Evaluation: University of Stellenbosch	i) Public Policy ii) Monitoring and Evaluation	None	None	10/14

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Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Ms Lydia Moroane	Mpumalanga Provincial Representative	01/12/2020	Active	<ul style="list-style-type: none"> i) Secondary Teachers Diploma: Tivumbeni Collage ii) Advanced Certificate in Education: University of North West iii) Project Management: Josmap Training Institute iv) Mediation, Conflict Resolution, Negotiation: DIRCO v) Advanced Certificate in Municipal Governance and Management: University of JHB vi) Practical Ministry: CFCI 	<ul style="list-style-type: none"> i) Social Transformation ii) Issues and Plights of Women iii) Politics 	<ul style="list-style-type: none"> i) Arbitrator, Mediator and Counsellor: Mpumalanga Rental Tribunal ii) Town Planning: Mpumalanga Township Board iii) SGB Secretary: Freddy Sithole High School 	<ul style="list-style-type: none"> i) Corporate Services Committee ii) Social and Ethics Committee 	13/14
Ms Laura Robinson	Western Cape Provincial Representative	01/12/2020	Active	1. B Architecture: University of Cape Town	<ul style="list-style-type: none"> i) Architecture and the Built Environment ii) Cultural Heritage and Cultural Landscapes iii) Intangible Heritage and Sites of Conscience and Memory iv) Human Rights and Heritage 	<ul style="list-style-type: none"> i) Board Member: Cape Town Central City Improvement District (NPO) ii) Trustee: Cape Town Heritage Trust / Heritage Foundation (NGO/NPO) 	<ul style="list-style-type: none"> i) Heritage Research and Development Committee 	13/14

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Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/ Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Mr Onkabetse Wordsworth Mereki	Northern Cape Provincial Representative	01/12/2020	Active	i) B Soc.Sc: University of North West	i) Public Administration ii) Heritage Services	Member: Northern Cape Heritage Authority ii) Member: McGregor Museum iii) Board Chairperson: Legadima Industrial iv) Managing Member: Woxbricks Trading v) Managing Member: Nkgodisana Social Connections	i) Corporate Services Committee	14/14
Hosi Adv. Aarone Mahumani	Limpopo Provincial Representative	01/12/2020	Active	i) LLM Masters of Law: Limpopo University in collaboration with Potchefstroom ii) B.luris Degree: University of Zululand ii) Post Graduate Diploma Labour Law: University of Limpopo	i) Legal ii) Administrative Issues	i) Centre Royal Leader and Advocate ii) Board Member: Limpopo Gambling Board iii) National Council Member: Correctional Services	i) Heritage Research and Development Committee ii) Social and Ethics Committee	13/14
Mr Tsheko Tsehlana	Gauteng Provincial Representative	01/12/2020	Active	i) Certificate in Development Management: School of Public & Development Management ii) Certificate in Arts and Culture Management: University of Witwatersrand	i) Management ii) Project Management iii) Organisational Design	i) Chairperson: SOWETO Heritage Foundation ii) Chairperson: Gauteng Liberation Heritage Committee iii) Member: Lebone Secondary School iv) Member: Gauteng Geographical Name Change Committee	i) Heritage Research and Development Committee	11/14

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Ms Elodie Seotseng Tlhoale	Free State Provincial Representative	01/12/2020	Active	i) Professional Architect: SA Council for Architectural Profession ii) BA Architect, BA Hons Architecture: University of Cape Town iii) Revised N Diploma Architectural Technology: Peninsula Technikon	i) Professional Architecture ii) Heritage Practitioner iii) Emerging Contractor Mentor iv) Build Environment Consultant v) Artist	i) Managing Director: Impact Architecture Pty Ltd ii) Deputy Chairperson and Council Member: Free State Heritage Resources Authority	i) Heritage Research and Development Committee ii) Social and Ethics Committee	14/14
Ms Karabo Tebogo Rapoo	Member Appointed by the Minister – Chairperson of Ditsong Museums	01/12/2020	Active but was inactive from 01/04/2021 – 31/09/2021 due to the Forensic Investigation that was taking place	i) Executive Development Programme (EDP): GIBS ii) Post Graduate Trustee Training Programme: WITS Business School iii) BCompt (Incomplete Financial Acc 3): UNISA iv) Articles of Traineeship: KPMG	i) Governance ii) Strategy Formulation iii) Risk Management iv) Risk Financing Insurance v) Internal Audit vi) Financial Management vii) Facilitation and Project Management	i) Board Chairperson: Ditsong Museums of SA ii) Board Member, Audit Committee Member: Medipos Medical Aid Scheme iii) Audit Committee Member: BestMed Medical Aid Scheme iv) Audit Committee Member, Risk Management Committee: Dep of Sports Arts and Culture v) Chairperson: DMSA vi) Chairperson of Executive Operational Committee (EOC) and Ex Officio Member of various Committees: SAPO	i) Audit and Risk Committee ii) Social and Ethics Committee	6/6

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Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Mr Moses Themba Makhweyane	Member appointed by the Minister: SAHRA Chairperson	01/12/2020	Active	i). B Juris: Limpopo University, Accredited Assessor & Moderator LG Seta	i) Corporate Law ii) Trainer & Facilitator iii) Advisor on Governance	i) Managing Member: Makhweyane Support Services (NPC) ii) Board Chairperson: SAHRA iii) Valuation Appeal Board Member for Gert Sibande District Municipality	ii) Corporate Services Committee ii) Social and Ethics Committee	11/14
Adv. Roderick Solomons	Member appointed by the Minister – Chairperson of IZIKO Museums	01/12/2020	Change to: Active but was Inactive from 01/04/2021 – 31/01/2022 due to Forensic Investigation that was taking place	i) B.Soc.Sc: University of Cape Town ii) LLB: University of the Western Cape iii) Certificate in Sports Law: University of Cape Town	i) Law ii) Management iii) Business iv) Arts and Culture v) Sports Development vi) Conflict Resolution vii) Politics viii) Community Activism	i) Board Chairperson: IZIKO Museums of SA ii) Convenor: SA 1st Forum (NGO) iii) Director: UCTABA UCT Association of Black Alumni – NPO iv) Council Member: NFVF v) Owner: Rodsol Sport and Leisure Group (PVT Business) vi) Executive Director: Yes We Can Sport and Jazz Foundation (NPO)	i) Heritage Research and Development Committee	4/4

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/Directorship /Membership/Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Dr Adv. Mphalane Moses Makhura	Member appointed by the Minister: Chairperson of NAAC	01/12/2020	Active	i) LLB (Bachelors of Law): UNISA ii) PhD (Information Science): University of JHB iii) Master's Degree in Information Studies : RAU iv) B Inf Studies (Hons): University of the North v) B.Bibl (Ed): University of the North	i) Library and Information Science ii) Records and Information Management iii) Teaching / Education iv) Legal Services	i) Board Chairperson: NAAC ii) Director: Khunkhwane Trading iii) Owner/Director: Hollandsdrift Farm iv) Chairperson: South African Bureau of Standard (SABS) TC 46 v) Secretary General: South African Society of Archivists (SASA) vi) Council Member: Mangosuthu University of Technology(MUT)	i) Corporate Services Committee ii) Social and Ethics Committee	13/14
Ms Ester Netshivh ongweni	Member appointed by the Minister – Heraldry Council	01/05/2021	Active	i) MCom, BCom Hons, BCom: University of Venda ii) Advanced Diploma in Professional Management: UNISA-SBL iii) Diploma in Professional Management: UNISA – SBL iv) International Finance Course – Singapore Institute of Banking and Finance	i) Human Resources ii) Corporate Governance iii) Research and Heritage Management	i) Board Chairperson: Heraldry Council ii) Chairperson: African Community Conservationists iii) South African Country Contact Point for Global Environmental Facility – United Nations iv) Task Team member – Development of the National Framework on Biodiversity Sector	i) Corporate Services Committee ii) Social and Ethics Committee	8/10
Mr Themba Dlamini	Member appointed by the Minister – Chairperson of National Library of South Africa	01/10/2018	Term ended 30/09/2021	i) Master of Arts in Development Economics: William College, Massachusetts, USA ii) BA Hons (Honours-Cum Laude) : Howard University, Washington DC, USA iii) Diploma in Business Administration (Accounting): Northern Virginia Community College, Virginia, USA	i) Research Analyst ii) Project Management iii) Financial Management iv) Auditing (internal and External) v) Strategist vi) Budget and Planning	i) Board Chairperson: National Libraries SA ii) Director: Foundation for Transformation (NPC) iii) Audit Committee Member: STATS SA	i) Audit and Risk Committee ii) Heritage Research and Development Committee	5/6

Name	Designation	Date appointed	Date resigned/ Term ended	Qualifications	Area of Expertise	Board Directorship/ Directorship /Membership/Partnership	Other Committees (NHC Sub Committees)	No of Scheduled Meetings (5), Special Meetings (7) and Strategy Workshops (2)
Ms Refiloe Mabaso	Member appointed by the Minister – Chairperson of National Library of South Africa	01/10/2021	Active	i) Post Graduate Diploma in Knowledge and Information Systems Management: University of Stellenbosch ii) General Managers Programme: Gordon Institute of Business Science iii) MBA: UNISA iv) B.Tech Library Information Studies: UNISA v) Strategic Leadership Programme: Gordon Institute of Science vi) Certificate in Information and Knowledge Management: University of Pretoria vii) Management Development Programme: UNISA viii) N Diploma in Library and Information Practice: UNISA	i) Information Management ii) Information Governance iii) Library Management iv) Knowledge Management v) Business Intelligence vi) Records Management	i) Board Chairperson: National Library of SA ii) Board Chairperson: Knowledge Management South Africa (NPO) iii) Board Chairperson: Kitso Lesedi (NPO)	i) Heritage Research and Development Committee ii) Corporate Services Committee	5/8

3.3 Council Committees

In its operations the Council is assisted by the following four committees:

- **Audit and Risk Committee** - assists the Council in fulfilling its responsibilities and provides oversight on behalf of the Council on related audit, finance, performance and risk matters. Its charter is aligned to the duties prescribed by the PFMA and Treasury Regulations.
- **Heritage Research and Development 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.
- **Corporate Services Committee** - responsible for the determination and recommendation for approval by Council of a sound human resources and remuneration philosophy, strategy and policies.
- **Social and Ethics Committee** - is responsible for ensuring that the NHC conducts its business responsibly with regard to ethical standards and social responsibility.

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

3.4 INTERNAL CONTROLS

Internal controls improved during the year under review and they were continuously strengthened through the work of the Internal Auditors and the Audit and Risk Committee. Financial controls and human resources policies were reviewed and approved.

3.5 INTERNAL AUDIT

The internal audit function is outsourced. Internal Auditors monitor the functioning of internal control systems and make recommendations to Management, the Audit and Risk Committee and Council.

3.6 Composition of Council Committees

Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working tasked team meetings held	No. of members	Names of members
Heritage Research and Development Committee.	4	0	0	4	8	Mr Jabulani Sithole (Chair) Ms Laura Robinson (Dep Chair) Mr Tsheko Tsehlana Ms Elodie Tlhoale Mr Luthando Phillip Jack Hosi Adv. Khavhareni Aarone Mahumani Dr. Graham Dominy Ms Refiloe Mabaso
Corporate Services Committee.	4	2	0	0	9	Ms Salome Mabilane – Chairperson Mr. Jabulani Sithole – Dep Chairperson Mr. Moses Makhweyane Dr. Adv. Mphalane Makhura Mr. Onkabetse Mereki Ms. Lydia Moroane Mr. Luthando Phillip Jack Ms Refiloe Mabaso Ms Esther Netshivhongweni

Committee	No. of ordinary meetings held	No. of special meetings held	No. of workshops held	No. of working tasked team meetings held	No. of members	Names of members
Social and Ethics Committee	4	0	1	0	9	Dr Graham Dominy (Chairperson) Ms Elodie Tlhoale (Dep Chair) Ms Salome Mabilane Hosi Adv. Khavhareni Mahumani Dr. Adv. Mphalane Makhura Mr. Moses Makhweyane Ms. Lydia Moroane Ms Karabo Rapoo Ms Esther Netshivhongweni
Audit and Risk Committee.	4	8	1	1	6	Independent Members; Ms Margaret Phiri (Chairperson) Mr Johan Van Der Walt Mr Tichaona Zororo Council Members; Mr Themba Cyril Dlamini (term ended 30/09/2021) Ms Nontlaza Sizani Ms Karabo Rapoo (from 01/10/2021)

3.7 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 within NHC (e.g. Audit Committee)	No. of Meetings attended out of (13) sittings
Ms Margaret Phiri	External/ Independent Member.	01/05/2021 – 30/04/2024	Active	<ul style="list-style-type: none"> i) Qualified CA(SA):SAICA ii) Registered Auditor and Registered Tax Practitioner iii) CTA/BCompt Honours - UNISA iv) BCom. Accounting Degree - Venda University 	<ul style="list-style-type: none"> i) Internal and External Auditing ii) Board Evaluation and Investigation iii) Financial Management iv) Corporate Governance v) IT Governance vi) Risk Management vii) Supply Chain Management 	<ul style="list-style-type: none"> i) Board Member - Mineral Technology Council ii) Board Member - Save The Children South Africa iii) Board Member - South African Special Risk Insurance Association iv) Audit Committee Member - Various Departments and Public Entities 	None	13/13
Mr Johannes Van Der Walt	External / Independent Member	01/05/2021 – 30/04/2024	Active	<ul style="list-style-type: none"> i)CA(SA) ii)M.Com Financial Management (cum laude) - JHB University iii) BCompt (Hons), BCompt - University of Free State 	<ul style="list-style-type: none"> i) Strategic Financial Management ii) Corporate Governance iii) Financial Management and Accounting iv) Risk Management v) Supply Chain Management vi) IT, Legal and HR Management 	<ul style="list-style-type: none"> i) Board and ARC Member - Council for Medical Schemes ii) Board and ARC Member - Gauteng Film Commission iii) Board and ARC Member - WWP Group of Companies iv)Board and ARC Member Enterstage Africa (Pty) Ltd v) Board and ARC Member - Pandoclox (Pty) Ltd vi) Board and ARC Member - South African Tourism* Gauteng Tourism 	None	11/13

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Resignation Date	Qualifications	Area of Expertise	Board Directorship	Other Committee's within NHC (e.g. Audit Committee)	No. of Meetings attended out of (13) sittings
Mr Tichaona Zororo	External/ Independent Member.	01/05/2021 – 30/04/2024	Active	i) Certified Internal Auditor [CIA], Risk Management Assurance [CRMA], Governance of Enterprise IT [CGEIT], Risk and Information Systems Control [CRISC], Information System Auditor [CISA], Information Security Manager [CISM], Data Privacy Solutions Engineer [CDPSE], COBIT Certified Assessor ii) Post Graduate Diploma in Computer Auditing - Wits University iii) B.Sc. Honours Information Systems - MSU iv) Digital Disruption - Digital Transformation Strategies - University of Cambridge Judge Business School v) Chartered Institute of Secretaries & Administrators [Economics, Accounting, Principles of Marketing] – CIS	i) IT Governance. ii) IT Auditing iii) Governance and Enterprise Risk Management iv) Financial Management	i) Advisor Audit & Risk Committee and IT Steering Committee - South African National Biodiversity Institute ii) Audit and Performance Committee Member - Setsoto Municipality iii) Board Member Immediate Past President - Information Systems Audit Control Association [ISACA] South Africa	None	9/13

3.8 MANAGEMENT COMMITTEES

In the 2021/22 Financial Year the following committees were supporting management in the execution of their duties:

a. 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.

b. Heritage Panel of Experts – Responsible for provision of expert advice and technical expertise on heritage programmes and projects, towards contributing to their development and implementation. The Panel of Experts also supports research and documentation processes, including the development of draft policy frameworks. Furthermore, the Panel provides oversight and quality assurance over all research and documentation processes.

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, relevant Labour laws, Health and Safety Laws, Procurement Prescripts, Broad Based Black Economic Empowerment (BBBEE) etc.

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 for 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 whistle blowing available to all its entities, including the NHC. During the period under review no cases were reported to the hotline.

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 is in place.

CODE OF CONDUCT

The Council has an approved Code of Conduct Policy. The Code of Conduct is included in the Council Charter and is based on principles of honesty and integrity.

HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

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

COMPANY SECRETARY

The Company Secretary reports functionally to the Council and administratively to the CEO, and is responsible for ensuring that the Council complies with all applicable legal and statutory requirements and policy imperatives.

The Company 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 compliance with good corporate governance, the Company Secretary also facilitates self-assessment of the Council and its Committees, as well as financial disclosures by Council Members. The responsibilities are strategic and incorporate all matters pertaining to corporate governance and compliance with the King I-IV Report.



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AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (ARC) presents its report regarding its affairs at the National Heritage Council for the financial year ended 31 March 2022.

Audit and Risk Committee Responsibility

The Audit and Risk Committee has complied with its responsibilities as stated in Section 51(1)(a) (ii) of the Public Finance Management Act and Treasury Regulations 27 paragraph 27.1. The ARC reports that it has adopted appropriate terms of reference. As per its ARC Charter, the ARC has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The ARC is accountable to the Council and has the oversight function of amongst other responsibilities:

- Financial and Performance Management
- IT Governance
- Risk and Fraud Management
- Internal Audit Function
- Compliance with Laws and Regulations and good Ethics
- Reporting practices
- External Audit

Summary of the work done by the Audit Risk Committee during the year under review

- Updated the ARC Charter
- Undertaken risk management processes
- Approved internal audit charter
- Approved the Internal Audit three year rolling plan and current annual plan
- Ensured that all planned Internal Audit projects were timely completed
- Reviewed the reports of the Internal Audit Activity and made appropriate recommendations
- Considered quarterly finance and performance reports and provided guidance on the adequacy and quality improvements for these reports
- Conducted separate meetings with Internal Audit Functions and Management to drive and enhance risk and performance management
- Provided guidance on IT governance and policy issues
- Monitored compliance with policies and applicable legislations
- Monitored progress on previous audit findings

Internal Audit Function

The ARC is satisfied that the internal audit function has appropriately discharged its functions and responsibilities during the year under review. The ARC is also satisfied that the internal audit function is operating effectively, that it has addressed the risks pertinent to the entity while maintaining an effective internal quality assurance and programme that covers all aspects of the internal audit activity.

In-Year Management and Monthly/Quarterly Reports

The ARC is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the year under review, the ARC considered the entity's Interim Financial Statements and Expenditure against the Budget, assessed the Quarterly Performance Reports and recommended the associated corrections to Council for approval.

Risk Management

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

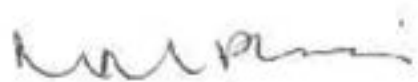
Evaluation of Annual Financial Statements

The ARC reviewed and recommended the unaudited Annual Financial Statements to the Council for approval and onward submission to the AGSA for the annual audit. The ARC was satisfied that these unaudited Annual Financial Statements 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 satisfied itself that the policies were consistent with those of prior years, and have been constantly applied in accordance with the National Treasury Guidelines.

Auditor's Report

The ARC has discussed the Auditor's report with the Auditor General South Africa (AGSA), to ensure that there are no unresolved issues. The ARC has also reviewed the NHC's implementation plan for audit issues raised in the AGSA management report and continuous monitoring will be exercised to ensure that all matters are adequately addressed.

The ARC concurs and accepts the conclusions of the AGSA regarding the Annual Financial Statements and Performance Report, and recommend that the Audited Annual Financial Statements and Performance Report be accepted and read together with the report of the AGSA.



Ms. Margaret Phiri

Chairperson

NHC Audit and Risk Committee

31 July 2022

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 licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The NHC is in the process of developing Terms of Reference (ToRs) for appointment of a service provider to assist the organisation in developing the criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	The NHC is in the process of developing ToRs for appointment of a service provider to assist the organisation in developing and implementing a preferential procurement policy.
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 in the process of developing ToRs for appointment of a service provider to assist the organisation in developing the criteria for entering into partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of BBBEE?	Yes	The NHC is in the process of developing ToRs for appointment of a service provider to assist the organisation in developing the criteria for the awarding of incentives, grants and investment schemes in support of BBBEE.



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Part D:

Human Resource
Management



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 for effective delivery of the NHC's mandate and strategic objectives.

The job evaluation undertaken to migrate staff to the new organisational structure raised disgruntlement from some employees who appealed against the decision 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;
- Employee readiness creation
- Employee participation in designing the future programme

The staff sessions were complemented with one-on-one feedback sessions.

The staff complement of the NHC was 26 at the end of the financial year with two new positions having been filled in the year under review. Two members of staff resigned and their positions are being filled in the 2022/23 Financial Year.

Seven staff members attended various training and development courses in the year under review.

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	7,640	5,887	8%	4	1,472
Heritage	21,015	4,559	7%	4	1,140
Corporate Services	22,606	8,320	12%	9	924
Marketing	2,258	1,680	2%	2	840
Funding	5,648	2,618	4%	3	873
LHR	4,100	3,202	5%	3	1,067
Company Secretariat	6,901	1,579	2%	1	1,579
Total	70,168	27,845	40%	26	1,071

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	2,344	8%	1	2,344
Senior Management	16,585	60%	12	1,382
Professional qualified	1,936	7%	2	968
Skilled	6,146	22%	8	768
Semi-skilled	239	1%	1	239
Unskilled	595	2%	2	297
Total	27,845	100%	26	1,071

Performance Rewards

Programme	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	513	2,344	2%
Senior Management	1,632	16,585	6%
Professional qualified	230	1,936	1%
Skilled	565	6,146	2%
Semi-skilled	19	239	-
Unskilled	27	595	-
TOTAL	2,986	27,845	11%

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	5,887	-	-	-	-
Heritage	4,559	10	-	1	10
Corporate Services	8,320	13	-	1	13
Marketing	1,680	46	-	1	46
Funding	2,618	14	-	3	5
LHR	3,202	39	-	1	39
Company Secretariat	1,579	-	-	-	-
Total	27,845	122	-	7	17

Employment and vacancies

Programme	2021/22 No. of Employees	2021/22 Approved Posts	2021/22 No. of Employees	2021/22 Vacancies	% of vacancies
Top Management	1	1	1	-	-
Senior Management	12	16	12	4	25%
Professional Qualified	2	16	2	14	88%
Skilled	8	19	8	11	58%
Semi-Skilled	1	1	1	-	-
Unskilled	2	2	2	-	-
TOTAL	26	55	26	29	53%

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	-	-	1
Senior Management	13	-	-1	12
Professional qualified	2	-	-	2
Skilled	7	2	-1	8
Semi-skilled	1	-	-	1
Unskilled	2	-	-	2
Total	26	2	-2	26

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	-
Resignation	2	100%
Dismissal	-	-
Retirement	-	-
Ill health	-	-
Expiry of contract	-	-
Other	-	-
Total	2	100%

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	-
Written Warning	-
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	13	-	1	-	1	-	1
Skilled	7	17	-	-	-	1	1	1
Semi-skilled.	1	1	-	-	-	-	-	-
Unskilled	2	2	-	-	-	-	-	-
Total	25	47	-	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

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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

The image features a woman in a market stall, wearing a light-colored blouse and a colorful patterned skirt, surrounded by baskets of red tomatoes. A large white teardrop-shaped graphic is overlaid on the left side of the image, containing text. The background is a dark red color with a repeating pattern of white teardrop shapes.

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Part 5:
Financial Information

STATEMENT OF RESPONSIBILITY for the year ended 31 March 2022

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the annual financial statements fairly present the state of affairs of the National Heritage Council as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are responsible for reporting on the fair presentation of the annual financial statements.

The Annual Financial Statements are based on Generally Accepted Accounting Practice and accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Accounting Authority acknowledges that it is ultimately responsible for the system of internal controls established by the National Heritage Council and places considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the National Heritage Council set standards for internal controls aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the National Heritage Council and all employees are required to maintain the highest ethical standards in ensuring that the National Heritage Council's business is conducted in a manner that, in all reasonable circumstances, is above reproach.

The focus of risk management in the National Heritage Council is on identifying, assessing, managing and monitoring all forms of risk known to the National Heritage Council. While operating risk cannot be fully eliminated, the National Heritage Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Accounting Authority has reviewed the National Heritage Council's cash flow forecast for the year ended 31 March 2023 and, in the light of this review and the current financial position, is satisfied that the National Heritage Council has access to adequate resources to continue in operational existence for the foreseeable future.

The National Heritage Council is mainly dependent on the Department of Sport, Arts and Culture for continued funding of operations. The financial statements are prepared on the basis that the National Heritage Council is a going concern and that the Department of Sport, Arts and Culture has neither the intention nor the need to liquidate or scale down the functions of the National Heritage Council materially.

The financial statements, which have been prepared on the going concern basis, were approved by the Accounting Authority on 29 July 2022.



DR N. LUKHWARENI
CHIEF EXECUTIVE OFFICER



MR E. NELUVHALANI
CHAIRPERSON OF COUNCIL

2. REPORT OF THE CEO OF THE NATIONAL HERITAGE COUNCIL ON THE FINANCIAL PERFORMANCE OF THE ENTITY FOR THE YEAR ENDED MARCH 2022

The entity was constrained during the major part of the year due to Covid 19 pandemic, which resulted in an underspending of funds. The entity and its officials worked tirelessly during periods where lockdown rules were relaxed to achieve its targets. The communities and stakeholders were assured of the full rollout of the intended projects and programmes post Covid.

The resultant surplus is to be utilised for this delayed rollout of projects dependent on the National Treasury approving the retention of the surplus amounting to R16 million.

The entity spent the major part of its revenue on staffing costs where specialised skills were retained and rollout of programs and projects was achieved under difficult circumstances.

Supply Chain Management continued its processes in line with National Treasury guidelines.

The entity experienced skills shortages in the Finance and supply chain as a result of disciplinary processes currently in progress. In this regard the matters are pending and *sub judice*. Contractors have been employed to mitigate the supervisory and management skills shortages.

No repeat audit findings have been raised by the Auditor General. The AG has given the entity an unqualified audit opinion with findings which have already been addressed and resolved. New control measures have been implemented to ensure these findings do not persist.

The new projects and related funding for PESP3 are being rolled out.

The organisation is currently viable with the existing funding, but the shareholder will have to consider its future viability with rising inflationary pressures. With the fiscus also strained, ways to rationalise the heritage sector will have to be sought between all tiers of Government.

The continued support and guidance of the Council and its committees has assisted management in achieving its targets and an unqualified audit report.

The following are some of the milestones reached in the year under review:

- (i) Approval of 32 heritage community projects for R7.5 million
- (ii) The NHC participating in and supporting the promulgation of the National Repatriation Policy
- (iii) The NHC partnering with SAHRA to support the process of nomination of the Wilberforce College as a national heritage site
- (iv) Successful submission of the Nomination Dossier for the Nelson Mandela sites of memory to UNESCO.



Dr. N. Lukhwareni

CEO

31 July 2022

3. 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 financial statements of the National Heritage Council set out on pages 61 to 95 which comprise the statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and 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 2022, 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.

Other matter

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

Supplementary information

7. The supplementary information set out on pages 96 to 99 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

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. 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

10. 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.
11. 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

12. 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 programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. 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.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the public entity's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2 – Heritage promotion	24-27

15. 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.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - Programme 2 – heritage promotion

Other matters

17. I draw attention to the matter below.

Achievement of planned targets

18. Refer to the annual performance report on pages 21 to 27 for information on the achievement of planned targets for the year.

REPORT ON COMPLIANCE WITH LEGISLATION

Introduction and scope

19. 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.
20. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1) (a) and (b) of the PFMA. Material misstatements of receivables from non exchange transactions, payables from exchange transactions and operating expenditure identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

22. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R 4 534 000.00 as disclosed in note 31 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure was caused by supply chain management processes not followed.

Consequence management

23. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51(1)(e)(iii) of the PFMA. This was because investigations into irregular expenditure is still in progress.

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 chief executive officer's report. The other information does not include the financial statements, the auditor's report and those selected programme 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 programme 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. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the unqualified opinion, and the findings on compliance with legislation included in this report.
29. The financial statements contained misstatements that were corrected, this was mainly due to inadequate recording and review of expenditure transactions as well as non-compliance with legislations that could have been prevented had compliance with legislation been properly reviewed and monitored

Other reports

30. I draw attention to the following engagements conducted by various parties

which had, or could have, an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

31. In the prior year, an independent forensic audit firm was appointed to investigate allegations of fraudulent activities at the public entity. The forensic report was issued and further investigations are still in progress.

Auditor-General

Pretoria
30 July 2022



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 programme 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 a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit

evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

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

5. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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STATEMENT OF FINANCIAL POSITION as at 31 March 2022

	NOTES	2022 R '000	2021 R '000
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,121	3,067
Intangible assets	3	443	323
		3,564	3,390
Current assets			
Receivables from exchange transactions	4	338	314
Receivables from non-exchange transactions	5	78	811
Prepayments and advances	6	19,086	16,923
Cash and cash equivalents	7	76,906	49,556
		96,408	67,604
Total Assets		99,972	70,994
LIABILITIES			
Non-current liabilities			
Deferred income	9	-	420
Long term lease liability		71	-
		71	420
Current liabilities			
Payables from exchange transactions	8	13,408	10,289
Deferred income	9	45,829	37,452
Finance lease obligation	10	64	-
Leave Accrual	11	1,097	1,450
Performance Bonuses	12	482	1,582
Acting Allowance provision	13	408	-
		61,288	50,773

STATEMENT OF FINANCIAL POSITION as at 31 March 2022 (continued)

Total Liabilities

TOTAL NET ASSETS

Accumulated Surplus

NET ASSETS

		61,359	51,193
		38,613	19,801
		38,613	19,801
		38,613	19,801

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2022

	NOTES	2022 R '000	2021 R '000
TOTAL REVENUE		74,844	68,492
<i>Non-exchange revenue</i>		74,291	68,124
Government grant/Transfer – Department of Sport, Arts and Culture	14	72,248	66,968
Amortised Government/Transfers/ Partnerships - Other	15	2,043	1,156
Exchange revenue		553	368
Other income	16	6	98
Interest received	17	547	270
TOTAL EXPENSES		(56,032)	(51,719)
Operating expenses	18	(8,845)	(5,864)
Administrative expenses	19	(12,601)	(12,468)
Employee related costs	20	(30,658)	(29,038)
Operating lease expenses	21	(2,711)	(2,711)
Finance costs	22	(16)	(8)
Depreciation	23	(952)	(1,485)
Amortisation	24	(249)	(145)
SURPLUS FOR THE YEAR		18,812	16,773
SURPLUS FOR THE YEAR Attributable to:			
Owners of the controlling entity		18,812	16,773
		18,812	16,773

STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2022

Balance at 1 April 2020
Surplus for the period
Balance at 31 March 2021
Surplus for the period
Balance at 31 March 2022

Accumulated Surplus
R '000
3,028
16,773
19,801
18,812
38,613

CASH FLOW STATEMENT for the year ended 31 March 2022

	NOTES	2022 R '000	2021 R '000
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS		83,355	89,091
Government Grant/Transfer – Department of Sport, Arts and Culture	14	72,248	66,968
Other Receipts		197	33
Conditional Grants/Transfers/ Partnerships		10,000	21,398
Interest Received		910	692
		(54,753)	(49,351)
CASH PAID TO SUPPLIERS AND EMPLOYEES			
Employee Related Costs		(32,942)	(28,393)
Suppliers		(21,795)	(20,950)
Interest Paid		(16)	(8)
NET CASH FLOW FROM OPERATING ACTIVITIES	26	28,602	39,740
CASH FLOW FROM INVESTING ACTIVITIES		(1,185)	(608)
Acquisition of Property, plant and equipment	2	(816)	(288)
Acquisition of Intangible assets	3	(369)	(320)
CASH FLOW FROM FINANCING ACTIVITIES		(67)	(146)
Payment for finance lease		(67)	(146)
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS		27,350	38,986
Cash and Cash Equivalents at the beginning of the year		49,556	10,570
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	76,906	49,556

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS for the year ended 31 March 2022

	Approved Budget	Adjustments	Final Budget	Actual	Variance
	R '000	R '000	R '000	R '000	R '000
REVENUE					
TOTAL REVENUE	74,291	-	74,291	74,844	553
Non-exchange revenue	74,291	-	74,291	74,291	-
Government grant/Transfer - Department of Sport, Arts and Culture - #	72,248	-	72,248	72,248	-
Amortised Government/Transfers/ Partnerships - Other - #	2,043	-	2,043	2,043	-
Exchange revenue	-	-	-	553	553
Other income	-	-	-	6	6
Interest received - &	-	-	-	547	547
EXPENSES					
TOTAL EXPENSES (Excluding CAPEX)	(73,783)	(754)		(56,032)	16,997
Operating expenses - @	(25,113)	(39)	(25,074)	(8,845)	16,229
Administrative expenses - *	(15,258)	(715)	(14,543)	(12,601)	1,942
Employee related costs	(30,777)	-	(30,777)	(30,658)	119
Operating lease expenses - \$	(2,635)	-	(2,635)	(2,711)	(76)
Finance costs	-	-	-	(16)	(16)
Depreciation	-	-	-	(952)	(952)
Amortisation	-	-	-	(249)	(249)
SURPLUS FOR THE YEAR	508	754	1,262	18,812	17,550
Capital Expenditure	508	754	1,262	1,185	

See Note 34 for significant budget variance explanations:

- Transfers and Partnerships 35 (a), & - Exchange Revenue 35 (b), @ - Operating Expenses 35 (c), * - Administrative Expenses 35 (d)

\$ - Operating Lease Expenses 35 (e)

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 in compliance with GRAP 1.18, 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. 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 standards of GRAP are not likely to impact the 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 (effective 1 April 2022)

GRAP 104: Financial Instruments (effective 1 April 2022)

Guideline for the Accounting for Landfill Sites (Not applicable to NHC)

1.1 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.

Depreciation

Assets are depreciated on their estimated useful lives based on management's best judgement and experience.

Reassessment of useful lives

Annual reassessment of useful lives is performed to assist management by external experts.

Amortisation of assets

Assets are amortised on their estimated useful lives based on management's best judgement and experience.

1.2 Basis of Preparation

The annual financial statements have been prepared on the accrual basis. These annual financial statements are presented in South African Rands. The following are the principal accounting policies used by the National Heritage Council which are consistent with those of the previous year.

1.3 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.

ACCOUNTING POLICIES

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 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

1.3 Property, Plant and Equipment (continued)

Item	Average Useful life
Computer equipment	2 – 12 years
Office equipment	2 – 12 years
Motor vehicles	5 – 16 years
Furniture and Fittings	2 – 13 years
Leasehold Improvements	Remainder of lease period
Leased Office Equipment	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.

1.4 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.

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

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

ACCOUNTING POLICIES

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

1.5 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.

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 recorded at fair value and subsequently recorded at amortised cost.

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.

1.6 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 the South African Revenue Service.

1.7 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.

ACCOUNTING POLICIES

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.

1.8 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.

1.9 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.

Leave liabilities are measured at the amount of leave days accrued at year-end and the cost-to-company rate per day as at reporting date.

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.

1.10 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.

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

1.11 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.

ACCOUNTING POLICIES

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.

1.12 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.

1.13 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).

1.14 Fruitless and wasteful expenditure, irregular expenditure and material losses through criminal conduct

Fruitless and wasteful expenditure, irregular expenditure and material losses through criminal conduct are disclosed in accordance with the requirements of the PFMA and the guidelines issued in terms of the PFMA when the entity identifies events that gave rise to the classification of these expenditures and the entity confirmed the classification as such. Receivables for the recovery of these expenditure are only recognised when there is a reasonable expectation that the amounts will be recovered. These expenditure is reduced by the amounts recoverable, condoned by NT or written off as irrecoverable. Any uncertainties to these expenditures are also disclosed.

Fruitless and wasteful expenditure is included in note 30.2. Irregular expenditure is included in note 30.1. There were no expenditures identified relating to material losses through criminal conduct.

1.15 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.

1.16 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. The contingent liabilities are disclosed under note 33.

1.17 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 accrual 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.

ACCOUNTING POLICIES

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.

1.18 Events after the reporting date

Events after the reporting date that are classified as adjusting events are accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the financial statements.

1.19 Commitments

Items are classified as commitments where the entity commits itself to future transactions that will normally result in the outflow of resources. Capital commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases: approved and contracted commitments, approved and not contracted for, where the expenditure has been approved and the contract has been awarded at the reporting date; and where disclosure is required by a specific standard of GRAP.

1.20 CHANGE IN ESTIMATE

Change in accounting estimates and errors – reassessment of useful lives

Most of our assets have reached their useful lives but are still in use. Management has therefore resolved to undergo a reassessment of useful lives at every financial year-end. An expert was appointed to perform the reassessment. The financial implications of the reassessment process are found in note 36 of the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. PROPERTY, PLANT AND EQUIPMENT

2022

	Leasehold Improvements R '000	Furniture and Fittings R '000	Motor Vehicles R '000	Office Equipment R '000	Computer Equipment R '000	Leased Office Equipment R '000	Total R '000
Opening 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
Movements during the year	(499)	(51)	(5)	158	322	129	54
Additions	-	-	-	190	626	194	1,010
De-recognition/Disposal	-	-	-	-	(4)	-	(4)
Depreciation	(499)	(51)	(5)	(32)	(300)	(65)	(952)
Closing balances							
Cost	2,495	1,811	337	861	3,296	194	8,994
Accumulated depreciation	(1,219)	(1,658)	(136)	(613)	(2,182)	(65)	(5,873)
Carrying amount	1,276	153	201	248	1,114	129	3,121

An amount of R 44, 000 was incurred in the current financial year for repairs and maintenance relating to property, plant and equipment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. PROPERTY, PLANT AND EQUIPMENT (continued)

2021

	Leasehold Improvements	Furniture and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Leased Office Equipment	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
Derecognition/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

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 TSL Telecommunications for three (3) photocopy machines effective from 6 April

2021 which will end on 5 March 2024. 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 36)*

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 2022

3. INTANGIBLE ASSETS

INTANGIBLE ASSETS- 2022

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

R '000
Computer Software
1,025
(702)
323
369
(249)
443
1,394
(951)

INTANGIBLE ASSETS- 2021

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

R '000
Computer Software
705
(557)
148
320
(145)
323
1,025
(702)

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 37)*

All software assets are acquired, there is no internally developed software.

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 2022

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Sundry Debtors
Staff Debtors
Interest receivable

Financial assets

	2022 R '000	2021 R '000
	173	241
	39	20
	126	53
	338	314

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

Financial assets

	78	811
	78	811

Pledge as security

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

6. PREPAYMENTS AND ADVANCES

Deposit for rent
Prepayments and advances

	150	150
	18,936	16,773
	19,086	16,923

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).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. CASH AND CASH EQUIVALENTS

Cash on hand
Cash at bank
Funds held on call deposit

Financial assets

5	5
76,900	49,550
1	1
76,906	49,556

8. PAYABLES FROM EXCHANGE TRANSACTIONS

Financial liabilities

Trade payables
Salary related payables

Other Payables

Operating lease payables

Financial liabilities

The operating lease is straight lined.

12,705	9,661
11,156	7,021
1,549	2,640
703	628
703	628
13,408	10,289

Included under trade payables is R 3, 827 million of accumulated interest earned on ring-fenced conditional funds relating to Department of Sport, Arts and Culture. See Note 28 on Financial Instruments on how risk is managed in relation to the financial liabilities listed above

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

9. DEFERRED INCOME

Balance at the beginning of the year

Conditional Grant/Transfers – Department of Sport, Arts and Culture (PMO)

Conditional Grants/Transfers - National Lotteries Commission

Movement during the year – Receipts

Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)

Movement during the year – Amortized

Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO) – Revenue

Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO) – Receivable

Balance at year end

Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)

Conditional Grants/Transfers - National Lotteries Commission

Current portion

Non-current portion

	2022 R '000	2021 R '000
	37,872	39,028
	37,857	39,013
	15	15
	10,000	-
	10,000	-
	(2,043)	(1,156)
	(2,043)	(1,156)
	-	-
	45,829	37,872
	45,814	37,857
	15	15
	45,829	37,452
	-	420
	45,829	37,872

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 51,548 million to date from DSAC for the PMO (R21,150 million in 2017/18 and R 20,398 million in 2020/21 and R 10 million in 2021/22)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 R '000	2021 R '000
	75	-
	75	-
	150	-
	(15)	-
	135	-
	64	-
	71	-
	135	-
	64	-
	71	-
	135	-

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

Entered into a rental operational agreement with TSL Telecommunications for three (3) photocopy machines effective from 6 April 2021. The contract is for a period of 3 years (36 months) at R 225, 326 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. LEAVE ACCRUAL

Opening balances

Leave accrual

Additions

Leave accrual

Utilised

Leave - Utilised

Reversed

Leave - Reversed

Closing balances

Leave accrual

	1,450	916
	1,450	916
	1,097	1,450
	1,097	1,450
	-	(213)
	-	(213)
	(353)	(703)
	(353)	(703)
	1,097	1,450
	1,097	1,450
	1,097	1,450

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 of employment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12. PERFORMANCE BONUSES

Opening balances

Performance Bonuses

Additions

Provision

Utilised

Bonus paid

Reversed

Performance Bonuses

Closing balances

Performance Bonuses

	2022 R '000	2021 R '000
	1,582	3,182
	1,582	3,182
	-	1,582
	-	1,582
	(1,100)	(1,513)
	(1,100)	(1,513)
	-	(1,669)
	-	(1,669)
	482	1,582
	482	1,582
	<u>482</u>	<u>1,582</u>

There is no provision for bonuses in the current financial year National Treasury's budgeting guidelines. The closing balance relates to prior year outstanding bonuses.

13. PROVISION FOR SALARY RELATED COSTS

Acting Allowance

408	-
408	-

14. GOVERNMENT GRANT/TRANSFER

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

72,248	66,968
72,248	66,960

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. AMORTISED GOVERNMENT/TRANSFERS/PARTNERSHIPS – OTHER

AMORTISED GRANT/TRANSFER/PARTNERSHIPS - OTHER

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

	2022	2021
	R '000	R '000
	2,043	1,156
	2,043	1,156

16. OTHER INCOME

Sundry Income

Gain on Disposal of assets

	11	85
	-	13
	11	98

17. INTEREST RECEIVED

Interest received

	547	270
--	------------	------------

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.

18. OPERATING EXPENSES

Legal fees

Heritage projects and programmes

Staff training and development

Maintenance, repairs and running costs

	1,689	343
	6,732	5,005
	380	273
	44	243
	8,845	5,864

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. ADMINISTRATIVE EXPENSES

General and Administrative expenses
Travel and Accommodation

2022	2021
R '000	R '000
12,216	12,168
385	300
12,601	12,468

Refer to the Detailed Statement of Financial Performance for a breakdown of administrative expenses.

20. 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

24,828	23,203
1,063	640
23	26
2,137	1,922
73	61
(360)	662
2,137	1,922
73	61
285	193
399	348
30,658	29,038

21. OPERATING LEASE EXPENSES

Office space
Parking

2,298	2,298
413	413
2,711	2,711

Refer to Operating Leases. (See note 25)

22. FINANCE COSTS

Interest paid on leased assets

16	8
16	8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

23. DEPRECIATION

Motor vehicles
IT equipment
Office equipment
Furniture and fittings
Leasehold improvement
Leased assets - office equipment

2022	2021
R '000	R '000
5	42
300	420
32	104
51	288
499	499
65	132
952	1,485

24. AMORTISATION

Computer software

249	145
------------	------------

25. 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

2,872	2,635
3,131	6,003
6,003	8,638

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

26. 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 De-recognition of Property, Plant and Equipment
- Other Non-Cash – Bad debts
- Other Non-Cash – Operating Lease Accrual
- Other Non-Cash – Movement in deferred income

Changes in working capital:

- Trade and Other Receivables
- Prepayments and Advances
- Trade and Other Payables

	2022	2021
	R '000	R '000
	18,812	16,773
	8,518	(297)
	952	1,485
	249	145
	(1,453)	(1,066)
	4	(13)
	733	-
	76	294
	7,957	(1,142)
	1,272	23,264
	709	20,332
	(2,163)	164
	2,726	2,768
	28,602	39,740

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

27. RELATED PARTIES

Related party transactions (Receipts)

Grant/Transfer – Recurring expenditure – Department of Sport, Arts and Culture
 Grant/Transfer – non-exchange – Department of Sport, Arts and Culture (Project Management Office)

	2022 R '000	2021 R '000
	72,248	66,968
	10,000	-
	82,248	66,968

Related party transactions (Payments)

None

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 72, 248 million (2022) and R 66, 968 million (2021) as operational grant.

In addition, an allocation of R 10 million transferred in 2021/22 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)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

28. 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, 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.

Interest rate risk

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.

1.) Current and Call Account Interest Rate

- A percentage point increase/decrease in current account interest rate.
- A percentage point increase/ decrease in call account interest rate.
- A percentage point increase/ decrease in Finance Lease Agreement interest rate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2022

Current & call account interest rate.			
Current Balance			
	R'000	R'000	R'000
Current bank and call account Balance	76,906	81,136	72,676
% change	5.5%		-5.5%
Finance lease agreement interest			
Current Balance			
Finance Lease Agreement	64	68	61
% change	5.5%		-5.5%

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 2022

28. FINANCIAL INSTRUMENTS

An analysis of the ageing of Debtors that are more than 30 days

Debtors type	Total	Current	30-120	120+
2022				
	R'000	R'000	R'000	R'000
Staff Debtors	173	-	-	173
Sundry Debtors	39	16	-	23
Interest Receivable	126	126	-	-
Eastern Cape (Office of the Premier)	-	-	-	-
Mine, Health & Safety Council	78	-	-	78
Totals	416	142	-	274

An analysis of the ageing of Debtors that are more than 30 days

Debtors type	Total	Current	30-120	120+
2021				
	R'000	R'000	R'000	R'000
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 2022

28. FINANCIAL INSTRUMENTS (continued)

3) Financial Assets Subject to credit risk

Debtors type	Total	Fully Performing	Over 30 days but not Impaired	Impaired
2022				
	R'000	R'000	R'000	R'000
Staff Debtors	173	-	173	-
Other Debtors	39	16	23	-
Interest Receivable	126	126	-	-
Eastern Cape (Office of the Premier)	-	-	-	-
Mine, Health & Safety Council	78	-	78	-
Totals	416	142	274	-

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 2022

4) Maturity Profile of Financial Instruments

31-Mar-22	1 year or less	1-5 years	Total
Assets			
	R'000	R'000	R'000
Trade and other Receivables	416	-	416
Call Account	1	-	1
Current Account – National Lotteries Commission Funds	22	-	22
Current Account – Department of Sport, Arts and Culture –	37,694	-	37,694
Current Account – Department of Sport, Arts and Culture – Ring fenced	40,184	-	40,184
Cash on hand	5	-	5
Total Financial assets	78,322	-	78,322
Finance lease	(64)	(71)	(135)
Trade and other Payables	(13,408)	-	(13,408)
Total Finance Liability	(13,472)	(71)	(13,543)
Net Financial Asset/ liability	64,850	(71)	64,779

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

28. FINANCIAL INSTRUMENTS (continued)

5) 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 other Receivables	1,125	-	1,125
Call Account	1	-	1
Current Account - Lotteries National 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
Cash on hand	5	-	5
Total Financial assets	50,681	-	50,681
Liabilities			
Finance lease	-	-	-
Trade and other Payables	(10,289)	-	(10,289)
Total Finance Liability	(10,289)	-	(10,289)
Net Financial Asset/ liability	40,392	-	40,392

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

2022	Carrying Amount	Adjustment	Fair value
Financial Assets			
	R'000	R'000	R'000
Cash and Cash equivalents	76,906	-	76,906
Trade and other receivables	416	-	416
Financial Liability			
Finance lease Agreement	64	-	64
Trade and other Payables	12,472	-	12,472
Line items presented in the statement of financial position summarised per category of Financial Instrument			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2021			
	Carrying Amount	Adjustment	Fair value
Financial Assets			
	R'000	R'000	R'000
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

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 2022

29. MEMBERS EMOLUMENTS - NON-EXECUTIVE 2022

Names and Designations	Honoraria R'000	Travel R'000	Honoraria Non-Committee R'000	Travel Non-Committee R'000	Total R'000
Mr E Neluvhalani (Chairperson)	117	9	332	-	458
Mr T Dlamini (Deputy Chairperson) #	132	1	76	2	211
Mr T Tsehlana	63	-	10	-	73
Mr M.T Makhweyane	105	4	5	-	114
Ms S Mabilane	102	11	45	4	162
Mrs L Robinson	76	2	39	-	117
Adv R Solomons	18	-		-	18
Ms E Tlhoaele	110	13	24	-	146
Ms L Moroane	118	12	8		138
Mr J Phillips	84	-	8	-	92
Adv M Makhura	89	1	24		114
Dr G Dominy	151	-	35	-	186
Adv Hosi A Mahumani	73	10	10	-	93
Mr O Mereki	110	-	11	-	121
Mr J Sithole	139	-	63	-	202
Ms N Sizani	92	-	13		105
Ms R Mabaso #*	39		3		42
Dr Rev Mculwane	37	-	10	-	47
Ms E Netshinhungwane#*	52	5	8	-	65
Audit and Risk Committee					
Mr T Zororo – Independent #*	50	-			50
Ms M Phiri – Independent #*	148	-			148
Mr J Van Der Walt – Independent #*	63	1			64
	1 966	71	724	6	2 767

Appointment Terminated/Resigned, ## Lapsed, ### Deceased, #* Appointed in 2021/2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

29. MEMBERS EMOLUMENTS - NON-EXECUTIVE 2021					
Names and Designations	Honoraria	Travel	Honoraria Non-Committee	Travel Non-Committee	Total
	R'000	R'000	R'000	R'000	R'000
Council					
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 Mbasa#	81	-	29	-	110
Mr P Tsebe #	75	-	24	1	100
Mr 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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

29. MEMBERS EMOLUMENTS - NON-EXECUTIVE 2021					
Names and Designations	Honoraria R'000	Travel R'000	Honoraria Non- Committee R'000	Travel Non-Committee R'000	Total R'000
Mr J Sithole #*	37	-	5	-	42
Dr Rev Mculwane #*	8	-	-	-	8
Audit and Risk Committee					
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

##Lapsed

Appointment Terminated/Resigned

*Appointed in 2020/21

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

30. MEMBERS EMOLUMENTS (EXECUTIVE) 2022

Designation	Effective Date	Basic Salary	Acting Allowance	Travel Allowance	Medical	Resignation Leave	Provident Fund	Performance Bonuses	Total
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Acting Chief Executive Officer*	1-April-21	761	-	-	-	51	-	-	812
Chief Executive Officer	1-October-21	1,041	-	-	24	-	184	-	1,249
Executive Core Business	1-April-21	1,124	-	-	12	-	198	-	1,334
Acting Executive Core Business@	1-April-21	-	327	-	-	-	-	-	327
Chief Financial Officer	1-April-21	1,330	-	-	12	-	246	-	1,588
Acting Chief Financial Officer@	15-June-21	-	329	-	-	-	-	-	329
Head: Strategy Planning, Monitoring & Evaluation	1-April-21	1,249	-	151	40	-	247	69	1,756
Acting Company Secretary#	1-April-21	-	213	-	-	-	-	-	213
Company Secretary	6-September-21	586	-	-	19	-	109	-	714
		6,091	869	151	107	51	984	69	8,322

@ Received Acting Allowance

Vacant – Received Acting Allowance

* Terminated

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

30. MEMBERS EMOLUMENTS (EXECUTIVE) (continued) 2021

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
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

31. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

31.1 Details of Irregular Expenditure

Opening Balance

Add: Irregular Expenditure current year

Less: Irregular Expenditure condoned/ recovered

Action taken

	R` 000	R` 000
Opening Balance	6,736	3,951
Add: Irregular Expenditure current year	4,534	2,785
Less: Irregular Expenditure condoned/ recovered		-
	11,270	6,736
Analysis of irregular expenditure per age classification awaiting condonation per classification:		
Current Year	4,534	2,785
Prior Years	6,736	3,951
	11,270	6,736

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

31. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

31.1 Details of Irregular Expenditure

Opening Balance

Add: Irregular Expenditure current year

Less: Irregular Expenditure condoned/ recovered

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

Current Year

Prior Years

Action taken

	R` 000	R` 000
	6,736	3,951
	4,534	2,785
	-	-
	11,270	6,736
	4,534	2,785
	6,736	3,951
	11,270	6,736

Details of irregular expenditure – current year:

Incident

Non-compliance with the PFMA and Treasury Regulations – Extension of Forensic Auditors

Expenditure incurred without following a procurement process – Appointment of Legal Services

Expenditure incurred on expired contract – Security Services

Non-compliance with the PFMA and the Preference Procurement Regulations – Office Space (Lease)

Under Review

Under Review

Under Investigation

Under Investigation

	818	-
	992	67
	13	7
	2,711	2,711
	4,534	2,785

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

31.2 Details of Fruitless and Wasteful Expenditure

Opening Balance
 Add: Fruitless and Wasteful Expenditure current year
 Less: Fruitless and Wasteful Expenditure condoned/ recovered

	R` 000	R` 000
	52	79
	-	-
	-	(27)
	52	52
Analysis of fruitless and wasteful expenditure recovered per age classification:		
Current Year	-	-
Prior Years	-	27
	-	27

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

Current Year
 Prior Years

	-	-
	52	52
	52	52

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

32. 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.

33. EVENTS AFTER REPORTING DATE

An employee took the employer to the CCMA on 31 March 2022 on grounds of alleged unfair dismissal. The sitting was held on 22 April 2022 and the parties agreed to a settlement of 3 months' salary. The employee also indicated that she does not wish to work for the employer anymore. The settlement amount of R74 470 (after tax, gross of R 113, 715) was paid to the employee on 17 May 2022.

34. CONTINGENT LIABILITIES

- 34.1 Litigation arising from the implementation of the Forensic Investigation Report in respect of the allegations of money laundering, misappropriation of funds and other irregularities by NHC officials.
- 34.2 There is a review application matter which started in February 2022 that has been brought by one of the employees of the NHC who is on suspension. The matter is still before the courts.
- 34.3 There are currently three disciplinary hearings in progress against Executive: Core Business, Chief Financial Officer and Acting Supply Chain Manager. The six months' settlement value for these officials is estimated to be R 2, 063,000 as the probability on these cases is on 50%.
- 34.4 There are pending disciplinary hearings against some of the officials who are implicated in the Forensic Investigation Report.
- 34.5 The NHC has a surplus of R 16 million calculated as per Annexure A of National Treasury instruction NO.12/2020 which might have to be returned to National Treasury.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

35. BUDGET VARIANCES

- a. Non-exchange revenue includes R 2,043 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).
- b. Exchange revenue includes R 547 thousand of interest earned on the operation grant received from DSAC.
- c. The variance results from savings.
- d. The variance in relates to unachieved planned targets in 2021/22 due to circumstances beyond control. A decision was taken to roll-over unspent funds relating to unachieved targets to 2022/23 financial year.
- e. Included in the operating lease expenses is an accrual of R 76 thousand relating to accounting treatment in respect of straight-lining of lease monthly lease rentals over the contracted period inclusive of the escalation clause.

The Annual Financial Statements are prepared cognisant of the effects of the COVID-19 pandemic. This resulted in a financial surplus as the organisation could not roll out its intended projects and reach its intended audience. The various lockdown levels subjected the staff of the NHC and the communities to an increased risk of infection. The organisation has informed the affected communities and will roll out these delayed projects once the environment is safe. The Council will approach the DSAC and National Treasury to allow the surplus to be retained to give effect to the expectation created within these communities.

36. SEGMENT INFORMATION

The entity has no segments to report on and operates as a single integrated entity.

37. 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:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Category	Depreciation/ Amortisation R'000	Accumulated Depreciation/Amortisation R'000	Effect: Statement of Financial Performance	Effect: Statement of Financial Position
Office Equipment	(20)	(20)	Decrease in depreciation	Decrease in accumulated depreciation
Furniture and Fittings	(45)	(45)	Decrease in depreciation	Decrease in accumulated depreciation
IT Equipment	32	32	Increase in depreciation	Increase in accumulated depreciation
Motor Vehicle	(67)	(67)	Decrease in depreciation	Decrease in accumulated depreciation
Intangible Assets	61	61	Increase in amortisation	Increase in accumulated amortisation
Total	(39)	(39)		

38. COMMITMENTS

	Amount 2022 R'000	Amount 2021 R'000
Up to one year		
Funding Disbursements (Heritage Funded Projects)	7,173	3,475
Heritage Projects	320	107
Quotations and contracts (Excluding Finance and Operating Leases)	1,385	1,643
Later than one year and not later than 5 years		
Quotations and contracts (Excluding Finance and Operating Leases)	110	204
TOTAL	8,988	5,429

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022

	2022 R'000	2021 R'000
TOTAL REVENUE	74,844	68,492
Revenue from Non-exchange	74,291	68,124
Government grant/transfer	72,248	66,968
Amortised conditional grants/transfers/partnerships - Other	2,043	1,156
Revenue from exchange transactions	553	368
Other income	6	98
Interest received	547	270
	(56,032)	(51,719)
TOTAL EXPENSES	(56,032)	(51,719)
Operating expenses	(8,845)	(5,864)
Administrative expenses	(12,601)	(12,468)
Employment related costs	(30,658)	(29,038)
Operating lease expenses	(2,711)	(2,711)
Finance costs	(16)	(8)
Depreciation	(952)	(1,485)
Amortisation	(249)	(145)
SURPLUS FOR THE YEAR	18,812	16,773

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022 (continued)

	2022	2021
	R'000	R'000
TOTAL REVENUE	74,844	68,492
Revenue from Non-exchange	74,291	68,124
Government grant/transfer	72,248	66,968
Amortised conditional grants/transfers/partnerships - Other	2,043	1,156
Revenue from exchange transactions	553	368
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Operating expenses	(8,845)	(5,864)
Administrative expenses	(12,601)	(12,468)
Employment related costs	(30,658)	(29,038)
Operating lease expenses	(2,711)	(2,711)
Finance costs	(16)	(8)
Depreciation	(952)	(1,485)
Amortisation	(249)	(145)
SURPLUS FOR THE YEAR	18,812	16,773

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022 (continued)

	2022 R'000	2021 R'000
OPERATING EXPENSES		
Legal Fees	1,689	343
Heritage Projects and Programmes	6,732	5,005
Funding disbursements (Heritage Funded Projects)	764	754
Heritage Resource Centre	22	11
Ubuntu in Nation building	4	52
Heritage Strategic Programmes	3	2,045
Heritage Engagement with Sector	378	321
SATMA Awards	37	-
Heritage Awards	1,264	-
Support of Youth Heritage	2	-
Heritage and Education Outreach Programme Project	731	-
Heritage Journal	-	23
National Heritage Liberation Route	2,034	1,156
Position Papers	135	200
Research Plan	-	69
Contribution to Policy	50	-
LHR Struggle Icon	525	308
Home of Legends	-	-
Heritage Project Expense	407	55
National Liberation Route	296	11
Heritage sites	80	-
Staff Training and Development	380	273
Staff Training	238	187
Subscriptions	142	86
Maintenance, Repairs and Running Costs	44	243
Repairs and Maintenance	44	243
	8,845	5,864

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022 (continued)

	2022	2021
	R'000	R'000
ADMINISTRATIVE EXPENSES		
General and Administrative Expenses	12,216	12,168
Catering Meetings	2	14
Audit Fees (Internal)	222	148
Audit Fees (External)	1,432	1,314
Advertising of Posts	95	-
Bad Debts	733	-
Marketing & Communication	894	174
Advertising - Tenders & Policies	-	40
Bank Charges	34	28
Consulting Fees	1,046	2,530
Courier & Postage	1	10
Electricity, Water & Refuse	659	505
COIDA	-	38
Honoraria – Council and ARC	2,689	2,049
Honoraria – Funding Committee	-	81
Insurance	109	77
Staff Welfare	42	170
Rentals - Office Equipment	8	7
Motor Vehicle Expenses	80	61
Printing & Stationery	44	220
Rates & Taxes	216	142
Publications	401	255
Recruitment Cost	304	4
Workshops	135	552

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Relocation Costs	37	248
Telephone & Faxes	428	553
Cell phone Accounts	510	458
Temp Staff	899	1,176
IT Support	-	370
Service Charges	1,196	944
Travel and Subsistence	385	300
	12,603	12,468
EMPLOYEE RELATED COSTS		
Salaries	31,018	28,376
Leave Pay	(360)	749
Performance Bonus Pay	-	(87)
	30,658	29,038



nhc

National Heritage Council
SOUTH AFRICA

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