PRESERVING & PROMOTING THE COUNTRY'S HERITAGE
20 YEARS

sport, arts & culture
Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

nhc
National Heritage Council
SOUTH AFRICA
an agency of the
Department of Sport, Arts and Culture

30 YEARS OF FREEDOM
South Africa 1994-2024

ANNUAL REPORT 2024|25

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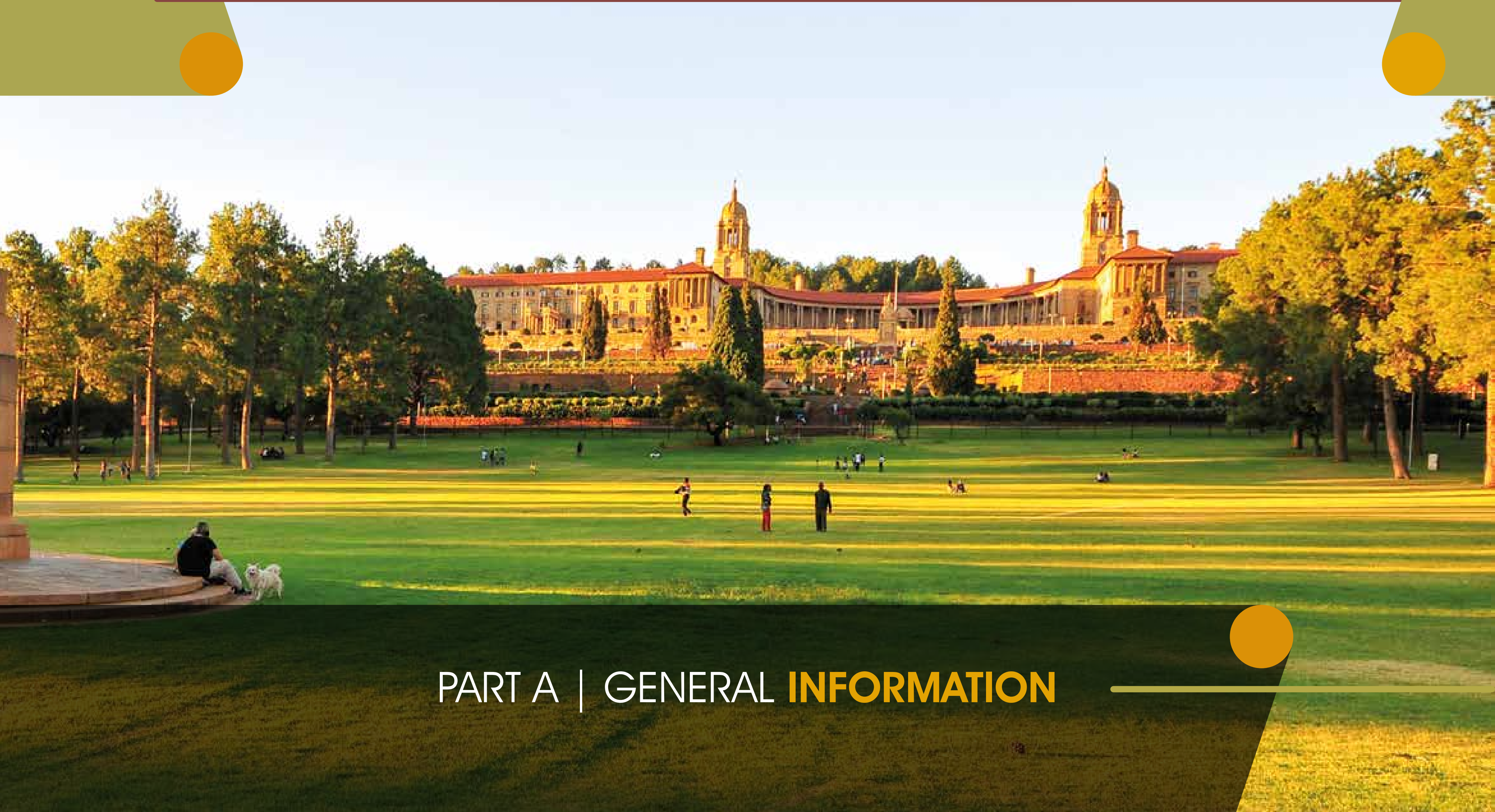


PART A | GENERAL **INFORMATION**

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME	NATIONAL HERITAGE COUNCIL OF SOUTH AFRICA
PHYSICAL ADDRESS	Summit Place Business Park Building 3, 2nd Floor 221 Garsfontein Road, Menlyn Pretoria SOUTH AFRICA 0081
POSTAL ADDRESS	PO Box 74097 Lynnwood Ridge Pretoria 0040
TELEPHONE NUMBER	+27 12 748 3910
EMAIL ADDRESS	Enquiries@nhc.org.za
WEBSITE ADDRESS	www.nhc.org.za
EXTERNAL AUDITORS	Auditor General of South Africa
INTERNAL AUDITORS	Shumba
BANKERS	First National Bank
COMPANY SECRETARY	Adv Tshepo Maake

2. LIST OF ABBREVIATIONS/ACRONYMS

ACH	Arts Culture and Heritage
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
DAC	Department of Arts and Culture
DSAC	Department of Sport, Arts and Culture
MEC	Member of Executive Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAC	National Arts Council
NHC	National Heritage Council
NIO	National Inventory Office
PanSALB	Pan South African Language Board
PESP	Presidential Employment Stimulus Programme
PFMA	Public Finance Management Act
RLHR	Resistance & Liberation Heritage Route
SAHRA	South African Heritage Resources Agency
SMME	Small, Medium and Micro Enterprises
UNESCO	United Nations Education, Scientific and Cultural Organisation

3. ACHIEVEMENTS

NHC FUNDING DISTRIBUTION

RECOGNITION

67

Golden Shield Heritage Awards recipients honoured for excellence in heritage

EDUCATION

09

Heritage Education Schools Outreach Programme with up to 5 000 learners

STAKEHOLDERS

03

Provincial Houses of Traditional Leaders collaborated with the NHC

4. FOREWORD BY THE CHAIRPERSON

As the National Heritage Council (NHC) concludes the 2024/25 financial year, it is with great purpose and humility that I present this foreword—one that reflects on our institutional journey, celebrates key milestones, and looks forward with resolve to the path that lies ahead.

The NHC continues to stand resolutely as a constitutional instrument for transformation, the custodian of our nation's cultural heritage, and a developmental agency committed to fostering social cohesion, national identity, and inclusive growth through the transformative power of heritage. From rural settlements to metropolitan corridors, our programmes have not only documented memory but have also empowered communities, youth, women, and traditional leaders to shape and claim ownership of the South African story.

Our Heritage, Our Future

Heritage is not merely about preserving the past—it is about constructing the future. In the words of Ghana's first president, Kwame Nkrumah, "We face neither East nor West; we face forward." This outlook captures our commitment to leveraging heritage as a unifying force, a pillar of sustainable development, and a dynamic resource rooted in African identity and geared toward future generations.

One of the key highlights this year was the implementation of the Presidential Employment Stimulus Programme (PESP). With a budget of R65 million for PESP 3, R55 million for PESP 4 and R25 million for PESP 5, the NHC supported 36 heritage-related projects, which collectively generated approximately 5,000 jobs, particularly benefiting youth and rural communities. These initiatives not only helped preserve South Africa's cultural wealth but also affirmed heritage as a catalyst for economic development and nation-building. As Nelson Mandela wisely noted, "Culture is the window reflecting the history, culture, and aspirations of a nation."

Commemorating the Past, Reimagining Memory

We continued our commitment to the Resistance and Liberation Heritage Route (RLHR)—a flagship programme that honours the sacrifices of South Africa's freedom fighters. Despite funding and capacity challenges in supporting the Project Management Office (PMO), the Council has adopted a reimagined model that embraces intangible memorialisation, oral history, and living testimonies. Our partnerships on projects such as the Mandela Legacy Sites, the Robert Sobukwe Centenary, and the Allan Boesak Dialogue reflect this shift and reaffirm our strategic alignment with UNESCO's global frameworks.

Governance and Institutional Reform

This financial year, the NHC received a qualified audit opinion on its annual financial statements, while securing an unqualified audit opinion on its performance information. Our 96% performance achievement is testimony to the institution's commitment to delivering on its mandate despite operational constraints.

The qualification issued by the Auditor-General of South Africa (AGSA) was largely due to legacy compliance issues and human resource limitations, especially within the finance function. The Council has responded with urgency by implementing a governance improvement plan, bolstering capacity through recruitment of skilled personnel, enhancing consequence management, and improving financial reporting and procurement oversight.

Our ultimate goal remains achieving a clean audit, strengthening governance systems, and ensuring that every rand invested in heritage has a measurable impact.

Strategic Partnerships and Global Footprint

The NHC's achievements are the result of collaborative effort. We are grateful to the Department of Sport, Arts and Culture for its policy leadership, and to our diverse stakeholders—traditional authorities, cultural practitioners, civil society organisations, academic institutions, and international partners including UNESCO—for keeping the flame of heritage alive.

As Africa continues to assert itself in global cultural discourse, the NHC recognises heritage as a strategic tool for diplomacy, development, and continental solidarity. In the words of Léopold Sédar Senghor, "Culture is the beginning and the end of development." In this spirit, we strive to create an enabling environment for cultural practitioners and heritage professionals to contribute meaningfully to national and international development agendas.

Looking Ahead: Reform, Inclusion, and Innovation

Assuming office in December 2024, this Council has been seized with the responsibility of repositioning the NHC within a shifting national and global heritage landscape. Our priorities for the year ahead include:

- Deepening institutional reform and governance efficiency.
- Amplifying the voices of Khoi and San communities, youth, and rural custodians.
- Strengthening provincial partnerships to expand rural heritage investment.
- Utilising digitisation and artificial intelligence to document, preserve, and promote heritage.
- Advocating for a decolonised and inclusive heritage agenda.

Despite resource limitations, we are encouraged by the resilience of our staff and stakeholders. Their unwavering commitment has enabled the NHC to exceed 95% of its performance targets, advance intercontinental dialogues on African heritage, and promote inclusive development.

Conclusion

In the words of President Nelson Mandela, "Our rich and varied cultural heritage has a profound power to help build our nation." This guiding insight encapsulates the NHC's orientation over the past year. As we mark 30 years of freedom in South Africa, we reaffirm that heritage is not just memory—it is a living force, a strategic resource, and a beacon of unity.

With gratitude to all who walk this journey with us—community leaders, partners, staff, and citizens—we look ahead to a year of impactful initiatives, meaningful collaborations, and renewed progress in advancing South Africa's heritage agenda.

Mr Sepheu Tau Masemola
Chairperson of the Council
National Heritage Council of South Africa
31 July 2025

5. CHIEF EXECUTIVE OFFICER REMARKS

As we reflect on a successful year, it is with great pride that I present the National Heritage Council's (NHC) 2024/25 Annual Report, which highlights our commitment to positioning heritage as a strategic resource for national development. This year's achievements reaffirm our conviction that heritage is not only about preserving our past but also about shaping our collective future and leveraging cultural assets for economic growth, social cohesion, and global engagement.

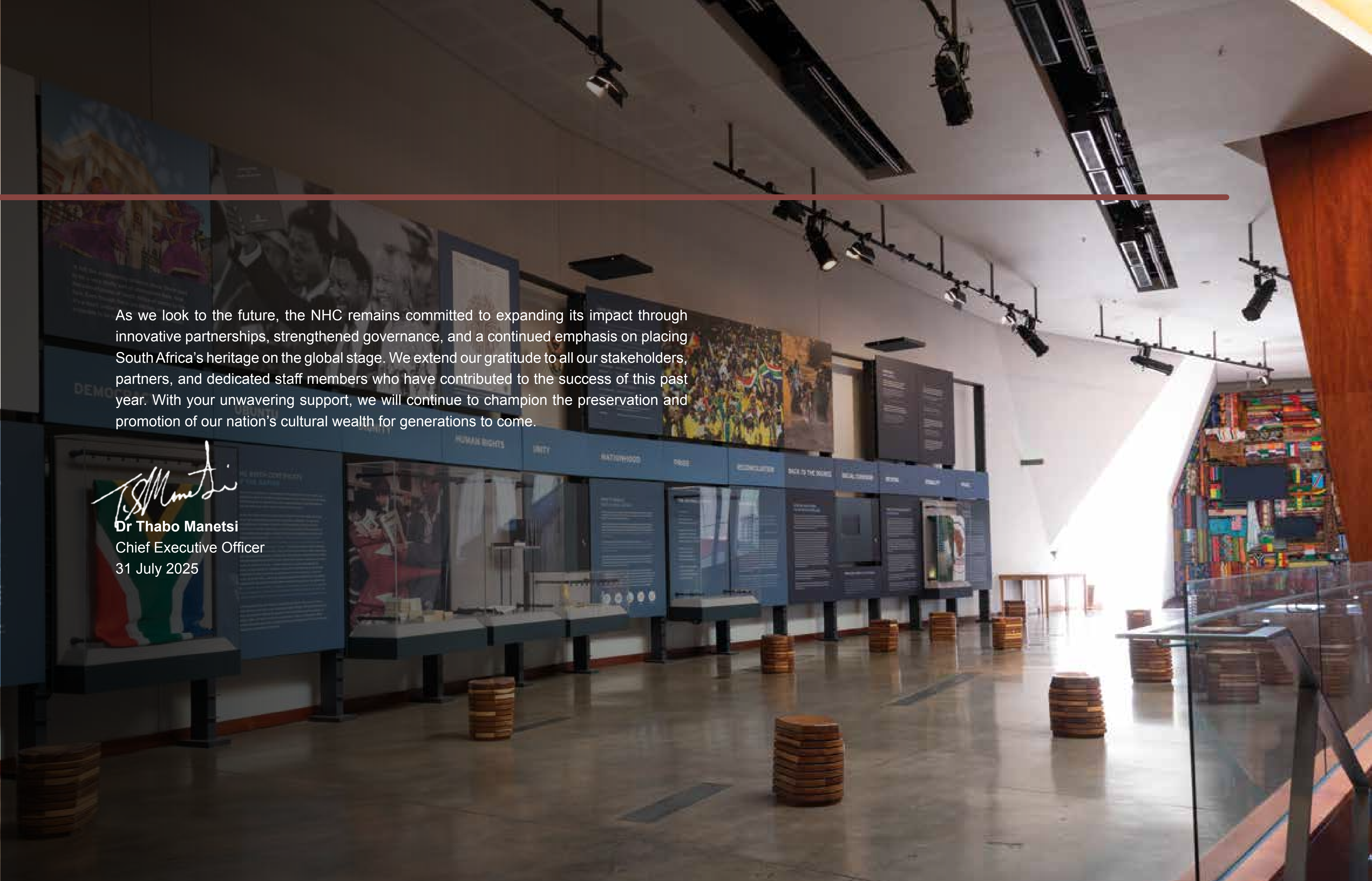
At the heart of our success has been our ability to forge strong partnerships that amplify the impact of our work. The collaboration with FNB, Mastercard, the South African Cultural Observatory, and various Traditional Houses has strengthened the nexus between heritage and economic sustainability, opening new avenues for investment and cultural tourism. These partnerships underscore the NHC's strategic approach to cultural diplomacy—aligning with international best practices to ensure that South Africa's heritage remains globally relevant. As former United Nations Secretary-General Ban Ki-moon eloquently stated, "Cultural diversity is the common heritage of humanity. It is not a divisive force, but a source of strength."

One of the key milestones of the year is our focused efforts on UNESCO World Heritage Site nominations and advancing South Africa's intangible cultural heritage on the global stage. Our continued engagement with international bodies reflects the NHC's commitment to ensuring that our country's historical and cultural significance receives the recognition it deserves. The ongoing development of the Resistance and Liberation Heritage Route (RLHR), despite challenges, remains a testament to our dedication to honouring the legacy of our struggle for freedom and justice.

Operational efficiency has been a core focus of our internal transformation strategy. We have implemented business process enhancements to improve governance, financial management, and resource allocation, ensuring that public funds are utilised with transparency and impact. These efficiencies have allowed us to streamline our grant funding mechanisms, making it easier for community-based heritage projects to access much-needed support.

This year also marked a period of staff transition, during which we welcomed new leadership and talent while bidding farewell to esteemed colleagues who made immense contributions to the growth of the NHC. As with any evolving institution, these transitions have been met with strategic succession planning to ensure continuity, stability, and fresh perspectives that drive our mission forward.

Beyond our internal milestones, we remain deeply engaged in positioning heritage as an enabler of economic growth and cultural diplomacy. Our collaborations with the corporate sector and traditional leadership structures have not only enriched our national discourse on heritage but have also demonstrated how cultural resources can drive innovation, social entrepreneurship, and sustainable tourism. As former President Thabo Mbeki once observed, "We must ensure that our history and culture become an integral part of our people's lives, to inspire future generations." Indeed, heritage is not an abstract concept; it is a dynamic force that shapes identity, fosters reconciliation, and propels nations forward.



As we look to the future, the NHC remains committed to expanding its impact through innovative partnerships, strengthened governance, and a continued emphasis on placing South Africa's heritage on the global stage. We extend our gratitude to all our stakeholders, partners, and dedicated staff members who have contributed to the success of this past year. With your unwavering support, we will continue to champion the preservation and promotion of our nation's cultural wealth for generations to come.

Dr Thabo Manetsi
Chief Executive Officer
31 July 2025

6. STRATEGIC OVERVIEW

6.1 Vision

A nation proud of its African Heritage

6.2 Mission

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

6.3 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:

(i) Batho Pele

(ii) Integrity

(iii) Professionalism

(iv) Equity

(v) Creativity

7. LEGISLATIVE MANDATE

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 to:

(a) Develop, promote and protect the national heritage for present and future generations;

(b) Coordinate heritage management;

(c) Protect, preserve and promote the content and heritage which resides in orature in order to make it accessible and dynamic;

(d) Integrate living heritage with functions and activities of the Council and all other heritage authorities and institutions at national, provincial and local levels;

(e) Promote and protect indigenous knowledge systems, including but not limited to enterprise and industry, social upliftment, institutional framework and liberatory processes; and

(f) 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:

Advise the Minister on:

(a) National policies on heritage matters including indigenous knowledge systems, living treasures, restitution and other relevant matters and

(b) Any other matter concerning heritage which the Minister may from time to time determine;

(c) Advise the Minister on the allocation of core funding to declared cultural institutions;

(d) Investigate ways and means of effecting the repatriation of South African heritage objects presently held by foreign governments, public and private institutions and individuals;

(e) Make grants to any person, organisation or institution in order to promote and develop national heritage activities and resources;

(f) Co-ordinate the activities of public institutions involved in heritage management in an integrated manner to ensure optimum use of state resources;

(g) Monitor and co-ordinate the transformation of the heritage sector with special emphasis on developing heritage projects;

(h) Consult and liaise with relevant stakeholders on heritage matters;

(i) Generally support, nurture and develop access to institutions and programmes to promote and bring equity to heritage management;

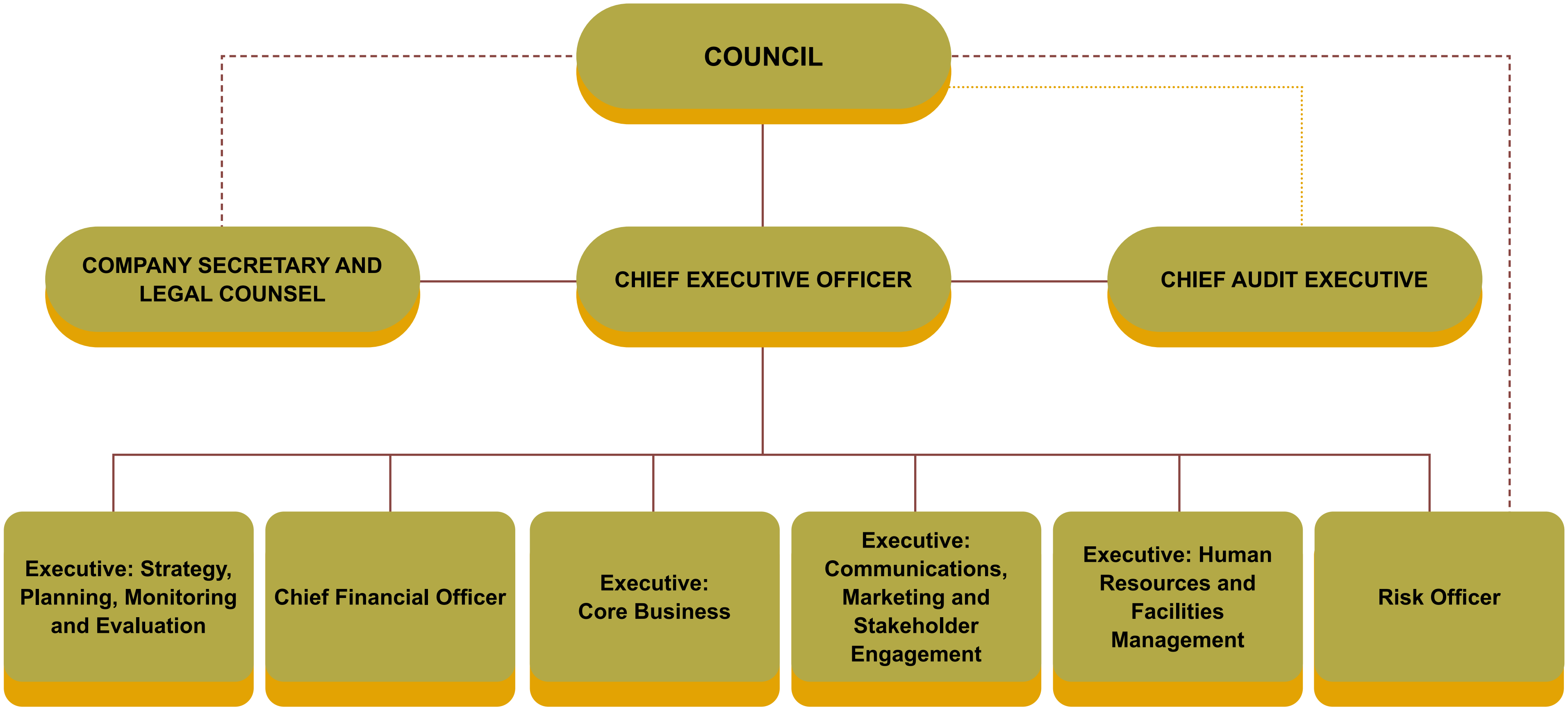
(j) Promote an awareness of the history of all our peoples, including the history of enslavement in South Africa;

(k) Lobby in order to secure funding for heritage management and to create a greater public awareness of the importance of our nation's heritage;

(l) Perform such duties in respect of its objects as the Minister may assign to it; and

(m) The Council may on its own initiative advise the Minister on any matter.

8. ORGANISATIONAL STRUCTURE



9. MEMBERS OF THE COUNCIL

Mr Sepheu Masemola
Council Chairperson

Dr Natalie Skeepers
Ministerial Appointee
Museums

Ms Jacelyn Xenia Scott
Ministerial Appointee

Dr Eben Proos
Ministerial Appointee

Ms Khwezi Kunene
Ministerial Appointee

Mr Bernado Maralack
National Libraries of South Africa

Mr Jabulani Sithole
IZIKO Museums

Adv Motlatjo Ralefatane
Ditsong Museums
(Chairperson)

Dr Luyanda Mpahlwa
South African Heritage
Resources Agency (Chairperson)

Ms Sibongile Nzimande
Chairperson of the National Archives
Advisory Council (NAAC) Representative

Ms Buhle Tonise
Eastern Cape Province
Representative

Mr Mpumelelo Bongani Mnguni
Kwa Zulu Natal Province
Representative

Mr Simon Nkosi
Mpumalanga Province
Representative

Ms Reyhana Gani
Western Cape Province
Representative

Mr Onkabetse Mereki
Northern Cape Province
Representative

Prof Mokgale Albert Makgopa
Limpopo Province
Representative

Ms Nkululeko Khumalo
Gauteng Province
Representative

Ms Elodie Seotseng Tlhoaele
Free State Province
Representative

Mr Thato wa Magogodi
North West Province
Representative

10. STATEMENT OF RESPONSIBILITY REGARDING PERFORMANCE INFORMATION

Statement of Responsibility Regarding Performance Information for the Year Ended 31 March 2025.

The Chief Executive Officer is responsible for the 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 2025.

Dr. T. Manetsi
Chief Executive Officer
31 August 2025

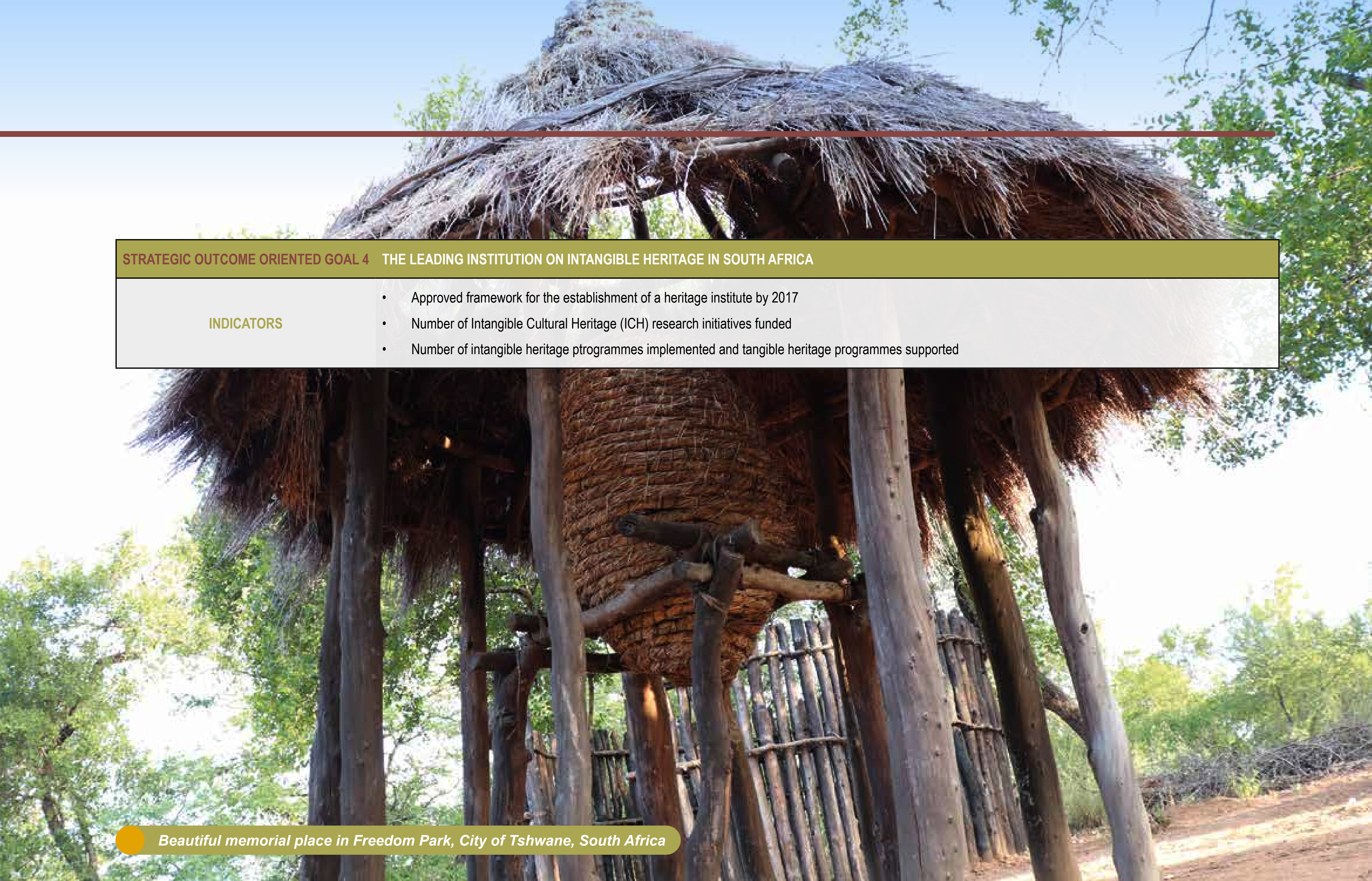
PART B | PERFORMANCE **INFORMATION**

1. OVERVIEW OF THE NATIONAL HERITAGE COUNCIL'S PERFORMANCE

1.1 STRATEGIC OUTCOME-ORIENTED GOALS

The NHC had the following strategic outcome-oriented goals for the 2024/25 financial year:

STRATEGIC OUTCOME ORIENTED GOAL 1	AN INTERNATIONALLY RECOGNISED HERITAGE ORGANISATION ON THE AFRICAN CONTINENT
INDICATORS	Increase the level of awareness and participation of the NHC as a heritage organisation in Africa through the following: • 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 the African Liberation Heritage Programme • Number of heritage exchange programmes participated in
STRATEGIC OUTCOME ORIENTED GOAL 2	**MAINSTREAMING OF LIBERATION HERITAGE**
INDICATORS	• Level of progress with domestic management of liberation heritage • Level of progress towards world heritage listing of the RLHR • 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	• 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	• Approved framework for the establishment of a heritage institute by 2017 • Number of Intangible Cultural Heritage (ICH) research initiatives funded • Number of intangible heritage ptrogrammes implemented and tangible heritage programmes supported

Beautiful memorial place in Freedom Park, City of Tshwane, South Africa

1.2 SERVICE DELIVERY ENVIRONMENT

HIGHLIGHTS OF PROGRAMMES IMPLEMENTED IN THE 2024/2025 FINANCIAL YEAR

Summary of the NHC Annual Funding Beneficiaries – 2024/25

For the 2024/25 financial year, the National Heritage Council (NHC) approved funding for 31 heritage-focused projects across all nine provinces, with a total allocation of R4,135,000. The Gauteng, Eastern Cape, KwaZulu-Natal, Northern Cape, and Western Cape each received funding for four projects, while other provinces received between two and four approved projects. The projects reflect a diverse demographic reach, with notable participation from women (14 lead applicants), youth (15), and men (20), although there were no applicants classified under the disabled category. The Gauteng and North West provinces demonstrated strong gender representation, with Gauteng featuring three women-led initiatives and North West striking a balance between male and female participation. The funding demonstrates NHC's commitment to inclusive support for heritage development, particularly in historically marginalised communities.

In terms of spatial distribution, a majority of the funded projects, 14 in total, accounting for 45% situated in rural areas, highlighting NHC's strategic focus on rural heritage development. Township-based initiatives represent 32% of the total, while projects in urban areas constitute 23%. This rural-leaning allocation aligns with the Council's mandate to decentralise heritage preservation and community engagement, ensuring that rural and underserved areas benefit equitably from national heritage resources and support. The allocation reflects a deliberate effort to bridge the urban-rural divide in heritage resource management and capacitation.

For the 2024/25 NHC funding, 31 projects were approved nationally as follows:

Table 1: NHC annual funding approved projects

PROVINCE	NUMBER OF PROJECTS	TOTAL AMOUNT	LEAD APPLICANT			
			WOMEN	MEN	YOUTH	DISABLED
KZN	4	540 000,00	1	3	1	0
NC	4	600 000,00	2	2	3	0
WC	4	520 000,00	1	3	1	0
GP	4	500 000,00	3	1	1	0
LIM	3	320 000,00	1	2	1	0
FS	3	450 000,00	1	2	0	0
NW	3	350 000,00	3	3	4	0
MP	2	300 000,00	0	2	2	0
EC	4	555 000,00	2	2	2	0
TOTAL	**31**	**R4 135 000,00**	**14**	**20**	**15**	**0**

NUMBER OF APPROVED PROJECTS PER PROVINCE

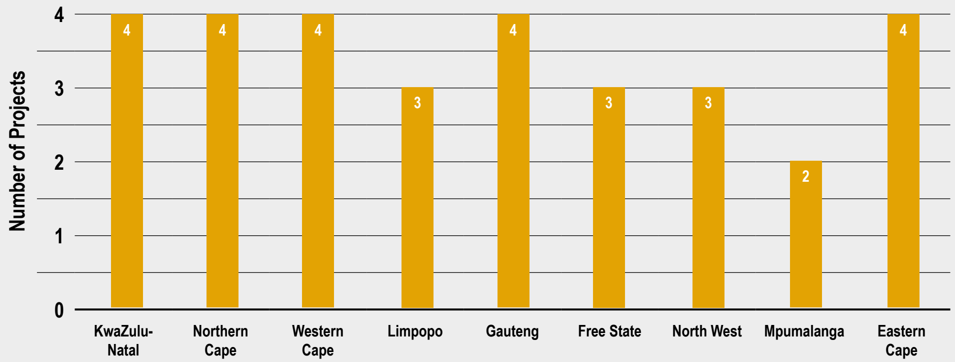


Figure 1: NHC annual funding of approved projects per province

Distribution by Location

Funding project beneficiaries are distributed by location as follows:

- Fourteen (14) projects are located in rural areas – 45%
- Ten (10) projects are located in townships – 32%
- Seven (7) projects are located in urban areas – 23%

LOCATION OF NHC ANNUAL FUNDING BENEFICIARIES

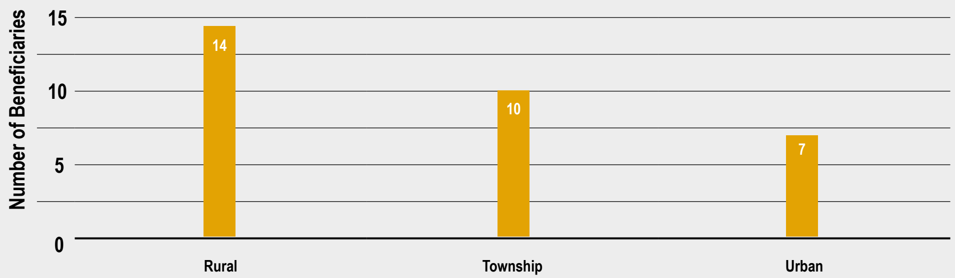


Figure 2: NHC annual funding distribution by location

PRESIDENTIAL EMPLOYMENT STIMULUS PROGRAMME (PESP5)

Summary of Presidential Employment Stimulus Programme (PESP5) Beneficiaries – 2024/25

Under the Presidential Employment Stimulus Programme (PESP5) for the 2024/25 financial year, the NHC approved 36 projects amounting to R23,866,000. These projects were widely distributed, with provinces such as Limpopo, Mpumalanga, North West, and the Eastern Cape receiving the highest number of project approvals. The North West, in particular, secured the most projects (six), while KwaZulu-Natal received the fewest (two). The gender and generational profile of the lead applicants remains diverse, with women leading 14 projects, men 22, and youth participation marked at 13 projects. As with the annual funding stream, there were no disabled-led projects, underscoring a persistent gap in inclusive representation that may need targeted redress.

The geographic spread of PESP5 projects differed from the NHC's annual funding pattern, with rural-based projects receiving the highest share at 44%, township-based projects: 25%, urban-based projects: 31%. This urban emphasis may reflect the programme's goal of maximising employment opportunities and project implementation readiness in areas with higher population density and access to resources. Nonetheless, the inclusion of rural and township-based initiatives demonstrates a balanced attempt to foster heritage employment across different spatial contexts, reinforcing NHC's broader developmental and transformational objectives within the heritage sector.

For PESP5, thirty-six (36) projects were approved nationally as follows:

Table 2: PESP5 approved projects

PROVINCE	NUMBER OF PROJECTS	TOTAL AMOUNT	LEAD APPLICANT			
			WOMEN	MEN	YOUTH	DISABLED
EC	4	2 951 630,00	2	2	2	0
FS	3	2 250 000,00	1	2	0	0
GP	4	2 700 000,00	1	3	2	0
KZN	2	1 250 000,00	1	1	0	0
LIM	5	2 600 000,00	2	3	3	0
MP	5	3 073 000,00	1	4	3	0
NC	4	2 550 000,00	1	3	2	0
NW	6	4 491 370,00	3	3	1	0
WC	3	2 000 000,00	2	1	0	0
TOTAL	**36**	**23 866 000,00**	**14**	**22**	**13**	**0**

PESP5 project beneficiaries are distributed by location as follows:

- Sixteen (16) projects are located in rural areas – 44%
- Nine (9) projects are located in townships – 25%
- Eleven (11) projects are located in urban areas – 31%

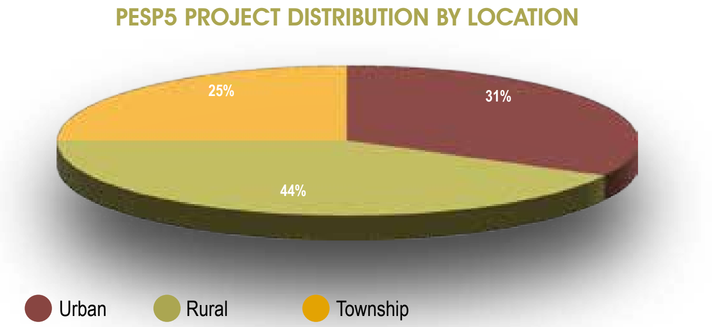


Figure 2: PESP5 approved projects distribution by location

Achievement

Thirty-one (31) projects were funded in the 2024/25 financial year, in alignment with the annual performance plan. All funded projects received their first tranche and are currently being implemented. All the 2024/25 projects were contracted for twelve months to ensure that projects are implemented and finalised within the financial year. Capacity building was conducted for all approved projects, during which the NHC shared its contracting and reporting requirements.

In addressing historic prepayments, extensive and sustained efforts were undertaken to recover the outstanding funds, including the following actions:

- Multiple follow-up communications via email;
- Telephone follow-ups, where possible;
- Issuing of letters of demand; and
- Notification of intent to pursue blacklisting with the National Treasury for organisations that failed to submit required reports.

As a result of these interventions:

- Forty-five (45) projects subsequently submitted the necessary compliant reports, and the associated amounts were expensed.

Challenges

The unit faced challenges, which included a reduced funding allocation for the financial year. Limited financial resources (both human and financial) to conduct monitoring and evaluation (M&E) for funded projects. The unit relies on interns to undertake its duties. Delays in the disbursement of funds are due to poor standards of reporting and non-compliance.

LIVING HERITAGE

For the financial year, the unit was expected to achieve six APP targets, which involve at least 15 activities. Below is a summary and highlights of some of the targets.

Activities associated with living heritage

This target serves as a platform and an opportunity for the previously marginalised heritage to be showcased. It is basically the platform for redressing and transforming the heritage landscape. Amongst other things, the NHC implemented the Golden Shields Heritage Awards (GOSHA) in Cape Town in partnership with the Artscape Theatre.

Secondly, an all-women event was held to honour and appreciate living legends who, for ages, have played a pivotal role in the management of heritage and instilling the culture of self-appreciation to the youth. This was done in collaboration with the Limpopo Provincial Government and the Vhembe District Municipalities, including its local authorities (Thulamela and Collins Chabane).

The two sampled activities led to the honouring of Mama Katrina Essau, the only surviving speaker and promoter of the extinct N|uu Language. She is also a recipient of the Order of the Baobab in Silver. At the event celebrating women heritage champions, living legends such as Mama Noriah Mabasa, Kokwani Ngobeni, and the legendary Ester Sinyegwe were recognised. These events were attended by both political leaders of the Western Cape and Limpopo Provinces, respectively.

The Ubuntu Initiative, a response to the clarion call made by the late statesman, Tata Nelson Rolihlahla Mandela, for individuals to make a difference in the lives of the needy and destitute, was founded on the African philosophy of "Ubuntu" (I am because we are). This is a multi-year initiative implemented through a host of partnerships, particularly with NGOs and social movements, which provide necessities such as books, food, uniforms, and sanitary ware, among others, to needy communities, promoting the values of Ubuntu in action across Provinces.

The NHC has been transforming lives for the better, providing broad benefits to communities that continue to receive essential necessities from the project. Since the implementation of this initiative, NHC has conducted Ubuntu advocacy workshops in all nine provinces. Through partnerships with local entrepreneurs, community members, and beneficiaries, The NHC has adopted the spirit of Ubuntu and committed to incorporating it into their daily lives. Through this initiative, it will be possible to attain social cohesion and national building as per the NDP Vision 2030's.

Outcome 14. The platforms assist in educating the public on how to use heritage as a strategic resource.

Highlights

This initiative has led to some entrepreneurs and businesses proactively assisting local needy and destitute families on their own accord. Instead of requesting financial assistance from the NHC, the request was for the NHC to attend for the sole purpose of presenting on Ubuntu as a value and heritage. The collaboration with the Freedom Park Heritage Museum and the Robert Sobukwe Foundation, as well as the Sarah Baartman and Beyers Naudé Municipalities, where school children received school uniforms, shoes, food parcels, sanitary towels, paints for the Robert Sobukwe Museum, etc, was the main highlight.

A living legend, Gogo Rebecca Matibe, being acknowledged for her pottery and craft work during the 2024 Golden Shield Heritage Awards at the Artscape Theatre in Cape Town.

Three living legends who are involved in imparting cultural knowledge to the youth: Mama Noriah Mabasa, Mama Esther Sinyegwe and Kokwani Leah Ngobeni at the inauguration of the Women in Heritage celebration in Thohoyandou, Limpopo.

Some of the necessities handed over to needy students in partnership with the Robert Sobukwe Foundation during the Human Rights month.

Learners representing the nine provinces during the HESOP National Camp held at the Tsitsikamma National Camp, Garden Route, in the Eastern Cape Province.

Partnership with the National House of Traditional and Khoisan Leadership

For the year under review, the NHC collaborated with the National House of Traditional and Khoisan leadership. This is done because traditional leaders are the custodians of heritage, especially intangible cultural heritage. The NHC was invited by the Amachunu Traditional Council and the AmaXhosa Royal House for their annual celebrations of the maidens. The NHC also partnered with the Kgosi Galeshewe Legacy projects in celebration of Batswana Ba-GaMothibi cultural expressions.

The highlights of this target were the invitation to the National Assembly to address the National House on Traditional and Khoisan Leadership. A significant indication that the NHC is recognised as the leading entity in heritage management. Not every government entity is invited to address the House. The NHC also partnered with the NHTKL on the annual Queen Manthatisi Lecture held in the Free State, Qwaqwa.

Heritage Education Schools Outreach Programme (HESOP)

An annual programme which has become a flagship programme in the sector, in which several entities are participating: South African National Parks, Department of Basic Education and the nine Provincial Departments of Education, selected Provincial Departments of Sport, Arts and Culture, South African Heritage Resources Agency, Brand SA, just to name a few. For the year 2024/25, the culmination of this programme was a national camp at the Tsitsikamma National Park in the Eastern Cape Province.

The highlights included the mass participation of schools at the district and provincial levels, with at least 2000 students participating. All nine provinces were represented at the national camp. The participating learners, educators and provincial coordinators all went home with tangible goodies from the participating entities. It was also an honour to be joined by one of the five major banks in the country, the First National Bank.

National Inventory Office (NIO)

The NIO was established as a response to the 2003 UNESCO Convention on Intangible Cultural Heritage and the National Policy on Living Heritage. The NIO provides state parties/ member states with a database on the various elements of ICH, especially those that are endangered and/or under threat of extinction. The prototype is now live and accessible to the public. (www.lhiosa.co.za)

For the year under review, the NHC secured interviews with several living legends who are heritage practitioners and knowledge bearers for recording purposes. Knowledge bearers who have been interviewed and recorded, among others, include Auntie Veronica from the Khoisan community, who is knowledgeable about medicinal plants. Knowledge bearers of the Swati culture, linked to the Matsamo Cultural Village, were also documented. This is done in partnership with the Indigenous Knowledge Systems (IKS) Panel, which was appointed by the Minister. Of importance is the fact that the NHC is using in-house expertise/resources for the documentation of these living legends.

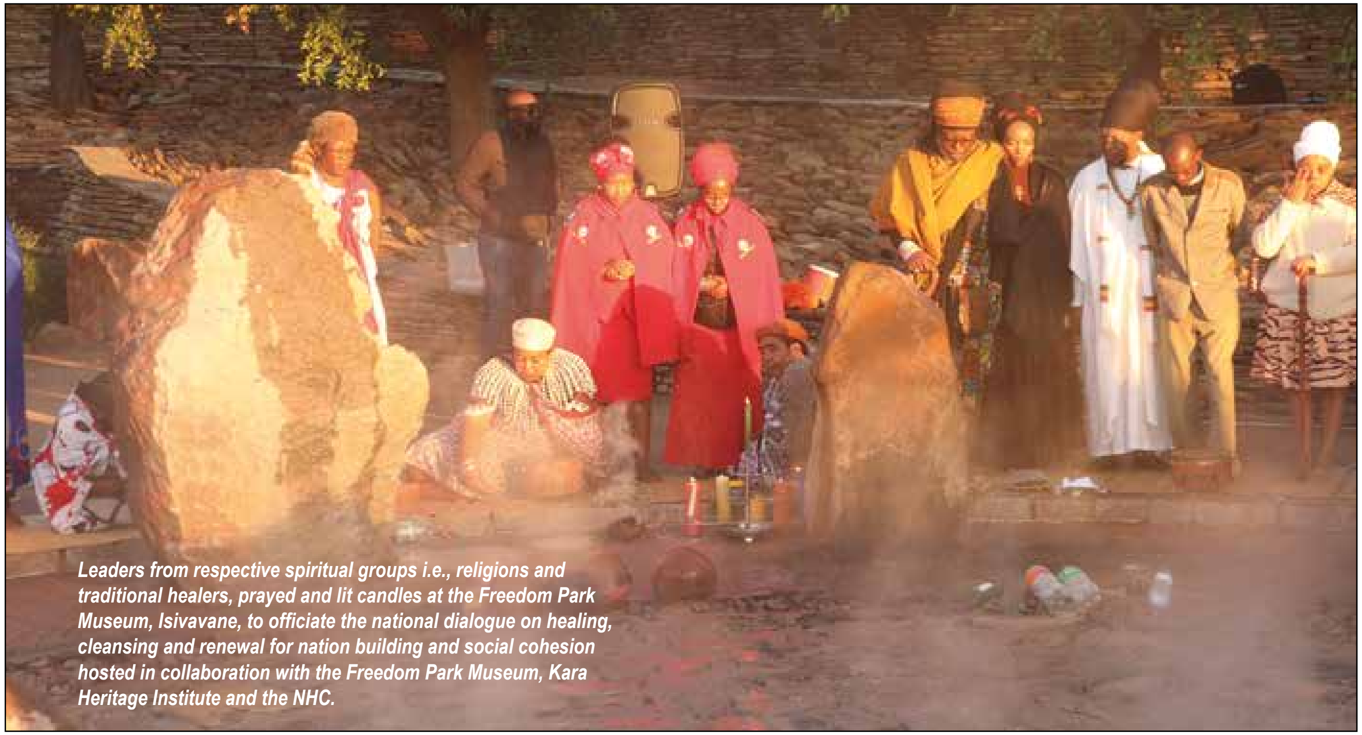
The highlights for the year under review include the envisaged partnership with Channel 408, a Parliamentary channel. The agreement is to televise some of the knowledge bearers' interviews. The sit-down interviews on liberation heritage with leaders like Seth Mazibuko (one of the June 16 Soweto Uprising leaders) and Dr Allan Boesak, who was an integral part of the United Democratic Front formation, are some of the highlights. The engagement with Mr Themba Wakashe on heritage transformation and the evolution of heritage management in South Africa was a cherry on top.

Not forgetting the discussion on the African spirituality and the African calendar with Mr Zwelibanzi Hlongwane aka Mkhulu Nsingiza.

Cultural Exchange Programmes

This programme is aimed at sharing and learning from other entities in the sector, both nationally and internationally. Heritage management is evolving, as well as legislation and conventions. This is a strategic platform for the NHC to always be up to date with global trends. It is for these reasons that the NHC is regarded as a force to be reckoned with in heritage preservation and promotion. The NHC was invited to participate in the annual Global Public Diplomacy network, sponsored by the Qatari government.

The highlights included the NHC's participation in the Seychelles National Heritage Resources Council's Heritage Week, during which the NHC facilitated the participation of a South African chef. Through this initiative, the South African and Seychelles Chefs collaborated in coming up with a mixture of the two different cuisines. The Seychelles delegation also attended the annual Heritage Awards to witness this annual spectacle and to conceptualise their own Heritage Awards. The NHC also participated in the ICCROM Heritage Hub workshop in Kigali, Rwanda. The NHC has been identified as a partner to collaborate with the Iziko National Museum in facilitating the establishment of the South African Hub, targeting youth in the heritage sector.



Leaders from respective spiritual groups i.e., religions and traditional healers, prayed and lit candles at the Freedom Park Museum, Isivavane, to officiate the national dialogue on healing, cleansing and renewal for nation building and social cohesion hosted in collaboration with the Freedom Park Museum, Kara Heritage Institute and the NHC.

The NHC in partnership with the Amachunu Royal Authority at the celebration for Isikhumbuzo seNkosi Uphakade Kamacingwane in Ekuvukeni village.

The NHC representative, Mr Amos Mulaudzi, Living Heritage & Tourism Programmes Manager, with the delegation from various African countries at the ICCROM Heritage Hub workshop in Kigali, Rwanda.

Research and Knowledge Production 2024/2025

Reflections

The Research and Knowledge Production Unit had a very active and successful financial year. Strategic partnerships with key stakeholders in the heritage landscape were established. Staff members in the unit contributed to writing research articles and attended research conferences. All the committed APP targets were achieved.

Achievements

The Unit strives to establish strategic partnerships with research institutions. In the year under review, the unit entered into MOAs with the University of Pretoria (UP) and Ditsong Museums of South Africa (DMSA). The MOA with UP led to the launch of a pilot programme to present a short course on Critical Heritage and Museum Skills to participants working or volunteering at heritage sites and museums. The course provided the necessary capacity building and career upliftment for those without the resources to enrol in a tertiary qualification.

In collaboration with several local and international universities, the unit participated in the publishing of four peer-reviewed research articles in the South African Journal of Science. The volume was to celebrate the centenary of the discovery of the Taung Skull. The unit also had the opportunity to present papers and participate in several conferences, some of which were virtual, while others were physical.

Challenges

The unit faced several challenges. These include, but are not limited to, financial constraints, human resource constraints, and a lack of access to the necessary literature materials. The allocated budget for the previous year hinders the maximum performance of the unit. The unit still has one personnel member and continues to rely on research interns to undertake its duties. The organisation does not subscribe to any of the journals that provide heritage resources required during the production of research papers. This limits the scope of discussion, as most recent research articles are beyond the reach of the unit's staff.

Resistance & Liberation Heritage Route

The National Heritage Council Chairperson shared the stage with the Premier of Gauteng at the 65th anniversary of the Sharpeville and Langa Massacres, currently being marked as Human Rights Day. He used the opportunity to report back to the community on the inscription of Sharpeville as a World Heritage Component and to call for robust collaboration and resources for cultural and liberation heritage work. In attendance were also the Gauteng Representative Councillor Kumalo, the NHC Head of Strategy, Ms Kadi and the CEO, who also laid a wreath to commemorate the martyrs. The solemn ceremony consisted of three parts: a wreath-laying ceremony at the cemetery, a ceremony at the memorial site, and a public event at the stadium. This event demonstrated the NHC's commitment to strategic partnerships with provinces, in line with the pursuit of an agile, capable, ethical state.

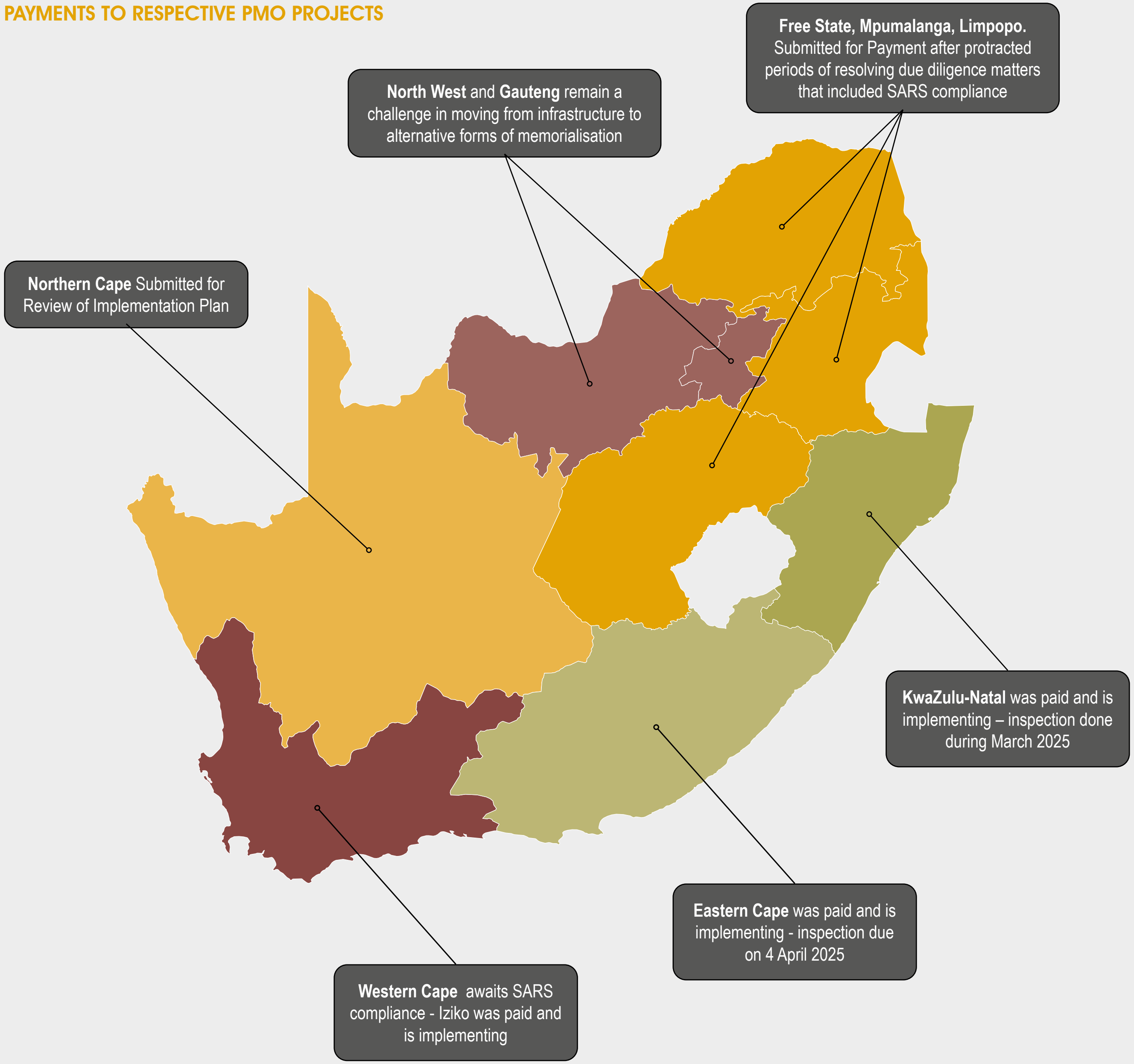
NHC Research Interns explored the rich collections at the museum during an insightful guided tour. A journey of learning, discovery, and connecting with our heritage.

Dr Mirriam Tawane, Research and Knowledge Production Manager, imparting some of her palaeontology wealth of knowledge to NHC Research Interns.

Wreath-laying ceremony at the Sharpeville Massacre Cemetery, which was inscribed as a World Heritage Site at the 2024 World Heritage Committee meeting in India. This is where the 69 people killed during the Sharpeville massacre in 1960 are buried.

Dr Thabo Manetsi and the newly appointed Chairperson of the Council – Mr Sepheu Masemola – at the 2025 Human Rights Day commemoration in Sharpeville, at the Sharpeville Massacre Memorial Park with Mr Panyaza Lesufi, Premier of Gauteng Provincial Government and other government officials.

PAYMENTS TO RESPECTIVE PMO PROJECTS



Community Engagements

Resistance and Liberation Heritage Programme

This is the implementing agent for the cabinet approved country chapter of the African Liberation Heritage Programme. It is constituted of Community Engagements, African Liberation Heritage Programmes, Multilateral Engagments, World Heritage Initiatives, Programme Management Office of the Provincial Resistance and Liberation Heritage Sites.

Constitution Hill Human Rights Festival

The NHC hosted a Human Rights Dialogue as part of the Human Rights Festival. Speakers included the NHC Chairperson, a judge of the Constitutional Court, an Advocate of the High Court, a long-standing Human Rights Activist and Head of Khulumani Support Group.

The festival was a 4-day session that kicked off with an opening session by the MEC for Economic Affairs, where he paid tribute to Mrs Winnie Madikizela Mandela and emphasised the value of cultural heritage in the economy and transformation of South African Society. The festival included extensive participation of SMMEs and creatives. The online following was exceptional, and the comparative monetary value of the broadcast opportunities will still be disclosed. The NHC got a chance to be featured on Radio 702.

Sharpeville Community Engagement

2025 is the 65th anniversary of the Sharpeville and Langa massacres, currently celebrated as Human Rights Day. The NHC Chairperson shared the stage with the Premier of Gauteng at the Human Rights Day event. He used the opportunity to report back to the community on the inscription of Sharpeville as a World Heritage Component and to call for robust collaboration and resources for cultural and liberation heritage work. In attendance was also the Gauteng Representative Councillor Kumalo, the NHC Head of Strategy Ms Kadi and the CEO, who also laid a wreath to commemorate the martyrs. The solemn ceremony consisted of three parts: a wreath-laying ceremony at the cemetery, a ceremony at the memorial site, and a public event at the stadium. This event demonstrated NHC's commitment to strategic partnerships with provinces, in line with the pursuit of an agile, capable, ethical state. Although there were commemorations by diverse parties, there was no conflict, a call that the NHC had been making over the years. The World Heritage inscription of Sharpeville was widely celebrated and acknowledged even by the Premier and MEC of the Province.

Robert Sobukwe Commemoration

The NHC collaborated with Freedom Park and the Robert Sobukwe Foundation to commemorate the centenary of President Sobukwe in Graaff-Reinet and undertook an Ubuntu project with a local school in the area. This was an important moment for ensuring the balance between rural and urban heritage and respecting the diversity of political voices in the liberation heritage.

Hosting of Rev Dr Allan Boesak

The NHC and Freedom Park worked to host Dr Allan Boesak. Valuable reflections on key dimensions of the struggle and even possible additions to the wall of names were received. The encouragement from the Board regarding the work the two agencies are doing was well received, with a special emphasis on focusing on the younger generation and diversifying the voices featured in the narrative.

Chief Nobulali Mtirara of Mqhekezweni at the World Heritage report back stakeholder engagement, shortly after the murder of Chieftainess Nogcinile.

World Heritage Engagements

The 46th World Heritage Committee held in New Delhi unanimously inscribed the 14 part serial property known as Human Rights, Liberation and Reconciliation: Nelson Mandela Legacy Sites. This is a culmination of a multi-year, multi-stakeholder process that gave the world the first world heritage property based on the African Roads to Independence Theme. The inscription came with recommendations that include repairs to some of the sites, and introduction of certain systems. The inscription was followed by extensive stakeholder report backs and management authority capacity building workshops. This historic breakthrough gives rise to strengthening NHC capacity, so as to effectively discharge the mandate of co-ordinating the newly inscribed serial property.

The NHC, working with the SA World Heritage Focal Point, SAHRA, Department of Sports Arts and Culture, provincial representatives and authorities responsible for managing the sites met with the different management authorities and communities. Some of the outcomes of these engagements included the following:

Meeting to repair Sharpeville Cemetery

The NHC met with the Sedibeng and Mfuleni Municipality representatives and requested that they quantify the work that needs to be done and to develop the technical specifications and give an indication of which entity had installed the perimeter fence.

The NHC requested the municipalities to undertake integrated measures that include:

- Preventing further damage to the perimeter
- Awareness and community support
- Improved security measures
- Pro-active livestock-related measures

Mqhekezweni, Union Buildings, Constitution Hill, Walter Sisulu Square, Waaihoek Workshop and Lilliesleif

The NHC, working in collaboration with the Department of Fisheries, Forestry and Environment, and SAHRA, conducted community report-back sessions and management authority induction sessions. The sessions included:

- outlining the components and workings of the site management plan
- strategic objectives, actions, indicators and responsibilities that go into a site management plan
- alignment with other planning responsibilities
- legal obligations, reporting duties, of management authorities, compliance processes, permitting processes, financial and other support measures
- an outline of the Gazetting Processes that get followed for the promulgation of World Heritage Sites and World Heritage Management Authorities
- lessons from the promulgation processes that did not go well
- strategic stakeholders included the former President of South Africa – Dr Kgalema Motlhante in his capacity as Chairperson of Liliesleaf, MEC for Sports Arts and Culture in Free State, DDG for the Presidency, Chief of Mqhekezweni, Board of Gauteng Development Agency, Gauteng IDZ, CEO of Constitution Hill, Community Members
- Representation for Walter Sisulu Square was sub-optimal and needs further attention
- The visit provided a valuable opportunity to assess the state of conservation at the sites and gain a deeper understanding of the institutional vulnerabilities and strengths. Liliesleaf, for example, does not have a functional management team to support the board; however, DSAC is undertaking a process to discuss the future of the site with the board and has involved Freedom Park in some of the operations.
- Mqhekezweni continues to face physical accessibility challenges due to the road and a significant threat of crime.
- Ohlange had to be rescheduled; instead, the opportunity was used to engage with the Ethekwini Municipality and the Provincial Authorities to clarify their role on the site and improve preparation for the community engagement and management authority workshop. There is evidence of growing interest in the family's participation in property management, and various implications for this must be considered. The meeting agreed to revert stakeholder convening to the NHC from the provincial authority.

Community Report Back

Community report-backs were held at all the mentioned sites.

The significant matters that arose were the need for greater participation, the need for formalisation of stakeholder involvement and the need for a better definition of community benefit. An example is that of the community of Kliptown, which took steps to protect the Walter Sisulu Square at a time when government agencies had withdrawn from the site. The problem of crime and poverty in Mqhekezweni and Walter Sisulu Square was raised sharply. The matter of urban decay in Mangaung and Johannesburg was also raised.

The Western Cape DSAC has been asked to share details about Liberation Sites in the Cape Flats areas, including Athlone, Mitchells Plain, Gugulethu, Bonteheuwel, and others.

Former President Kgalema Motlanthe with the Liliesleaf Management Authority during a report-back on Liliesleaf's inscription on the World Heritage List and capacity-building for management authorities.

African Liberation Heritage Programme

The Resistance and Liberation heritage Route Programme is the South African chapter of the continent wide African Liberation Heritage Programme. This provides an opportunity to honour and commemorate the contributions of different African countries to South Africa's and each others's freedom. One of the key results of this legacy has been the arising of burial sites of liberation heroes and heroines who fell during the struggle in those countries. Significantly in the year under review there were commemorations of incidents that took place in Angola and Mozambique.

FP Collaboration on Cuito Commemoration

In the spirit of the Africa Liberation Heritage Programme, the NHC collaborated with Freedom Park, DSAC, and Angola's National Heritage Institute to commemorate the historic Cuito Cuanavale battle on 23 March during a continental day of reflection. Ministers of Culture from South Africa and Angola delivered keynote addresses. The NHC Chairperson also shared the platform, while the NHC and Freedom Park CEOs served as programme directors.

During this commemoration, valuable discussions took place regarding the repatriation of fallen fighters from Angola, the creation of appropriate memorials, and the implementation of a cultural heritage project at Viana Transit Camp. Some of these efforts are in preparation for a state visit by the President of the Republic to Angola later this year.

Commemoration of Amatola Massacre

In the spirit of the African Liberation Herittage Programme, Freedom Park hosted a commemoration with the participation of the NHC. Families of the Amatola Martyrs were in attendance. There was valuable interaction and feedback from communities. A touching story of solidarity between South Africa and Mozambique was brought to the forefront.

Multilateral Engagements

a. The National Heritage Council collaborated with DSAC, DFFE, and other agencies to assess the readiness of cabinet-identified sites to host G-20 state visits.

b. The NHC collaborated with DSAC to discuss and develop an agenda for the G-20 Cultural Heritage Working Group, and one of the NHC team members was appointed to facilitate a webinar on Cultural Heritage Repatriation and Restitution.

c. The NHC participated in the open-ended working group on World Heritage Preliminary Reporting and Review of Working Methods, at the World Heritage Convention.

Productive Partnerships

Productive partnerships towards sustainability and productive partnerships towards economic benefit of communities.

The NHC continued to pursue these two priorities in the following areas:

- A high-level meeting with the Constitution Hill to examine the method of community benefit that they are applying.
- A collaboration with the African World Heritage Fund to deliver a weeklong Workshop on Entrepreneurship in World Heritage Properties, involving different African State party representatives as far afield as Namibia, Zambia, Botswana, Rwanda, Kenya and others.
- The site management plans for the newly inscribed world heritage components include an explicit requirement for a strategic objective that addresses sustainability and socio-economic benefits.
- The feasibility studies conducted and the implementation plans derived from them include clear aspects of sustainability and socio-economic benefits.

One of the significant productive partnerships that was executed was one on Entrepreneurship in World Heritage Sites - the case of Constitution Hill. This initiative was done as a partnership of the National Heritage Council with African World Heritage Fund, Department of Fisheries Forestry and Environment and other stakeholders.

Stakeholder partners at the Workshop on Entrepreneurship at the Constitution Hill in Gauteng.

The Human Rights Festival held in conjunction with Constitution Hill, was a powerful convergence of social cohesion, citizen participation, economic opportunity in a context of collaboration public, private and civil society.

Intergovernmental Relations and Programme Management Office

The NHC collaborates with different spheres of government in delivery of all its work. This is significantly more pronounced in the case of the Programme Management Office, which provides support to the Cabinet-approved Provincial Resistance and Liberation Sites Initiatives. Progress across provinces has been uneven regarding the completion of feasibility studies and compliance with PFMA requirements. The implementation plans will make the required impact through alternative forms of memorialisation, contribute to conservation, education, tourism, socio-economic impact and, where possible, be inclusive and connect with the initiatives in the province and the country. There has been uneven progress in the different provinces in terms of adherence to the feasibility and compliance requirements. This has, in some cases, adversely affected the pace of the project.

Most of the above areas of intervention have harnessed the relationships and strengths of various government agencies, departments, and spheres. The coordinating capabilities of provincial governments have been leveraged to benefit the long-term sustainability of the NHC's work.

The latest report of the PMO Programme Management Office calls for the reactivation of the interministerial committee on Resistance and Liberation Heritage.

The NHC has met with a range of government stakeholders, including the City of Johannesburg Tourism Agency, the Gauteng Development Agency, and others. The successes reported in relation to community engagements, the G-20 and others are a direct result of those engagements.

The Communication, Marketing and Stakeholder Engagement

The Communication, Marketing, and Stakeholder Engagement Unit is tasked with profiling, promoting and highlighting the key programmes of the National Heritage Council.

The main focus is on the activities of the organisation's core business. The core business areas primarily consist of Living Heritage and Tourism, Resistance and Liberation Heritage, Research and Knowledge Production, as well as Funding. The Communications Unit also provides support to Corporate Services.

The unit levelled the ground with Stakeholder Engagement, employing a strategy and framework to guide the organisation in identifying stakeholders and making informed decisions that meet the needs of our stakeholders.

There are areas worth noting for their successes in the year under review:

Media Coverage

The National Heritage Council's programmes and initiatives received extensive positive coverage with a total of 47 media engagements during the financial year.

The media coverage was primarily featured in national, provincial, regional, and community media, spanning from online to broadcast media.

A large amount of coverage was received from the initiatives in which the NHC collaborated with stakeholders, such as the commemoration of the Battle of Cuito Cuanavale at Freedom Park Heritage Site and the Human Rights Festival at Constitution Hill. Implemented projects that were part of the dialogue on various heritage subjects, drawing support from mainstream media. The COMSTA unit leveraged radio advertisements placed for Funding programmes, which included free media interviews, resulting in a rise in the profiling of the Funding programmes in community media.

Newzroom Afrika, Radio 702, Umhlobo Wenene FM, Power FM, Parliament TV, SAFM, Phalaphala FM, Munghana Lonene FM, Jozi FM, and Radio Turf were among the media outlets where the NHC was featured.

The Chief Executive Officer (CEO) also represented the NHC on national television and radio interviews, which were all positive, with messages on the programmes.


Promosie // Promotion

Smullekker kerrietjops op die kole

Ryke tapisserie van kulture op Erfenisdag gevier

Heritage Feature from an interview conducted on email with the Editor of the Tygerburger newspaper.

Exhibition during the Human Rights Festival at Constitution Hill.

CEO interviewed by Newzroom Afrika during Human Rights Month at the Battle of Cuito Cuanavale Day of Reflection in Freedom Park Museum.

Live media interview with Munghana Lonene FM about the Golden Shield Heritage Awards on the midday show – Swa Risima.

Website

The website was continuously updated with news articles that were featured in the quarterly newsletters. A needs analysis with the NHC staff was conducted in collaboration with the Strategy Unit in an effort to upgrade the website to an interactive platform, which will provide an enhanced user experience for both internal and external stakeholders.

Social Media

The unit launched a TikTok page for the NHC during Heritage Month (September), which saw a 396% growth in followers by the end of the financial year, without any advertisements.

The NHC actively engages on four social media platforms: X (formerly Twitter), Facebook, Instagram, and TikTok. Significant growth was realised over the 12 months. The NHC Community was primarily active on Facebook, with a total increase of over 2 000 followers and a reach of more than 30 000 through organic posts. The NHC has experienced an overall growth of more than 85% in followers across the four platforms during the 2024/25 financial year.

Heritage Month Marketing Campaign

A Heritage month campaign was implemented in September 2024 with the intention of profiling and promoting the NHC in the mainstream media with the newly appointed CEO as the lead spokesperson.

The campaign positioned the NHC as a voice of reason on Heritage and Cultural issues in the country.

A total of R515 550 in Advertising Value Equivalency PR Value was received from coverage in national broadcast media.

ENCA virtual interview with Jenna-Leigh Bilong.

2. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Outcomes

a) Research reports on national heritage.

b) National Heritage Knowledge Interventions Programme.

c) Publications on national heritage.

d) Information on heritage in South Africa.

e) Funding for heritage projects.

The 2019/20 to 2024/25 end-of-term report offers a comprehensive account of the institution's commitment to enhancing social cohesion, nation-building, and sustainable development by leveraging South Africa's common and diverse heritage.

The performance of the Council during this period, measured against this impact statement, demonstrates both strategic successes and operational challenges across heritage promotion, community engagement, knowledge development, and institutional reform.

2.1 Addressing Social Cohesion

The NHC planned to mobilise shared identity and mutual respect, thus assisting the DSAC to deliver on the NDP objectives. The NHC's interventions toward social cohesion were anchored in promoting a shared national identity, encouraging inter-community dialogue, and affirming the cultural dignity of historically marginalised groups. These were achieved through:

2.1.2 Heritage Advocacy and Commemorative Events

The NHC supported commemorative events, significantly surpassing its planned targets due to the collective implementation of programs and collaborations. These included national memory moments such as the Cradock Four Garden of Remembrance and the 200th anniversary of the Battle of Egazini. Such events elevated collective memory, reinforced national healing, and facilitated community participation in remembering resistance histories.

2.1.3 Interfaith and Gender Dialogues

Through support to the South African Interfaith Council, the NHC contributed to dialogues on nation-building and social cohesion. Moreover, there were collaborations with the Department of Women on gender-based violence interventions, focusing specifically on the boy child, thereby addressing gender inclusion within heritage discourses. The girl child programs continued, particularly with programs from traditional and royal houses, including reed dance (KZN) and inkciyo (EC) for maidens.

2.1.4 Traditional Leadership Engagements

Strategic partnerships with CONTRALESA reflected deep community-level engagement, especially in raising awareness on public health crises like COVID-19, demonstrating the relevance of traditional knowledge systems and cultural custodians in shaping cohesive and resilient communities.

These initiatives positioned heritage not only as symbolic memory but as a catalytic tool for social harmony, mutual respect, and national unity across ethnic, linguistic, and cultural divides.

2.2 Nation Building Narrative

Constructing an inclusive and representative national narrative post 20 years of democracy has been a complex transformation agenda.

The Council operationalised nation-building by:

(i) Investing in Youth and Education

The flagship Heritage Education Schools Outreach Programme (HESOP) reached learners across provinces and facilitated a week-long immersive heritage camp. This investment in youth fostered intergenerational dialogue, active citizenship, and strengthened patriotic consciousness.

(ii) Celebrating Living Heritage and Indigenous Expression

The Golden Shield Heritage Awards (GOSHA) and the South African Traditional Music Awards (SATMA) recognised and elevated voices and art forms rooted in indigenous traditions. These platforms not only acknowledged excellence but also affirmed underrepresented cultural expressions, essential for rewriting national heritage narratives to reflect the country's full diversity.

(iii) Policy Advocacy and Knowledge Generation

Policy position papers on thematic issues, such as Liberation Icons and Private vs. Public Management of Heritage, demonstrated the NHC's proactive role in shaping the national discourse on memory, memorialisation, and governance. This led to comprehensive research publications and journal articles, which added scholarly depth to the Council's impact in the heritage sector.

Through these efforts, the NHC actively advanced a national identity informed by cultural inclusivity, historical redress, democratic participation, and core pillars of nation-building.

(iv) Sustainable Development

In profiling heritage as an economic and developmental asset, the NHC recognised heritage as a driver of local development, economic participation, and sustainable livelihoods, through the following:

(v) Funding Community Heritage Projects

Exceeding its target, the NHC funded 28 community heritage projects, directly empowering local actors to document, promote, and preserve their heritage. This grassroots model decentralised heritage development and opened pathways for community ownership of cultural assets.

(vi) Leveraging Economic and Tourism Linkages

The Cradock Four Garden of Remembrance inauguration, in partnership with the National Department of Tourism, reinforced the intersection of heritage and tourism. The Council's role in this initiative enabled the Cradock community to benefit economically from its historical significance, aligning heritage preservation with local economic development.

(vii) Additional Funding and Resource Mobilisation

Through strategic fundraising, the NHC raised 2.38% in additional funding beyond its DAC grant. This ability to attract co-financing demonstrates financial innovation and sustainability in programme delivery.

(viii) Promotion of Indigenous Knowledge Systems (IKS)

The NHC's collaboration with indigenous poets and oral historians, especially during GOSHA and SATMA, supported the economic inclusion of cultural practitioners and advanced the professionalisation of IKS as both a cultural and economic asset. Such initiatives show that the NHC is actively mainstreaming heritage into sustainable development agendas by fostering job creation, community-based tourism, and institutional partnerships.

(ix) Cross-Cutting Impact for Women, Youth, and Persons with Disabilities

The impact on women and youth is particularly evident in the composition of programme beneficiaries and targeted outreach. Youth were the primary beneficiaries of HESOP and the SOMAFCO exchange programme. Women were supported through platforms highlighting gender-based violence and were key factors in indigenous storytelling and musical traditions. While persons with disabilities were not explicitly detailed in programme outputs, the Council's inclusive funding framework and advocacy positioning signal opportunities to strengthen this area.

3. PERFORMANCE INFORMATION BY PROGRAMME

3.1 Programme 1: Administration

The aim of this programme is to provide strategic leadership and enable the 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
- Finance and Supply Chain Management.

Human Resource Management Key performance measures, targets and actual results Outcomes:

- Strategic Leadership is provided
- Promotion of the NHC and its programmes
- A highly motivated and competent team
- Sound financial management Summary

There were 11 targets planned for Programme 1 in the 2024/25 financial year.

Nine targets were achieved and two were not achieved.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/2025	ACTUAL ACHIEVEMENT 2024/2025	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
An effective, efficient and accountable organisation with good governance, a sound culture and track record of delivery	Strategic Leadership is provided	Compliance documents (APP, Quarterly Reports and Annual Report) are submitted to the Executive Authority on time.	Organisation wide adherence to compliance dates was achieved.	Organisation wide adherence to compliance dates achieved.	1.1.a) Organisation wide adherence to compliance dates achieved.	Organisation wide adherence to compliance dates achieved	The target was achieved as planned with no deviations.	N/A
		Percentage of institutional policies and charters due for review reviewed.	100% of institutional policies and charters due for review reviewed.	100% of institutional policies and charters due for review reviewed.	1.1 b) 100% of institutional policies and charters due for review reviewed.	Council Charters reviewed and institutional policies under review	Not Achieved.	Ongoing consultation with stakeholders
	Promotion of the NHC and its programmes	Number of publications and productions produced.	12 publications and 1 production produced.	8 publications and 1 production produced.	1.2 a) 8 publications and 1 production produced.	8 publications and 1 production produced	The target was achieved as planned with no deviations.	N/A
		Number of media engagements conducted.	14 media engagements conducted.	9 media engagements conducted.	1.2b) 12 media engagements conducted.	47 media engagements conducted	The target was overachieved by 35 media engagements.	Increased media interest during heritage month (Sept) and human rights month (March) on NHC programme collaborations with other entities
		Number of Heritage Month Marketing Campaigns activated.	1 Heritage Month Marketing Campaign activated.	1 Heritage Month Marketing Campaign activated.	1.2c) 1 Heritage Month Marketing Campaign activated.	1 Heritage Month Marketing Campaign activated	The target was achieved as planned with no deviations.	N/A
		Number of stakeholder engagements implemented.	5 stakeholder engagements implemented.	7 stakeholder engagements implemented.	1.2d) 12 stakeholder engagements implemented.	12 stakeholder engagements implemented	The target was achieved as planned with no deviations.	N/A
	A highly motivated and competent team	Percentage of implementation of the approved Annual Training Plan on critical skills.	42% implementation of the approved Annual Training Plan on critical skills.	80% implementation of the approved Annual Training Plan on critical skills.	1.3a) 80% implementation of the approved Annual Training Plan on critical skills.	80% implementation of the approved Annual Training Plan on critical skills.	The target was achieved as planned with no deviations.	N/A
		Establish or improve level of employee wellness/ engagement / satisfaction.	Employee engagement survey conducted.	Employee engagement survey conducted.	1.3b) Employee engagement.	Employee engagement conducted	The target was achieved as planned with no deviations.	N/A
	Sound financial management provided	Audit opinion achieved.	Unqualified Audit.	Qualified opinion.	1.4a) Unqualified Audit Opinion achieved.	Qualified opinion.	Not Achieved.	The qualified audit opinion was due to prepayments and advances that were not properly accounted for
	ICT support provided.	Level of Local Area Network availability (%).	Local Area Network availability (95%). Business Continuity Plan.	Local Area Network availability (95%).	1.5a) Local Area Network availability (95%).	Local Area Network availability (95%).	The target was achieved as planned with no deviations.	N/A
		Business Continuity Plan approved and tested.	Local Area Network availability (95%). Business Continuity Plan approved.	Business Continuity Plan approved and tested.	1.5b) Business Continuity Plan approved and tested.	Business Continuity Plan approved and tested.	The target was achieved as planned with no deviations.	N/A

3.1.1 Strategies to address areas of underperformance

Target 1.1b) 100% of institutional policies and charters due for review reviewed. The target was not achieved due to ongoing consultation with stakeholders. The NHC will continue to engage internal stakeholders for concurrence and review of institutional policies.

Target 1.4a) Unqualified Audit Opinion Achieved. The qualified audit opinion was achieved due to prepayments and advances that were not properly accounted for or not achieved.

The qualification relates to the recognition and expensing of prepayments and advances, as highlighted in the audit findings. The entity did not fully implement adequate internal controls to ensure compliance with GRAP 1: Presentation of Financial Statements, which resulted in the misclassification of certain transactions. Specifically, some prepayments were incorrectly expensed, while others that should have been expensed were not. This led to an overstatement of prepayments and advances amounting to R59 698 000 (2023–24: R75 839 000) as disclosed in note 5 to the financial statements and also impacted the reported surplus for the period and the accumulated surplus.

Strategies to Address Underperformance in the Recognition and Expensing of Prepayments and Advances

To address the issues identified in the audit findings and to prevent recurrence, management has developed the following strategies:

1. **Strengthening Internal Controls**
   a) Implement revised internal control procedures specifically focused on the recognition, classification, and expensing of prepayments and advances.
   b) Introduce a mandatory review and approval process for all transactions classified as prepayments, ensuring they meet the requirements of GRAP 1.
2. **Policy and Procedure Review**
   a) Update and formalise financial management policies and standard operating procedures (SOPs) to provide clear guidance on the treatment of prepayments.
   b) Ensure alignment with GRAP 1 and other relevant GRAP standards.
3. **Training and Capacity Building**
   a) Conduct targeted training for finance staff and relevant operational personnel on the correct accounting treatment of prepayments and advances.
   b) Include refresher sessions during the financial year to reinforce compliance and improve technical competence.
4. **Regular Monitoring and Reconciliations**
   a) Introduce monthly and quarterly reconciliations of prepayments and advances to ensure accurate recognition and timely expensing.
   b) Establish a checklist to be used during month-end and year-end close processes to identify potential misstatements.
5. **Strengthened Oversight and Accountability**
   a) Assign clear accountability to specific finance team members for the monitoring and reporting of prepayments.
   b) Include prepayments as a standing item in internal audit reviews and quarterly performance reports to management and the audit committee.
6. **Automation and System Improvements**
   a) Where possible, configure the financial system to flag transactions captured as prepayments and prompt appropriate accounting treatment.
   b) Explore the implementation of controls within the system that prevent misclassification or unintentional expensing.
7. **Engagement with Internal Audit**
   a) Request the internal audit to conduct a focused review of prepayments in the next audit cycle to assess progress and provide assurance on implemented controls.
   b) Use findings to continuously improve the control environment.

3.2 Programme 2: Heritage Promotion

The purpose of the programme is to deliver on the mandate and core business of the NHC as per the legislative mandate within available resources.

Programme 2 consists of the following sub-programmes:

- Living Heritage and Tourism Promotion
- Funding
- Resistance and Liberation Heritage Route
- Research and Knowledge Production

Key performance measures, targets and actual results

Outputs:

1. Initiatives associated with living heritage supported/implemented to promote social cohesion and nation-building
2. Advise the Minister on key aspects of heritage through the development of a proposed policy framework
3. Disbursed funding and partnerships pursued to enable capacity building and resource mobilisation for the preservation and promotion of heritage
4. The Resistance and Liberation Heritage Route is mainstreamed
5. Develop and coordinate heritage resources to bring economic benefit
6. Partnerships with other government, private sector and civil society entities to promote and develop the economic benefit of heritage

Summary

- A total of 16 targets were planned for Programme 2 in the 2024/25 financial year.
- 16 (100%) of the targets were achieved, and none of the targets were not achieved.

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/2025	ACTUAL ACHIEVEMENT 2024/2025	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Enhance social cohesion and transformation through the coordination of heritage with emphasis on living heritage	Initiatives associated with living heritage supported/ implemented to promote social cohesion and nation building	Number of initiatives associated with living heritage supported.	6 initiatives associated with living heritage supported/ implemented.	6 initiatives associated with living heritage supported/ implemented.	2.1a) 6 initiatives associated with living heritage supported/ implemented.	10 initiatives associated with living heritage supported/ implemented. (1) Africa Month Celebration. (2) Ancestors Day (3) Cape Malay (4) Drakensberg (5) Gosha (6) Griqua Heritage Day (7) Heritage Extravaganza (8) Masterclass (9) Ubuntu (10) Woman In Heritage	The target was exceeded with 4 initiatives; 1) Ancestors Day 2) Cape Malay Heritage Celebration 3) Drakensberg Summit-Heritage Tourism 4) Griqua Heritage Day	Additional activities were implemented and supported because of cost savings as a result of collaboration
		Number of heritage resource partnerships with national/ provincial houses of traditional leadership implemented.	2 heritage resource partnerships with national/provincial houses of traditional leadership implemented.	2 heritage resource partnerships with national/provincial houses of traditional leadership implemented.	2.1b) 2 heritage resource partnerships with national/provincial houses of traditional leadership and Khoisan implemented.	4 heritage resource partnerships with national/provincial houses of traditional leadership implemented. (1) AmaChunu Royal Authority (2) Inkciyo Ka Xhosa (3) Partnership with Khoisan Leadership (4) Queen Mathatisa Of Batlokoa	1) Queen Manthatisa Of Batlokoa Memorial Lecture 2) AmaChunu Royal Authority	The Traditional houses partnered with had budgeted for their events, and the NHC was invited for advocacy which is a benefit for the promotion and preservation of heritage objective
		Number of heritage education initiatives implemented.	1 Heritage education initiative implemented.	1 Heritage Education Initiative implemented.	2.1c) 1 Heritage Education initiative implemented.	3 heritage education initiatives implemented: HESOP, 1) International Museum Day at the Eskia Mphahlele Museum 2) KROTOA Commemoration	1) International Museum Day at the Eskia Mphahlele Museum 2) KROTOA Commemoration	One of the implemented initiatives was an exhibition invitation during the International Museum Day
		Number of indigenous knowledge seminars/ dialogues hosted.	1 Indigenous knowledge seminar/dialogue hosted.	1 Indigenous knowledge seminar/dialogue hosted.	2.1d) 1 Indigenous knowledge seminar/ dialogue hosted.	2 indigenous knowledge seminar/ dialogue hosted. (1) IKS Storytelling (2) June 16 Commemoration	The target was exceeded by 1 dialogue/seminar - June 16 Commemoration.	The second dialogue was by invitation and an opportunity with no cost implication
		Accessible heritage database produced.	Accessible heritage database produced.	Accessible heritage database produced.	2.1e) National Inventory updated and maintained.	National Inventory Database updated and maintained	The target was achieved as planned with no deviations.	N/A
		Number of heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/ participated in.	2 heritage exchange programmes implemented/ participated in.	2.1f) 2 heritage exchange programmes implemented/ participated in.	4 heritage exchange programmes implemented/participate in. (1) Heritage Hub Workshop (2) Mapungubwe (3) Qatar (4) Seychelles	1) Qatar Global Public Policy Diplomatic Network 2) ICCROM Heritage Hub Seminar/Workshop in Rwanda	Two of the four initiatives were invitation to share expertise, on the actual coordination of these events, and led to overachievement based on opportunities presented

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/2025	ACTUAL ACHIEVEMENT 2024/2025	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Enhance social cohesion and transformation through the coordination of heritage with emphasis on living heritage	Advise the Minister on key aspects of heritage through development of a proposed policy framework	Number of policy position papers produced.	2 Policy Position Papers produced.	2 Policy Position Papers produced.	2.2a) 5 research and policy initiatives developed/produced.	5 research and policy initiatives developed/produced	The target was achieved as planned with no deviations.	N/A
	Disbursed funding and partnerships pursued to enable capacity building and resource mobilisation for the preservation and promotion of heritage	Number of community heritage projects supported and funded.	32 community heritage projects supported and funded.	31 community heritage projects supported.	2.3a) 30 community heritage projects supported and funded.	31 community heritage projects supported and funded	The target was achieved with an additional 1 more project funded.	Funds are allocated to 31 as a safety measure to mitigate withdrawals
		% of funded projects monitored and evaluated.	74% of funded projects monitored and evaluated.	100% of funded projects monitored and evaluated.	2.3b) 100% of funded projects monitored and evaluated.	100% of funded projects monitored and evaluated	The target was achieved as planned with no deviations.	N/A
	The RLHR is mainstreamed	Number of RLHR related community outreach programmes implemented/ participated in.	4 RLHR related community outreach programmes implemented/ participated in.	4 RLHR related community outreach programmes implemented/ participated in.	2.4a) 4 RLHR related community engagement programmes implemented/ participated in.	4 RLHR related community engagement programmes implemented/participated in	The target was achieved as planned with no deviations.	N/A
		Number of RLHR related multilateral engagements implemented/ participated in.	1 RLHR related multi-lateral engagements implemented/ participate in.	1 RLHR related multi-lateral engagements implemented/ participate in.	2.4b) 1 RLHR related multi- lateral engagements implemented/ participated in.	3 RLHR related multi-lateral engagements implemented. (1) G20 Repatriation (2) Home Coming Report Zambia and Zimbabwe (3) Angola Repatriation	The target was exceeded with 2 multilateral engagements.	The 2 targets came as per invites from DEFFE focal point World Heritage sites and the Angola SA bilateral from DSAC
		Number of engagements on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	2 engagements on the African Liberation Heritage Programme.	2.4c) 2 engagements on the African Liberation Heritage Programme.	3 engagements on African Liberation Heritage Programme. (1) Africa 24 Mainstreaming African liberation in ICOMOS and African Union (2) The Battle of Cuito Cuanavale (3) 7th Africa Group -46 World Heritage Committee in Nairobi Kenya	The target was exceeded with 1 engagement of 7th Africa Group - 46 World Heritage Committee in Nairobi Kenya.	Invitations from international heritage organisations were received and presented an opportunity for cultural diplomacy objective of the NHC
		Number of engagements in the World Heritage Programme achieved.	1 engagement achieved (Amplified Dossier submitted to UNESCO).	1 engagement in the World Heritage Programme achieved.	2.4d) 1 engagement in the World Heritage Programme achieved.	8 Meetings with management authorities and communities convened Mqhekezweni, Ohlange, June 1976 Site, Union Buildings, Constitution Hill, Walter Sisulu Square, Liliesleaf farm, Waaihoek workshops	The target was exceeded, with 7 achievements.	Opportunities of engagement came due to inscription by UNESCO

OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/2025	ACTUAL ACHIEVEMENT 2024/2025	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2024/2025	REASONS FOR DEVIATIONS
Enhance social cohesion and transformation through the coordination of heritage with emphasis on living heritage	The RLHR is mainstreamed	Number of Provincial RLHR sites developed and managed.	9 RLHR sites developed and managed.	9 Provincial RLHR sites developed and managed.	2.4e) 9 Provincial RLHR sites supported for development.	10 Provincial RLHR sites supported for development: 1. Bhisho Massacre (EC) 2. Saul Mkhize Memorial 3. Lowveld Massacre Site (MP) 4. Nelson Mandela Prison House – Iziko (WP) 5. Tussen Die Revier 6. Women's Prison Cell 7. Wesleyan Methodist Church (FS) 8. Chief Albert Luthuli Memorial 9. DOC Matiwane Memorial 10. Johnny Makhathini Memorial (KZN)	The target was exceeded by 1 site supported for development: Tussen Die Revier.	The Western Cape province progressed faster than required in finalising their implementation plan.
	Develop and coordinate heritage resources to bring economic benefit	Number of heritage sites and resources identified and supported to be commercially viable for the benefit of women, youth and people with disabilities.	New target.	1 heritage site and resource identified and engaged to be supported to be commercially viable for the benefit of women, youth and people with disabilities.	2.5a) 1 heritage site and resource identified and engaged to be supported to be commercially viable or the benefit of women, youth and people with disability.	1 heritage site and resource identified and supported to be commercially viable for the benefit of women, youth and people with disability in Constitution Hill	The target was achieved as planned with no deviations.	N/A
	Partnerships with other government, private sector and civil society entities to promote and develop the economic benefit of heritage	Number of partnerships established to enhance the economic benefit of heritage (categorised into: government; private sector; civil society, international).	New target.	1 partnership established to enhance the economic benefit of heritage.	2.5b) 1 Productive partnership established to enhance the economic benefit of heritage.	1 Productive partnership established to enhance the economic benefit of heritage - Workshop on Entrepreneurship	The target was achieved as planned with no deviations.	N/A

4. REVENUE **COLLECTION**

The NHC is not a revenue-collecting entity, and this is not applicable to the institution.

5. CAPITAL **INVESTMENTS**

The capital investment is not applicable to the NHC business.

6. LINKING PERFORMANCE **WITH BUDGETS**

PROGRAMMES	2024/2025			2023/2024		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	(OVER)UNDER EXPENDITURE R'000
Programme 1 : Administration	45,479	46,067	-588	41,897	39,537	2,361
Programme 2 : Heritage Promotion	28,738	30,870	-2,132	32,124	45,208	-13,084
TOTAL	**74,217**	**76,937**	**-2,720**	**74,021**	**84,745**	**-10,724**

Linking Performance with Budgets

The NHC's expenditure patterns during the 2024/25 financial year reflect a strong alignment between financial resources and programme performance outcomes across both Programmes 1 (Administration) and 2 (Heritage Promotion).

Programme 1: Administration

Programme 1 was allocated R45.479 million, with actual expenditure of R46.067 million, resulting in a slight over-expenditure of R0.588 million. Despite this variance, the programme delivered substantially on its targets: out of 11 planned, nine were achieved and two were partially achieved. Key outcomes included the timely submission of compliance documents, an increase in stakeholder and media engagements beyond targets, and effective implementation of training and ICT continuity measures. The over-expenditure is attributable mainly to increased operational costs linked to expanded communications activities and heightened engagement during national heritage events. These investments directly enhanced NHC's visibility, compliance, and stakeholder confidence, thereby ensuring governance and institutional effectiveness were maintained at high standards.

Programme 2: Heritage Promotion

Programme 2 was allocated R28.738 million, with actual expenditure of R30.870 million, reflecting an over-expenditure of R2.132 million. The programme, however, achieved 100% of its 16 annual targets, with some exceeded due to cost savings and leveraged partnerships. Achievements included supporting and implementing 10 initiatives on living heritage (against a target of six), producing five policy and research outputs, funding and monitoring 31 community heritage projects, and engaging in multiple national and international heritage partnerships. The overspending is primarily linked to the expansion of heritage initiatives and participation in additional multilateral and diplomatic platforms that strategically advanced the mandate of the NHC. These additional investments enhanced social cohesion, cultural diplomacy, and the promotion of heritage as a driver of economic and social development.

Consolidated View

Overall, the NHC was allocated R74.217 million, with actual expenditure of R76.937 million, an over-expenditure of R2.720 million. This was contained within the Council's broader financial management framework and was primarily driven by the scaling up of programme delivery, particularly in Programme 2. Compared with the previous year, when the Council experienced a larger overspend of R10.724 million, the 2024/25 outcome demonstrates improved financial discipline while still maintaining strong performance delivery. The Council's ability to exceed or fully achieve most performance targets despite modest overspending confirms the efficiency of resource utilisation and the value derived from its programmes.

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 provides shareholders and other stakeholders with assurance that the NHC is ethically managed in accordance with prudently determined risk parameters, in compliance with best practices.

2. PORTFOLIO COMMITTEE

There were no invitations from the portfolio committee in the 2024/2025 period. However, the Council and the Accounting Officer continue to respond to parliamentary questions when required.

3. 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 that the NHC is a Schedule 3A entity and therefore not bound by this requirement, it was deemed necessary to do so for the 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 2024;
- 2nd Quarterly Report submitted on 30 October 2024;
- 3rd Quarterly Report submitted on 30 January 2025; and
- 4th Quarterly Report submitted on 30 April 2025.

4. THE COUNCIL

4.1 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.

(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).

(d) 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.

(e) The Council operates in accordance with an approved Charter that clearly outlines 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.

(f) The Council was appointed from 1 December 2020 to 30 November 2023 and was subsequently extended to 30 November 2024. The ARC was appointed from 1 May 2021 to 30 April 2024 and was subsequently extended to 30 November 2024. A new Council was appointed in December 2024. 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. Among other matters, it examines business plans, policies, the approval of major contracts, and other strategic issues. The management team of the NHC is responsible for implementing the decisions and strategies of the Council.

4.2 Composition of the Council

During the year ended 31 March 2025, four (4) Ordinary Meetings, six (6) Special Meetings and three (3) Strategy Review Workshops, two (2) DSAC Induction Workshop were conducted. Below is the profile of Council members and attendance at Council meetings:

Council Appointments from 01/12/2020 – 30/11/2024 (3 scheduled meetings) – (3 special meetings) – (1 strategy review workshop)

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Mr Edgar Neluvhalani	Chairperson Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• Masters of Arts Degree: • BA Education Honors: • Bed: • Diploma Environmental Education	• Heritage • Governance and Leadership • Strategy • Environmental Education	• Director: DYARA • Non-Executive Director: KCM (Kenneth Copeland Ministries Africa (Religious) • Non-Executive Director: GMC (Religious) • Council Member: SanParks	• None	7/7
Dr Graham Dominy	Member Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• PhD: • Post Graduate Diploma in Museums Sc (cum laude) • MA: National • N Diploma Archives Science: • BA, BA Hons, Higher Diploma Education:	• Archives • Heritage • History • Museums • Research Ethics • Transformation	• Honorary Research Fellow: UNISA • Corporate Member: Institute of Directors South Africa (IoDSA)	• Chairperson: Social and Ethics Committee • Member: Heritage Research and Development Committee	7/7
Ms Nontlaza Joyce Nosisa Sizani	Member Appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• B.Comm (Accounting) • B. Compt Honours /CTA • Post Graduate Diploma in Management • Certificate of Competency (Intro to property investment and practice	• Financial and Risk Management • Internal and External Audit • Budgeting • Cash Management and Policy Development • Project and Structured Finance • Credit Ratings Advisory	• Executive Director: Invest Wealth (Pty) Ltd • Non- Executive Director and Chairperson of the Finance Committee: Dezzo Holdings (Pty) Ltd • Non-Executive Director and Chairperson of the Audit Committee: Dezzo Social Housing Agency (DSHA) NPC	• Audit and Risk Committee • Member: Heritage Research and Development Committee	6/7

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Ms Salome Francinah Sithole	Member appointed by The Minister	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• LLB, BA • Professional Certificate in Public Management • Certificate in Project Management • Junior Primary Teachers Diploma	• Labour • Finance • Legal • Governance	• Deputy Chairperson: Mpumalanga Tourism and Parks Agency	• Audit and Risk Committee • Member: Social and Ethics Committee	7/7
Dr Tsholofelo Mosala	Member appointed by The Minister	16/10/2023 – 30/11/2024	Term Expired	• PhD in Anthropology • Doctorate Herbal Science • Master's Degree Anthropology • Bachelor of Social Sciences Degree • Bachelor of Arts • Public Relations Diploma	• Bosadi approach (African Womanhood) • Indigenous Knowledge System • African Traditional Medicine and spirituality • Feminism and gendered bodies	• Commissioner: CRL Rights Commission • Board Member: National Museum Council • Council Member: South African Library for the Blind • Board Member: North West Geographical Provincial Committee	• Member: Heritage Research and Development Committee • Social and Ethics Committee	7/7
Mr Luthando Phillip Jack	Eastern Cape Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• Masters in Commerce with Specialised in Leadership Studies • BA in Philosophy • BTech in Public Management • NDiploma in Public Management and Administration	• Governance • Strategy • Research	• Chairperson: Chris Hani Co-operative Development Centre • Director: Learning Futures • Deputy President: South African Association of Senior Student Affairs Professionals • Director: Eastern Cape Socio Economic Consultative Council • Chairperson: Boxing South African Board	• Heritage Research and Development Committee • Corporate Services Committee	6/7
Bishop Dr Vikinduku Mnculwane	Kwa Zulu-Natal Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• PhD • Doctor of Administration • Masters of Public Administration • Master of Theology • BTh Honours • BA Hons Public Administration • Post Graduate Diploma Monitoring and Evaluation	• Public Policy • Monitoring and Evaluation	• None	• None	2/7

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Ms Laura Robinson	Western Cape Provincial Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• B Architecture Degree	• Architecture and the Built Environment • Cultural Heritage and Cultural Landscapes • Intangible Heritage and Sites of Conscience and Memory • Human Rights and Heritage	• None	• Heritage Research and Development Committee	7/7
Mr Onkabetse Wordsworth Mereki	Northern Cape Province Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024 Reappointed from 01/12/2024 - 30/11/2027	Active	• B Social Science	• Public Administration • Heritage Services	• Member: Northern Cape Mental Health Review Board • Member: Northern Cape Heritage Authority • Member: McGregor Museum • Managing Member: Woxbricks Trading • Managing Member: Nkgodisana Social Connections	• Corporate Services Committee	11/11
Hosi Adv. Aarone Mahumani	Limpopo Province Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• LLM Masters of Law • B. Juris Degree • Post Graduate Diploma Labour Law	• Governance Leadership • Legal • Administrative Matters	• Hosi/Head of the Mahumani Royal Leadership Tribe: COGTA • Director: Mahumani Empowerment Centre Services • Board Member: Limpopo Gambling Board • Board Member: National Council of Correctional Services • Board Member: Gauteng Commission of Traditional Ministerial Leadership and Disputes	• Heritage Research and Development Committee • Social and Ethics Committee	7/7
Mr Tsheko Tsehlana	Gauteng Province Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• Certificate in Development Management • Certificate in Arts and Culture Management	• Management • Project Management • Organisational Design	• Chairperson: SOWETO Heritage Foundation • Chairperson: Gauteng Liberation Heritage Committee • Member: Lebone Secondary School • Member: Gauteng Geographical Name Change Committee	• Heritage Research and Development Committee	7/7

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Ms Elodie Seotseng Tlhoaele	Free State Province Representative	01/12/2020 - 30/11/2023 extended to 30/11/2024 Reappointed from 01/12/2024 - 30/11/2027	Active	• Professional Architect (Pr. Arch) • BAS: BArch (Hons) • Revised National Diploma Architectural Technology • Matric	• Professional Architecture • Heritage Practitioner • Emerging Contractor Mentor • Build Environment Consultant • Artist	• Managing Director: Impact Architecture Pty Ltd • Deputy Chairperson and Council Member: Free State Heritage Resources Authority	• Heritage Research and Development Committee • Social and Ethics Committee	11/11
Mr Simon Mafika Nkosi	Mpumalanga Province Representative	16/10/2023 – 30/11/2024 Reappointed from 01/12/2024 - 30/11/2027	Active	• Master of Public Management • Postgraduate Diploma • Municipal Finance • Executive Leadership Municipal Management and Development • Local Government Management and Administration	• Management • Leadership • Mentoring and Coaching • Strategic Planning • Monitoring	• Director: Samkethe Investments • Member: SANCO	• Social and Ethics Committee • Corporate Services Committee	11/11
Ms Matshwane Elizabeth Kibini	North West Province Representative	16/10/2023 – 30/11/2024	Term Expired	• Microsoft Office Global Tech	• Human Resources • Ethics	• None	• Social and Ethics Committee • Corporate Services Committee	6/7
Mr Jabulani Dennis Sithole	Member Appointed by The Minister – Chairperson of IZIKO Museums	01/12/2020 - 30/11/2023 extended to 30/11/2024 Reappointed from 01/12/2024 – 31/07/2025	Active	• Master of Arts History • BA Honours • BA Degree • Secondary Teachers Diploma	• Heritage • Culture • History • Research	• Council Chairperson: IZIKO Museums • Director: Imvukuzane Foundation (NPO)	• Heritage Research and Development Committee • Member: Corporate Services Committee	11/11
Ms Ester Netshivhongweni	Member appointed by Minister – Heraldry Council	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• MCom, BCom Hons, BCom • Advanced Diploma in Professional Management • Diploma in Professional Management	• Human Resources • Corporate Governance	• Council Chairperson: Heraldry Council • Chairperson: African Community Conservationists	• Corporate Services Committee • Social and Ethics Committee	6/7

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Dr Refiloe Mabaso	Member appointed by Minister – Chairperson of National Library of South Africa	01/12/2020 - 30/11/2023 extended to 30/11/2024	Term Expired	• PhD • MBA • General Managers Programme • Post Graduate Diploma in Knowledge and Information Systems • Management Development Program • B Tech Library Information Studies	• Governance • Information, Knowledge and Library Management • Information Governance • Business Intelligence • Records Management	• Council Chairperson: National Library of SA • Board Chairperson: Knowledge Management South Africa (NPO) • Board Chairperson: Kitso Lesedi (NPO) • Chairperson: South African Committee on Data	• Heritage Research and Development Committee • Corporate Services Committee	2/7
Adv Motlatjo Ralefatane	Member Appointed by The Minister – Ditsong Museums	01/08/2022 – 30/11/2023 extended to 30/11/2024 Reappointed from 01/12/2024 – 31/07/2025	Active	• LLB Post Graduate Degree • BProc. Degree • Labour Relations Certificate • Certificate in Human Rights • Certificate in Computer Bookkeeping	• Labour Law • Corporate Governance and Ethics • Audit and Risk Management • Human Resources • Forensic Audit Investigation • Strategies • Policy and Business Systems Development	• Council Chairperson: Ditsong Museums • Council Member: Health Professions Council of South Africa • Council Member: The Playhouse Company • Independent ARC Chairperson: Msunduzi and Ncome Museums • Member of Remuneration and Reimbursement Committee: South African Pharmacy Council • Member: Gender Crime Investigative Aid (GENCRIA) • Member: International Board of Directors (IBODA)	• Audit and Risk Committee • Social and Ethics Committee	11/11
Dr Luyanda Mpahlwa	Member Appointed by The Minister – Chairperson of SAHRA	01/08/2022 – 30/11/2023 extended to 30/11/2024 Reappointed from 01/12/2024 – 31/07/2025	Active	• Honorary Doctorate • MSc. Architecture • National Diploma Architecture	• Architecture • Urban Design • Culture and Heritage	• Council Chairperson: SAHRA • Design Principal: Design Network (PTY) Ltd • Trustee: MGM Mpahlwa Trust	• Heritage Research and Development Committee • Social and Ethics Committee	8/11
Ms Elizabeth Sibongile Nzimande	Member Appointed by The Minister – National Archives Advisory Council	01/03/2023 – 30/11/2024 Reappointed from 01/12/2024 - 30/11/2027	Active	• Honours History • Honours Info Studies • Masters Info Studies	• History	• Chairperson: National Libraries of South Africa	• Social and Ethics Committee • Corporate Services Committee	10/11

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED/ TERM ENDED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP/ DIRECTORSHIP/MEMBERSHIP/ PARTNERSHIP	OTHER COMMITTEES (NHC SUB COMMITTEES)	NO, OF MEETING ATTENDED
Mr Sepheu Masemola	Chairperson Appointed by The Minister	01/12/2024 - 30/11/2027	Active	• Diploma in Management Accounting (current) • Small Business Enrichement Programme • Bachelor Of Commerce Degree Finance • Certificate In Accounting • Certificate Business Management • Certificate in Estate Agency • Absa Management Program	• Finance and Business Development • Project Management • Strategic planning, development & Implementation	• Executive Director: Braai Guru SA • Executive Director: Kilimo Tech Farms • Non-Executive Director / ARC Member: Johannesburg Metropolitan Bus Services (MetroBus) • Consulltant: Business Support & Finance Executive	• Chairperson's Committee	4/4
Ms Khwezi Kunene	Member Appointed by The Minister	01/12/2024 - 30/11/2027	Active	• BSc: Property Development • PGDLD • Project Management	• Strategy • Corporate Governance • Risk Analysis • Financial Analysis • Project Management	• Director: Success 101 and Meridian Lux • Board Deputy Chairperson: Durban ICC • Board Chairperson: Playhouse Company • Council Member: State Theatre • Council Member: Artscape • Council Member: KZN Museum • Chairperson - Risk Management: Nkandla Municipality	• Chairpersons Committee • Audit and Risk Committee • Corporate Services Committee • Social and Ethics Committee • Provincial Representatives	4/4
Dr Natalie Skeepers	Member Appointed by The Minister	01/12/2024 - 30/11/2027	Active	• PhD Engineering Management • Masters Health and Safety 7 Environment • MPhil HIV Management / AIDS	• Governance • Risk • Compliance • Combines Assurance	• Non-Executive Director: SADPMR • Non-Executive Director: OBP • Non-Executive Director: SAMSA • Non-Executive Director: GAAL • Owner/Shareholder: Global Safety Resources CC • Owner/Shareholder: CATWALK Holdings Pty	• Audit and Risk Committee • Corporate Services Committee	3/4
Ms Xenia Jacelyn Scott	Member Appointed by The Minister	01/12/2024 - 30/11/2027	Active	• Masters Commerce • Honours Business Administration • BCom Degree	• Business • Management • Governance • Community Work	• Chairperson: Afrikaanse Taalmuseum and Monument • Council Member: Iziko Museums • Member Dormant Company: JXK Media	• Heritage Research and Development Committee • Social and Ethics • Chairpersons 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 MEETING ATTENDED
Dr Eben Proos	Member Appointed by The Minister	01/12/2024 - 30/11/2027	Active	• Doctor of Management Sciences in Business Administration • Post Graduate Certificate in Education • Magister Technologiae Tourism and Hospitality Management	• Tourism • Heritage • Marketing • Management • Research	• Council Member: War Museum	• Social and Ethics • Corporate Services Committee	4/4
Ms Nkululeko Khumalo	Gauteng Province Representative	01/12/2024 - 30/11/2027	Active	• PhD in Philosophy • MA in Fine Art • BTech Degree in Fine Art • National diploma in Fine Art • N4 – N6 National Diploma in Business Management • Certificate in Project Management	• Archives and digital preservation and digital • Curator • Storytelling • Art and Design	• VUT Council • VUT Radio Board Member • Unisa Gallery Board Member	• Provincial Representatives Committee • Social and Ethics Committee • Corporate Services Committee • Chairpersons Committee	4/4
Ms Reyhana Gani	Western Cape Province Representative	01/12/2024 - 30/11/2027	Active	• Chartered Accountant SA • B Comm Hons and CTA • B Comm Account Science • Certified Director - IOD	• Heritage • Governance and Oversight • Performance Information • Risk Management • Social and Ethics	• Chairperson: Heritage Western Cape • Board Member: KwaDukuza Private Hospital • Board Member: Cape Nature • Independent Audit Committee Member: South African Heritage Resources Agency • Independent Audit Committee Member: Theewaterkloof Municipality • Bergrivier Municipality • Swartland Municipality (Chair) • Stellenbosch Municipality • Chairperson-Audit Committee: Bankmed Medical Aid • Risk Committee Member /Fraud and Risk Committee Member: West Coast District Municipality • Drakenstein Municipality • Bergrivier Municipality • Theewaterskloof	• Provincial Representatives Committee • Social and Ethics 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 MEETING ATTENDED
Prof Mokgale Makgopa	Limpopo Province Representative	01/12/2024 - 30/11/2027	Active	• Doctor of Literature and Philosophy • Master of Arts • Bachelor of Arts Honours • Bachelor of Arts	• African Literature • Indigenous Knowledge Systems • Folklore • Sociolinguistics • Onomastics • Cultural and Heritage Studies	• Director: Dikhaeni Business Solutions • Director: Mokgale Mokwape Makgopa Youth Empowerment Project NPC (MMMYEP	• Provincial Representatives Committee • Heritage Research and Development Committee • Social and Ethics Committee	4/4
Mr Mpumelelo Mnguni	Kwa-Zulu Natal Province Representative	01/12/2024 - 30/11/2027	Active	• Post Graduate Diploma – Industrial Relations • Masters-Public Administration • Postgraduate-Labour Law • Honours BA • Degree-BA • Primary Teacher Certificate	• Cultural Heritage and Preservation Expert • Folklore • Governance and Oversight • Labour Specialist • Stakeholder Engagement	• Director: Asebhunkule Village Development • Director: Mpumelelo Holdings	• Provincial Representatives Committee • Heritage Research and Development Committee • Corporate Services Committee	4/4
Mr Thato wa Magogodi	North West Province Representative	01/12/2024 - 30/11/2027	Active	• Honours International Relations • Masters Degree in International Relations	• International Relations • Author of a few articles in International Relations • Business Management • Strategic Capability and management • Project management • Financial Management	• Chairperson of the North West Heritage Council (current) • National International Relations Sub-Committee of the ANC • Chairperson /Convenor of the ANC in the Ngaka Modiri Molema Region • Member of the current Political Education Task Team – ANC North West • Managing Director of Kgodiso Sechaba Foundation (focusing on access to health care, access to land and water for historically disadvantaged communities: arts-culture and heritage promotion, access to opportunities in the film industry for the youth	• Provincial Representatives Committee • Heritage Research and Development Committee	3/4
Ms Buhle Tonise	Eastern Cape Province Representative	01/12/2024 - 30/11/2027	Active	• LLB	• Administrative Law and Corporate governance	• Board Member: PSJDA • Council Member: ECPALL • Board Member: USSAASA and Agreement SA	• Provincial Representatives Committee • 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 MEETING ATTENDED
Mr Bernado Maralack	Chairperson: National Libraries South Africa	31/01/2025 – 30/09/2027	Active	• Masters Degree-Mercantile Law (MPhil) • Masters Degree-Business Administration (MBA) • Masters Degree-Science & Technology Studies (MPhil) • Diploma -Local Government Management • Certificate-Project Management • Licentiate in Theology	• Business • Administration • Business Law • Human Resources	• Chairperson: National Library of South Africa • Executive Director - Strategy, Operations, Compliance Management: Gardier Security Services (PTY) Ltd • Partnership - Strategy, Operations, Compliance Management: Procon Facilities Management (PTY) Ltd • National Executive Member: South Africa Security Association • Operation Director: Operations Director • Member of Mayoral Committee: Drakenstein Municipality	• Social and Ethics Committee • Corporate Services Committee	1/4

4.3 Council Committees

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

a) Audit and Risk Committee - assists the Council in fulfilling its responsibilities and provides oversight on behalf of the Council regarding related audit, finance, performance, and risk matters. Its charter is aligned with the duties prescribed by the PFMA and Treasury Regulations.

b) Heritage Research and Development Committee – oversees the management of heritage in relation to the NHC's mandate, implementing coordination, promotion, funding, conservation, transformation, and development of heritage in the Republic of South Africa.

c) Corporate Services Committee - responsible for the determination and recommendation for approval by Council of a sound human resources and remuneration philosophy, strategy and policies.

d) Social and Ethics Committee - is responsible for ensuring that the NHC conducts its business responsibly with regard to ethical standards and social responsibility.

e) Provincial Representatives Committee – to assist the Council and its Committees by ensuring that the problems faced by the Provinces are adequately dealt with.

f) Chairperson's Committee - to assist the Council and its Committees by ensuring that the Council and Management Executive Committee (MEXCO) retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the entity.

All committees operate according to approved Terms of Reference, which outline their respective mandates.

4.4 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.

4.5 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 the Council.

4.6 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	
						CURRENT (01/12/2024 – 30/03/2025)	PREVIOUS (01/04/2024 – 30/11/2024)
HERITAGE RESEARCH AND DEVELOPMENT COMMITTEE	4	0	0	0	10	1. Ms J Scott (Chairperson) 2. Mr S Nkosi (Dep Chairperson) 3. Mr J Sithole 4. Prof M Makgopa 5. Mr T Magogodi 6. Ms E Tlhoaele 7. Ms B Tonise 8. Dr L Mpahlwa 9. Mr M Mnguni 10. Ms S Nzimande	1. Mr J Sithole (Chairperson) 2. Ms L Robinson (Dep Chairperson) 3. Dr G Dominy 4. Ms E Tlhoaele 5. Mr T Tsehlana 6. Hosi Adv A Mahumani 7. Mr L Jack 8. Dr R Mabaso 9. Ms N Sizani 10. Dr T Mosala
CORPORATE SERVICES COMMITTEE	4	1	0	0	10	1. Ms N Khumalo (Chairperson) 2. Ms S Nzimande (Dep Chairperson) 3. Dr E Proos 4. Dr N Skeepers 5. Mr J Sithole 6. Mr O Mereki 7. Mr B Maralack 8. Mr S Nkosi 9. Mr M Mnguni 10. Ms K Kunene	1. Ms E Netshivhongweni (Chairperson) 2. Dr R Mabaso (Dep Chairperson) 3. Mr J Sithole 4. Mr O Mereki 5. Mr L Jack 6. Ms S Sithole 7. Mr S Nkosi 8. Ms S Nzimande 9. Ms E Kibini
SOCIAL AND ETHICS COMMITTEE	4	0	0	0	11	1. Ms Elodie Tlhoaele (Chairperson) 2. Ms Reyhana Gani (Dep Chairperson) 3. Ms K Kunene 4. Adv M Ralefatane 5. Ms N Khumalo 6. Ms J Scott 7. Prof M Makgopa 8. Ms S Nzimande 9. Dr L Mpahlwa 10. Dr E Proos 11. Mr B Maralack	1. Dr G Dominy (Chairperson) 2. Ms E Tlhoaele (Dep Chairperson) 3. Hosi Adv A Mahumani 4. Ms E Netshivhongweni 5. Adv M Ralefatane 6. Mr S Nkosi 7. Ms E Kibini 8. Dr T Mosala 9. Ms S Nzimande

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	
						CURRENT (01/12/2024 – 30/03/2025)	PREVIOUS (01/04/2024 – 30/11/2024)
PROVINCIAL REPRESENTATIVES COMMITTEE	1	0	1	0	10	1. Ms K Kunene (Chairperson) 2. Ms S Nkosi 3. Prof M Makgopa 4. Ms E Tlhoaele 5. Mr O Mereki 6. Mr T Magogodi 7. Mr M Nguni 8. Ms R Gani 9. Ms N Khumalo 10. Ms B Tonise	
COUNCIL AND COMMITTEES CHAIRPERSONS COMMITTEE	1	0	0	0	6	1. Mr S Masemola (Council Chairperson) 2. Ms K Kunene (PRC Chairperson) 3. Ms J Scott (HRDC Chairperson) 4. Ms E Tlhoaele (SEC Chairperson) 5. Ms N Khumalo (CSC Chairperson) 6. Ms M Phiri (ARC Chairperson)	
AUDIT AND RISK COMMITTEE	4	2	0	0	6	**Independent Members** 1. Ms Margaret Phiri (Chairperson) 2. Mr Johan Van der Walt 3. Mr Tichaona Zororo 4. Adv M Ralefatane 5. Ms K Kunene 6. Dr N Skeepers	1. Ms Nontlaza Sizani 2. Ms Salome Sithole 3. Adv Motlatjo Ralefatane

4.7 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 DIRECTORSHIPS	OTHER COMMITTEE'S WITHIN THE NHC (E.G. AUDIT COMMITTEE)	NO OF SCHEDULED MEETINGS (4), SPECIAL MEETINGS (2)
Ms Margaret Phiri	Chairperson: External/Independent Member	01/05/2021 – 30/04/2024 First Extension to 30/11/2024 Second Extension from 01/12/2024 to 31/03/2025 Third Extension from 01/04/2025 to 30/08/2025	Active	• Qualified CA(SA) • CTA/BCompt Honours • BCom. Accounting Degree	• Accounting • Auditing	• Director: Mohale Seoka INC • Director: Lethamatse • Director: Seoka Phiri CT • Director: South African Special Risk and Insurance Association (SASRIA)	• None	6/6
Mr Johan Van Der Walt	External / Independent Member	01/05/2021 – 30/04/2024 First Extension to 30/11/2024 Second Extension from 01/12/2024 to 31/03/2025 Third Extension from 01/04/2025 to 31/05/2025	Active	• CA(SA) • M.Com Financial Management (cum laude) • BCompt (Hons), BCompt	• Financial Management • Strategy • Entrepreneurship • IT • Risk Management • Governance	• Managing Director: Nudge Africa (Pty) Ltd • Director: Enterstage Africa (Pty) Ltd • Director: Pandoclox (Pty) Ltd • Member: Wonder Child Productions • Director: Langels (Pty) Ltd • Member: WWP Events CC • Member: WWP Studios CC • Financial Director: Witch & Wizard (Pty) Ltd	• None	5/6
Mr Tichaona Zororo	External / Independent Member	01/05/2021 – 30/04/2024 First Extension to 30/11/2024 Second Extension from 01/12/2024 to 31/03/2025 Third Extension from 01/04/2025 to 31/05/2025	Active	• CIA, CRMA, CGEIT, CRISC, CISA, CISM, CDPSE, COBIT Certified Assessor • Post Graduate Diploma in Computer Auditing • B.Sc. Honours Information Systems • Digital Disruption • Chartered Institute of Secretaries & Administrators Economics, Accounting, Principles of Marketing	• IT Governance. • IT Auditing • Governance and Enterprise Risk Management • Financial Management	• Advisor Audit & Risk Committee and IT Steering Committee - South African National Biodiversity Institute • Audit and Performance Committee Member - Setsoto Municipality • Board Member Immediate Past President - Information Systems Audit Control Association (ISACA) South Africa	• Chairperson: Risk Management Committee	6/6

5. COMPLIANCE WITH LAWS AND REGULATIONS

The National Heritage Council strives to comply with relevant legislation and regulatory imperatives, including but not limited to the National Heritage Council Act 11 of 1999, Public Finance Management Act (PFMA), National Treasury Regulations and Practice Notes, Companies Act 71 of 2008, King IV Report, relevant Labour Laws, Health and Safety Laws, Procurement Prescripts, and B-BBEE legislation and regulations, among others.

6. FRAUD AND CORRUPTION

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

6.1 Fraud Prevention Policy, Strategy and Implementation Plan for mitigating the risk of fraud and corruption;

6.2 Anti-Fraud and Corruption Policy;

6.3 Code of Ethics and Business Conduct; and

6.4 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 a whistleblower hotline available to all entities, including the NHC. During the period under review, no cases were reported to the hotline.

7. 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.

7.1 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.

7.2 Bid Adjudication Committee: Once the Bid Evaluation Committee has finalised its work, the process is passed on 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.

7.3 On an annual basis, all Council and the NHC staff members declare their interests.

7.4 A gift register for staff members is in place.

8. 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.

9. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

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

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

11. AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (ARC) presents its report regarding the affairs of the National Heritage Council (NHC) for the financial year ended 31 March 2025.

11.1 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 paragraph 27.1. The ARC reports that it has adopted appropriate terms of reference. As per its ARC Charter, it 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 things:

- 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

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

- Updated the ARC Charter
- 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 completed on time
- Overseen the regular updating and execution of the three-year internal audit plan
- Reviewed changes to the strategic risk register by management and considered proposed internal controls to mitigate risk and make appropriate recommendations to the council
- 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 the compliance landscape - applicable legislations and policies
- Monitored progress on previous audit findings

11.3 The Effectiveness of Internal Controls

The system of internal controls within the NHC is designed to provide reasonable assurance that assets are safeguarded and that liabilities and working capital are managed correctly in line with the PFMA and the protocol on corporate governance. This is achieved through a risk-based internal audit plan, where Internal Audit assesses the adequacy and effectiveness of controls that mitigate risks, and the Audit and Risk Committee monitors management's implementation of corrective actions.

From the Committee's review of the reports of the Internal Auditors, the Audit Report on the review of the 2023/24 Annual Financial Statements and the Management Report from the AGSA, it can be concluded that the system of internal control as applied over financial and non-financial matters and enterprise risk management and governance at the NHC are not satisfactory. Improvements are required within ICT Governance and the Supply Chain Management environment, as irregular expenditure has been incurred during the year under review and Irregular expenditure incurred during the prior years has not yet been condoned. Furthermore, significant control deficiencies were identified in relation to prepayments and advances due to inadequate transaction reconciliations. The Committee will continue to monitor action plans implemented by management to address internal control deficiencies.

11.4 Effectiveness of Internal Audit Function

The function of internal audit was outsourced during the year under review. The ARC is satisfied that the internal audit function has appropriately discharged its functions and responsibilities during the year under review. The internal audit function operates effectively and has addressed the risks pertinent to the entity and maintains an effective internal quality assurance and programme that covers required aspects of the internal audit activity.

11.5 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 Budget, and Quarterly Performance Reports and the associated corrections recommended to Council for approval.

11.6 Risk Management

The ARC is responsible for the oversight of the risk management function. The Council has adopted a risk management framework, strategy and relevant policies for the NHC, in line with the PFMA. The risk management committee is chaired by an independent member of the Audit and Risk Committee, which reports quarterly to the ARC. The risk management processes are reviewed by internal audit. There has been a significant improvement in risk management processes as compared to the previous years. The ARC is satisfied with the overall risk management function.

11.7 Evaluation of Annual Financial Statements

The ARC reviewed and recommended the Unaudited Annual Financial Statements to the Council for approval and submission to the AGSA for the annual audit and were satisfied that they were in line with the quarterly reports submitted throughout the year under review.

The ARC reviewed the accounting policies applied in compiling the Annual Financial Statements and was satisfied that these policies are consistent with those of prior years and have been consistently applied in accordance with the National Treasury Guidelines.

11.8 Auditor's Report

The ARC has met with and discussed the Auditor General of South Africa (AGSA) report to ensure that no issues remain unresolved. The ARC has also reviewed NHC's implementation plan in response to the audit issues raised in the AGSA management report. Continuous monitoring will be exercised to ensure that all matters are adequately addressed, particularly the root causes.

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

11.9 Appreciation

The Committee wishes to acknowledge the dedication and work performed by the Chief Executive Officer, Management and Officials of the NHC. The Audit and Risk Committee further wishes to express its appreciation to management, the AGSA and the Internal Audit Department for the co-operation and information they have provided to enable the ARC to discharge its responsibilities.

Ms Margaret Phiri
Chairperson
NHC Audit and Risk Committee
31 July 2025

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table provides an overview of the NHC's compliance with B-BBEE Codes of Good Practice and Certificate Levels 1-8:

CRITERIA	RESPONSE	DISCUSSION
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 B-BBEE?	**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 B-BBEE.

PART D | HUMAN RESOURCES MANAGEMENT

1. INTRODUCTION

The mission, which is to transform, protect and promote heritage through the coordination and management of heritage knowledge and resources for social cohesion and sustainable development, continues to drive the NHC in ensuring that it achieves its ultimate vision of making a nation proud of its African heritage.

NHC's intellectual capital, the employees, remains the most important asset of the entity and are at the center of operations. The Human Resource Management (HRM) Unit's key objective is to ensure that the wellbeing of NHC employees is always maintained and is on the quest to employ the best qualified employees with appropriate skills and competencies so that they can deliver on NHC mandate.

NHC in its quest to create high performance organisation will conduct a skills audit to identify gaps in its employees' skills base and provide corrective training and development to ensure that employees are equipped with necessary skills and competencies and will create an enabling learning environment by partnering with PSETA and National School of Government to train NHC staff.

NHC also encourages and supports all staff to upgrade their qualifications and make NHC a learning organisation which strives for excellence. The CEO encourages staff to register with professional organisations for the purposes of continuous professional development and for ethical considerations.

The staff complement as at 31 March 2025 was 32, comprising 16 males and 16 females. The following are the key HR milestones for the year under review:

- Appointment of Executives, COMSTA, CFO and CEO
- Appointment of Funding Manager, Legal Officer, Risk Officer and M&E Coordinator.
- Training and development of staff
- Workplace Skills Planning and Annual Training Report submissions to PSETA on time
- CEO's quarterly staff engagement sessions
- Review of HR policies
- Successful wellness day event
- Successful quarterly wellness interventions and sessions
- Formation of a Wellness Committee
- Successful implementation of the Cost-of-Living Adjustment (COLA)

2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel cost by programme

DIRECTORATE/ BUSINESS UNIT	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXP. AS A % OF TOTAL EXPENDITURE	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
CEO's Office	7 223	7,106	6%	7	1 015
Heritage	14 273	5,668	4%	10	567
Finance	23 684	8,350	7%	11	759
Human Resources	4 127	3,476	3%	3	1 158
Marketing	2 175	1,340	1%	4	335
Funding	9 575	3,144	2%	6	524
RLHR	7 043	3,138	2%	3	1 046
Company Secretary	8 836	3,909	3%	4	977
PESP	49 515	1,058	1%	8	132
TOTAL	**126 451**	**37,189**	**29%**	**56**	**664**

Personnel cost by salary band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. TO TOTAL PERSONNEL COST	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top Management	1 684	5%	1	1 684
Senior Management	16 265	44%	10	1 627
Professional qualified	9 788	26%	12	816
Skilled	3 723	10%	6	620
Semi-skilled	283	0%	1	283
Unskilled	352	1%	2	176
Temps (incl. PESP & Interns)	5 094	14%	24	212
TOTAL	**37 189**	**100%**	**56**	**664**

Performance rewards

LEVEL	PERFORMANCE REWARDS (R'000)	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST
Top Management	-	-	-
Senior Management	-	-	-
Professional qualified	-	-	-
Skilled	-	-	-
Semi-skilled	-	-	-
Unskilled	-	-	-
TOTAL	**-**	**-**	**-**

Employment and vacancies

LEVEL	2023/2024 NO. OF EMPLOYEES	2024/2025 APPROVED POSTS	2024/2025 NO. OF EMPLOYEES	2024/2025 VACANCIES	% OF VACANCIES
Top Management	1	1	1	-	-
Senior Management	10	15	10	2	13%
Professionals	12	22	12	10	46%
Skilled	6	8	6	2	25%
Semi-skilled	1	1	1	-	-
Unskilled	2	2	2	-	-
Temps (Incl. PESP & Interns)	24	-	24	-	-
TOTAL	**56**	**49**	**56**	**14**	**29%**

Training cost

DIRECTORATE/ BUSINESS UNIT	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE (R'000)
CEO's Office	7,106	66	1%	3	22
Heritage	5,668	-	0%	-	-
Finance	8,350	126	2%	3	42
Human Resource	3,476	12	0%	1	12
Marketing.	1,340	12	1%	1	12
Funding.	3,144	42	1%	1	42
LHR.	3,138	-	0%	-	-
Company Secretariat	3,909	-	0%	-	-
PESP	1,058	-	0%	-	-
Total	**37,189**	**258**	**5%**	**9**	**130**

Employment changes

LEVEL	EMPLOYMENT AT THE BEGINNING OF THE PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT THE END OF THE PERIOD
Top Management	-	1	-	1
Senior Management	11	4	5	10
Professional qualified	9	4	1	12
Skilled	6	-	-	6
Semi-skilled	1	-	-	1
Unskilled	1	1	-	2
Temps (Incl. PESP & Interns)	22	5	3	24
TOTAL	**50**	**15**	**9**	**56**

Reasons for staff leaving

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	0	-
Resignation	1	11.1%
Dismissal	0	-
Retirement	1	11.1%
Ill health	0	-
Expiry of contract	3	33.3%
Other	4	44.5%
Total	**9**	**100%**

Labour relations: Misconduct and disciplinary action

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	0

Equity target and employment equity status

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	-	-	-	-	-	-	-
Senior Management	6	1	-	-	-	-	-	-
Professional qualified	7	-	-	2	-	2	-	2
Skilled	1	1	-	1	-	-	-	-
Semi-skilled	-	-	-	-	-	-	-	-
Unskilled	1	-	-	-	-	-	-	-
TOTAL	**16**	**2**	**-**	**3**	**-**	**2**	**-**	**2**

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	-	-	-	-	-	-	-	-
Senior Management	3	1	-	-	-	-	1	-
Professional qualified	5	-	-	2	-	2	-	2
Skilled	4	-	-	-	-	-	1	-
Semi-skilled	1	-	-	-	-	-	-	-
Unskilled	1	-	-	-	-	-	-	-
TOTAL	**14**	**1**	**-**	**2**	**-**	**2**	**2**	**2**

LEVEL	STAFF LIVING WITH DISABILITIES			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	-	-	-	-
Senior Management	-	-	-	-
Professional qualified	1	-	-	1
Skilled	-	-	-	-
Semi-skilled	-	-	-	-
Unskilled	-	-	-	-
TOTAL	**1**	**-**	**-**	**1**

PART E | PFMA COMPLIANCE REPORT

Fruitless and Wasteful Expenditure	2024/2025 R’000	2023/2024 R’000
Details of Fruitless and Wasteful Expenditure		
Opening balances	**129**	**52**
Add: Fruitless and Wasteful Expenditure	-	77
Less: Fruitless and Wasteful Expenditure recoverable	-	-
Closing balances	**129**	**129**

Reconciliation notes to the annual financial statement disclosure

Fruitless and Wasteful Expenditure that was under assessment in 2023/24	-	-
Fruitless and Wasteful Expenditure that relates to 2023/2024 and identified in 2024/2025	-	-
Fruitless and Wasteful expenditure for the current year	-	77
	-	**77**

Details of Fruitless and Wasteful Expenditure - current year

Incident	-	-

Irregular Expenditure

	2024/2025 R'000	2023/2024 R'000
Details of Irregular Expenditure		
Opening balances: Irregular Expenditure	22,697	15,879
Adjustment to opening balance	-	(134)
Opening Balance as restated	**22,697**	**15,745**
Add: Irregular Expenditure current year	2,958	6,952
Less: Irregualr Expenditure condoned / recovered	-	-
Closing balances	**25,655**	**22,697**

Reconciliation notes to the annual financial statement disclosure

Irregular Expenditure that was under assessment in 2023/24	-	-
Irregular Expenditure that relates to 2023/2024 and identified in 2024/2025	-	-
Irregular expenditure for the current year	2,958	6,952
Irregular expenditure that relate to multi contracts that was not condoned or written off	**-**	**-**
	2,958	**6,952**

Details of Irregular Expenditure - current year

Incident	
Non-compliance with the PFMA and the Preference Procurement Regulations - Office Space Lease	677
Non-compliance with the PPR 2022	287
Non-compliance with PFMA SCM Instruction Note 3 of 2021/2022, No contract exist	629
NON - Compliance Expenditure Incurred on expired contract	5
Appointment of a Management Official which did not comply with applicable recruitment and selection policies	1,360
	2,958

Deviation - Refer Tab - Deviation Register 2025	8,069
Contract Variations and Expansions Register 2025	4,947
Procurement by other means for the 2024/25	**13,015**

Information on payment of supplier's invoices	Number of invoices R'000	Value R'000
Valid invoices received	329	5 419
Invoices paid **within** 30 days or agreed period	260	5 154
Invoices paid **after** 30 days or agreed period	69	265
Invoices older than 30 days or agreed period ***(unpaid and without dispute)***	-	-
Invoices older than 30 days or agreed period ***(unpaid and in dispute)***	-	-

Deviation Register 2025

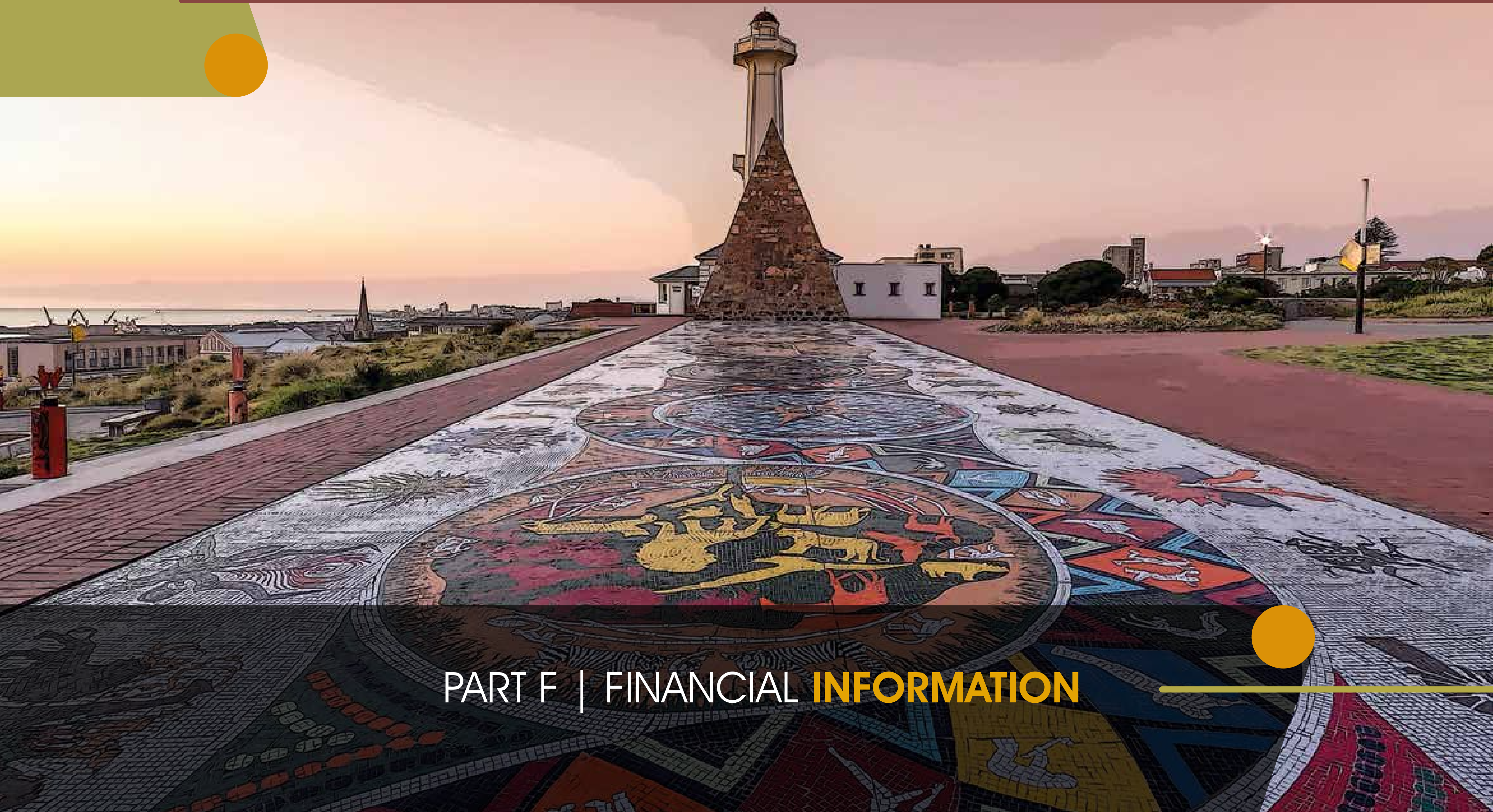
Procurement by other means: Format of disclosure 2024/2025

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Request for approval to deviation from normal SCM procedures to continue with the Grant Management System offered by Praxis Computing	Praxis Computing	Sole supplier	PO24595	2 267
Renewal of Sage Evolution license fee	Sage	Sole supplier	PO24746	68
Renewal of Easy Intelligence Reporting Software license fee	Malbo Solutions	Sole supplier	PO24748	85
Membership with IODSA	Institute of Directors (IODSA)	Sole supplier	PO24749	50
RT3-2018 Office automation for 3 months	TSL Telecommunication and Automation	Single source		25
Asset valuation reports	Peza Consulting	Single source	PO24762	72
Request for deviation from normal SCM processes to procure ICT migration and installation services for the new office uilding from The Facilities Company responsible for the Tenant Installation	The Facilities Company (Pty) Ltd	Single source	PO24812	4 633
Request for deviation from the SCM process for single source to procure the conference and accommodation for Council meeting at Mapungubwe National Park	South African National Parks (SanParks)	Single source	PO24886	106
Request to deviate from normal SCM process to procure the technical riders for GOSHA main artist	On the Button Services (Pty) Ltd	Single source	PO25117	15
Request to deviate from normal SCM process to procure catering services for GOSHA from the Cape Town International Convention Centre	Cape Town International Convention Centre (CTICC)	Single source	PO25116	188
Request to deviate from normal SCM processes to procure catering services for HESOP 2024 to be held in Tsitsikamma from 23 to 17 September 2024	Cattle Baron	Single source	PO25136	111
Request for approval for the deviation from normal SCM processes for the acquiition of framed certificates for the Golden Sheild National Heritage Awards on 16 September 2024	The Frame and Art Company (Pty) Ltd	Single source	PO25121	17
Request for approval for the deviation from normal SCM processes for the acquiition of décor services for the Golden Sheild National Heritage Awards on 16 September 2024	Spring Forest Trading t/a Rosy's Event Design and Décor	Single source	PO25113	160
Request for approval for the deviation from normal SCM processes for the rental of LED screens and monitors for the Golden Shield National Heritage Awards on 16 September 2024.	E-Flat Productions	Single source	PO25112	312
Request for approval for the deviation from normal Supply Chain Management processs for the subscription of the Mindex Library System	Mindex Systems	Sole supplier	PO25919	21
				8 130

Deviation and expansions: Format of disclosure 2024/2025

Project description	Name of Supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Request for approval of the variation of the original order PO23901 issued to Hamba Umhlaba Travel	Hamba Umhlaba Travel	Variation	PO23901	39	-	2
Request for the approval for PO24218 of Raytoo (Pty) Ltd for the Council Strategy Renew Workshop and Meeting held on 22 and 23 January 2024 at Hartebeestpoort	Raytoo (Pty) Ltd	Expansion	PO24218	139	-	15
Request for approval of the variation of Cowan Harper Madikizela for policy review	Cowan Harper Madikizela Attorneys	Variation	PO23536	895	-	95
Change of rental vehicle to accommodate 2 passengers and luggage for an extended period	Lehello Travel	Variation	PO24590	114	-	9
Request for approval for the variation of the 2022/23 annual report extra pages to be printed	45th Media	Expansion	PO23757	86	-	8
Request for approval of the variation on office accommodation - Tenant Installation (TI) allowance	The Facilities Company	Expansion	PO24812	33 886	-	4 730
Request for approval for the variation on the deviation from normal SCM processes for the rental of LED screens and monitors to include videography, photography and audiovisual services at the Golden Shield National Heritage Awards on 16 September 2024.	E-Flat Productions	Expansion	PO25112	312	-	89
				35 471	**0**	**4 948**

PART F | FINANCIAL **INFORMATION**



1. STATEMENT OF RESPONSIBILITY **FOR THE YEAR ENDED 31 MARCH 2025**

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 Recognised 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 for the year ended 31 March 2025 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 2025.

Dr T. Manetsi
Chief Executive Officer
31 July 2025

Mr S. Masemola
Chairperson Of Council
31 July 2025

2. REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE NATIONAL HERITAGE COUNCIL OF SOUTH AFRICA

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the National Heritage Council of South Africa set out on pages 80 to 116, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the National Heritage Council of South Africa as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Prepayments and advances

3. The entity did not implement adequate internal controls over the expensing of prepayments as required by *GRAP 1: Presentation of Financial Statements*. As a result, certain amounts that should not have been expensed were incorrectly expensed, and some amounts that should have been expensed were not expensed. Consequently, prepayments and advances stated at R59 698 000 (2023-24: R75 839 000) in note 5 to the financial statements were overstated. This also affects the surplus for the period and the accumulated surplus.

Context for opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

5. I am independent of the 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.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter

7. As disclosed in note 34 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2024.

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 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 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 entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general 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. This description, which is located at page 77, forms part of my auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

13. I selected the following material performance indicators related to Heritage promotion and sustainable development presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

    - Number of events, festivals, ceremonies and sites associated with living heritage coordinated or supported
    - Number of heritage resource partnerships with royal houses implemented
    - Number of heritage education initiatives implemented
    - Number of indigenous knowledge seminars/ dialogues hosted
    - National inventory produced and updated
    - Number of heritage exchange programmes implemented / participated in.
    - Number of research and policy initiatives developed/produced
    - Number of resistance and liberation heritage route (RLHR)-related community engagements programmes implemented / participated in
    - Number of RLHR-related multilateral engagement implemented/participated in.
    - Number of engagements on the African Liberation Heritage Programme
    - Number of engagements in the World Heritage Programme achieved
    - Number of provincial resistance and liberation heritage route (RLHR) sites supported for development
    - Number of heritage sites and resources identified and supported to be commercially viable for the benefit of women, youth and people with disability
    - Number of partnerships established to enhance the economic benefit of heritage (categorised government; private sector; civil society; international)

14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
    - the reported performance information is presented in the annual performance report in the prescribed manner
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance.

16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

Material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Heritage promotion and sustainable development programme. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.

22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

24. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA.

26. Material misstatement of receivables, prepayment write-offs, operating and capital commitments, contingent liabilities and statement of budget and actual comparison disclosure identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements in prepayments and advances resulted in the financial statements receiving a qualified opinion.

Procurement and contract management

27. Some of the invitations for competitive bidding were not advertised for a required minimum period, as required by Treasury Regulation 16A6.3(c).

28. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of supply chain management (SCM) instruction note 2 of 2021/22.

Expenditure management

29. Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 33 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 non-compliance with SCM laws and regulations.

Consequence management

30. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure and fruitless and wasteful expenditure as required by section 51(1)(e)(iii) of the PFMA.

Other information in the annual report

31. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

32. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. If, based on the work I have performed on the other information that I obtained prior to the date of the auditor's report, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

36. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.

37. Management did not adequately review financial reporting and compliance processes, nor consistently apply and monitor key financial management practices, including the regular recording and reconciliation of transactions. As a result, internal controls were ineffective in detecting or preventing non-compliance, and material misstatements were identified, leading to a modified auditor's opinion.

Auditor-General

Pretoria

31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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 material performance indicators and on the entity's compliance with selected requirements in key legislation.

Financial statements

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

Communication with those charged with governance

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.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9

Legislation	Section, regulation or paragraph
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

3. STATEMENT OF **FINANCIAL POSITION**

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 R'000	2024 Restated R'000
ASSETS			
Non-current assets		**10,887**	**2,210**
Property, plant and equipment	2	10,788	1,847
Intangible assets	3	99	363
Current assets		**174,463**	**213,417**
Receivables from exchange transactions	4	2,221	2,029
Prepayments and advances	5	59,658	75,839
Cash and cash equivalents	6	112,584	135,549
Total Assets		**185,350**	**215,627**
LIABILITIES			
Non-current liabilities		**462**	**-**
Long term lease liability	9	462	-
Current liabilities		**130,837**	**169,655**
Payables from exchange transactions	7	16,949	19,632
Unspent Conditional Grant	8	111,124	147,494
Finance lease obligation	9	213	-
Leave Accrual	10	959	986
Salary related provision	11	1,592	1,543
Total Liabilities		**131,299**	**169,655**
TOTAL NET ASSETS		**54,051**	**45,974**
Accumulated Surplus		54,051	45,974
NET ASSETS		**54,051**	**45,974**

4. STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 R'000	2024 Restated R'000
TOTAL REVENUE		**134,528**	**106,021**
Non-exchange revenue		**131,444**	**102,822**
Government grant/Transfer – Department of Sport, Arts and Culture	**12**	74,217	74,021
Conditional Grant – Conditions Met	**13**	57,227	28,801
Exchange revenue		**3,084**	**3,199**
Other income	**14**	284	205
Interest received	**15**	2,800	2,994
TOTAL EXPENSES		**(126,451)**	**(102,350)**
Operating expenses	**16**	(68,256)	(49,750)
Administrative expenses	**17**	(12,957)	(13,075)
Employee related costs	**18**	(37,189)	(35,598)
Operating lease expenses	**19**	(5,646)	(2,711)
Finance costs	**20**	-	(4)
Depreciation and Impairment	**21**	(2,139)	(959)
Amortisation	**22**	(264)	(253)
SURPLUS FOR THE YEAR		**8,077**	**3,671**
SURPLUS FOR THE YEAR			
Attributable to:			
Owners of the controlling entity		8,077	3,671
		8,077	**3,671**

5. STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2025

	Accumulated Surplus R'000
Balance at 1 April 2023	**42,565**
Surplus for the period	15,387
Balance at 1 April 2024	**57,952**
Prior period error	(11,980)
Restated balance 1 April 2024	**45,974**
Surplus for the year	8,077
Balance at 31 March 2025	**54,051**

6. CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 R'000	2024 R'000
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS		**106,477**	**143,784**
Government Grant/Transfer – Department of Sport, Arts and Culture	12	74,217	74,021
Other Receipts		603	266
Conditional Grants/Transfers/ Partnerships		25,000	62,280
Interest Received		6,657	7,217
CASH PAID TO SUPPLIERS AND EMPLOYEES		**(119,099)**	**(112,490)**
Employee Related Costs		(37,113)	(35,991)
Suppliers		(81,986)	(76,495)
Interest Paid		-	(4)
NET CASH FLOW FROM OPERATING ACTIVITIES	24	**(12,622)**	**31,294**
CASH FLOW FROM INVESTING ACTIVITIES		**(10,343)**	**(1,175)**
Acquisition of Property, plant and equipment	2	(10,343)	(687)
Acquisition of Intangible assets	3	-	(553)
Proceeds on disposal of Property, Plant & Equipment		-	65
CASH FLOW FROM FINANCING ACTIVITIES		**-**	**(75)**
Payment for finance lease		-	(75)
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS		**(22,965)**	**30,044**
Cash and Cash Equivalents at the beginning of the year		135,549	105,505
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6	**112,584**	**135,549**

7. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

	Approved Budget R'000	Adjustments R'000	Final Budget R'000	Actual R'000	Variance R'000
REVENUE					
TOTAL REVENUE	**74,217**	**2,800**	**102,017**	**134,528**	**80,243**
Non-exchange revenue	**74,217**	**2,800**	**99,217**	**131,444**	**79,959**
Government grant/Transfer Department of Sport, Arts and Culture	74,217	-	74,217	74,217	-
Conditional grant received - Presidential Employment Stimulus Programme - %	25,000	-	25,000	1,134	23,866
Amortised Government – Programme Management Office Amortised Govt - @	-	-	-	2,310	2,310
Presidential Employment Stimulus Programme - @	-	-	-	53,783	53,783
Exchange revenue	**-**	**2,800**	**2,800**	**3,084**	**284**
Other income = #	-	-	-	284	284
Interest received	-	2,800	2,800	2,800	-
EXPENSES					
TOTAL EXPENSES (Excluding CAPEX)	**(73,005)**	**257**	**(72,748)**	**(126,451)**	**(53,703)**
Operating expenses	(14,224)	(1,427)	(15,651)	(16,470)	(819)
Administrative expenses	(14,634)	1,684	(12,950)	(12,957)	(7)
Conditional grant expenses -@	-	-	-	(51,786)	(51,786)
Employee related costs	(38,138)	-	(38,138)	(37,189)	949
Operating lease expenses	(6,009)	-	(6,009)	(5,646)	363
Depreciation - *	-	-	-	(2,139)	(2,139)
Amortisation - $	-	-	-	(264)	(264)
SURPLUS/(DEFICIT) FOR THE YEAR	**1,212**	**2,543**	**29,269**	**8,077**	**26,540**
Capital Expenditure - @	**1,212**	**257**	**1,469**	**10,342**	**(8,873)**

See Note 30 for significant budget variance explanations:

a - @ b - % c - # d - * e - $

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 1	Presentation on Financial Statements
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfer of Functions Between Entities Under Common Control
GRAP 106	Transfer of Functions Between Entities Not Under Common Control
GRAP 107	Mergers
Amendments	Improvements to Standards of GRAP

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 figures in annual financial statements are rounded to nearest thousand (R'000). 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.

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.

ITEM	AVERAGE USEFUL LIFE
Computer equipment	2 – 12 years or reassessed useful lives
Office equipment	2 – 12 years or reassessed
Motor vehicles	5 – 16 years or reassessed useful lives
Furniture and Fittings	2 – 13 years or reassessed useful lives
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.

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 or reassessed useful lives

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.

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.

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 from Exchange Transactions

Revenue from exchange transactions comprises of the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.

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. This expenditure is reduced by the amounts recoverable, condoned by NT or written off as irrecoverable. Any uncertainties to these expenditures are also disclosed.

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 Assets and Liabilities

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 31.

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 the 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.

1.18 Related parties

The Council operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the constitutional independence of all three spheres of government in South Africa, only national sphere of government will be related parties.

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

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

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

1.19 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.

1.20 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.

1.21 Change in accounting estimates

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 is sought to perform the reassessment. The financial implications of the reassessment process are found in note 2 of the financial statements.

1.22 Prior period error

The NHC shall account for a change in accounting policy resulting from the initial application of a Standard of GRAP in accordance with the specific transitional provisions if any in that standard; and when an entity changes an accounting policy upon initial application of a Standard of GRAP that does not include specific transitional provisions applying to that change, or changes an accounting policy voluntarily, it shall apply the change retrospectively.

1.23 Prepayment and advances

Prepayments and advances are recognised as assets when payment is made in advance of receiving goods or services, or before conditions are fulfilled. These are measured at historical cost and are only expensed once the goods or services are received, or the conditions have been met. Judgement is applied in assessing the fulfilment of conditions and potential impairment or write-off.

2. PROPERTY, PLANT AND EQUIPMENT

	March 2025			March 2024		
	Cost R'000	Accumulated Depreciation R'000	Net Value R'000	Cost R'000	Accumulated Depreciation R'000	Net Value R'000
Motor Vehicle	456	(326)	130	337	(321)	16
Computers	7,960	(2,361)	5,599	3,527	(2,252)	1,275
Office Equipment	633	(370)	263	495	(343)	152
Leasehold Improvements	4,729	(785)	3,944	2,133	(2,039)	94
Lease Assets (Photocopiers)	675	(16)	659	-	-	-
Furniture and Fittings	1,565	(1,372)	193	1,790	(1,480)	310
	16,018	**(5,230)**	**10,788**	**8,282**	**(6,435)**	**1,847**

Reconciliation 2025	Opening Balance R'000	Additions R'000	Reassessment R'000	Derecognitions & Disposals R'000	Depreciation & Impairment R'000	Closing Balance R'000
Motor Vehicle	16	-	119	-	(5)	130
Computers	1,275	5,433	-	(46)	(1,063)	5,599
Office Equipment	152	181	-	(2)	(68)	263
Leasehold Improvements	94	4,729	-	-	(879)	3,944
Lease Assets (Photocopiers)	-	675	-	-	(16)	659
Furniture and Fittings	310	-	-	(9)	(108)	193
	1,847	**11,018**	**119**	**(57)**	**(2,139)**	**10,788**

Impairment of R 66 000 on Property, plant & equipment has been recognised in the current year.

2. PROPERTY, PLANT AND EQUIPMENT

Reconciliation 2024	Opening Balance R'000	Additions R'000	Reassessment R'000	Derecognitions & Disposals R'000	Depreciation & Impairment R'000	Closing Balance R'000
Motor Vehicle	22	-	-	-	(6)	16
Computers	1,019	687	-	(12)	(419)	1,275
Office Equipment	198	-	-	-	(46)	152
Leasehold Improvements	418	-	-	-	(324)	94
Lease Assets (Photocopiers)	64	-	-	-	(64)	-
Furniture and Fittings	322	88	-	-	(100)	310
	2,043	**775**	**-**	**(12)**	**(959)**	**1,847**

An amount of R 209,000 was incurred during the current financial year for repairs and maintenance relating to property, plant, and equipment. This amount was expensed in the income statement and not capitalised as part of PPE.

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 ITEC Tiyende (Pty) Ltd for three (3) photocopy machines effective from 1 March 2025 which will end on 28 February 2028. *Refer to Finance Lease Obligation (See note 9).*

Pledge as security

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

3. INTANGIBLE ASSETS

	March 2025			March 2024		
	Cost R'000	Accumulated Amortisation R'000	Net Value R'000	Cost R'000	Accumulated Amortisation R'000	Net Value R'000
Computer Software	1,125	(1,026)	99	1,125	(762)	363
	1,125	**(1,026)**	**99**	**1,125**	**(762)**	**363**

Reconciliation 2025	Opening Balance R'000	Additions R'000	Useful lives adjustment R'000	Derecognition R'000	Amortisation R'000	Closing Balance R'000
Computer Software	363	-	-	-	(264)	99
	363	**-**	**-**	**-**	**(264)**	**99**

Reconciliation 2024	Opening Balance R'000	Additions R'000	Useful lives adjustment R'000	Derecognition R'000	Amortisation R'000	Closing Balance R'000
Computer Software	370	246	-	-	(253)	363
	370	**246**	**-**	**-**	**(253)**	**363**

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 3.

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.

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2025 R'000	2024 Restated R'000
Sundry Debtors	1,755	1,274
Staff Debtors	49	45
Provision for doubtful debt	(25)	-
Interest receivable	442	710
	2,221	**2,029**

Pledge as security

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

5. PREPAYMENTS AND ADVANCES

	2025	2024
Funding/PMO		
Opening balance	14,731	20,995
Additions	27,236	12,580
Less: Expensed prepayments	(16,376)	(18,844)
Closing Balance	**25,591**	**14,731**
PESP		
Opening balance	61,109	40,260
Additions	21,260	51,910
Less: Expensed prepayments	(48,302)	(31,061)
Closing Balance	**34,067**	**61,109**
Total Prepayments	**59,658**	**75,840**

Prepayments consist of Funding projects, Project Management Office projects, Living Heritage projects, Liberation Heritage projects and Presidential Employment Stimulus Programme projects.

6. CASH AND CASH EQUIVALENTS

	2025 R'000	2024 Restated R'000
Cash on hand	5	5
Cash at bank	112,578	135,543
Funds held on call deposit	1	1
Financial assets	**112,584**	**135,549**

Cash and Cash Equivalents Reconciliation

Petty Cash	5	5
Current Account – Operational Funds	38,455	53,038
Current Account – PMO	45,555	51,412
Current Account – Lotteries	21	21
Current Account – PESP	28,547	31,072
Call Deposit	1	1
	112,584	**135,549**

7. PAYABLES FROM EXCHANGE TRANSACTIONS

Financial liabilities	**16,604**	**19,510**
• Trade payables	16,551	19,510
• Salary related payables	53	-
Other Payables	**345**	**122**
• Operating lease payables	345	122
Financial liabilities	**16,949**	**19,632**

The operating lease is straight lined.

Included under trade payables is R 14.9 million of accumulated interest earned on ring-fenced conditional funds relating to Department of Sport, Arts and Culture.

See Note 26 on Financial Instruments on how risk is managed in relation to the financial liabilities listed above

8. CONDITIONAL GRANT

	2025 R'000	2024 Restated R'000
Balance at the beginning of the year	**147,494**	**114,015**
Conditional Grant/Transfers – Department of Sport, Arts and Culture (PMO)	52,430	51,038
Conditional Grants/Transfers – (PESP)	95,064	62,977
Movement during the year – Receipts	**25,000**	**62,280**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	-	7,280
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PESP)	25,000	55,000
Movement during the year – Conditions met	**(61,370)**	**(28,801)**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	(2,272)	(5,888)
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PESP)	(59,098)	(22,913)
Balance at year end	**111,124**	**147,494**
Conditional Grant/Transfers - Department of Sport, Arts and Culture (PMO)	50,158	52,430
Conditional Grants/Transfers – (PESP)	60,966	95,064
Current portion	111,124	147,494
	111,124	**147,494**

The National Heritage Council (NHC) received conditional or ring- fenced grants was 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) and for the Presidential Employment Stimulus Programme (PESP). The NHC has received R 25 million for the PESP in the current year. No transfer was received for the PMO.

9. FINANCE LEASE OBLIGATION

	2025 R'000	2024 Restated R'000
Minimum Lease payments due		
• Within one year	159	-
• In second to fifth year inclusive	462	-
	675	**-**
Less: Future finance charges	-	-
Present value of future minimum lease payments	**675**	**-**
Present value of minimum lease payments due		
• Within one year	213	-
• In second to fifth year inclusive	462	-
	675	**-**
Current portion of finance lease obligation	213	-
Non-current portion of finance lease obligation	462	-
	675	**-**

In accordance with the National Heritage Council's policy to lease certain equipment under finance leases, the entity entered into a rental operational agreement with ITEC Tiyende (Pty) Ltd for three (3) photocopy machines. The agreement commenced on 1 March 2025 and will terminate on 28 February 2028, covering a period of three (3) years (36 months). The annual lease payment is R225,108.

Although the lease agreement does not result in the transfer of ownership of the assets to NHC at the end of the lease term, it is classified as a finance lease. This classification is based on the fact that the lease term constitutes a major part of the economic life of the assets.

10. LEAVE ACCRUAL

	2025 R'000	2024 Restated R'000
Opening balances	**986**	**865**
Leave accrual	986	865
Additions	**959**	**986**
Leave accrual	959	986
Utilised	**(604)**	**(553)**
Leave - Utilised	(604)	(553)
Reversed	**(382)**	**(312)**
Leave - Reversed	(382)	(312)
Closing balances	**959**	**986**
Leave accrual	959	986

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.

11. PROVISION FOR SALARY RELATED COSTS	2025 R'000	2024 Restated R'000
Acting Allowance	49	-
Salary provision	1,543	1,543
	1,592	**1,543**
Opening		
Acting Allowance	-	47
Salary provision	1,543	2,535
Additions		
Acting Allowance	49	-
Utilised		
Acting Allowance	-	(43)
Reversed/Transferred		
Acting Allowance	-	(4)
Salary Provision	-	(992)
	1,592	**1,543**

12. GOVERNMENT GRANT/TRANSFER

Grant/Transfer received – Department of Sport, Arts and Culture	74,217	74,021
	74,217	**74,021**

13. SPENT CONDITIONAL GRANT – CONDITIONS MET

Conditional Grant/Transfer/Partnerships		
Department of Sport, Arts and Culture – Project Management Office	2,310	5,888
Department of Sport, Arts and Culture – Presidential Employment Stimulus Programme	54,917	22,913
	57,227	**28,801**

14. OTHER INCOME

	2025 R'000	2024 Restated R'000
Sundry Income	341	161
Gain/(Loss) on Disposal of assets	(57)	44
	284	**205**

15. INTEREST RECEIVED

Interest received	**2,800**	**2,994**

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.

16. OPERATING EXPENSES

Legal fees	968	1,316
Legal Settlements	366	-
Heritage projects and programmes	65,764	46,995
Staff training and development	878	1,333
Maintenance, repairs and running costs	280	106
	68,256	**49,750**

17. ADMINISTRATIVE EXPENSES

	2025 R'000	2024 Restated R'000
General and Administrative expenses	10,993	12,204
Travel and Accommodation	1,964	871
	12,957	**13,075**

18. EMPLOYEE RELATED COSTS

Basic salaries	30,235	29,996
Acting Allowance	964	190
Overtime	16	-
Employees contributions – Provident Fund	2,203	2,080
Employees contributions – UIF	100	85
Leave and bonus	669	314
Employer contributions – Provident Fund	2,203	2,080
Employer contributions – UIF	100	85
Employer contributions – SDL	325	299
Employer contributions – Medical Aid	374	469
	37,189	**35,598**

19. OPERATING LEASE EXPENSES

Office space	4,877	2,298
Parking	769	413
	5,646	**2,711**

Refer to Operating Leases. (See note 23)

20. FINANCE COSTS

Interest on leased assets	**-**	**4**

21. DEPRECIATION & IMPAIRMENT

	2025 R'000	2024 Restated R'000
Depreciation	2,073	959
Impairment	66	-
	2,139	**959**

22. AMORTISATION

Intangible Assets	**264**	**253**

23. OPERATING LEASES

The National Heritage Council entered into a rental agreement with the Facilities Company, effective from 1 July 2024. The office lease contract is for sixty (60) months at a cost of R5,840 million per annum, escalating at 5% per annum.

Lease commitments (operating leases)

Up to one year	6,059	799
Later than one year and not later than 5 years	21,830	-
	27,889	**799**

24. CASH GENERATED FROM OR (USED IN) OPERATIONS

	2025 R'000	2024 Restated R'000
(Deficit) / Surplus for the year	8,077	3,671
Adjustments for:	**(34,007)**	**34,855**
• Depreciation – Property, Plant and Equipment	2,139	959
• Amortisation - Intangible Assets	264	253
• Movement in Leave and Acting Allowance	22	625
• (Gain) or loss of De-recognition of Property, Plant and Equipment	99	(44)
• Other Non-Cash – Finance Costs	-	4
• Liabilities Written Off	(221)	-
• Other Non-Cash – Bad debts	55	-
• Other Non-Cash – Operating Lease Accrual	6	(420)
• Other Non-Cash – Movement in Unspent Conditional Grant	(36,371)	33,478
Changes in working capital:	**13,308**	**(7,232)**
• Trade and Other Receivables	(192)	(1,112)
• Prepayments and Advances	16,181	(14,804)
• Trade and Other Payables	(2,683)	8,684
	(12,622)	**31,294**

25. RELATED PARTIES

Related party transactions (Receipts)

	2025 R'000	2024 Restated R'000
Grant/Transfer – Recurring expenditure – Department of Sport, Arts and Culture	74,217	74,021
Grant/Transfer – non-exchange – Department of Sport, Arts and Culture (Project Management Office)	-	7,280
Grant/Transfer – non-exchange – Department of Sport, Arts and Culture (Presidential Employment Stimulus Programme)	25,000	55,000
	99,217	**136,301**

25. RELATED PARTIES (continued)

Related party transactions (Payments)

Relationships

Controlling Entity	Department of Sport, Arts and Culture
Under common control	Lovelife Artscape The Market Theatre and Windybrow Theatre National Arts Council Performing Arts Centre of the Free State The Playhouse Company The South African State Theatre Business and Arts South Africa National Film and Video Foundation Pan South African Language Board Boxing South Africa South African Institute for Drug-free Sport South African Sports Confederation and Olympic Committee The sports trust Various sport federations Die Afrikaanse Taalmuseum en -monument Freedom Park Iziko Museums Luthuli Museum KwaZulu-Natal Museum National Museum Nelson Mandela Museum Robben Island Museum South African Heritage Resources Agency Amazwi South African Museum of Literature uMsunduzi Museum War Museum of the Boer Republics William Humphreys Art Gallery Ditsong Museums of South Africa Engelenburg House Art Collection
Non-executive members	Refer to note 27
Members of key management	Refer to note 28

26. 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.

2025 Current & call account interest rate *Current Balance*	Current Balance R'000	A percentage point increase R'000	A percentage point decrease R'000
Current bank and call account Balance	112,584	113,710	111,458
% change		**1%**	**-1%**
Current & call account interest rate *Current Balance*			
Finance Lease Agreement	213	215	211
% change		**1%**	**-1%**

26. FINANCIAL INSTRUMENTS (continued)

2024 Current & call account interest rate *Current Balance*	Current Balance R'000	A percentage point increase R'000	A percentage point decrease R'000
Current bank and call account Balance	135,549	136,905	134,194
% change		**1%**	**1%**

Current & call account interest rate *Current Balance*			
Finance Lease Agreement	-	-	-
% change		**1%**	**-1%**

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

2025 **Debtors type**	Total R'000	Current R'000	30-120 R'000	120+ R'000
Staff Debtors	24	24		-
Sundry Debtors	725	-	-	725
Interest Receivable	442	442	-	-
Security Deposit	1,030	-	-	1,030
Totals	**2,221**	**466**	**-**	**1,755**

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

2024 **Debtors type**				
Staff Debtors	45	19	11	15
Sundry Debtors	252	-	-	252
Interest Receivable	710	710	-	-
Security Deposit	1,022	-	-	1,022
Totals	**2,029**	**729**	**11**	**1,289**

26. FINANCIAL INSTRUMENTS (continued)

3) Financial Assets Subject to credit risk

2025

Debtors type	Total R'000	Fully Performing R'000	Over 30 days but not Impaired R'000	Impaired R'000
Staff Debtors	24	24	-	-
Other Debtors	725	-	725	-
Interest Receivable	442	442	-	-
Security Deposit	1,030	-	1,030	-
Totals	**2,221**	**466**	**1,755**	**-**

2024

Debtors type	Total R'000	Fully Performing R'000	Over 30 days but not Impaired R'000	Impaired R'000
Staff Debtors	45	30	15	-
Other Debtors	252	-	252	-
Interest Receivable	710	710	-	-
Security Deposit	1,022	-	1,022	-
Totals	**2,029**	**740**	**1,289**	**-**

4) Maturity Profile of Financial Instruments

31-Mar-25

Assets	1 year or less R'000	1-5 years R'000	Total R'000
Trade and other Receivables	2,221	-	2,221
Call Account	1	-	1
Current Account – National Lotteries Commission Funds	21	-	21
Current Account – Department of Sport, Arts and Culture –	38,455	-	38,455
Current Account – Department of Sport, Arts and Culture – Ring fenced – PMO	45,555	-	45,555
Current Account – Department of Sport, Arts and Culture – Ring fenced - PESP	28,547	-	28,547
Cash on hand	5	-	5
Total Financial assets	**114,805**	**-**	**114,805**

26. FINANCIAL INSTRUMENTS (continued)

	1 year or less R'000	1-5 years R'000	Total R'000
Finance lease	(213)	(462)	(675)
Trade and other Payables	(16,949)	-	(16,949)
Total Finance Liability	**(17,162)**	**(462)**	**(17,624)**
Net Financial Asset/liability	**97,643**	**(462)**	**97,181**

5) Maturity Profile of Financial Instruments

31-Mar-24

Assets			
Trade and other Receivables	2,029		2,029
Call Account	1	-	1
Current Account – Lotteries National Commission Funds	21	-	21
Current Account – Department of Sport, Arts and Culture –	53,038	-	53,038
Current Account – Department of Sport, Arts and Culture – Ring fenced – PMO	51,412	-	51,412
Current Account – Department of Sport, Arts and Culture – Ring fenced - PESP	31,072	-	31,072
Cash on hand	5	-	5
Total Financial assets	**137,578**	**-**	**137,578**

Liabilities			
Finance lease	-	-	-
Trade and other Payables	(19,632)	-	(19,632)
Total Finance Liability	**(19,632)**	**-**	**(19,632)**
Net Financial Asset/liability	**117,946**	**-**	**117,946**

26. FINANCIAL INSTRUMENTS (continued)

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

2025 **Financial Assets**	**Carrying Amount R'000**	**Adjustment R'000**	**Fair value R'000**
Cash and Cash equivalents	112,584	-	112,584
Trade and other receivables	2,221	-	2,221

Financial Liability			
Finance lease Agreement	213	-	213
Trade and other Payables	16,949	-	16,949

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

2024 **Financial Assets**	**Carrying Amount R'000**	**Adjustment R'000**	**Fair value R'000**
Cash and Cash equivalents	135,549	-	135,549
Trade and other receivables	2,029	-	2,029

Financial Liability			
Finance lease Agreement	-	-	-
Trade and other Payables	19,632	-	19,632

Pledge as security

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

27. MEMBERS EMOLUMENTS - NON-EXECUTIVE

NON-EXECUTIVE 2025 Names and Designations	Honoraria R'000	Travel R'000	Honoraria non-committee R'000	Data Reimbursement R'000	Total R'000
Mr E Neluvhalani (Chairperson)##	134	16	71	30	251
Mr J Sithole (Deputy Chairperson)##	179	1	16	-	196
Mr T Tsehlana ##	54	-	-	-	54
Mrs L Robinson	49	2	-	1	52
Ms E Tlhoaele	128	11	-	-	139
Mr J Phillips	40	-	-	-	40
Buhle Tonisa	27	1	-	-	28
Dr G Dominy	103	8	5	-	116
Adv Hosi A Mahumani	57	20	-	-	77
Mr O Mereki	106	-	-	-	106
Ms N Sizani	70	1	-	-	71
Ms R Mabaso	30	-	-	-	30
Dr Rev Mculwane	5	-	-	-	5
Ms E Netshivhongweni	70	25	46	-	141
Adv M Ralefatane	114	-	-	-	114
Ms S Sithole	81	-	-	-	81
Eben Proos*	38	-	-	-	38
L Mphahlwa	52	-	-	-	52
E Kibini	86	-	-	-	86
S Nzimande	101	-	-	-	101
Dr T Mosala	73	1	-	-	74
S Nkosi	119	34	40	-	193
Bongani Mnguni*	11	3	-	-	14
Bernado Maralack*	3	-	-	-	3
Sepheu Masemola*	49	18	89	-	156
Thato Magogodi*	11	5	-	-	16
Reyhana Gani*	39	-	-	-	39

27. MEMBERS EMOLUMENTS - NON-EXECUTIVE (continued)

NON-EXECUTIVE 2025 (continued) Names and Designations	Honoraria R'000	Travel R'000	Honoraria non-committee R'000	Data Reimbursement R'000	Total R'000
Jacelyn Scott*	44	-	-	-	44
Khwezi Kunene*	51	1	-	-	52
Nkululeko Khumalo*	30	5	-	-	35
Makgola Makgopa*	36	-	-	-	36
Natalie Skeepers*	28	-	-	-	28
Audit and Risk Committee					
Mr T Zororo – Independent	67	-	-	-	67
Ms M Phiri – Independent	129	1	-	-	130
Mr J Van Der Walt – Independent	27	-	-	-	27
	2,241	**153**	**267**	**31**	**2,692**

##Lapsed
Appointment Terminated/Resigned
*Appointed in 2024/25

NON-EXECUTIVE 2024 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)	229	17	9	5	260
Mr J Sithole (Deputy Chairperson)	170	-	24	-	194
Mr T Tsehlana	70	1	5	2	78
Mrs L Robinson	76	2	-	-	78
Ms E Tlhoaele	130	15	-	-	145
Ms L Moroane	29	-	3	-	32
Mr J Phillips	94	-	-	-	94
Adv M Makhura #	5	-	-	-	5
Dr G Dominy	117	1	73	-	191
Adv Hosi A Mahumani	109	13	5	-	127
Mr O Mereki	95	-	3	-	98
Ms N Sizani	129	4	-	-	133

27. MEMBERS EMOLUMENTS - NON-EXECUTIVE (continued)

NON-EXECUTIVE 2024 (continued) Names and Designations	Honoraria R'000	Travel R'000	Honoraria non-committee R'000	Travel Non-Committee R'000	Total R'000
Ms R Mabaso	92	2	5		99
Dr Rev Mculwane	32	-	-	-	32
Ms E Netshivhongweni	213	-	-	-	213
Dr P Madlala	27	-	-	-	27
Adv M Ralefatane	140	5	-	-	145
Ms S Sithole	120	3	1	-	124
Ms K Rapoo #	60	-	-	-	60
L Mphahlwa *	41	1	2	-	44
E Kibini *	39	-	-	-	39
S Nzimande *	27	-	-	-	27
Dr T Mosala *	33	-	-	-	33
S Nkosi *	53	-	-	-	53
Audit and Risk Committee					
Mr T Zororo – Independent	53	-	-	-	53
Ms M Phiri – Independent	90	-	-	-	90
Mr J Van Der Walt – Independent	33	-	-	-	33
	2,306	**64**	**130**	**7**	**2,507**

##Lapsed
Appointment Terminated/Resigned
#*Appointed in 2022/23

28. MEMBERS EMOLUMENTS - EXECUTIVE

EXECUTIVE: 2025

Designations	Effective Date	Basic Salary R'000	Acting Allowance R'000	Travel Allowance R'000	Medical R'000	Resignation Leave R'000	Provident Fund R'000	Settlements R'000	Long Service R'000	Total R'000
Chief Executive Officer	1 August 2024	1,437	86	-	-	-	250	-	-	1,773
Acting Chief Financial Officer#	1 April 2024	246	-	-	-	21	-	-	-	267
Chief Financial Officer	1 September 2024	1,091	-	-	29	-	193	-	-	1,313
Company Secretary	1 April 2024	1,378	-	231	50	-	283	-	-	1,942
Head: Strategy Planning, Monitoring & Evaluation	1 April 2024	1,540	-	-	40	-	272	-	-	1,852
Acting Core Business Head@	1 April 2024	-	460	-	-	-	-	-	-	460
		5,692	**546**	**231**	**119**	**21**	**998**	**-**	**-**	**7,607**

EXECUTIVE: 2024

Designations	Effective Date	Basic Salary R'000	Acting Allowance R'000	Travel Allowance R'000	Medical R'000	Resignation Leave R'000	Provident Fund R'000	Settlements R'000	Long Service R'000	Total R'000
Chief Executive Officer	1 April 2023	2,166	-	-	60	-	382	-	-	2,608
Company Secretary	15 July 2023	925	-	168	35	-	206	-	-	1,334
Head: Strategy Planning, Monitoring & Evaluation *	1 April 2023	219	43	25	7	101	32	-	-	427
Head: Strategy Planning, Monitoring & Evaluation	15 July 2023	983	-	-	29	-	194	-	-	1,206
Chief Financial Officer	16 April 2023	1,658	-	-	20	-	308	-	-	1,986
Head: Core Business	1 April 2023	1,271	-	-	-	-	224	-	-	1,495
Acting Chief Financial Officer#	1 April 2023	-	13	-	-	-	-	-	-	13
		7,222	**56**	**193**	**151**	**101**	**1,346**	**-**	**-**	**9,069**

Vacant – Received Acting Allowance
* Resigned

29. 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.

30. BUDGET VARIANCES

a) The actual revenue recognised from conditional grants amounted to R53,783 million for the PESP and R2,310 million for the PMO. This was based on reports received from programme beneficiaries by 31 March 2025. Weekly engagements by the Finance and Funding team assisted in expediting the submission and verification of outstanding reports. These efforts also enabled recognition of corresponding expenditure of R51,786 million for PESP. The variance from the budgeted revenue is primarily due to timing differences in report submissions, which directly impact revenue recognition under the grant conditions.

b) An amount of R23,866 million in PESP grant funding remained unspent at year-end due to delays in the adjudication and appointment of programme beneficiaries. As a result, planned payments to beneficiaries could not be executed within the current financial year. In accordance with the conditions of the grant, the unspent funds remain committed and will be utilised in the new financial year, once all appointments and compliance processes have been completed. The variance between the budgeted and actual expenditure reflects timing delays rather than a reduction in planned programme activity.

c) The variance of R284 thousand arises primarily from fair value adjustments processed during the current financial year. This includes the reversal of strategic project accruals that had been recorded in the prior year.

d) The depreciation of R2,139 thousand is an increase in depreciation expense attributed to the acquisition of additional assets during the year, which were capitalised in accordance with the asset capitalisation policy. These assets contributed to a higher depreciation charge.

e) Amortisation of R264 thousand, the amortisation variance arose due to a new operational rental agreement entered with ITEC Tiyende (Pty) Ltd for the lease of three (3) photocopy machines. The lease commenced on 1 March 2025 and will terminate on 28 February 2028. Although the lease is classified as operational, certain setup and related costs were recognised and amortised in line with the agreement’s terms and applicable accounting treatment.

31. CONTIGENT LIABILITIES

	2025 R'000	2024 Restated R'000
CCMA matter that is ongoing with a former colleague estimated settlements costs.	-	75,000
Ongoing case with Atlantis Travel with a settlement plus cost order to be paid out.	-	96,000
Legal costs in the appeal case that is referred to labour court against the Exe Core Business.	-	100,000
Total	**-**	**271,000**

During the current financial year, all previously reported contingent liabilities were resolved through legal settlement, finalisation of court processes. As a result, no contingent liabilities exist as at year-end. Any related costs have been recognised in the Statement of Financial Performance where applicable.

32. SEGMENT INFORMATION

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

33. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

	2025 R'000	2024 Restated R'000
Irregular Expenditure and Fruitless and Wasteful Expenditure		
Irregular Expenditure	2,958	6,952
Fruitless and Wasteful Expenditure	-	77
	2,958	**7,029**

Of the total amount, R1,598,000 relates to non-compliance with the National Treasury Regulations, specifically regarding procurement processes that did not adhere to prescribed supply chain management procedures and R1,359,968 was incurred as a result of the irregular appointment of a management officials, which did not comply with applicable recruitment and selection policies.

34. PRIOR PERIOD ERROR

The prior year comparatives have been restated due to the identification of errors and misclassifications in previous financial periods. These errors were corrected retrospectively, and the impact is reflected in the affected financial statement line items.

The effect of the above errors is as follows:

Statement of Financial Position

Effect	Nature	Audited Balance for 2023/24 R'000	Error Adjustment R'000	Restated Balance for 2023/24 R'000
Net increase in property, plant and equipment	Reclassification of assets which relates IT Equipment and Furniture and Fittings for which were previously reclassified as an expense	1,804	43	1,847
Net decrease in intangible assets	Subscription fees which were capitalised should have been expenses	670	(307)	363
Net decrease in prepayments	Expensing of reports from beneficiaries that were previously not expensed	92,118	(16,061)	75,839
	Reclassification of Rent deposit		(218)	
Net decrease in conditional grant	Expenses reports received and to adjust the deferred income relating prior year projects	(153,382)	5,888	(147,494)
Net Increase in Salary related provision	Recognition of the provision previous not recognised refer to NOTE 31 Contingency Liabilities	-	(1,543)	(1,543)
Net Increase in Receivables from exchange transactions	Reclassification of Rent deposit	1,811	218	2,029
Net decrease in the Statement of Net Assets			**(11,980)**	

Statement of Financial Perfomance

Effect	Nature	Audited Balance for 2023/24 R'000	Error Adjustment R'000	Restated Balance for 2023/24 R'000
Net increase in prepayments	Expensing of reports from beneficiaries that were previously not expensed	33,597	16,061	49,750
Net increase in Operational Expenditure	Reclassification of IT equipment (R31) and Subscriptions (61)		92	
Net decrease in Administrative Expenses	Reclassification of IT equipment (R31) and Subscriptions (61)	13,167	(92)	13,075
Net increase in Amortised conditional grant	Expenses reports receive relating to prior year projects	(22,913)	(5,888)	28,801
Net Increase in Employee Related Costs	Recognition of the provision previous not recognised refer to NOTE 31 Contingency Liabilities	34,055	1,543	35,598
Net decrease in Surplus			**11,716**	

Disclosure notes

Effect	Nature	Audited Balance for 2023/24 R'000	Error Adjustment R'000	Restated Balance for 2023/24 R'000
Net decrease in contingent liabilities	Reclassification of a contingent liability into a provision	992	(992)	-
Net decrease in Surplus			**(992)**	

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