



an agency of the
Department of Arts and Culture

KwaZulu-Natal Museum



Annual Report 2016 - 2017



Our mission

The KwaZulu-Natal Museum is dedicated to serving the people of South Africa by interpreting material evidence of the cultural and natural world, in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity.

Our vision

To position the KwaZulu-Natal Museum as a leading heritage institution in South Africa.

Core values

The KwaZulu-Natal Museum's core values are:

Accountability: to foster a culture of accountability, learning and enlightenment for staff and stakeholders.

Understanding and respect: to increase tolerance, understanding and mutual respect among staff and the diverse elements of South African society.

Professionalism and honesty: to be honest and professional in undertaking our duties and execution of the Department's mandate.

Loyalty: to be loyal to the mandate given to the Museum by the Department and in addressing the government imperatives.

Promote Ubuntu values: to promote a sense of cultural identity and worth by enabling people to attain knowledge and new perspectives regarding the history of humanity in general and the historical and cultural record of their own communities.

Excellence: continuously strive to be a centre of excellence in our core duties and reputation.

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Council of Trustees



Prof. NM Mazibuko



Mr F Dantile

Mazibuko, Prof. NM

(Chairperson)

BA (UNIZUL), BA (Hons) (UNIZUL), BA (Communications) (UNISA), MA (Soc.Sci) (NATAL-UN), PhD (UIC), Dip (PR) (DAMELIN)

Dantile, Mr F

(Deputy Chairperson)

BCom (University of Transkei), BA (Hons) (WSU), Dip (Business Management) (Executive Education), Dip (Labour law) (IDEC)



Mr D Coovadia



Mr P Croeser

Coovadia, Mr D

B.Compt (Hons), CA (SA), RA, FIMC, CMC, FIAC, FCIS, FSAIM, BA (SA), PIA (SA), FIASA CAT (UK), MInstD

Croeser, Mr P (until 29 October 2016)

BSc Botany & Entomology (Rhodes), BSc Entomology (Hons) cum laude (NATAL-UN), MSc Entomology: Phylogenetic Systematics cum laude (NATAL-UN)



Mr N Khuzwayo



Adv. S Magaqa

Khuzwayo, Mr N

B. Pedagogic (UNIZUL), Project Management (Higher Cert.) (MAPP SETA), Economic Development (Higher Cert.) (UWC), Sports Administration & Coaching (Cert.) (UNIZUL)

Magaqa, Adv S (from 01 February 2017)

BProc (UNITRA), LLB (Wits)



Prof. NV Makunga



Dr S Malapane

Makunga, Prof NV (Chairperson)

BA (Hons) (Fort Hare), MA Clinical Psychology (NATAL-UN), D Litt et Phil (UNISA); Dip (Management Practice) (Isis College), Dip (General Nursing) (Natalspriuk), Higher Education Management (Cert.) (WITS), Project Management (Cert.) (NDF Training SC Consultancy, BE, The Netherlands), American Council of Education Fellows Program on Higher Education

Malapane, Dr S

Doctor in Divinity (Honorary) (Wesleyan Theological Seminary), Project Management (Cert.), Professional Presentation Skills (Cert.) (CBM), Estate Agency (Cert.) (Estate Agency Affairs Board), Marketing (Cert.)

Ranchod, Mr K

Pr. Teachers Certificate, Pr. Teachers Diploma (Dower Training College), BA (UPE), B. Ed (Rhodes), MA in Education Planning, MA in Education Theory & Policy (Penn State University, USA), MA in Social Research (UJ)



Mr K Ranchod

Honorary Associates of the Museum



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Emeritus Directors

Dr JGH Londt – 2003

Honorary Keepers

Dr JGH Londt – 2003

Honorary Research Associates

Dr RM Miller – 1982

Dr DE van Dijk – 1982

Dr JC Poynton – 1982

Dr BH Lamoral – 1983

Mr PE Reavell – 1985

Mr D Green – 1988

Mr M Moon – 1988

Mr LE Schoeman – 1988

Mrs P Trafford – 1988

Dr JP Marais – 1990

Honorary Associates

Mr C Auret – 1983

Mrs S Henderson – 1983

Mrs R McGuire – 1983

Mrs J Stannard – 1985

Dr AJ Lambiris – 1991

Mr IJ Knight – 1992

Mr G Borthwick – 1983

Mr D Bundhoo – 1994

Mrs M Taylor – 1994

Ms M Manqele – 1995

Ms S Tshabalala – 1995

Dr R Maud – 1996

Mr E Ndlovu – 1997

Dr JD Plisko – 1998

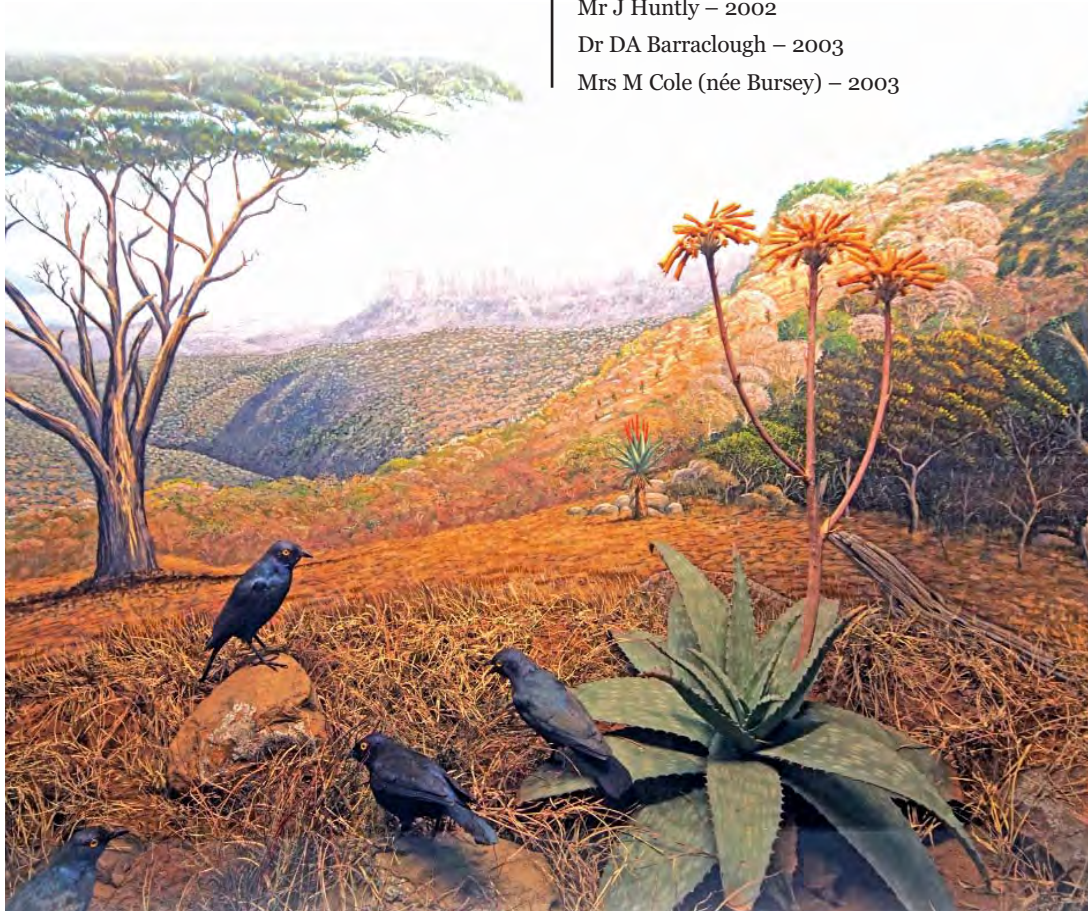
Mrs VF Ward – 1998

Ms I Bornman – 2002

Mr J Huntly – 2002

Dr DA Barraclough – 2003

Mrs M Cole (née Bursey) – 2003



Museum Staff



Mr L Maphasa



Mrs TS Ntombela



Mr S Maphumulo



Mr AT Zondi



Mr A Lukhozi



Mr M Maphanga

DIRECTORATE

Director:

Mr LJ Maphasa
MSc (UCT)

Deputy Director:

Mr SR Miya
BA (NATAL-UN), AUDIS (NATAL-UN),
BBibI (Hons) (UKZN)

EDUCATION DEPARTMENT

Assistant Director:

Mrs TS Ntombela
(BSc) (UKZN), Post. Grad. Dip (UKZN)
(from 1 February 2017)

Acting Assistant Director:

Mrs TS Ntombela
(BSc) (UKZN), Post. Grad. Dip (UKZN)
(until 31 January 2017)

Chief Education Officer (Community Outreach):

Mrs PD Ngidi
(Applesbosch Coll of Edu)
(until 31 January 2017)

Chief Education Officer (Community Outreach):

vacant

Chief Education Officer (In-house):

vacant

Senior Education Officer:

Mrs TS Ntombela
(BSc) (UKZN), Post. Grad. Dip (UKZN)
(until 31 January 2017)

Education Officer:

Mr S Maphumulo
Nat Dip (Tourism Mgt) (DIT)

Contract Education Officer:

Mr A Lukhozi
BSc (Fort Hare Univ.), Post-Grad. Cert.
Education (UKZN) (from 18 April 2016)

Senior Information Officer:

Mrs D Moodley

Information Officer:

Mr AT Zondi
Nat Dip (Tourism Mgt) (DUT)
(until 26 May 2016)

Information Officer:

Ms BP Nene
Nat Dip (Tourism Mgt)

Contract Gallery Guide:

Mr T Sithole
N6 Tourism (Applesbosch TVET College)

Contract Gallery Guide:

Mr Msizi Maphanga
Nat Dip (EcoTourism Mgt) (DUT)
(from 1 January 2017)



Mr SR Miya



Mrs PS Ngidi



Mrs D Moodley



Ms BP Nene



Mr T Sithole

Museum Staff



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Mr SE Dlamini



Mrs NP Gumede



Mr LT Ntombela



Mrs V Dlomo-Mtshare



Ms TC Makhaye



Mrs V Frank

CORPORATE SERVICES DEPARTMENT

Assistant Director:
Vacant

Finance and Administration Department

Manager Finance & Administration:

Mr SE Dlamini
Nat Dip (Cost & Mgt Accounting) (MUT)
(from 1 February 2017)

Contract Finance Specialist:

Mr MH Mazibuko
BTech (Taxation) (DUT), B. Compt. (UNISA)

Acting Manager Finance & Administration:

Mr SE Dlamini
Nat Dip (Cost & Mgt Accounting) (MUT)
(from 1 April 2016 – 31 January 2017)

Director's Personal Assistant:

Mrs NP Gumede
Dip Office Admin (VARS. COLL), N6 Public Mgt
(Umgungundlovu TVET College)

Switchboard Operator/Junior Clerk:

Mrs LP Molefe
Dip Office Admin (VARS. COLL)

Human Resource Officer:

Mr LT Ntombela
Nat Dip (HRM) (DIT)

Contract Finance & Administration Officer:

Ms M Ndlovu
Nat Dip (Accounting) (DUT)

Library

Chief Librarian:

Mrs V Dlomo-Mtshare
BSoc Sc (NATAL-UN), AUDIS (Natal),
BBibl (Hons) (UKZN)

Assistant Librarian:

Ms P Zondi
Nat Dip (Lib Info Studies) (DUT)

Library Assistant:

Ms TC Makhaye

Contract Learners Resource

Centre Officer:

Mr N Molotsoane

Public Relations Division:

PR/Marketing Executive:

Mrs V Frank
Nat Dip (Public Relations) (ML Sultan), Dip.
(Marketing) (Varsity College)

Receptionist / Information Officer:

Ms N Mathonsi
N6 (Human Resources) (FET)



Mr MH Mazibuko



Mrs LP Molefe



Ms M Ndlovu



Ms P Zondi



Mr N Molotsoane



Ms N Mathonsi

Museum Staff



Mr R Maharaj



Mr BG Zulu



Mrs SP Muthwa



Mrs ED Zuma



Ms SK Mncube



Ms MS Nzimande



Mr B Ndwandwe



Mr T Letele



Mr ES Rampersad



Mr R Mazibuko



Ms NI Xaba



Mr RM Mthembu



Ms EN Mncube



Mr J Mkhize

Technical Division:

Chief Technical Officer:

Mr R Maharaj

Technical Officer:

Mr ES Rampersad
N2 (Electrical Trade) (FET)

Technical Officer

Mr BG Zulu
N2 (Electrical) (FET)

Senior Maintenance Officer:

Mr R Mazibuko

Senior Maintenance Officer:

Mrs SP Muthwa

Senior Maintenance Officer:

Ms NI Xaba

Maintenance Officer Cleaning:

Mrs ED Zuma

Maintenance Officer - Technical:

Mr RM Mthembu

Maintenance Officer - Cleaning:

Ms SK Mncube

Maintenance Officer - Cleaning:

Ms EN Mncube

Maintenance Officer - Cleaning:

Ms MS Nzimande

Security Officer:

Mr B Ndwandwe

Security Officer:

Mr T Letele

Security Officer:

Mr J Mkhize

Museum Staff



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Dr C. Thorp



Ms G Laue



Mr P Madonda



Dr JM Midgley

HUMAN SCIENCES DEPARTMENT

Assistant Director:

Dr C. Thorp
BA (Hons) (WITS), MA (WITS),
PhD (WITS)

Chief Curator:

Dr GDA Whitelaw
BSc (Hons) (Wits), MSc (Archaeology)
(Wits), PhD (Wits)

Senior Curator:

Vacant

Curator:

Ms G Laue
BSc (Hons) (Wits),
MSc (Archaeology) (Wits)

Collections Technician:

Mr FM Munzhedzi
BA (Hons) (VENDA)

Research Technician:

Vacant

Technical Assistant:

Mr P Madonda
Archives & Records Mgt Higher Cert.
(UNISA)

Contract Data Capture:

Miss A du Plessis
BA (Art Hist. & Class. Civil.) (UKZN),
Art Hist. (Hons) (UKZN),
Edu. & Dev. (Hons) (UKZN)



Dr GDA Whitelaw



Mr FM Munzhedzi



Miss A du Plessis



Dr DG Herbert

NATURAL SCIENCES DEPARTMENT

Assistant Director:

Dr JM Midgley
BSc (Hons) (Rhodes University),
MSc (Rhodes University),
PhD (Rhodes University)
(from 06 March 2017)

Acting Assistant Director:

Dr DG Herbert
BSc (Hons) (Univ. of London),
PhD (Univ. of London),
FLS (Univ. of London)

Museum Staff



Mrs TC Nxele



Mrs C Stoffels



Miss K Gumede



Dr R Osborn



Dr I Muratov

Arthropodology Division

Chief Curator:

Vacant

Curator:

Mrs TC Nxele
BSc (UKZN) MSc (Biology) (UKZN)

Research Technician:

Mrs T Pillay
BSc (UKZN), Post-Grad. Cert. Education
(UKZN)

Research Technician:

Mrs C Stoffels
BSc (UNAM)

Collections Officer:

Vacant

Contract: Collections Officer -

Databasing:

Mr M Ziganira
MSc (UKZN)

CollectionsIntern:

Miss K Gumede

CollectionsIntern:

Miss N Muthwa
(from 01 June 2016)

Contract: Collections Officer

Dr R Osborn BSc (Hons) (Univ. of Texas),
MSc (Univ. of Texas), PhD (Louisiana, USA)
(until 31 March 2017)

Malacology Department

Chief Curator:

Dr DG Herbert
BSc (Hons) (Univ. of London), PhD (Univ.
of London), FLS (Univ. of London)

Curator:

Dr I Muratov
BSc (Acad. of Sciences: Moscow),
MSc (Acad. of Sciences: Moscow),
PhD (Acad. of Sciences: Moscow)

Chief Research Technician:

Mrs L Davis



Mrs T Pillay



Mr M Ziganira



Miss N Muthwa



Dr DG Herbert



Mrs L Davis

Museum Staff



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Ms BL Johnson



Mr NL Brazier



Mr N Gumede



Mr V Mbele

EXHIBITIONS DEPARTMENT

Assistant Director:

Ms BL Johnson
BA (Hons) (NATAL-UN)
(until 30 November 2016)

Assistant Director:

Mr WD Flanagan
MSc (Visual Arts) (UKZN)
(from 01 February 2017)

Acting Assistant Director:

Mr WD Flanagan
MSc (Visual Arts) (UKZN)
(from 01 December 2017 to 30 January 2017)

Senior Exhibitions Officer:

Vacant

Senior Exhibitions Officer:

Mr NL Brazier
N1 (Machinist / Joiner)

Senior Exhibitions Officer

Ms C Viljoen
BA (Visual Arts) (UKZN),
BA (Visual Studies) (US),

Exhibitions Officer:

Mr N Gumede

Senior Maintenance Officer:

Mr EKV Xaba

Maintenance Officer - Exhibitions

Mr V Mbele



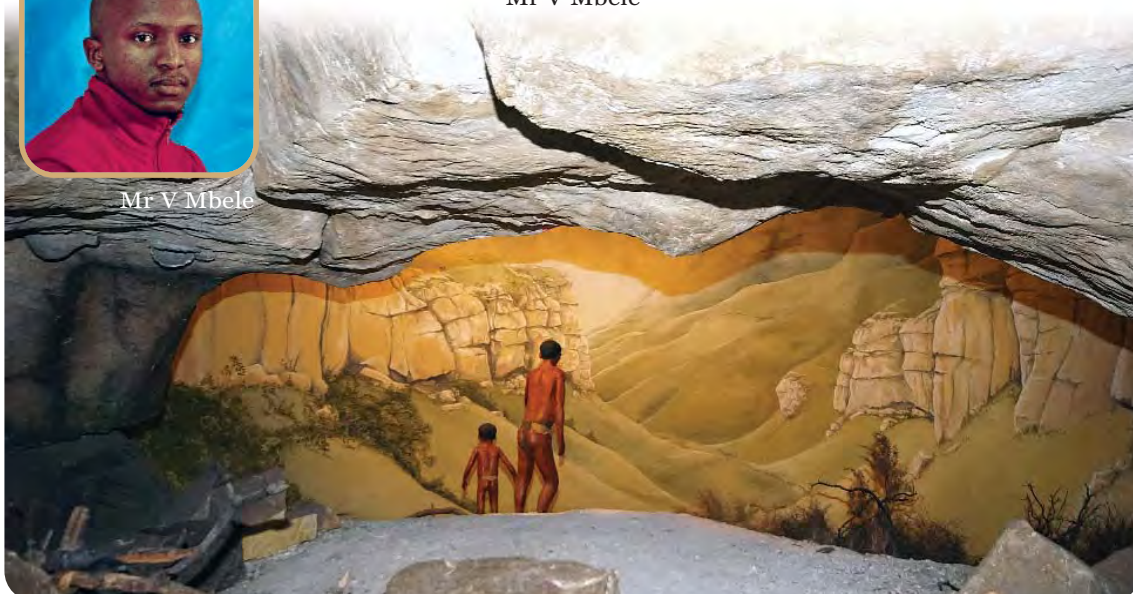
Mr WD Flanagan



Ms C Viljoen



Mr EKV Xaba



Staff Awards

Recipients of the Annual Excellence Awards for outstanding service to the Museum 2016

Executive Award



Dr I Muratov

Departmental Awards



Corporate Services
Ms P Zondi



Corporate Services
Mrs P Muthwa



Human Sciences
Mr M Munzhedzi



Human Sciences
Mr P Madonda



Natural Sciences
Mr M Ziganira



Education Dept
Mr T Sithole



Exhibition
Mr N Brazier



Exhibition
Mr W Flanagan

Long Service Awards



20 years:
Mrs D Moodley



15 years:
Ms BL Johnson



15 years:
Mrs P Ngidi



10 years:
Mrs S Mncube



10 years:
Ms LP Molefe



10 years:
Ms NP Gumede



10 years:
Mr GB Zulu

Chairperson's Foreword



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The KZN Museum embarked on a series of programmes to discharge its mandate as a leading South African Heritage Museum with a specific focus on the vast natural sciences collections held at the institution. On 27 May 2016, Council held a workshop with senior management to align the 2016/2017 Annual Performance Plan with that of the Department of Arts and Culture, the Minister's priorities and the Shareholder Compact that was signed with the Minister. A Strategic Planning Session followed this on 5 November 2016 ensuring that all our operational and governance responsibilities are discharged within the country's legislative framework and aligned to those of the Department.

The application of the GRAP103, which required the valuation of heritage assets, remains a complex challenge for the natural sciences museums. The KZN Museum finalised the digitization of all human sciences collections and the majority of the natural sciences collections. The Museum used the services of interns that were employed through NRF and National Lotteries Funding. Council is pleased that funds were committed to value the heritage assets in the 2017/2018 financial year's allocation. A service provider has since been appointed to immediately begin the valuation process. Although the valuation process was not done in time for the current audit, significant progress was made towards GRAP103 compliance. Council is confident that this matter will no longer negatively affect the audit report of the Museum as from the next audit period. Due to additional items on the collections, the process remains work in progress. This has necessitated the need for in-house training.

Various challenges like the lack of retention strategy for skilled staff, and the general lack of qualified research staff continue to affect research productivity. This has led to the decision by Council to outsource the publication of one of the Museum's research journals, the African Invertebrates. While this might decrease subscription income, the long term increase in research publication will eventually lead to improved productivity and funding from



Chairperson
Prof Fikile N M Mazibuko

NRF. The Museum continues to publish the Southern African Humanities Journal in house.

The KwaZulu-Natal Museum continues to play an active role in the development of the Natural Sciences Collections Facility therefore fostering closer collaboration with other institutions in the management of natural sciences collections. Council approved the Recognition of Improved Qualifications Policy that would amongst others allow staff to develop

practical skills in natural sciences collections management that other museums could offer. A high resolution microscope that will improve research quality was bought with funds from the NRF's Human and Infrastructure Capacity Development Fund.

Despite limited resources, the Museum continued to improve and transform its exhibitions. A new Bird Gallery that incorporates traditional knowledge systems was opened in November 2016. Council also approved the Exhibitions Policy that ensures community involvement in the conceptualisation of the Museum's displays. The collaborative celebrations of Africa Month Events with the Msunduzi Museum were approved as part of official events for the Department.

Further collaboration with other museums and entities like the Msunduzi Museum, KZN-Ezemvelo Wildlife, local schools, public institutions of higher learning and government departments' public programmes on the 12 days of national importance were successful. These also resulted in diverse innovative activities that increased the Museum's outreach projects without additional funding. Some of these are the International Museums Day, Youth, Heritage, Biodiversity, Mandela and Women's Days. The Museum's programmes promoted nation building and social cohesion through awareness and inclusivity. The OR Tambo Exhibition was developed as a showcase of Africa Month to mark the centenary celebration of OR Tambo and his role in uniting Africa and the Africans and promoting the socio-economic freedom and development of Africans.

Chairperson's Foreword

The KZN Museum is a knowledge-based entity. Its contribution to knowledge creation and provision through exhibitions, popular presentations, research and publications continues to improve therefore widening the scope of knowledge development from the vast collections held at the Museum. An amount of R255 000 was received from the NRF and Bio One subscriptions for research operations. Researchers in both the natural and social sciences produced fifteen scientific publications.

On behalf of Council, I extend a word of appreciation and encouragement to the Director and all levels of staff for their commitment and tireless efforts in making the programmes of the Museum a story of success. Members of the Council tirelessly performed their oversight duty, gave the necessary support and governance guidance to the executive team and the programmes of the Museum. The Director and the

management team continue to provide visionary and transformative leadership and working with staff and other partners locally and globally.

The reflective sessions with the Minister, Chairpersons and Directors of entities in the Department of Arts and Culture remained particularly important as practice to share best practices, share and advance a common national vision. We thank Minister Nathi Mthethwa for the foresight, insight and leadership he dedicated to the sector in its diversity.



Prof Fikile N M Mazibuko
Chairperson of the Council



Director's Overview



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I am pleased to present the 2016/2017 Annual Report of the KwaZulu-Natal Museum. The KwaZulu-Natal Museum continued to undertake programs that promote its heritage role and are aligned with the Minister's and the government's priorities. A workshop on the Annual Performance Plan 2016/2017 was held on 27 May 2016 to highlight Council's priorities that would fast track the achievement of the objectives of the Department of Arts and Culture and discuss implementation plans to address the Minister's Priorities. Regional Strategic Planning sessions were held with the Department to promote collaboration for improved service delivery. The KwaZulu-Natal Museum's programs continued to highlight the role that heritage plays in the promotion of indigenous cultures and traditions and the urgent need to protect and preserve our heritage resources as part of nation building for prosperity and social cohesion.



Director:
Mr Luthando J Maphasa

In April 2016, the Bird Gallery was revamped to incorporate indigenous knowledge systems and was re-opened to the public in November 2016. Collaboration with various entities and provincial government departments resulted in improved productivity despite the financial constraints of the 2016/2017 financial year. The Museum's stand at the Garden Show Exhibition won a Gold Award for being the best in all aspects. The Museum also set up a popular stand at a Career's Expo that was held at the Msunduzi Museum. There was great interest shown to the careers that the Museum offers. The Museum hosted a Positive Living Exhibition on HIV/AIDS as part of an Awareness Campaign to mark the World Aids Day and 16 Days of Activism for No Violence Against Women and Children. Two travelling displays were also produced during this period. A Traditional Healers Workshop was organized in collaboration with the UMgungundlovu Municipality and Ezemvelo-KZN Wildlife to highlight issues of health and conservation. Another important workshop was organized in collaboration with the KwaZulu-Natal Department of Education and the South African Heritage Resources Agency (SAHRA) as part of the Underwater Cultural Heritage Youth Development Programme.

The Museum continued to play an active role in research and conservation of natural and cultural

(archaeology and anthropology) sciences collections. Funds were obtained from the NRF Human Infrastructure Capacity Development Fund and the National Lotteries Commission to fast track the digitization of collections. Three interns were employed to complete the digitization of collections. A total of 20 000 natural sciences artefacts were databased, while databasing of human sciences artefacts has been completed. Council approved the outsourcing of the publication of the African Invertebrates, one of the research journals published by the

Museum. Although this meant loss of journal income, it has already resulted in improved productivity from research staff. A total of 15 research papers were published, a significant increase from the previous year's total of 8, and more staff were able to attend and present at conferences than in the past year. An extra volume of the Southern African Humanities Journal was published with funds donated by the CNRS French Institute & PAST. A total of R445 000 was obtained from the NRF for research operations at the Museum in addition to R450 000 that was obtained from the National Lotteries Commission (NLC) to fund compliance with GRAP103 resulting in almost R900 000 being made available to fund research operations in 2016.

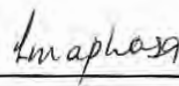
The care of the vast heritage collections at the KwaZulu-Natal Museum remain of utmost importance if the Museum is to undertake its mandate in an efficient and effective manner. While the full compliance regarding the valuation of heritage assets as required in terms of GRAP103 standard was not met, significant progress has been made to this effect. Five contract staff/interns were hired to complete the digitization of the Museum's assets. At its meeting on 28 May 2016, Council approved the Heritage Assets Valuation Policy and the Heritage Assets Implementation Plan. A lot of work has already been done as part of the valuation of heritage assets project. A biometric security system was installed in collection storerooms to control access. The back-up generator has been kept in a fully operational stand-by mode to ensure that temperature control is maintained even in cases of power failure. Individual air-conditioners were installed in all the Human Sciences collection storerooms at a cost of R240 000. Further to that various collection field trips that included staffs from other institutions were undertaken to supplement the Museum's collections.

Director's Overview

A Strategic Planning Session with Council was held on 5 November 2016. The Museum has aligned its programs with those of the Department of Arts and Culture, and identified programs and projects that address the Minister's Priorities. The Museum's Africa Month Program that was undertaken in collaboration with the Msunduzi Museum was accepted as one of the official Africa Month programs of the Department. Some of the challenges the KwaZulu-Natal Museum has faced over the years are staff development and retention of skilled staff. Many staff members were identified to undergo training both formally and informally in 2016. Close to R150 000 was spent on staff training and development. The Museum's collaboration with other institutions, notably the University of KwaZulu-Natal, also ensured that staff had access to training and studies at no extra cost to the Museum.

The KwaZulu-Natal Museum continues to play a significant role in the conservation and promotion of the natural and cultural heritage of KwaZulu-Natal

and South Africa. The Museum endeavors to be a Centre of Research Excellence whose exhibitions and outreach programs will continue to educate and promote the understanding of our rich heritage. The Museum participated in the establishment of the Natural Sciences Research Collections Facility that seeks to enhance the state of collections in museums and developing uniform standards for collections management that would eventually improve the quality of research and knowledge production for South Africa. I thank the Council, the Department of Arts and Culture officials, staff of the KwaZulu-Natal Museum and all our stakeholders for their support and continued presence in this "never ending journey of discovery".



Mr L Maphasa
Director



Submission and Legislative Mandate



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Submission of the Annual Report to the Executive Authority

For submission in terms of section 55 of the Public Finance Management Act, No 1 of 1999.

Legislative and Other Mandates

The KwaZulu-Natal Museum (formerly Natal Museum) is a Declared Cultural Institution established in terms of section 3 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998) and is governed by a Council appointed by the Minister of Arts and Culture. The KwaZulu-Natal Museum is listed under Schedule 3A of PFMA (Act No. 1 of 1999).

Statement of Responsibility and confirmation for the Annual Report

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

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

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

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

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

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

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2017.

Yours faithfully

Mr L Maphasa
Director

Prof N M Mazibuko
Chairperson of the Council

Strategic Overview

Programme 1: Administration

The objective of the programme is to:

- Ensure sound financial sustainability of the Museum, the effective and efficient management, administrative and operational activities.
- Ensure best governance, financial and human resource practices within the Museum to enhance compliance with applicable legislation.
- Render institutional support to the Museum's core functions by broadening the sphere of influence of the Museum.
- Promote public awareness of the Museum's services and amenities through publicity and events.
- Provide professional library services to serve the scientific community and the general public.
- Ensure proper maintenance of the Museum building and to provide technical support to internal departments.

Programme 2: Business Development

This programme is made up of two departments; the Natural Science Department and Human Science Department. The objective of this programme is to:

- Properly manage and maintain the natural and cultural heritage collections.
- Serve as centres for promotion of research and development.
- Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals

Programme 3: Public Engagement

The objective of this programme is to:

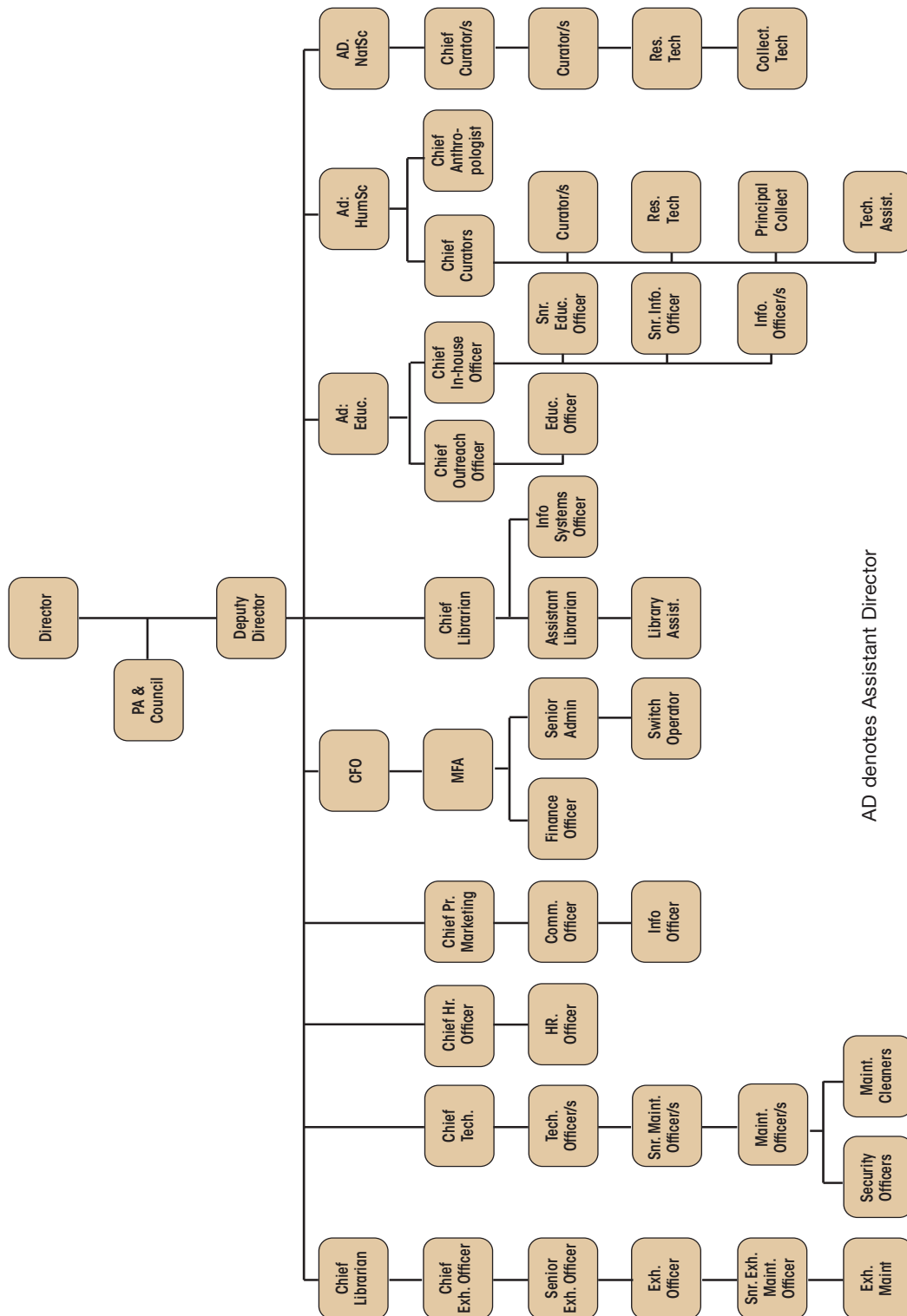
- Design and produce state of the art exhibitions and public programmes that showcase the Museum's programmes.
- Address national imperatives through exhibitions and public programmes.
- Accelerate skills development in the heritage sector by providing mentorship and training opportunities.
- Develop and implement education and outreach programmes for learners that are aligned to the Curriculum Assessment Policy Statement (CAPS) and National Curriculum Statement (NCS) and enhance heritage knowledge and education.
- Develop and strengthen local and international partnerships to advance the objectives of the Museum.

Organisational Structure



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KwaZulu-Natal Museum Organogram



Administration

PART B: PERFORMANCE INFORMATION

PROGRAMME 1: ADMINISTRATION

SUB-PROGRAMME 1.1: ENTITY MANAGEMENT AND GOVERNANCE

STRATEGIC OBJECTIVE 1.1.1: GENERATE INCOME

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Increase revenue from printing and creative services by 15% per annum.	R4 275	R11 737	R4 047 was generated from the printing services rendered during the period under review.	A negative variance of R7 690 or 65.5% was recorded.	The underperformance is attributable to the ageing specialized printer used to render printing services. The new printer was acquired in February 2017.
Increase turnover from Museum Shop by 4.6% per annum.	R56 068	R54 001	An amount of R44 127 was generated through shop sales.	This result is 18.3% below budget.	Even though the school groups visiting the Museum picked up, the number of general visitors remain low which contribute to the poor sales. Interventions are being put in place to improve the general visitor numbers.
Projected journal income to increase by 2% per annum.	R211 782	R39 000	An amount of R94 950 was received from the journal subscriptions and royalties' income stream.	The actual result outperforms the planned target by R55 950.	The positive variance is attributable to the royalties received that were not accounted for in the budget because the contract had been cancelled at the end of the 2015/16 period.
Increase in Learners Resource Centre revenue at a rate of 4.6% per annum.	R121 463	R150 182	The Learners Resource Centre recorded revenue amounting to R112, 736 during the period under review.	This result is 24.9% below planned target.	The underperformance on this item is a result of recurring connectivity problems at the Learners Resource Centre. The Museum upgraded its ADSL connectivity to fibre optic in March 2017; the improved connectivity speed will boost the number of users and thus revenue in the future.

Administration



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STRATEGIC OBJECTIVE 1.1.2: SOURCE EXTERNAL FUNDING

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Funding applications submitted and amount raised per annum.	Total raised is R1 227 500	R2.1 million	R445 000 received in total. - R80 000 NRF incentive funding awarded to Herbert. - R40 000 NRF incentive funding awarded to Whitelaw. - R40, 000 NRF incentive funding awarded to research associate Plisko. - R285 000 received from the NRF Human and Infrastructure Capacity Development Fund.	There was a shortfall of R1 655 000.	The planned target was based on the proposed projects in which funding has been applied for. The Museum did not raise (receive) grants for various public programmes during the 2016/17 period. The Museum has since revised this performance indicator to be based on the number of applications submitted rather than the amount raised as it is outside of the Museum control.

STRATEGIC OBJECTIVE 1.1.3: CONTAIN COSTS

Compliance with internal control procedures pertaining to procurement of goods and services to prevent irregular and wasteful expenditure. Compliance with PFMA.	Qualified audit opinion.	Unqualified audit report.	An internal audit for six months ended was conducted by Ash, Hellberg and van Rooyen in October 2016. The internal audit report issued by the auditors raised minor exceptions, indicating that the Museum is on the right track in respect of compliance with internal controls and PFMA. The internal audit report was presented to the Audit and Risk Committee in November 2016. Corrective action was agreed upon to address matters raised by the internal auditors.	No deviation.	
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Administration

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
			The Museum continued to produce monthly management accounts and quarterly financial reports to monitor expenditure trends.		

STRATEGIC OBJECTIVE 1.1.4: COMPLIANCE WITH LEGISLATION

Improved stakeholder relations: prepare and submit timeously the Museum Strategic Plan, Annual Performance Plan, Annual Budget, Quarterly Reports, Annual Financial Statements, ENE and MTEC databases and Annual Report. Hold regular Council and Audit Committee meetings, Internal Audit.	Qualified audit opinion.	Unqualified audit report.	<p>The Annual Financial Statements and the Annual Report for the year ended 31 March 2016 were prepared and submitted to the Auditor-General for audit on 31 May 2016.</p> <p>The Audited Annual Financial Statements for the year ended 31 March 2016 including the report of the Auditor-General were submitted to the DAC and National Treasury on 31 July 2016.</p> <p>The 2015/16 Annual Report was submitted to Parliament on 29 August 2016 in line with the date issued by DAC.</p> <p>The Museum prepared and submitted timeously all four Quarterly Reports to the DAC within one month of end of quarter.</p> <p>The MTEC 2017 and ENE 2017 were compiled and submitted to the DAC and National Treasury.</p>	No deviation.	
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Administration



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Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
			<p>The MTEC 2017 and ENE 2017 were compiled and submitted to the DAC and National Treasury.</p> <p>The Museum Council held four (4) Council meetings and twelve (12) Council Subcommittees meetings were held during the period.</p> <p>The Audit and Risk Committee met four times during the year under review.</p> <p>The Museum prepared and submitted the draft and final Annual Performance Plan, Shareholders Compact and Budget for the 2017/18 period within set timelines.</p>		

STRATEGIC OBJECTIVE 1.1.5: IMPROVE EMPLOYEE SATISFACTION

Improved productivity. Effectiveness and efficiency of Museum operations. Provide annual Budget for equipment.	R802 582 was spent on new asset acquisitions in the 2015/16 period.	R225 480	An amount of R1 181 762 was spent on the acquisition of new assets. Of this amount, R774 993 was financed by deferred grants and project funding. The Museum spent R406 769 of its own funding on acquiring new assets.	The Museum overspent its asset budget by R181 289.	The over expenditure is attributable to the replacement of a large format printer as well as new computer equipment for new staff members.
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Administration

STRATEGIC OBJECTIVE 1.1.6: STAFF TRAINING

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Training budget set at least at 1% of personnel expenditure per annum.	R143 326	R165 053	During the period under review, the Museum spent R149 060 on staff training and development benefiting 47 staff members.	The staff training item was under spent by 9.7%.	The various vacancies contributed to the under spending.

SUB-PROGRAMME 1.2: SUPPORT SERVICES

STRATEGIC OBJECTIVE 1.2.1: TO PROMOTE AND MARKET THE MUSEUM USING APPROPRIATE MEDIA

An annual increase of 5% in the number of visitors to the Museum.	64 579 visitors	79 358 visitors	81 563	A positive variance of 2.8% was recorded.	The fourth quarter recorded improved visitor numbers due to intensified marketing activities.
Advertising and marketing in various media platforms.	R117 000	R120 000	R131 780 was spent on advertising in local newspapers, Mum's Mail magazine, What Where & When tourist magazine, doctor's waiting room network advertising etc.	An over expenditure of 9.8% was recorded.	The over expenditure is attributable to recruitment adverts during the third quarter of the year.
Number of Friends of Museum Talks held per annum.	10 Talks	10	–	Not achieved.	Support for these talks has dwindled with attendance of about 4 or 5 people attending talks. Membership is stagnant and interest from the members has also waned significantly. Membership comprises mostly pensioners in their 80's who do not want to commit to taking a leadership role in the committee. It is also difficult to secure new speakers for the Saturday morning talk which could suggest a reason for the poor attendance. The programme is being reviewed.

Administration



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STRATEGIC OBJECTIVE 1.2.2: COORDINATE THE PUBLICATION OF THE STRATEGIC PLAN, ANNUAL PERFORMANCE PLAN AND ANNUAL REPORT

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Publication of Annual Performance Plan and Annual Report done timeously to meet applicable deadlines.	R48 174	Produce 1 Annual Report and 1 Annual Performance Plan. R60 000	An amount of R66 970 was spent to produce the 2015/16 Annual Report, Annual Performance Plan for the 2017/18 period and Shareholder Compact for the 2017/18 period.	A negative variance of 11.6% was recorded in expenditure.	The over expenditure is attributable to the hike in printing costs.

STRATEGIC OBJECTIVE 1.2.3: MAINTENANCE AND UPKEEP OF MUSEUM PROPERTY

Repair or report to DPW all identified defects and keep Museum building, vehicles and other equipment well maintained and safe to use.	All defects were repaired or reported to DPW.	All identified defects reported to DPW or repaired. Budget for the maintenance of building, vehicles and equipment: R280 680.	An amount of R284 030 was spent on the maintenance of the buildings, vehicles and equipment. All identified defects were repaired or reported to DPW.	Over expenditure by 1.2%.	The negative variance is attributable to unforeseen maintenance requirements.
Effective Health and Safety (H&S) Committee in place (4 meetings held per annum). Firefighting equipment and detection system serviced regularly.	4 meetings held.	4 H&S Committee meetings.	4 H&S meetings were held in May, July & November 2016 and March 2017. Remrad communicator (link with Fire Dept.) Serviced quarterly.	No deviation. No deviation.	

Business Development

PROGRAMME 2: BUSINESS DEVELOPMENT

STRATEGIC OBJECTIVE 2.1: DISSEMINATION OF RESEARCH OUTPUT (KNOWLEDGE) THROUGH PUBLICATION AND POPULAR PRESENTATION

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Publish one volume of African Invertebrates in hardy copy and electronic format.	Vol. 55(1-2): printed and bound. 20 papers of Vol. 56 published online.	Publish online and produce 1 hard copy volume of the African Invertebrate.	10 papers of Volume 57 published online.	Hard copy not printed.	Hard copy of Volumes 57 and 58 will be printed together in early 2018 as insufficient number of papers was published in Volume 57 to justify printing.
One issue / volume of the peer reviewed Southern African Humanities Journal per annum.	Southern African Humanities journal, volume 27, was completed (6 articles) in December 2015 and printed in January 2016.	Publish one volume of the Southern African Humanities journal.	Southern African Humanities journal Volumes 28 and 29 published.	One extra volume (29) of Southern African Humanities journal published.	One extra volume (29) of Southern African Humanities journal published using funding donated by CNRS French Institute and PAST (R85, 000).
Number of original peer-reviewed scientific research papers.	8 research papers.	6 research papers.	A total of 15 research papers published (see list of publications): 12 research papers published by the Natural Sciences Department. 3 research papers published by the Human Sciences Department.	The target was outperformed by 9 papers.	8 papers had been accepted for publication as early as March 2016. Research staff is always encouraged to perform better than expected. At any given time research staff members work on various papers. At times the papers are finalized ahead of schedule for various reasons.
Number of research papers presented at conferences and workshops	5 research papers presented at conferences and workshops.	7 presentations.	A total of 3 papers were presented at conferences:- Teasdale, L., Köhler, F., Hugall, A., Herbert, D., O'Hara, T., & Moussalli, A. 2016. Phylogenomics of the Pulmonate Land Snails. <i>Evolution 2016</i> , Austin, Texas, 17–21 June, 2016.	The actual results are 57% below target.	The 57% negative variance is attributable to staff shortage due to vacancies in the research departments during the period under review.

Business Development



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Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
			Thorp and Whitelaw presented two papers at the Biennial Conference of the Society of Africanist Archaeologists (SAfA), University of Toulouse Jean Jaurès, Toulouse, France, 26 June to 1 July 2016.		
Number of loan requests per annum. Responses to collection based enquiries.	45 loans managed.	35 loans issued / managed.	Total loans managed: 67. 59 loans were issued / managed in natural sciences. 8 loans were issued / managed in human sciences.	The final results are 32 above target.	This indicator is dependent on request from individuals and institutions for material. We endeavor to accommodate all legitimate requests for material from our collections.
Number of visiting researchers accommodated per annum.	49 local and international visitors accommodated.	24 visitors per annum.	34 local and international visitors were accommodated. Being 11 and 23 from the Natural Sciences and Human Sciences Departments respectively.	A positive variance of 10 was recorded.	The planned target is dependent on request by interested researchers to visit. We endeavor to accommodate all legitimate requests by researchers to access our collections as this is one of the core functions of the Museum
Popular presentation of research and collection information.	15 popular presentations including behind the scenes tours.	12 popular presentations (lectures, exhibits and behind-the-scenes tours).	A total of 24 popular presentations given during the period under review:- Natural Sciences: 8 popular presentations given. Human Sciences: 16 popular presentations given.	There were 12 more popular presentations during the period.	Planned target is for what the institution plans to achieve. However, we endeavor to accommodate legitimate requests for presentations from schools and the public wherever possible.
Assist with organizing the SAAS events.	Whitelaw assisted with holding 8 events for the South African Archaeological Society (SAAS).	Assist with 4 events per annum.	Whitelaw assisted with holding 9 events for the South African Archaeological Society (SAAS).	5 more SAAS events were supported.	Target shows minimum expected achievement. However, we endeavor to perform above expectation.

Business Development

STRATEGIC OBJECTIVE 2.2: COLLECTIONS MANAGEMENT

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Human Sciences: Proper recording of collections in the accession registers (Electronic Heritage Asset Registers). Contract staff appointed to fast track the process.	3 888 items in Cultural History photographed/ scanned. Anthropology – 1 384 objects were photographed. Archaeology – 2 099 entries captured. 5 boxes Sibudu material accession.	Complete Electronic Heritage Assets Register regularly updated by collection managers.	Cultural History database updated. 529 items were photographed (2 404 photos taken). Anthropology electronic database updated. 122 objects (recorded under 84 unique accession numbers) were photographed. Slides from the Adrian Flett collection (1 048 slides from 107 different sites) accessioned.	No deviation.	
Natural Sciences: Proper recording of collections in the accession registers (Electronic Heritage Asset Registers). Contract staff appointed to fast track the process.	22 618 lots catalogued and/ or digitised.	Complete Electronic Heritage Assets Register regularly updated by collection managers.	A total of 20 705 items were databased: Databasing activities:- Malacological collection: 10 230 Entomological collection: 261 Oligochaeta collection: 2 639 Arachnological collection: 4 713. Myriapoda collection: 2500. Minor collections: 362.	No deviation.	

Business Development



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Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Human Sciences: Temperature and humidity levels controlled, use of air-conditioners and dehumidifies. Monitored by data loggers devices, in collection storerooms. Annual budget for curatorial materials.	Storerooms were monitored 3 times per week (for maintenance requirements, temperature and humidity) and fans deployed to lower the temperature when the main air conditioning plant failed. Downloaded and printed 10 records for the store rooms from climatic data- loggers.	Proper conservation and preservation of Museum collections.	Storerooms were monitored 5 times per week (for maintenance requirements, temperature and humidity). Downloaded and printed 12 complete monthly records for all storerooms from climate data loggers for April 2016 to March 2017.	No deviation.	
Natural Sciences: Temperature and humidity levels controlled, use of air-conditioners and dehumidifies. Monitored by data loggers devices, in collection storerooms. Annual budget for curatorial materials.	Material collected during field surveys was processed, identified, labelled and databased, while day-to-day curation and management of the collections continued to ensure the well-being of departmental assets.	Proper conservation and preservation of Museum collections.	Material collected during field surveys was processed, identified, labelled and databased, while day-to-day curation and management of the collections continued to ensure the well-being of departmental assets. Midgley liaised with research technicians regarding collections management and advised on implementation of improved collections management practice.	No deviation.	
Number of field trips conducted.	11 field trips undertaken.	9 field trips.	9 field trips undertaken to enrich the research activities and to augment collections.	No deviation.	

Academic Output

Natural Sciences Department

Peer reviewed publications in accredited journals

- Bruggen, A.C. van, Herbert, D.G. & Breure, A.S.H. 2016. Prestonellinae—validation of the name as a new subfamily of Bothriembryontidae (Mollusca, Gastropoda, Orthalicoidae). *Zootaxa* 4084 (4): 590–592.
- Herbert, D.G. 2016. New narrow-range endemic land snails from the sky islands of northern South Africa (Gastropoda: Streptaxidae and Urocyclidae). *European Journal of Taxonomy* 236: 1–29.
- Herbert, D.G. & Moussalli, A. 2016. Revision of the dwarf cannibal snails (Nata s.l.) of southern Africa—Nata s.s. and Natella (Mollusca: Gastropoda: Rhytididae), with description of three new species. *Zootaxa* 4094(1): 1–67.
- Holness, S., Driver, A., Todd, S., Snaddon, K., Hamer, M., Raimondo, D., Daniels, F., Alexander, G., Bazelet, C., Bills, R., Bragg, C., Branch, B., Bruyns, P., Chakona, A., Child, M., Clarke, R.V., Coetzer, A., Coetzer, W., Colville, J., Conradie, W., Dean, R., Eardley, C., Ebrahim, I., Edge, D., Gaynor, D., Gear, S., Herbert, D., Kgatla, M., Lamula, K., Leballo, G., Lyle, R., Malatji, N., Mansell, M., Mecenero, S., Midgley, J., Mlambo, M., Mtshali, H., Simaika, J., Skowno, A., Staude, H., Tolley, K., Underhill, L., van der Colff, D., van Noort, S. & von Staden, L. 2016. Chapter 7: Biodiversity and Ecological Impacts: Landscape Processes, Ecosystems and Species. In: Scholes, R., Lochner, P., Schreiner, G., Snyman-Van der Walt, L. & de Jager, M. (eds.). *Shale Gas Development in the Central Karoo: A Scientific Assessment of the Opportunities and Risks*. CSIR/IU/021MH/EXP/2016/003/A, ISBN 978-0-7988-5631-7, Pretoria: CSIR.
- Janion-Scheepers, C., Measey, J., Braschler, B., Chown, S.L., Coetzee, L., Colville, J.F., Dames, J., Davies, A.B., Davies, S., Davis, A., Dippenaar-Schoeman, A.S., Duffy, G.A., Fourie, D., Griffiths, C., Haddad, C.R., Hamer, M., Herbert, D.G., Hugo-Coetzee, E.A., Jacobs, A., Jansen van Rensburg, C., Lamani, S., Lotz, L.N., Louw, S. vdM., Lyle, R., Malan, A.P., Marais, M., Neethling, J.-A., Nxele, T., Danuta Plisko, D., Prendini, L., Rink, A.N., Swart, A., Theron, P., Truter, M., Ueckermann, E., Uys, V.M., Villet, M.H., Willows-Munro, S. & Wilson J.R.U. 2016. Soil biota in a megadiverse country: current knowledge and future research directions in South Africa. *Pedobiologia* 59: 129–174.
- Moussalli, A. & Herbert, D.G. 2016. Deep molecular divergence and exceptional morphological stasis in dwarf cannibal snails *Nata sensu lato* Watson, 1934 (Rhytididae) of southern Africa. *Molecular Phylogenetics and Evolution* 95: 100–115.
- Nangammbi, T.C., Herbert, D.G. & Teske, P.R. 2016. Molecular insights into species recognition within southern Africa's endemic *Tricolia* radiation (Vetigastropoda: Phasianellidae). *Journal of Molluscan Studies* 82(1): 97–103.
- Rowson, B. & Herbert, D.G. 2016. The type species and circumscription of the species-rich Afrotropical snail genus *Gulella* L. Pfeiffer, 1856, based on anatomical and mtDNA data (Mollusca: Eupulmonata: Streptaxidae). *Archiv für Molluskenkunde* 145(1): 69–84.
- Rowson, B., Herbert, D.G. & Robertson, E.F. 2016. First reports of two terrestrial slugs (Gastropoda: Eupulmonata) from southern Africa. *Journal of Conchology* 42(3): 11–15.
- Nxele, T.C., Plisko, J.D., Mwavu, T. & Zishiri, O.T. 2016. A new family Kazimierzidae for the genus *Kazimierzus*, earlier recorded to the composite Microchaetidae (Annelida, Oligochaeta). *African Invertebrates* 57 (2): 111–117.
- Páll-Gergely, B., Muratov, I.V. & Asami, T. (2016). The family Plectopylidae (Gastropoda, Pulmonata) in Laos with the description of two new genera and a new species. *ZooKeys* 592: 1–26.

Conference papers and posters

- Teasdale, L., Köhler, F., Hugall, A., Herbert, D., O'Hara, T., & Moussalli, A. 2016. Phylogenomics of the Pulmonate Land Snails. *Evolution 2016*, Austin, Texas, 17–21 June, 2016.

Human Sciences Department

Peer reviewed publications in accredited journals

- Coutu, A.N., Whitelaw, G., Le Roux, P. & Sealy, J. 2016. Earliest evidence for the ivory trade in southern Africa: isotopic and ZooMS analysis of seventh–tenth century AD ivory from KwaZulu-Natal. *African Archaeological Review* 33 (4):411–435.
- Laue, G.B. 2016. Towards concepts of territoriality in southern African pre-colonial rock art: new insights from the Eastern Cape, South Africa. In Honoré, E. and Gutierrez, M. (eds.) *L'art rupestre d'Afrique, Actualité de la recherche, Actes du colloque International Paris, 15 au 17: 263–74*. Nanterre: Editions l'Harmattan.
- Whitelaw, G. & Hall, S. 2016. Archaeological contexts and the creation of social categories before the Zulu Kingdom. In: C. Hamilton & N. Leibhammer, eds, 'Tribing and Untribing the archive'.

Conference papers and posters

- Thorp, C. Thoughts on 'thinking strings'. Paper read at the Society of Africanist Archaeologists (SAfA) conference held at University of Toulouse Jean Jaurès, Toulouse, France, 26 June to 1 July 2016.
- Whitelaw, G. Homesteads, pots and marriage in southeast southern Africa. Paper read at the Society of Africanist Archaeologists (SAfA) conference held at University of Toulouse Jean Jaurès, Toulouse, France, 26 June to 1 July 2016.

Public Engagement



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PROGRAMME 3: PUBLIC PROGRAMMES

SUB-PROGRAMME 3.1: EXHIBITIONS

STRATEGIC OBJECTIVE 3.1.1: DEVELOP EXHIBITIONS

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Conduct research and plan the Rise of the Zulu Kingdom exhibition and open it to the public.	Some research already done by Human Sciences. Draft proposal was developed.	Conduct research, plan and produce exhibition.	Not achieved.	The exhibition was not produced. Meetings have led to further research. Draft proposal was developed and concept designs made.	The proposal was not submitted for funding as further research is still needed. Most of the Exhibitions Department's focus during the period was spent on completing the Bird Gallery upgrade.
Develop temporary and travelling exhibitions to take the Museum to the communities, particularly the previously disadvantaged communities.	Produced 2015 International Year of Light exhibition which travelled to four schools and one library. Designed and set up exhibitions were for the Garden Show which won a Gold award. Set up a display for the Careers Expo held at the Msunduzi Museum, and a departmental video advert was designed for future events.	1 travelling exhibition.	Two "Museum in a Box" traveling exhibitions were completed. One is based on mammals and the other based on birds.	No deviation.	
Host one temporary exhibition per annum.	Hosted the Positive Living exhibition, a temporary exhibition on HIV/AIDS by a local NGO to mark the World AIDS Day and 16 Days of Activism against Abuse.	Host one temporary exhibition.	Hosted and assisted in the production of 'Safe Spaces', a temporary exhibition by the Gay and Lesbian Network.	No deviation.	
Develop proposal and source funding for the Entomology/ Invertebrate exhibition in the Foreign Mammal Hall, focusing on insects and research done at KZN Museum.		Develop proposal and source funding.	Draft proposal was developed. Concept design for the first phase of the project was presented to the Display Focus Group on 13 March 2016.	No deviation.	

Public Engagement

STRATEGIC OBJECTIVE 3.1.2: MAINTAIN AND UPGRADE EXISTING EXHIBITIONS

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Mammal Hall upgrade.	Freestanding mammals were treated. Cracks caused by temperature fluctuations were patched and painted on the elephants, rhino and hippo.	Properly maintained Mammal Hall.	Freestanding mammals were treated with leather care. Hides were regularly inspected for any deterioration.	No deviation.	
Bird Gallery: Indigenous Knowledge added to the exhibitions through relabeling and upgrading.	Finalized the proposal designed concepts. Completed 3 large bird cage display stands. Designed swallow sculpture and had them laser cut for instillation. Light box frames constructed. Various tasks were undertaken as required.	Add IKS to Bird Gallery.	IKS added to the Bird Galleries. The upgrade was completed in December 2016.	No deviation.	
Upgrade Hunter Gatherer Exhibition, with inclusion of new Sibudu display.	Display case constructed.	Reconceptualise Bushman display with IsiZulu labels and models as required.	Received new research, produced new content and developed new concept. New 3D TV and content donated by the African Conservation Trust was installed in the San/Bushman auditorium.	No deviation.	

Public Engagement



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SUB-PROGRAMME 3.2: EDUCATION AND OUTREACH PROGRAMMES

STRATEGIC OBJECTIVE 3.2.1: DEVELOP AND IMPLEMENT QUALITY EDUCATION AND OUTREACH PROGRAMMES TO EXPAND THE AUDIENCE BASE

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
At least 10% annual increase in the number of visitors from schools.	15 065	21 348 learners	27 307 learners visited the museum.	The Museum recorded a positive variance of 27.9% or 5 959.	The Museum reviewed various programmes and intensified marketing activities targeted at school groups.
Increase in the number of learners attending the Sabalala Nolwazi Environmental Youth Club programme: 10% annual increase in the number of learners	873 learners participated in the programme.	986 participating learners.	838 participating learners.	There is a negative variance of 15%.	Challenges with transport led to a decline in participants. Some parents struggle with fares; others complain that taxis are not reliable and deliver the children very late.
Number of schools participating in the Rural Schools Outreach Programme per annum.	17 schools participated.	17 participating schools.	17 schools participated.	No deviation.	
Host 2 Creative Arts Workshop as part of the Holiday Programme per annum.	Two holiday programmes and one evening at the museum were held over the winter and summer holidays.	2 Creative Arts Workshops	Two holiday programmes and one evening at the museum were held over the winter and summer holidays.	No Deviation.	
Host 2 Creative Arts Workshop as part of the Holiday Programme per annum.	Two holiday programmes and one evening at the museum were held over the winter and summer holidays.	2 Creative Arts Workshops	Two holiday programmes and one evening at the museum were held over the winter and summer holidays.	No Deviation.	

Public Engagement

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Host the Annual Heritage Quiz Competition event where schools participate.	The Heritage Quiz and Speech Competition was held on 29 October 2015. 10 schools participated.	Host one Heritage Quiz Competition.	Heritage Quiz and Speech Competition took place on 26 October 2016. 60 learners from 8 schools participated.	No Deviation.	
Number of Special (National Days) days celebrated per annum.	12 days celebrated.	10 commemorative days observed.	<p>The Wellness Day event took place on 8 April 2016. 34 staff members and 32 visitors attended.</p> <p>The Biodiversity Day event took place on 20 May 2016 in the Botanical Gardens. 139 attended.</p> <p>The Youth Day event, in collaboration with EDTEA and UMDM Municipality was on 23 June 2016. 170 people attended.</p> <p>Mandela Day – Arthur Blaxall School for the Blind came for a behind the scenes tour on 20 July 2016. 35 learners attended.</p> <p>A R2 000 book voucher was presented to Thornville Primary School on 26 July 2016 towards the development of a library. 54 learners attended.</p> <p>Women's Day - The event took place on 11 August 2016 in collaboration Umgeni Water. 50 women attended.</p>	No Deviation.	

Public Engagement



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Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
			<p>Arbor Week - Seven schools were visited in September 2016. They were taught the importance of trees. 48 trees were planted.</p> <p>Heritage Day - The event was hosted in collaboration with Msunduzi Museum on the 23rd of September. 307 people attended.</p> <p>16 Days of activism for No Violence Against Women and Children - Posters were displayed. Ribbons were distributed to visitors. Messages of support written by visitors was displayed.</p> <p>World Aids Day - Posters were displayed. Red ribbons were distributed to visitors. Messages of support written by visitors was displayed.</p> <p>Human's Rights Day - Event took place on the 23 March 2017. Talk by South African Humans Right Commission and Lawyers for Human Rights. 197 learners attended.</p>		

Public Engagement

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Number of local women participating in skills transfer workshop per annum.	20 women participated in the sewing skills workshop.	44 women participants.	50 women attended the Women's Day event workshop on the 11 August 2016. The workshop was about Water Conservation and Sanitation.	There is a positive variance of 6 participants.	Target shows minimum number of women to be trained during the period. However, we endeavor to provide as many opportunities as possible.

STRATEGIC OBJECTIVE 3.2.2: BUILD AND MAINTAIN PARTNERSHIPS WITH THE DEPARTMENT OF EDUCATION AND OTHER HERITAGE/CONSERVATION INSTITUTIONS

Hold two (2) workshops with the Educators and Subject Advisors per annum.	2 workshops held.	2 workshops held.	<p>Underwater Cultural Heritage Youth Development Programme - Event took place on the 11& 12 April 2016. The focus was underwater heritage. 38 educators and learners attended.</p> <p>Evolution Workshop – Event took place on the 27 February 2017. 51 educators and 2 subject adviser attended.</p> <p>Sabalala Nolwazi Educators Workshop- Event was held on the 17 February 2017. 21 educators attended.</p>	The Museum held one more workshop than initially planned.	The Underwater Cultural Heritage Youth development programme was a special request from SAHRA and we saw it fit to participate and contribute in creating awareness of our underwater heritage.
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Public Engagement



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Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Partnership with other institutions number of collaborative projects per annum.	2 collaborative projects held.	3 collaborative educational projects.	Happy Earth Festival – Event took place in Botanical Gardens on the 14/15 April 2016. 1 300 learners attended. Take a Girl Child to Work event , in collaboration with UMDM stakeholders on 26 May 2016. 30 learners participated.	No deviation.	
Work with community leaders to develop Museum awareness. Host one seminar with various community leaders per annum.	Organized the Amakhosi (Chiefs) Workshop on 17 – 19 August 2015.	1 seminar to be held.	Traditional Leaders' Summit - The event took place on 19 to 21 October 2016. It was done in collaboration with EDTEA and Ezemvelo-KZN Wildlife. 152 people attended the event. Traditional Healers Workshop- Event was hosted in collaboration with UMDM Municipality on 28 February 2017. The focus was on health and conservation issues. 65 people attended.	No deviation.	

STRATEGIC OBJECTIVE 3.2.3: MAINTAIN AND STRENGTHEN LOCAL AND INTERNATIONAL LINKS FOR THE ADVANCEMENT OF RESEARCH COLLABORATION

Number of collaborative projects undertaken per annum.	6 collaborative projects undertaken.	10 collaborative projects.	Participated in 10 collaborative projects during the period under review. Some of the institutions involved with were: Natural Museum, Wales; Natural History Museum in United Kingdom; Museum Victoria; University of KwaZulu-Natal; Rhodes University.	No deviation.	
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Public Engagement

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Number of joint field trips undertaken per annum.		6 joint field trips.	There were 5 joint field trips undertaken during the period. Some of the institutions involved with were: Amafa, Wits and the University of Manitoba.	The actual result is 1 below target.	The under achievement is attributable to staff shortage in the Natural Sciences Department for most of the period in review. This issue has been addressed.
Number of manuscripts reviewed for international journals per annum.	9 manuscripts reviewed.	9 manuscripts.	17 manuscripts reviewed during the period: Natural Sciences Department (12 manuscripts reviewed) Human Sciences Department (5 manuscripts reviewed)	Eight more manuscript reviews were conducted during the period.	Reviews are requested by journal editors, giving DNS no control over the number of papers reviewed. This is an important role played by the institution as a 'centre of research excellence'.
STRATEGIC OBJECTIVE 3.2.4: BUILD RELATIONSHIPS WITH OTHER MUSEUMS AND TOURIST ATTRACTIONS IN THE CITY					
Number of collaborative events with other institutions held per annum.	3 collaborations.	3 collaborations.	Collaborated with two other Museums for the Museum Passport Competition. Collaborated with the Happy Earth Forum (a total of 20 organisations in partnership) to promote the Museum at the Happy Earth Festival.	No deviations.	

Public Engagement



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STRATEGIC OBJECTIVE 3.2.5: CAPACITY BUILDING

Performance Indicator	Actual Achievement 2015/16	Planned Target 2016/17	Actual Achievement 2016/17	Deviation from planned target to Actual Achievement for 2016/17	Comment on deviations
Number of students trained or supported each year. Successful award of postgraduate degrees and other tertiary qualifications.	16 students/ interns trained.	20 students/ interns trained.	<p>13 students trained in total.</p> <p>Hosted 7 Travel and Tourism students from the Durban University of Technology for six months.</p> <p>Hosted one Travel and Tourism graduate from Durban University of Technology for three months.</p> <p>Hosted 2 students from ICESA City Campus for three months.</p> <p>Hosted 2 high school learners over spring holidays.</p> <p>Herbert continued to mentor Mary Cole for her PhD. The project is on the systematics of Chondrocyclus. The PhD has now been awarded.</p>	The actual performance is 40% below target.	In the previous year we entered an agreement with the Thembalihle NGO for placement of their group at the Museum. The planned target took into account this group. However, Thembalihle programme was discontinued and affected our target.
Host at least one (per annum) NRF intern in the research departments (Natural / Human Sciences).	3 interns trained.	1 NRF intern hosted.	Three interns employed with the assistance of the NRF.	There is a positive variance of two (2) between the actual and target.	Two interns were employed through the Natural History Collection grant and one intern was employed through the NRF annual internship programme.

Human Resources Management

PART C: HUMAN RESOURCES MANAGEMENT

Personal Costs

Total expenditure R'000	Personnel expenditure R'000	Training expenditure R'000	Consultancy services R'000	Pension Fund contribution	Personnel costs as a % of total expenditure	Average personnel cost per employee
21 516 662	16 106 763	149 060	Nil	1 587 275	74.9%	272 996

Salaries, Overtime, Housing Allowance & Medical Assistance

Amount	Salaries as a % of personnel cost	Amount R'000	Overtime as a % of personnel cost	Amount R'000	H/A as a % of personnel cost	Amount R'000	Medical as a % of personnel cost
12 789 928	79.4%	–	–	500 764	3.1%	922 970	5.7%

Employment and Vacancies

Number of posts	Number of posts filled	Vacancy Rate
60	59	1.7%

Annual Turnover Rates by Salary Levels for the Period

Number of employees as of 1 April 2016	Appointments & transfers into the institution	Termination & transfers out of the institution	Turnover rate	Number as at 31 March 2017
57	8	6	3.5%	59

Reasons Why Staff Are Leaving the Institution

Termination type	Number	% of total
Death	0	0
Resignations	5	8.5%
Expiry of Contract	1	1.75%
Dismissal – Operational changes	0	0
Dismissal - misconduct	1	1.75%
Dismissal –In-efficiency	0	0
Discharge due to ill health	0	0
Retirement	0	0
Other	0	0
Total	6	–
Total number of employees who left as a % of the total employment	–	12%

Human Resources Management



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Employment Equity

Post level	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Management	3	–	–	2	1	–	–	1	7
Middle management & high level specialist	1	–	1	3	2	–	1	–	8
Supervisor & high level skilled/ clerical	10	1	1	1	9	–	2	4	28
Lower level skilled/ clerical	9	–	–	–	7	–	–	–	16
Total	23	1	2	6	19	–	3	5	59

HIV / AIDS & Health Promotion Programmes

Units/ categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	N/A
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Labour Relations

Misconduct and Disciplinary Hearing Finalised

Outcomes of the disciplinary hearings	Number
Correctional Counseling	0
Verbal Warning	0
Written Warning	0
Final Written Warning	1
Suspended Without pay	0
Fine	0
Demotion	0
Dismissal	0
Not Guilty	0
Case Withdrawn	0
Total	0

Types of Misconduct Addressed at Disciplinary Hearings

Type of misconduct	Number
Unauthorized absence	1
Late arrival	0
Poor Work Performance	0
Gross Irregularities	0

Human Resources Management

Skills Development

Training Needs Identified

Gender	Number of employees as at 1 April 2016	Training needs identified at the start of reporting period			
		Learnerships	Skills programmes and other short courses	Other forms of training	Total
Female	20	–	11	–	12
Male	20	–	13	–	13
Total	40	–	24	–	24

Training Needs Provided

Gender	Number of employees as at 1 April 2016	Training needs identified at the start of reporting period			
		Learnerships	Skills programmes and other short courses	Other forms of training	Total
Female	29	–	9	–	9
Male	20	–	10	–	10
Total	49	–	20	–	20



PART D: GOVERNANCE

1. Introduction

Corporate governance embodies processes and systems by which the KwaZulu-Natal Museum is directed, controlled and held to account. In addition to legislative requirements based on the KwaZulu-Natal Museum's enabling legislation, corporate governance with regard to the KwaZulu-Natal Museum is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King's Report on Corporate Governance.

Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

2. Council

The KwaZulu-Natal Museum, a Declared Cultural Institution in terms of the Cultural Institutions Act, 1998 (Act 119 of 1998) has no share capital. The Institution is governed by the Council, appointed by the Minister of Arts and Culture. The term of the old Council began in May 2012 and ended in August 2015. On the 1 September 2015 a new Council assumed office and its term is due to expire in August 2018.

2.1 The Functions of Council

The functions of Council are:-

- To formulate policy;
- To hold, preserve and safeguard all movable and immovable property of whatever kind placed in their care or loaned or belonging to the KwaZulu-Natal Museum;
- To receive, hold, preserve and safeguard all specimens and collection of all other movable property placed under its care and management under Section 10 (1) of the Cultural Institutions Act;
- To raise funds for the KwaZulu-Natal Museum;
- To manage and control the monies received by the KwaZulu-Natal Museum and to utilise those monies for defraying expenses in connection with the performance of its functions;
- To keep a proper record of the property of the KwaZulu-Natal Museum, and to submit to the Director-General any returns required by him or her in regard thereto and to cause proper books of account to be kept;
- To determine and substitute the Cultural Institutions Act and with the approval of the Minister, the object of the declared institution; and
- To generally carry out the objects of the declared institution.

Council may determine the hours and conditions to which the public may visit the KwaZulu-Natal Museum. The Council shall have the power to appoint such persons as it considers necessary to perform the functions of the KwaZulu-Natal Museum, the determination of the remuneration and terms and conditions of services shall be in accordance with the scheme approved by the Minister in consultation with the Minister of Finance.

2.2 Statement of Council Members' Responsibility

Council members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the Annual Financial Statements (AFS) and related information. The auditors are responsible for reporting on the fair presentation of the Annual Financial Statements for 2016/2017.

The AFS are prepared on a going-concern basis. Nothing has come to the attention of the members of Council to indicate that the institution will not remain a going concern for the foreseeable future.

The AFS have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP 1 to 3). The Institution's Audit and Risk Committee approved the AFS at its meeting on 20th May 2017. Council approved the AFS at its meeting on the 27th May 2017.

Council is also responsible for the systems of internal controls that are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify, and maintain accountability for assets, and to prevent and detect material misstatements and losses.

Governance

In line with the Cultural Institutions Act of 1998 and the Public Finance Management Act of 1999, and in order to undertake its role in a more effective manner, Council has delegated its management responsibilities to the Director and suitably trained personnel appointed by and under the management of the Director. Council continues to develop policy and provide an oversight role. Nothing has come to the attention of the members of Council to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

2.3 Composition of Council

Council for the period

Name	Qualifications	Other Committees	Number of meetings attended
Mazibuko, Prof. N.M. (Chairperson)	BA (UNIZUL), BA (Hons) (UNIZUL), BA (Communications) (UNISA), MA (Soc.Sci) (NATAL-UN), PhD (UIC), Dip (PR) (DAMELIN)		4
Dantile, Mr. F. (Deputy Chairperson)	BCom (University of Transkei), BA (Hons) (WSU), Dip (Business Management) (Executive Education), Dip (Labour law) (IDEC)	Human Resources and Remuneration Committee	6
Coovadia, Mr. D.	B.Compt (Hons), CA (SA), RA, FIMC, CMC, FIAC, FCIS, FSAIM, BA (SA), PIA (SA), FILASA CAT (UK), MInstD	Audit & Risk Committee and Finance and Procurement Committee	12
Croeser, Mr. P. (Until 30 Oct 2016)	BSc Botany & Entomology (Rhodes), BSc Entomology (Hons) cum laude (NATAL), MSc Entomology: Phylogenetic Systematics cum laude (NATAL)	Human Resources and Remuneration Committee	4
Khuzwayo, Mr. N.	B. Pedagogic (UNIZUL), Project Management (Higher Cert.) (MAPP SETA), Economic Development (Higher Cert.) (UWC)	Human Resources and Remuneration Committee	7
Magaqa, Adv. S (from 1 Feb 2017)	BProc (UNITRA), LLB (Wits)	Human Resources and Remuneration Committee	1
Makunga, Prof. N.	BA (Hons) (Fort Hare), MA Clinical Psychology (Natal), D Litt et Phil (UNISA); Dip (Management Practice) (Isis College), Dip (General Nursing) (Natalspuik), Higher Education Management (Cert.) (WITS), Project Management (Cert.) (NDF Training SC Consultancy, BE, The Netherlands), American Council of Education Fellows Program on Higher Education	Audit & Risk Committee and Finance and Procurement Committee	6
Malapane, Dr. (Honorary) S.	Honorary Doctor in Divinity (Wesleyan Theological Seminary), Project Management (Cert.), Marketing (Cert.)	Finance and Procurement Committee	9
Ranchod, Mr. K.	Pr. Teachers Certificate, Pr. Teachers Diploma (Dower Training College), BA (UPE), B. Ed (Rhodes), MA in Education Planning, MA in Education Theory & Policy (Penn State University, USA), MA in Social Research (UJ)	Finance and Procurement Committee	9

In addition to the above Council members, persons attending the Council meetings included: Mr L. Maphasa, Director; Mr S. Miya, Deputy Director; Mr S. Dlamini, Manager: Finance & Administration; Mr M. Mazibuko, Contract Finance Officer, Miss M. Ndlovu, Acting Finance and Administration Officer and Ms N. Zondi, Council Secretary.

2.4 Committees

Various Committees of the Council met to discuss specific issues and made recommendations to Council. The following Committees met during the 2016/2017 financial year:

Council for the period

Committee	Number of meetings attended	Number of Members	Name of Members
Audit and Risk Committee	4	5	Stobie, Prof B.S.CA (SA) (Chairperson - Independent); Jordan, Mr M.A. PA (SA) (Independent); Coovadia, Mr D; Makunga, Prof N and Moodley, Mrs R. CA (SA), CIA, CCSA (Independent)
Human Resources and Remuneration Committee	3	3	Dantile, Mr F (Chairperson); Croeser, Mr P (until 30 October 2016), Magaqa, Adv. S (from 1 February 2017) and Khuzwayo, Mr N
Finance and Procurement Committee	4	3	Malapane, Dr S. (Chairperson); Coovadia, Mr D; Makunga, Prof N. and Ranchod, Mr K.

3. Risk Management

Risks are managed in terms of the KwaZulu-Natal Museum Risk Assessment Management Plan and Disaster Response and Recovery Plan. A risk assessment is conducted annually to identify risks; the risks are recorded in the risk assessment management plan. The risk assessment management plan is monitored, reviewed and approved by Council. Management reports on progress made to address the risks identified to the Audit and Risk Committee and Council on a quarterly basis.

4. Internal Control Unit

Internal Audit performs audits as per the approved internal audit strategy. The internal audit services are outsourced.

5. Compliance with Laws and Regulations

The KwaZulu-Natal Museum, in terms of Section 4 of the Cultural Institutions Act, constitutes a corporate body and accordingly, the KwaZulu-Natal Museum, the Council and all members are required to comply with the principles of good corporate governance and all laws and regulations. The Audit and Risk Committee is in place to ensure that the KwaZulu-Natal Museum complies with all the laws and regulations. The KwaZulu-Natal Museum has in place an internal audit function that performs a review of compliance with laws and regulations on an annual basis. The KwaZulu-Natal Museum reports on compliance with laws and regulations on a quarterly basis. The PFMA checklist is completed and approved by Council.

6. Minimising Conflict of Interest

Management and all staff of the KwaZulu-Natal Museum complete an annual declaration of interest form. Management and staff are encouraged to update the form as and when there is a change in circumstances. In addition, prior to the commencement of the Council meetings, Council members are required to declare potential interest on an agenda item.

7. Code of Conduct

The KwaZulu-Natal Museum has in place the Employee Relations Policy, the policy deals with conduct in the workplace and covers the following topics:-

- Relationship Management Strategy
- Statutory Legislative Requirements
- Conflict Resolution and Preventative Mechanisms
- Disciplinary Code and Procedure
- Grievance Procedure
- Harassment Policy

The Employee Relations Policy is stored in the public drive on the Museum's ICT network to be easily accessible to all staff members.

8. Health, Safety and Environment Issues

The KwaZulu-Natal Museum has established an internal Health and Safety Committee. The primary objective of the committee is to ensure that the Museum is health and safety regulations compliant. Health and safety matters are attended to on a day to day basis. The committee meets on a quarterly basis and a Health and Safety Report is presented at the Audit and Risk Committee on a quarterly basis. Compliance with the health and safety regulations is one of the performance indicators under the Administration Programme (Support Services Sub-programme).

The KwaZulu-Natal Museum houses the Sabalala Nolwazi programme that teaches the youth on the importance of recycling by making useful items from recycled material.

9. Social Responsibility

The KwaZulu-Natal Museum is an entity under the Department of Arts and Culture and accordingly it must address the national imperatives.

As part of contributing towards skills development an agreement of understanding with the Durban University of Technology is in place to offer experiential training to final year tourism students. Twelve students benefited from this programme. The rural outreach programme is pivotal at ensuring that the rural communities have access to Museum educational programmes by taking the Museum to the people; this initiative goes a long way in supplementing learner education since the Museum's educational programmes are curriculum aligned. The Museum celebrated the Nelson Mandela Day by conducting activities in the spirit of uplifting the communities where it operates. Museum staff conducted a behind the scenes tour for 35 learners from the Arthur Blaxall School for the blind on the 20th July 2016. A book voucher to the value of R2, 000 was presented to Thornville Primary on the 26th July 2016 to assist in the development of a library, 54 learners attended the event.

PART E: FINANCIAL INFORMATION

Report of the Audit and Risk Committee

We are pleased to present our report for the financial year ended 31 March 2017.

Audit and Risk committee Members and Attendance

The Audit and Risk Committee consists of the members listed hereunder and met four times during the period under review as per its approved terms of reference.

Members

Name of Members	Number of meetings attended
Stobie, Prof B (Chairperson - independent)	4
Coovadia, Mr D	4
Jordan, Mr M.A. (independent)	4
Makunga, Prof. N	3
Moodley, Mrs R. (independent)	1

Audit and Risk Committee Responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from Section 51 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference as its Audit and Risk Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the previous year revealed certain weaknesses, which were then raised with the public entity.

The following internal audit work was completed during the year under review:

- Cash management
- Procurement and payment cycle
- Budget management
- Performance information
- Safeguarding of assets including heritage assets
- The information systems environment
- Reliability and integrity of financial and operational information
- Compliance with laws, regulations and controls

In-Year Management Quarterly Report

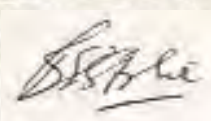
The public entity has reported quarterly to the National Treasury and the Department of Arts and Culture as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity and the management report issued by the Auditor-General. In the period under review, the entity did not comply with the valuation aspect of the GRAP 103: Heritage Assets standard. The Committee is pleased that the Department of Arts and Culture has committed to provide funding for the valuation of heritage assets in the 2017/18 period.

Auditor's Report

The Audit and Risk Committee accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



Professor Bruce Stobie CA (SA)

Chairperson of the Audit and Risk Committee

Date: 29th July 2017

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE KWAZULU-NATAL MUSEUM

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified opinion

1. I have audited the financial statements of the KwaZulu-Natal Museum set out on pages 50 to 72, which comprise the statement of financial position as at 31 March 2017, statement of financial performance, statement of changes in net assets, statement of cash flows, and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the KwaZulu-Natal Museum as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for qualified opinion

Heritage assets

3. The entity did not measure its heritage assets at cost or fair value in accordance with GRAP 103 Heritage assets as disclosed in note 1.7 to the financial statements. I was unable to determine the impact of the non-measurement of this value by alternative means, as it was impracticable to do so.
4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
5. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of accounting authority for the financial statements

7. The council, which constitutes the accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, the accounting authority is responsible for assessing the KwaZulu-Natal Museum'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 there is an intention either to liquidate the entity or to cease operations, or there is no realistic alternative but to do so.

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

9. 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the annual performance report

Introduction and scope

11. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

Report of the Auditor-General



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12. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
13. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 - business development	24 – 28
Programme 3 - public engagement	29 – 37

14. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
15. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected programmes presented in the paragraph 13 above.

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

17. The annual performance report on pages 18 to 37 includes information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets.

Report on audit of compliance with legislation

Introduction and scope

18. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
19. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:

Annual financial statements

20. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework as required by section 55(1) (b) of the PFMA. The uncorrected material misstatements of heritage assets resulted in the financial statements receiving a qualified audit opinion.

Other information

21. The accounting authority of the entity is responsible for the other information. The other information comprises the information included in the annual report which includes the report of the chairperson of council and the audit committee's report. The other information does not include the financial statements the auditor's report thereon and those selected programmes presented in the annual performance reports that have been specifically reported on in the auditor's report.
22. My opinion on the financial statements and the reported performance information and findings on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard

Report of the Auditor-General

23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard this Plan.

Internal control

24. I considered internal control relevant to my audit of the financial statements, the annual performance report and compliance with legislation. The matters reported below are limited to the internal control deficiencies that resulted in the basis for qualified opinion included in this report.

Financial management

25. Management did not prepare accurate financial statements that are supported and evidenced by reliable information due to insufficient resources to measure the heritage assets.

Auditor-General

31 July 2017

Pietermaritzburg



AUDITOR - GENERAL

Annexure - Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the compliance with respect to the selected subject matters for the KwaZulu-Natal Museum.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the 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 by the accounting authority.
- conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability 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 the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

KwaZulu-Natal Museum Financial Statements



an agency of the
Department of Arts and Culture

for the year ending 31 March 2017

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APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements set out on pages 3 - 24 which are the responsibility of the Director and the Council of the Museum, were approved by them on the 27th May 2017 and are signed on their behalf by:



PROF. NM MAZIBUKO
CHAIRPERSON



MR LJ MAPHASA
DIRECTOR

Council Members

for the year ending 31 March 2017

Council Members for the period:
(refer Note 15 for details of emoluments)

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**Council
Meetings
attended**

Council Members for the period 1 April 2016 - 31 March 2017	
Mazibuko, Prof. N.M. (Chairperson)	4
Maphasa, Mr L.J. (Director)	4
Coovadia, Mr. D.	4
Croeser, Mr P. (until 29 October 2016)	2
Dantile, Mr. F.	4
Khuzwayo, Mr N.	3
Magaqa, Adv. S (from 1 February 2017)	1
Makunga, Prof. N.	3
Malapane, Dr. S.	4
Ranchod, Mr K.	4

Executive Directors for the period:
(refer Note 15 for details of emoluments)

Maphasa, Mr L.J.	Director
Miya, Mr S.R.	Deputy Director
Dlamini, Mr S.E.	Manager: Finance and Administration (from 1 February 2017)
Flanagan, Mr W.	Assistant Director: Exhibitions (from 1 February 2017)
Johnson, Ms B.	Assistant Director: Exhibitions (until 31 October 2016)
Midgley, Dr. J.	Assistant Director: Natural Sciences (from 1 March 2017)
Ntombela, Mrs T.S.	Assistant Director: Education (from 1 February 2017)
Thorp, Dr. C.R.	Assistant Director: Human Sciences

During the period under review the following staff members acted in the respective positions:

Dlamini, Mr S.E. acted as the Manager: Finance and Administration from 1 April 2016 to 31 January 2017.
 Flanagan, Mr W. acted as the Assistant Director: Exhibitions from 1 November 2016 to 31 January 2017.
 Ntombela, Mrs T.S acted as the Assistant Director: Education from 1 July 2016 to 31 January 2017.
 Ngidi, Mrs P. acted as the Assistant Director: Education from 1 April 2016 to 30 June 2016.

Bankers: First National Bank

Auditors: Auditor-General of South Africa

Registered Office
 237 Jabu Ndlovu Street
 Pietermaritzburg
 3201

Contact Details:
 Telephone: 033 - 345 - 1404
 Fax: 033 - 345 - 0561

Website: <http://www.nmsa.org.za>

Statement of Financial Position



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for the year ending 31 March 2017

	NOTES	2016/17 R	Restated 2015/16 R
ASSETS			
Non current assets		3,197,082	2,374,611
Property, plant and equipment	2	3,151,325	2,339,730
Intangible Assets	3	45,758	34,881
Current assets		8,725,454	10,054,118
Non current assets held-for-sale		-	28,000
Inventories	4	12,615	16,182
Trade and other receivables	5	224,479	565,731
Cash and cash equivalents	6	8,488,360	9,444,205
<u>TOTAL ASSETS</u>		<u>11,922,536</u>	<u>12,428,729</u>
LIABILITIES			
Non current liabilities			
Deferred grants and project funding	7	5,347,738	5,662,825
Current liabilities		1,000,340	1,098,703
Trade and other payables	8	78,288	280,855
Provisions	9	922,052	817,848
<u>TOTAL LIABILITIES</u>		<u>6,348,078</u>	<u>6,761,528</u>
NET ASSETS CAPITAL AND RESERVES			
Accumulated surplus		5,574,458	5,667,201
Accumulated surplus: from operations	23	4,930,688	4,610,834
Add: Non-repayable funding: funds available	22	643,770	1,056,367
<u>TOTAL NET ASSETS</u>		<u>5,574,458</u>	<u>5,667,201</u>
<u>TOTAL NET ASSETS AND LIABILITIES</u>		<u>11,922,536</u>	<u>12,428,729</u>

Statement of Financial Performance

for the year ending 31 March 2017

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	NOTES	2016/17 R	Restated 2015/16 R
REVENUE		35,462,483	33,105,699
<u>Non exchange revenue</u>			
Transfers and subsidies	10.1	20,157,190	19,589,537
Services in-kind	10.2	14,028,808	12,295,485
<u>Exchange revenue</u>			
Sale of goods and rendering of services	11	706,159	732,430
Interest		570,326	488,247
 EXPENDITURE		 (35,555,227)	 (32,787,286)
Compensation of employees	12	(16,106,763)	(15,051,959)
Goods and services	13	(18,883,691)	(17,279,324)
Loss on disposal of assets		(18,600)	(9,604)
Depreciation and amortisation of assets	2	(546,173)	(446,399)
 NET SURPLUS / (DEFICIT) FOR THE YEAR		 (92,744)	 318,412

Statement of Changes in Net Assets



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for the year ending 31 March 2017

	NOTES	Accumulated Surplus	Total Net Assets
		R	R
Balance at 1 April 2015		5,348,789	5,348,789
Surplus for the year		318,412	318,412
<u>Balance at 1 April 2016</u>	23	<u>5,667,201</u>	<u>5,667,201</u>
Deficit for the year		(92,744)	(92,744)
<u>Balance at 31 March 2017</u>	23	<u>5,574,458</u>	<u>5,574,458</u>

Cash Flow Statement

for the year ending 31 March 2017

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	NOTES	2016/17 R	Restated 2015/16 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts		21,641,066	21,003,548
Non exchange revenue	10	20,157,190	19,589,537
Sale of goods and rendering of services	11	667,093	653,800
Interest received		570,326	488,247
Other operating revenue	25	246,457	271,964
Cash payments		(20,961,646)	(20,035,798)
Compensation of employees	12	(16,106,763)	(15,051,959)
Goods and services	13	(4,854,882)	(4,983,839)
<u>Net cash generated from operating activities</u>	24	679,420	967,749
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment	2	(1,381,104)	(802,582)
Acquisition of intangible assets	3	(11,674)	-
Proceeds from disposal of equipment		72,600	-
<u>Net cash (outflow) from investing activities</u>		(1,320,178)	(802,582)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) in Deferred grants and project funding	7	(315,087)	(293,836)
<u>Net cash (outflow) from financing activities</u>		(315,087)	(293,836)
<u>Net (Decrease) in cash and cash equivalents</u>			
Cash and cash equivalents at the beginning of the year	6	9,444,205	9,572,874
Cash and cash equivalents at end of the year	6	8,488,360	9,444,205

Notes to the Financial Statements



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for the year ending 31 March 2017

1 ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 55(1)(b) of the Public Finance Management Act, (Act No. 1 of 1999). Assets, liabilities, revenues and expenses have not been offset except where offsetting is required or permitted by a Standard of GRAP. The accounting policies are applied consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for financial instruments that have been measured at fair value.

The following statements of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board are in issue but not applicable to the Museum:

GRAP 27 Agriculture
GRAP 107 Mergers
IFRS 4 Insurance contracts
IFRS 6 Exploration for and evaluation of mineral resources
IAS 12 Income taxes
SIC - 25 Income taxes - Changes in tax status of entity or its shareholders
SIC - 29 Service concession agreements: disclosures
IFRIC 12 Service concession arrangements
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine
IFRIC 21 Levies

The following statements of Generally Recognized Accounting Practice (GRAP) issued by the Accounting Standards Board have been approved but an effective date has not yet been determined:

GRAP 32 Service Concession Arrangements: Grantor
GRAP 108 Statutory Receivables
GRAP 109 Accounting principals and agents
IGRAP 17 Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset

1.2 Use of Estimates and Judgements

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following note:

Note 1.4 Property, plant and equipment
Note 1.6 Intangible assets
Note 1.13 Provisions
Note 10.2 Services in kind (deemed rental)

1.3 Inventories

Inventories are valued at the lower of cost or net realisable value. Inventory comprises museum shop stock, vending machine stock and consumable stationery. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.

1.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The depreciation rates are in line with the KwaZulu-Natal Museum's Fixed Asset Policy. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight line method on the following basis:

Vehicles	20%
Equipment	16.6% to 25%
Furniture - wooden	16.6%
Furniture - metal	16.6%
Computers	33.3%
Scientific equipment	20%

The useful life of assets is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining depreciation and amortisation charges.

Subsequent Measurement

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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1.5 Impairment

Non-Financial Assets

The carrying amount of KwaZulu-Natal Museum assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Impairment (continued)

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. For the purpose of impairment testing, the condition of the asset is evaluated to ascertain its value in use. Where the asset is damaged beyond repair, the fair value of the asset is its scrap value.

An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Reversals of Impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

1.6 Intangible Assets

Intangible assets are shown at cost less accumulated amortisation and impairment losses. The useful life of intangibles is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining amortisation charges. The amortisation is calculated on a straight line method to write-off intangible assets over their estimated useful life as follows:-

Software: 3 Years

1.7 Assets not Reflected

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

Land and Buildings

The land and buildings made available to the KwaZulu-Natal Museum under section 9 of the Cultural Institutions Act. The land and buildings are owned by the Department of Public Works and are leased to the KwaZulu-Museum at no consideration. It is the policy of the KwaZulu-Natal Museum to disclose the fair value of the rental benefit in the face of the Statement of Financial Performance.

Heritage Assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance, and are held indefinitely for the benefit of present and future generations. Heritage assets are recognised as an asset if, and only if: (a) it is probable that future economic benefits or service potential association with the asset will flow to the entity, and (b) the cost or fair value of the asset can be measured reliably.

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. Where the heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at date of acquisition. After recognition as asset, a class of heritage shall be carried at its cost less any accumulated impairment losses.

Refer to Note 30 for the categories of the KZN Museum heritage asset collection.

The Heritage Assets have not been recognized in the statement of financial position because the valuation of heritage assets has not been performed during the period under review.

1.8 Employee Benefits

Short-term employee benefits

The cost of short term employee benefits is recognised in the period in which the service is rendered and is not discounted.

Provision for employee benefits

Provision for employee entitlement to annual leave represents the present obligation that the KwaZulu-Natal Museum has to as a result of employees' services provided to the reporting date. The provision has been calculated at undiscounted amounts based on salary rates effective on the reporting date.

1.9 Publications

Expenses related to publications are written off in the year in which they are incurred.

Notes to the Financial Statements



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for the year ending 31 March 2017 (continued)

1.10 Trust Funds

Funds received from the National Research Foundation (NRF) and other funding bodies (per note 7) are utilised only for approved research projects and programs. Any unspent funding has to be repaid to the funding bodies.

1.11 Recognition of Trust Funds (refer note 7)

Funds are recorded as deferred income and are then recognised as income on a systematic basis over the period necessary to match the funding with the related costs.

1.12 Financial Instruments

Initial recognition and measurements

Financial instruments are recognised when the KwaZulu-Natal Museum becomes a party to the contractual provisions of the relevant instrument, and are initially measured at cost. Subsequent to initial recognition, these instruments are measured as set out below:

Cash and cash equivalents

Cash and cash equivalents are stated at cost, which is the fair value. Cash and cash equivalents comprise cash at bank and deposits held on call with banks. Credit risk and interest rate risk is fully disclosed in note 14.

Trade and other payables

Trade and other payables originated by the KwaZulu-Natal Museum are stated at cost, which is the fair value.

Trade and other receivables

Trade and other receivables are stated at cost less provision for doubtful debts. Receivables are written off when considered irrecoverable.

1.13 Related Parties

Related party transaction is a transfer of resources or obligations between the related parties, regardless of whether a price is charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control. The disclosure note details the related party transactions.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.14 Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call and notice with the bank, all of which are available for use by the KwaZulu-Natal Museum unless otherwise stated. Cash and cash equivalents are measured at fair value.

1.15 Provisions

Provisions are recognised where the institution has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

1.16 Revenue from non-exchange Transactions

Revenue from non-exchange transactions arises when an entity receives value from another entity without directly giving approximately equal value in exchange. An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition. This revenue will be measured at the amount of increase in net assets recognised by the entity.

An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as a revenue, except to the extent that a liability is recognised for the same flow. As an entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it will reduce the carrying amount of the liability recognised as an amount equal to that reduction.

1.17 Revenue from Exchange Transactions

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

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

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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Revenue from Exchange Transactions (continued)

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

Revenue from exchange transactions refers to revenue that accrued to the entity directly in return for services rendered and goods sold, the value of which approximates the consideration received or receivable. The full amount of the revenue is recognised and any impairment losses are subsequently recognised.

Interest Income

Interest income is recognised on a time proportion basis, taking into account of the principal outstanding and the effective rate over the period to maturity, when it is probable that such income will accrue to KwaZulu-Natal Museum.

Other Income

Other income is recognised when it is probable that the future economic benefits will flow to KwaZulu-Natal Museum and it can be measured reliably.

1.18 Contingent Liabilities

Contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably. Contingent liabilities are thus not recognised in the statement of financial position as a liability but are included in the disclosure notes, unless the possibility of an outflow of economic resources is remote.

1.19 Non-Current Assets Held-for-Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continued use. This condition is considered to be met only when the sale is highly probable and the asset is available for sale in its immediate condition. Management must be committed to the sale, which should be expected within one year from the date of classification as held for sale.

1.20 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation and classification, where necessary.

1.21 Taxation

The KwaZulu-Natal Museum is exempt from income tax because it is a Section 3A Public Entity. The KwaZulu-Natal Museum is also exempt from the payment of Output VAT on revenue received. As a result, Input VAT is also not refundable from SARS.

1.22 Services in Kind

The KwaZulu-Natal Museum recognises services in-kind that are significant to its operations and / or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

NON CURRENT ASSETS

2	PROPERTY, PLANT AND EQUIPMENT	Vehicles R	Equipment -other R	Furniture -wooden R	Furniture -metal R	Computers R	Equipment -Scientific R	Capital Work in Progress R	Total R
Year ended 31/3/2016:									
	Net carrying amount 1/4/16	555,550	744,858	65,264	254,894	452,120	34,944	232,100	2,339,730
	Gross carrying amount	948,575	2,411,087	420,702	1,299,491	1,953,686	265,420	232,100	7,531,061
	Accumulated depreciation	(393,025)	(1,666,229)	(355,439)	(1,044,597)	(1,501,566)	(230,476)	-	(5,191,332)
	Book value adjustment (note 24)	-	20,370	-	-	18,197	-	-	38,567
	Additions	-	782,951	-	5,479	161,232	431,442	-	1,381,104
	Disposals	(61,500)	-	-	-	(1,700)	-	-	(63,200)
	Transfers	-	232,100	-	-	-	-	(232,100)	-
	Depreciation	(37,421)	(269,728)	(814)	(26,789)	(187,032)	(23,092)	-	(544,876)
	Net carrying amount 31/3/17	456,629	1,510,552	64,449	233,585	442,817	443,293	-	3,151,325
	Gross carrying amount	826,495	3,404,415	420,702	1,304,970	1,953,374	696,862	-	8,606,818
	Accumulated depreciation	(369,866)	(1,893,864)	(356,253)	(1,071,385)	(1,510,557)	(253,569)	-	(5,455,493)

Notes to the Financial Statements



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Property, Plant and Equipment (Continued)

PROPERTY, PLANT AND EQUIPMENT	Vehicles	Equipment -other	Furniture -wooden	Furniture -metal	Computers	Equipment -Scientific	Capital Work in Progress	Restated 2015/16 Total
	R	R	R	R	R	R	R	R
Year ended 31/3/2015:								
Net carrying amount 1/4/15	430,300	808,507	65,671	253,688	329,038	46,616	-	1,933,821
Gross carrying amount	818,570	2,275,897	420,702	1,275,358	1,780,883	265,420	-	6,836,831
Accumulated depreciation	(388,270)	(1,467,390)	(355,032)	(1,021,670)	(1,451,845)	(218,804)	-	(4,903,010)
Book value adjustment (note 24)	-	27,200	2,550	4,180	42,100	2,550	-	78,580
Additions	158,005	135,189	-	24,133	253,155	-	232,100	802,582
Disposals	-	-	-	-	(9,605)	-	-	(9,605)
Depreciation	(4,755)	(226,039)	(2,957)	(27,106)	(162,568)	(14,223)	-	(437,647)
as held for sale	(28,000)	-	-	-	-	-	-	(28,000)
Net carrying amount 31/3/16	555,550	744,858	65,264	254,894	452,120	34,944	232,100	2,339,730
Gross carrying amount	948,575	2,411,087	420,702	1,299,491	1,953,686	265,420	232,100	7,531,061
Accumulated depreciation	(393,025)	(1,666,229)	(355,439)	(1,044,597)	(1,501,566)	(230,476)	-	(5,191,332)

Capital Work in Progress relates to air-conditioning units that were partly installed in the collection storeroom in 2015/16; they have been fully installed and transferred to Equipment - Other.

3 INTANGIBLE ASSETS

	Software	Total
	R	R
Year ended 31/3/2017:		
Net carrying amount 1/4/16	34,881	34,881
Gross carrying amount	262,791	262,791
Accumulated amortisation	(227,910)	(227,910)
Additions	11,674	11,674
Amortisation	(1,297)	(1,297)
Amortisation write-back	500	500
Net carrying amount 31/3/17	45,758	45,758
Gross carrying amount	274,464	274,464
Accumulated amortisation	(228,707)	(228,707)
Year ended 31/3/2016:		
Net carrying amount 1/4/15	43,582	43,582
Gross carrying amount	262,791	262,791
Accumulated amortisation	(219,209)	(219,209)
Amortisation write-back	-	-
Additions	-	-
Amortisation	(8,752)	(8,752)
Amortisation write-back	50	50
Net carrying amount 31/3/16	34,881	34,881
Gross carrying amount	262,791	262,791
Accumulated amortisation	(227,910)	(227,910)

4 INVENTORIES

	2016/17 R	Restated 2015/16 R
Stationery: stock on hand	1,591	5,159
Museum visitors shop: stock for resale	8,875	6,100
Vending machine stock	2,148	4,924
	<u>12,615</u>	<u>16,182</u>

5 TRADE AND OTHER RECEIVABLES

Trade receivables	30,405	32,513
Sundry debtors	28,044	206,238
Prepaid expense	166,030	326,980
	<u>224,479</u>	<u>565,731</u>

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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6	CASH AND CASH EQUIVALENTS	NOTES	2016/17 R	Restated 2015/16 R
	Cash on hand		1,089	1,363
	Balances with First National Bank		8,487,271	9,442,842
	Cheque account		(658,578)	(255,231)
	Daily Call account		4,499,264	5,314,611
	Notice account		4,646,585	4,383,461
			<u>8,488,360</u>	<u>9,444,205</u>

7	DEFERRED GRANTS AND PROJECT FUNDING	Balance 1/4/2016 R	Additions R	Utilised R	Balance 31/3/2017 R
7.1	Research grant: D Herbert (NRF)	-	81,643	(81,643)	-
7.2	Research grant: JD Plisko (NRF)	-	44,433	(44,433)	-
7.3	Research grant: G Whitelaw (NRF)	-	41,000	(41,000)	-
7.4	DAC: Capital Works: New Museum Project	4,167,348	-	(146,255)	4,021,093
7.5	DAC: Capital Works: 5th Floor Offices & LRC	16,792	-	(16,792)	-
7.6	Arthropod Digitization (SANBI)	5,030	-	-	5,030
7.7	National Lotteries Board: GRAP 103 Project	450,000	-	(102,105)	347,895
7.8	National Lotteries Board: Freedom Exhibition	88,055	-	(49,934)	38,120
7.9	DAC: Water Piping Project	935,600	-	-	935,600
7.10	National Research Foundation: Natural History Collection	-	518,911	(518,911)	-
		<u>5,662,825</u>	<u>685,987</u>	<u>(1,001,073)</u>	<u>5,347,738</u>

Summary of utilised funds:

Capital items	1,001,073
Operational items	378,788
	<u>622,285</u>

Conditions of the Grants and Project Funding: (all funds are repayable if not spent)

- 7.1 Grant to further scientific research on management of ecosystems and biodiversity
- 7.2 Grant to finance Dr Plisko's scientific research costs
- 7.3 Grant to finance Mr Whitelaw's scientific research costs
- 7.4 Grant for capital works: provision of security and upgrade of the New Museum Site
- 7.5 Grant for capital works: upgrading of the 5th floor office and Learners Resource Centre (LRC)
- 7.6 Funding provided to digitize the arthropod database
- 7.7 Funding provided to assist with the GRAP 103: Heritage Assets compliance project
- 7.8 Funding for the development and construction of the Freedom Exhibition
- 7.9 Grant for capital works: upgrading of the water pipes in the Museum
- 7.10 Funding provided to improve the Natural History Collection management

8	TRADE AND OTHER PAYABLES	NOTES	2016/17 R	Restated 2015/16 R
	Trade creditors		75,314	277,102
	Sundry creditors		2,973	3,753
			<u>78,288</u>	<u>280,855</u>

9	PROVISIONS		2016/17 R	Restated 2015/16 R
	Balance beginning of the year		817,848	761,698
	Increase in provision		104,204	56,150
	Balance end of the year		<u>922,052</u>	<u>817,848</u>

This provision is for the estimation of the value of the leave pay that would become payable at the termination date of any employment contract. The event of the full provision being fully payable at any one time is unlikely.

10.1	NON EXCHANGE REVENUE	NOTES	R	R
	Donations Received		2,890	6,580
	Funding: Department of Arts and Culture		19,138,000	18,175,000
	Non-repayable Funding: Revenue Income	22	15,227	27,108
	Project Funding: Capital Receipts	7	378,788	361,701
	Project Funding: Income Available	7	622,285	1,019,148
			<u>20,157,190</u>	<u>19,589,537</u>

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10.2 SERVICES IN KIND	NOTES	2016/17 R	Restated 2015/16 R
DAC: Services in Kind - Municipal Charges	28.1	4,346,337	3,317,437
DAC: Services in Kind - Parking	28.1	242,527	170,889
DPW: Services in Kind - Rental	28.1	9,439,944	8,807,160
		<u>14,028,808</u>	<u>12,295,485</u>

The KwaZulu-Natal Museum does not pay for the municipal charges like water and electricity; these charges are paid for by the Department of Arts and Culture through transfers made directly to the Department of Public Works. In addition; the Department of Public Works does not charge the KwaZulu-Natal Museum for the use of buildings, these are accordingly classified as services in kind as per GRAP 23 and the fair value of the benefits have been estimated.

11 EXCHANGE REVENUE	NOTES	R	R
Entrance charges: general		109,189	117,237
Entrance charges: schools		43,679	32,536
Friends Society		85	1,935
Holiday Program Income		15,400	7,660
Insurance claims		58,500	8,837
Journals		94,950	211,782
Learners Resource Centre		112,736	121,463
Museum Shop sales		44,127	56,068
Other income	21	196,210	139,441
Vending machine sales		31,284	35,473
		<u>706,159</u>	<u>732,430</u>

12 COMPENSATION OF EMPLOYEES			
Salaries		10,303,727	9,490,924
Compensation Commissioner		34,152	28,134
Casual labour		69,643	56,819
Directors emoluments	15	1,644,346	1,558,420
Funeral benefit		15,519	14,068
Housing allowance		500,764	495,551
Leave gratuity		62,157	88,915
(Decrease) / Increase in leave provision		104,204	56,150
Medical aid		922,970	910,384
Pension		1,587,275	1,542,190
Service bonus		772,212	725,615
UIF		89,793	84,789
		<u>16,106,763</u>	<u>15,051,959</u>

13 GOODS AND SERVICES PER PROGRAMME			
ADMINISTRATION			
ENTITY MANAGEMENT AND GOVERNANCE			
Asset Below R500		710	1,725
Audit Committee Costs		83,149	46,094
Audit Fees: External		492,263	490,381
Audit Fees: Internal		58,108	40,590
Bank Charges		23,761	28,528
Council Costs		590,498	244,203
Doubtful Debts Written Off		1,500	670
Entertainment		6,364	2,194
Foreign Exchange Loss		2,357	2,972
Insurance		185,664	176,525
LAN		29,141	26,936
LAN - Telkom		8,350	8,015
Main & Repairs - Computer		102,608	91,923
Museum Shop Purchases	19	27,823	46,252
Museum Vending Purchases	20	23,644	27,371
Postages		77,163	63,099
Printing		2,147	3,887
Staff Training		149,060	143,326
Staff Removal Expenses		84,417	-
Stationery		180,919	175,652
Sundries		30,342	37,860
Telephones		215,089	182,369
Tools		3,981	1,539
Transport - Motor		105,585	161,504
Transport - Other		102,722	96,029
Travel and Subsistence		82,635	123,103
Grant Expenditure - Maintenance and Security	18	249,058	229,676
		<u>2,919,057</u>	<u>2,452,423</u>

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Goods and Services (Continued)

		2016/17 R	Restated 2015/16 R
GOODS AND SERVICES PER PROGRAMME	NOTES		
SUPPORT SERVICES			
PUBLIC RELATIONS			
Advertising		131,781	117,000
		<u>131,781</u>	<u>117,000</u>
LIBRARY SERVICES			
Library - Books		12,098	8,221
Library - Photocopies		36,675	37,318
Library - Subscriptions		384,025	405,810
Grant Expenditure - Digitisation		-	127,939
		<u>432,798</u>	<u>579,288</u>
TECHNICAL SERVICES			
Chemicals		62,917	48,908
Cleaning Materials		111,755	84,073
Licences		1,620	3,986
Main & Repair - Buildings		212,548	220,478
Main & Repair - Equipment		27,350	19,983
Main & Repair - Motor Vehicles		44,131	29,509
Security		60,910	41,654
Uniforms		36,529	33,269
DAC: Services in Kind - Municipal Charges		4,346,337	3,317,437
DAC: Services in Kind - Parking		242,527	170,889
DPW: Services in Kind - Rental		9,439,944	8,807,160
		<u>14,586,569</u>	<u>12,777,345</u>
BUSINESS DEVELOPMENT			
CONSERVATION, PUBLICATIONS AND			
Curatorial Materials		61,036	14,698
Publications		92,956	386,207
Specimens Purchased		3,450	-
Grant Expenditure - Research Expenses	18	324,281	272,339
Grant Expenditure - Collections Management	18	-	415,909
		<u>481,722</u>	<u>1,089,153</u>
PUBLIC ENGAGEMENT			
EXHIBITIONS			
Main & Repair - Display		22,001	6,896
New Displays		15,329	19,669
Grant Expenditure - Exhibition Development	18	80,566	100,437
		<u>117,896</u>	<u>127,002</u>
EDUCATION AND OUTREACH PROGRAMME			
Education Dept. Programmes		213,868	137,113
		<u>213,868</u>	<u>137,113</u>
		18,883,691	17,279,324

14 FINANCIAL INSTRUMENTS

Overview

The KwaZulu-Natal Museum has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

This note presents information about the KwaZulu-Natal Museum's exposure to each of the above risks, the KwaZulu-Natal Museum's objectives, policies and processes for measuring and managing risk.

In terms of Treasury Regulation 27.2.1, issued in terms of PFMA, the accounting authority (Council) must ensure that a risk assessment is conducted regularly to identify emerging risks in the entity. The Council established the Audit and Risk Committee which is responsible for developing and monitoring the KwaZulu-Natal Museum's risk management policies.

The Audit and Risk Committee oversees how management monitors compliance with the KwaZulu-Natal Museum's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the KwaZulu-Natal Museum. The Audit and Risk Committee is assisted in its oversight role at operational level by the Internal Audit. The Internal Audit undertakes reviews of risk management control procedures, the results of which are reported to the Audit and Risk Committee.

Credit risk

Credit risk is the risk of financial loss to the KwaZulu-Natal Museum if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from KwaZulu-Natal Museum's receivables from customers.

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Financial Instruments (Continued)

The carrying amount of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at 31 March 2017 was:

Trade and other receivables (note 5)	224,479	565,731
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Analysis of trade and other receivables for reporting purposes:

90 days and over	11,422	32,431
60 days	120	-
30 days	7,993	-
Current	204,943	533,300
	<u>224,479</u>	<u>565,731</u>

Trade and other receivables

The KwaZulu-Natal Museum's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The composition of the KwaZulu-Natal Museum's customer base, including the default of the industry and country in which the customers operate, has less of an influence on credit risk.

The other receivables largely comprise prepaid expenses, outstanding NRF research grants as well as royalties receivable.

The KwaZulu-Natal Museum policy is to monitor its exposure to credit risk on a monthly basis. At year end, the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Investments

The KwaZulu-Natal Museum limits its exposure to credit risk by investing only in high liquid investments that are held only at the approved banking institution with maturities of three months or less and that are subject to insignificant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the KwaZulu-Natal Museum will not be able to meet its financial obligations as they fall due. The KwaZulu-Natal Museum's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the KwaZulu-Natal Museum's reputation.

It is the policy of the KwaZulu-Natal Museum, in line with the National Department of Arts and Culture not to borrow monies. The KwaZulu-Natal Museum maintain a business credit card which it uses for air travel arrangements and foreign currency transactions.

Cash and cash equivalents (note 6)	8,488,360	9,444,205
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Trade and other payables

The KwaZulu-Natal Museum is only exposed to liquidity risk with regard to the payment of its payables. These payables are all due within the short-term.

Trade and other payables (note 8)	78,288	280,855
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Market risk

Market risk is the risk that changes in the market prices, such as the interest rates will affect the KwaZulu-Natal Museum's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing return.

Currency risk

Currency risk is the risk that arises from the exposure of foreign currency transactions and the fluctuations in the forex market. The KwaZulu-Natal Museum is exposed to this risk primarily for library subscription renewals as well as royalties income.

Interest rate risk

Interest rate risk is the risk that arises from exposure to credit facilities. The KwaZulu-Natal Museum maintain a business credit card facility which it uses for air travel arrangements and foreign currency transactions. The payment plan is through debit order against the current account thus limiting exposure to interest charges.

Fair values

The fair values of financial assets and liabilities are the same as the carrying values reflected in the statement of financial position.

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15 DIRECTORS EMOLUMENTS

Council Members: For the period between 1 April 2016 and 31 March 2017.

	<u>Council Meetings attended</u>	<u>Sub- Committee Meetings attended</u>	<u>Total Meetings Attended</u>	<u>Honorarium R</u>	<u>Travel reim- bursement R</u>	<u>2016/17 Total R</u>
Mazibuko, Prof. N.M. (Chairperson)*	4	-	4	19,824	2,600	22,424
Coovadia, Mr. D.	4	8	12	15,904	-	15,904
Croeser, Mr. P.	2	2	4	6,816	-	6,816
Dantile, Mr. F.	4	2	6	12,656	1,650	14,306
Khuzwayo, Mr N.	3	4	7	12,496	-	12,496
Magaga, Adv. S.	1	-	1	1,136	-	1,136
Makunga, Prof. N.	3	3	6	6,816	10,098	16,914
Malapane, Dr S.	4	5	9	12,496	-	12,496
Ranchod, Mr K.	4	5	9	12,496	-	12,496
				100,640	14,348	114,988

* In addition to four Council meetings, the Chairperson attended other official engagements.

Council Members: For the period between 1 April 2015 and 31 March 2016.

	<u>Council Meetings attended</u>	<u>Sub- Committee Meetings attended</u>	<u>Total Meetings Attended</u>	<u>Honorarium R</u>	<u>Travel reim- bursement R</u>	<u>2015/16 Total R</u>
Mazibuko, Prof. N.M. (Chairperson)*	2	-	2	9,912	-	9,912
Coovadia, Mr. D.	2	2	4	6,816	-	6,816
Croeser, Mr. P.	2	1	3	5,680	-	5,680
Dantile, Mr. F.	2	1	3	4,544	990	5,534
Khuzwayo, Mr N.	2	1	3	5,680	-	5,680
Makunga, Prof. N.	1	1	2	2,272	3,366	5,638
Malapane, Dr S.	2	1	3	5,680	1,525	7,205
Ranchod, Mr K.	2	1	3	3,408	-	3,408
				43,992	5,881	49,873

* In addition to four Council meetings, the Chairperson attended other official engagements.

Executive Directors:

	<u>Salary R</u>	<u>Annual Bonus R</u>	<u>Expense Allow- ances R</u>	<u>Pension R</u>	<u>Other Benefits R</u>	<u>2016/17 Total R</u>
Maphasa, Mr L.J. (Director)	604,036	51,775	156,844	97,988	28,548	939,190
Miya, Mr S. (Deputy Director)	451,358	38,239	106,096	97,794	11,669	705,156
						1,644,346

Assistant Directors:

Dlamini, Mr S.E. (Manager: Finance: Feb. - Mar. 2017)	65,829	-	-	10,697	5,853	82,380
Flanagan, Mr W. (Assistant Director: Feb. - Mar. 2017)	65,829	3,183	-	10,697	5,009	84,718
Johnson, Ms B. (Assistant Director: Apr. - Oct. 2016)	260,698	33,407	-	56,484	26,529	377,118
Midgley, Dr J. (Assistant Director: Mar. 2017)	38,199	-	-	6,207	1,095	45,501
Ntombela, Mrs T.S. (Assistant Director: Feb. - Mar. 2017)	65,829	-	-	10,697	13,065	89,591
Thorp, Dr C. (Assistant Director)	389,462	32,995	-	63,288	28,728	514,472
	1,941,239	159,598	262,939	353,853	120,496	2,838,126

	<u>Salary R</u>	<u>Annual Bonus R</u>	<u>Expense Allow- ances R</u>	<u>Pension R</u>	<u>Other Benefits R</u>	<u>2015/16 Total R</u>
Mr L.J. Maphasa (Director)	575,271	47,939	155,182	93,357	25,754	897,504
Mr S. Miya (Deputy Director)	422,300	36,537	98,934	91,498	11,647	660,917
						1,558,420

Assistant Directors:

Dr C Thorp: Human Sciences Dept.	364,389	30,836	-	59,213	26,906	481,345
Ms B Johnson: Exhibitions Dept.	368,938	31,221	-	79,936	37,804	517,900
	1,730,898	146,534	254,116	324,005	102,111	2,557,664

16 RETIREMENT BENEFIT OBLIGATIONS

The KwaZulu-Natal Museum is a member of the Museums Pension Fund. This is an independent fund managed by a Board of Trustees. The Fund is a defined benefit fund. With effect from 1 April 2003 a defined contribution category has been implemented for all new employees joining the Fund after this date. The Fund provides benefits when members retire, and also when they resign or die before retirement. The disability Income Security Plan provides income replacement in the case of disablement and the Group Life Scheme provides benefits in the event of death. Employees of the KwaZulu-Natal Museum contribute to the Museums Pension Fund. As at 31 March, the following members of staff contributed to the Museums Pension Fund:

	<u>No. of Employees</u>	<u>Employees Contribution</u>	<u>Employers Contribution</u>
Defined Benefit	12	7.5%	20%
Defined Contribution	34	7.5%	15%

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Retirement Benefit Obligations (Continued)

The funding level used to calculate the liability per employer was according to the 31 March 2015 valuation results. The actuary of the Museums Pension Fund calculated the actuarial reserves per participating institution as at 31 March 2017. According to the March 2015 valuation report the fund was 100% funded. The KwaZulu-Natal Museum's updated liability as at 31 March 2017 is NIL.

The contribution to the pension fund R1,587, 275 (2015/16: R1,542,190) is included in the compensation of employees.

	2016/17 R	Restated 2015/16 R
17 GRANT AND PROJECT FUNDING: CAPITAL RECEIPTS		
Deferred Grants and Project Funding (Note 7)	378,788	361,701
These capital receipts relate to assets that were purchased during the year, using funds from grants and project funding.		
18 GRANT AND PROJECT FUNDING: TOTAL EXPENDITURE		
Deferred Grants and Project Funding (Note 7)	1,001,073	1,380,849
Non-repayable funding (Note 22)	427,824	151,827
	<u>1,428,897</u>	<u>1,532,676</u>
19 MUSEUM SHOP		
Revenue	44,127	56,068
Less: Cost of Sales	(27,823)	(45,346)
	<u>16,304</u>	<u>10,722</u>
20 VENDING MACHINE		
Revenue	31,284	35,476
Less: Cost of Sales	(23,644)	(27,559)
	<u>7,640</u>	<u>7,917</u>
21 OTHER INCOME		
Use of premises	49,335	10,110
Photographs: copyright charge	1,840	641
Printing	85,000	-
Sundry income	20,968	50,060
Book value adjustment and amortisation write-back of assets (Note 1.4, 2, 26)	39,067	78,630
	<u>196,210</u>	<u>139,441</u>

22 NON-REPAYABLE FUNDING

	Balance 31/3/2015 R	Additions R	Utilised R	Balance 31/3/2016 R	Additions R	Utilised R	Balance 31/3/2017 R
22.1 Natural Science Department	8,563	4,060	(2,880)	9,743	1,107	-	10,850
22.2 Archaeology Research	26,026	-	-	26,026	-	-	26,026
22.3 Education Dept: Sabalala	6,113	910	-	7,023	890	-	7,913
22.4 Exhibitions Department	31,790	4,275	(18,379)	17,685	4,047	(5,834)	15,898
22.5 Mollusca Department	1,293	-	-	1,293	-	-	1,293
22.6 van Doornum Research	11,184	-	-	11,184	-	-	11,184
22.7 Whitelaw Research	18,500	13,060	(24,482)	7,077	9,183	(290)	15,970
22.8 Field Guide Sales	8,116	-	-	8,116	-	-	8,116
22.9 Upgrade Sisonke Hall	43,395	-	(4,803)	38,592	-	(24,798)	13,794
22.10 Cultural Tradition Displays	93,226	4,803	(98,029)	-	-	-	-
22.11 Restoration, rep. and maint.	454,996	-	(3,253)	451,743	-	(136,147)	315,596
22.12 ICOM-SA: Conference grant	1,203	-	-	1,203	-	-	1,203
22.13 Security project- Library	410,000	-	-	410,000	-	(260,755)	149,245
22.14 Lyn Wadley: Sibudu Project	33,886	-	-	33,886	-	-	33,886
22.15 Facilities Management	32,795	-	-	32,795	-	-	32,795
	<u>1,181,086</u>	<u>27,108</u>	<u>(151,827)</u>	<u>1,056,367</u>	<u>15,227</u>	<u>(427,824)</u>	<u>643,770</u>

Summary of utilised funds:

	151,827	427,824
Capital items	24,675	396,205
Operational items	127,152	31,619

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23	RECONCILIATION OF ACCUMULATED SURPLUS	2016/17 R	Restated 2015/16 R
	Total accumulated surplus	5,574,458	5,667,201
	Deduct: Non-repayable funding: funds available (Note 22)	(643,770)	(1,056,367)
	Accumulated surplus: from operations	<u>4,930,688</u>	<u>4,610,834</u>
24	NET CASH (UTILISED) / GENERATED FROM OPERATING ACTIVITIES		
	Surplus / (Deficit) per Statement of Financial Performance	(92,744)	318,412
	Non- cash adjustments for:		
	- Depreciation and amortisation of assets	546,173	446,399
	- Book value adjustment and amortisation write-back of assets	(39,067)	(78,630)
	- Loss on disposal of assets	18,600	9,604
	Changes in working capital		
	- Decrease / (Increase) in receivables	341,252	32,673
	- Increase / (Decrease) in payables	(202,567)	174,962
	- Increase in provisions	104,204	56,149
	- Decrease / (Increase) in inventories	3,567	8,180
		<u>679,419.52</u>	<u>967,749</u>
25	OTHER OPERATING REVENUE / (EXPENDITURE)		
	- Decrease / (Increase) in receivables	341,252	32,673
	- Increase / (Decrease) in payables	(202,567)	174,962
	- Increase in provisions	104,204	56,149
	- Decrease / (Increase) in inventories	3,567	8,180
		<u>246,457</u>	<u>271,964</u>
26	CHANGE IN ACCOUNTING ESTIMATE		

At the end of the financial year under review, the KwaZulu-Natal Museum assessed the useful life of fully depreciated assets of certain assets. This resulted in a net increase of R39, 067 in surplus.

	2016/17 R	Restated 2015/16 R
Net effect on statement of financial performance		
<i>Increase in sale of goods and rendering of services</i>		
<i>Other income</i>	39,067	78,630
<i>Increase expenditure</i>		
<i>Increase in depreciation and amortisation of assets</i>		1,200
Net effect on statement of financial position		
<i>Increase in assets</i>		
<i>Property, plant and equipment - Computer Equipment</i>	18,197	42,100
<i>Property, plant and equipment - Other Equipment</i>	20,370	27,200
<i>Property, plant and equipment - Furniture - Wood</i>		2,550
<i>Property, plant and equipment - Furniture - Metal</i>		4,180
<i>Property, plant and equipment - Scientific Equipment</i>		2,550
<i>Intangible assets - Software</i>	500	50
<i>Decrease in assets</i>		
<i>Property, plant and equipment - Vehicles</i>		1,200
<i>Increase in net assets</i>		
<i>Accumulated surplus</i>	39,067	77,430

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27 PRIOR PERIOD ERROR

During the period ending 31 March 2015 and 31 March 2016, the amounts of R1,000,620 and R780,262 were incorrectly recognized as trade and other payables instead of cash and cash equivalents. Furthermore, during the period ending 31 March 2015 and 31 March 2016, the amounts of R9,180 and R12,325 were incorrectly recognized as trade and other receivables instead of cash and cash equivalents. The comparative amounts for the respective periods have been restated. The effect of the restatement on the financial statements is summarised below:-

	Restated 2015/16 R	Restated 2014/15 R
Net effect on statement of financial position		
<i>Current Assets</i>		
Decrease in trade and other receivables	(12,325)	(9,180)
Decrease in cash and cash equivalents	(767,937)	(991,440)
<i>Current Liabilities</i>		
Decrease in trade and other payables	780,262	1,000,620
Effect on statement of financial position	<u>-</u>	<u>-</u>

28 RELATED PARTIES

28.1 The Department of Arts and Culture

The Department of Arts and Culture is the controlling entity of the KwaZulu-Natal Museum. It provides a monthly operational grant. For the 2016/17 period R19, 138, 000 was received and it is anticipated that an amount of R36, 686, 000 will be received for the 2017/18 period.

The Department of Arts and Culture transferred the following amounts to the Department of Public Works in respect of the Municipal Charges as well as Operating Leases (Parking). The Department of Public Works is the legal owner of land and buildings occupied by the KwaZulu-Natal Museum at no consideration.

The fair values of the benefits received have been recognised as Services in Kind in the Statement of Financial Performance (Note 10.2).

	2016/17 R	Restated 2015/16 R
Municipal Charges	4,346,337	3,317,437
Operating Leases: Parking	242,527	170,889
Deemed Rental	9,439,944	8,807,160
	<u>14,028,808</u>	<u>12,295,485</u>

28.2 Council Members

Council Members are the Non-Executive Directors appointed by the Minister of Arts and Culture to oversee and ensure good corporate governance. Council has various subcommittees such as the Finance and Procurement, Audit and Risk, Human Resources and Remuneration Committee that guide and assist management which is appointed by Council. Refer note 15.

29 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: 2016/17

The budget was approved by the Council and submitted to the executive authority in terms of section 53 (1) of the PFMA. The KwaZulu-Natal Museum presents its approved budget and the financial statements on the accrual basis.

The approved budget covers the period 1 April 2016 to 31 March 2017. The budget is approved by functional or programme classification in line with KwaZulu-Natal Museum's strategic objectives and the Annual Performance Plan approved by its Council.

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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Statement of Comparison of Budget and Actual Ammounts: 2016/17 (Continued)

Budget Adjustment

The approved budget was revised based on the actual income and expenditure up to 30 September 2016, and projections were made for the period 1 October 2016 to 31 March 2017. The final budget adjustments formed part of the Quarterly Report for the period ending 30 September 2016 and were approved by Council of KwaZulu-Natal Museum.

Changes between Original Budget and Revised Budget

The changes in the operating budget (excluding Deferred Grants: Income and Project Funding: Capital) primarily arise as a consequence of reallocations within the approved budget parameters.

The Other Income item was significantly revised down by 79% as a result of a revised personnel expenditure estimate.

The Deferred Grants Income and Project Funding: Capital items are project dependent and comprise of external funding; the positive variance is attributable to the funding received during the second half of the period under review.

		ACTUAL	ORIGINAL BUDGET	REVISED BUDGET	VARIANCE	VARIANCE
		R	R	R	R	%
REVENUE		21,433,675	25,171,199	24,391,858	(2,958,183)	
State Contribution		19,138,000	19,138,587	19,138,587	(587)	0%
Investment Income		570,326	534,871	546,602	23,724	4%
Donations	1	2,890	4,000	4,014	(1,124)	-28%
Journals		94,950	39,000	91,626	3,323	4%
Entrance Charges	2	109,189	128,500	128,500	(19,311)	-15%
School Entrance Charges	3	43,679	32,022	36,885	6,794	18%
Lrc Income	4	112,736	154,440	150,182	(37,446)	-25%
Museum Shop	5	44,127	54,000	54,001	(9,873)	-18%
Vending Machine	6	31,284	38,000	38,001	(6,717)	-18%
Holiday Programme	7	15,400	9,000	25,240	(9,840)	-39%
Other Income	8	215,728	1,406,787	1,016,418	(800,690)	-79%
Fair Value Adjustment		39,067	-	-	39,067	
Deferred Grants Income	9	622,285	3,631,992	3,137,262	(2,514,977)	-80%
Grants Funding: Capital	10	378,788	-	21,288	357,500	0%
Non-Repayable Funding	11	15,227	-	3,252	11,975	368%
EXPENDITURE		20,980,246	24,741,199	23,961,858	(2,981,612)	-12%
Administration						
Entity Management And Governance						
Accommodation		54,245	54,100	54,099	(146)	0%
Asset Below R500		710	-	-	(710)	
Audit Committee Costs		83,149	60,600	78,958	(4,191)	-5%
Audit Fees - Auditor General		492,263	396,000	492,263	-	0%
Auditor - Internal		58,108	57,000	57,000	(1,108)	-2%
Bank Charges	12	23,761	35,000	33,055	9,294	28%
Casual Labour		69,643	69,973	70,641	998	1%
Council Costs		590,498	200,000	537,069	(53,429)	-10%
Doubtful Debts		1,500	-	1,500	-	0%
Entertainment	13	6,364	3,100	3,100	(3,264)	-105%
Foreign Exchange Loss		2,357	-	2,357	-	0%
Insurance		185,664	190,600	189,664	4,000	2%
Lan		29,141	30,540	29,338	197	1%
Lan - Telkom		8,350	8,820	9,353	1,003	11%
Loss On Disposal Of Assets	14	18,600	-	1,000	(17,600)	-1760%
Main & Repairs - Computer	15	102,608	75,946	87,785	(14,823)	-17%
Museum Shop		27,823	20,000	26,579	(1,244)	-5%
Vending Purchases	16	23,644	20,000	20,000	(3,644)	-18%
Postages		77,163	85,000	84,478	7,316	9%
Printing	17	2,147	10,000	10,000	7,853	79%
Staff Training		149,060	165,053	165,053	15,993	10%
Staff Removal Expenses		84,417	-	82,630	(1,787)	-2%
Stationery	18	180,919	145,000	149,030	(31,888)	-21%
Subsistence		28,391	31,000	31,000	2,610	8%
Sundries		30,342	26,500	26,500	(3,842)	-14%
Telephones	19	215,089	178,600	176,900	(38,189)	-22%
Tools		3,981	4,100	3,595	(386)	-11%
Transport - Motor	20	105,585	151,400	151,400	45,814	30%
Transport - Other	21	102,722	78,200	78,200	(24,522)	-31%
Personnel Expenditure	33	3,561,558	3,245,428	3,435,219	(126,339)	-4%
Grant Expenditure	22	249,058	1,635,600	1,508,205	1,259,147	83%
		6,568,857	6,977,560	7,595,970	1,027,113	

Notes to the Financial Statements



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for the year ending 31 March 2017 (continued)

Statement of Comparison of Budget and Actual Amounts: 2016/17 (Continued)

		ACTUAL	ORIGINAL BUDGET	REVISED BUDGET	VARIANCE	VARIANCE
		R	R	R	R	%
Support Services						
<u>Public Relations</u>						
Advertising		58,869	65,000	65,000	6,131	9%
Advertising - Pro		72,912	55,000	55,000	-	
Publication: AR & APP		66,970	60,000	67,896	-	
Personnel Expenditure	33	585,233	572,288	584,450	(783)	0%
		783,985	752,288	772,346	5,348	
<u>Library Services</u>						
Library - Books		12,098	8,000	13,285	1,187	9%
Library - Photocopies	23	36,675	20,000	24,408	(12,267)	-50%
Library - Subscriptions		384,025	410,000	421,663	37,637	9%
Personnel Expenditure	33	863,745	863,064	863,064	(681)	0%
		1,296,543	1,301,064	1,322,419	25,875	
<u>Technical Services</u>						
Chemicals	24	62,917	27,000	32,212	(30,705)	-95%
Cleaning Materials		111,755	96,000	97,842	(13,913)	-14%
Licences	25	1,620	4,620	5,628	4,008	71%
Main & Repair - Buildings		212,548	200,000	202,006	(10,542)	-5%
Main & Repair - Equip	26	27,350	40,000	36,424	9,074	25%
Main & Repair - Motor		44,131	42,250	42,252	(1,880)	-4%
Security	27	60,910	32,808	40,980	(19,930)	-49%
Uniforms		36,529	43,000	36,386	(143)	0%
Personnel Expenditure	33	2,557,234	2,555,399	2,529,905	(27,330)	-1%
		3,114,994	3,041,077	3,023,634	(91,360)	
<u>Business Development</u>						
Conservation, Publications And Research Development						
Curatorial Materials		61,036	59,300	59,299	(1,737)	-3%
Publications	28	25,986	331,060	331,060	305,074	92%
Specimens Purchased		3,450	5,000	5,000	1,550	31%
Personnel Expenditure	33	4,630,963	5,625,666	4,803,014	172,050	4%
Grant Expenditure	29	324,281	450,000	834,198	509,918	61%
		5,045,716	6,471,026	6,032,570	986,855	
<u>Public Engagement</u>						
<u>Exhibitions</u>						
Main & Repair - Display	30	22,001	29,000	29,000	6,999	24%
New Displays	31	15,329	32,000	32,000	16,671	52%
Personnel Expenditure	33	2,016,341	2,140,279	2,159,556	143,215	7%
Grant Expenditure	32	80,566	1,546,392	817,683	737,117	90%
		2,134,237	3,747,671	3,038,240	904,003	
<u>Education And Outreach Programme</u>						
Education Dept. Programmes		213,868	233,500	233,500	19,632	8%
Personnel Expenditure	33	1,822,045	2,217,014	1,943,178	121,133	6%
		2,035,914	2,450,514	2,176,678	140,765	
Surplus for the year before depreciation						
		453,429	430,000	430,000	23,429	
Less: Depreciation and amortisation						
		(546,173)	(430,000)	(430,000)	(116,173)	
Surplus / (Deficit) for the year						
		(92,744)	-	-	-	

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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Statement of Comparison of Budget and Actual Amounts: 2016/17 (Continued)

Budget Variances

Revenue

1. The 28% under performance is attributable to the decline in general visitor numbers, particularly during the first half of the reporting period.
2. The 15% under performance is attributable to a steady decline in general visitor numbers, particularly during the first half of the reporting period.
3. The positive variance of 18% is due to the successful Museum Passport competition which reached over 6,500 learners.
4. The LRC revenue had a negative variance of 25% due to negative goodwill as result of recurring connectivity problems at the LRC. The Museum upgraded its ADSL connectivity to fibre optic, and believes that the improved connectivity speed will boost the number of users in the future.
- 5 - 6. The negative variance of 18% is attributable to low visitor number during the period.
7. The second edition of the holiday programme was not staged in December 2016 due to logistical issues associated with the school holidays. The Museum is investigating alternative dates for this edition of the programme.
8. The Other Income item was significantly revised down by 79% as a result of a revised personnel expenditure estimate.
- 9 - 11. This item has been revised down by 80%; The Museum did not raise (receive) grants for various public programmes in the 2016/17 period. The Museum will bolster its efforts to raise project funding in the 2017/18 period. The Non-Repayable Funding is unconditional funding raised for research / collection management projects.

Expenditure

12. The 28% under spending on bank charges is attributable to cost effective online banking.
13. The over expenditure is attributable to a farewell party hosted for a staff who had been in service for over 10 years.
14. One of the Museum's vehicles was involved in an accident and was written off by the insurers.
15. The 17% over spending is attributable to persistent network problems experienced during the period under review. In the 4th quarter, the Museum appointed new services providers to help alleviate the problem.
16. The negative variance of 18% is due to general price inflation.
17. This item was over budgeted for.
18. The negative variance of 21% is due to general price inflation.
19. In the 3rd quarter, the Museum initiated a process to change its telephone provider due to the high costs. A cost effective service provider was appointed in February 2017 projecting to cut the telephone costs by 63% or R135,000 per annum.
20. The Museum had a limited number of operating vehicles during the period (due to vehicle write-off). Furthermore, the recently acquired general purpose vehicle is fuel efficient.
21. The over spending of 31% is attributable to scheduled interviews in the 3rd quarter of the reporting period.
22. Totals deferred grants and project funding utilized as at 31 March 2017. Revenue is recognised matching the expenses as it incurred. The Museum did not raise (receive) grants for various public programmes in the 2016/17 period. The Museum will bolster its efforts to raise project funding in the 2017/18 period.
23. The over spending is attributable to an old less efficient copier machine used at the LRC in the 8 months of the period. The Museum replaced this machine with a cost efficient machine.
24. The over spending is a result of urgent curatorial materials required for the wet collection.

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)



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Statement of Comparison of Budget and Actual Amounts: 2016/17 (Continued)

25. This item was over budgeted for.

26. This item was over budgeted for.

27. The over expenditure is a result of servicing cost incurred in respect of fire safety equipment. This cost is the responsibility of the Department of Public Works but due to delays, the Museum took the initiative to avoid a safety hazard. In addition, unplanned servicing cost in respect of the CCTV equipment was incurred due to equipment failure.

28. The Museum received sponsorship amounting to R85,000 to print additional journal volumes. Furthermore, the Museum did not print the 2016 volume of the African Invertebrates Journal due to insufficient number of papers.

29. The substantial portion of grant expenditure went on to finance capital equipment. This is reflected in the statement of financial position.

30. This item was over budgeted for.

31. The under spending is a result of a deferred project due to inadequate staff capacity within the exhibition department.

32. The 90% under spending is attributable to grant expenditure; the Museum did not raise (receive) grants for various public programmes during the 2016/17 period, as a result these projects were not implemented during the period under review. The Museum will bolster its effort in this item in the next financial period.

33. Overall, the under expenditure on personnel costs amounted to 1.3% or R211, 620 during the period. This was largely attributable to unfilled vacancies.

		ACTUAL	BUDGET	VARIANCES
		R	R	R
CAPITAL BUDGET				
Computer Equipment	a	(161,232)	(146,260)	(14,972)
Other Equipment	b	(782,951)	(79,220)	(703,731)
Furniture	c	(5,479)	-	(5,479)
		<u>(949,662)</u>	<u>(225,480)</u>	<u>(724,182)</u>

Budget Variances

a. The over expenditure is mainly attributable to the new computer equipment purchased for new employees.

b. The over spending is attributable to assets purchased through deferred grants and project funding. This includes an amount of R431,442 for the state of the art microscope, library security systems as well as the large format printer.

c. New furniture was purchased for new employees and to replace damaged furniture.

Notes to the Financial Statements

for the year ending 31 March 2017 (continued)

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30 HERITAGE ASSETS

Heritage Assets

The following collections and exhibits (heritage assets) have been recorded in the Asset Registers but have not been recognised in the statement of financial position because the valuation of heritage assets have not been performed. Refer Note 1.7.

The National Treasury issued an Exemption for the Department of Arts and Culture Public Entities from Complying with Generally Recognized Accounting Practise 103 on the 4th of December 2015; the exemption is granted for period ending 31 March 2017. In the exemption letter the Finance Minister recommends that the entities discontinue with the process of obtaining valuation specialists for the measurement of these assets. All other work relating to capturing, verifying and updating of assets registers should continue, making best use of resources.

The Department of Arts and Culture has allocated an amount of R4,5 million in the 2017/2018 period for the heritage assets project. The KwaZulu-Natal Museum has made great strides at ensuring the completeness of heritage asset registers; and has approved relevant policies in respect of valuation of heritage assets. The major obstacle at fully complying with the GRAP 103 standard for the KwaZulu-Natal Museum is the valuation aspect of the standard.

a. The Library Collection

- Library books, journals, reference material, newspaper cuttings and pamphlets.
- Photography Collection consisting of Murray, Ogilvie and Maby collections.

b. The Human Sciences Collection

- Archaeological Collection
- Anthropological Collection
- Cultural History Collection

c. The Natural Sciences Collection

- Malacological Collection include: marine molluscs, terrestrial and freshwater snails and slugs, mainly from southern Africa and surrounding waters, also from other parts of Africa and from overseas.
- Oligochaeta Collection include: southern African earthworms, as well as reference material from other parts of the world.
- Entomological Collection include: Afrotropical Diptera and Hemiptera, as well as other insects.
- Arachnological Collection include: Afrotropical spiders, mites, ticks, harvestmen, and scorpions.
- Collection of Myriapoda include: Afrotropical centipedes, millepedes, and pill millepedes.
- Collection of Crustacea include: crabs, shrimps and the like.
- Collection of small phyla: Porifera, Cnidaria, Plathelminthes, Tardigrada etc.
- Herpetological Collection include: southern African Amphibia and Reptilia.
- Palaeontological Collection include: fossil plants and various invertebrates and vertebrates.





***Gulella davisae*,**

a narrow-range endemic snail known only from the Mariepskop area, Mpumalanga. Described in 2016 by Prof. Dai Herbert and named after Linda Davis, the manager of the museum's Mollusca collection.



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