



an agency of the  
Department of Arts and Culture

# ANNUAL REPORT 2015/16



## VISION

A nation united through heritage

## MISSION

Our mission in fulfilling our mandate is promoting social cohesion in our country by:

- Identification, conservation and management of heritage resources in South Africa so that they can contribute to socio-economic development and nation building;
- Developing norms, standards and charters for the management of heritage resources in South Africa and codes of international best practice; and
- Contributing to skills and knowledge production and transformation in heritage resources management in South Africa and beyond.

## VALUES

- Accountability
- Teamwork and cooperation
- Respect
- Transparency
- Service excellence
- Integrity & ethics
- Honesty
- Accessibility
- Professionalism
- Communication

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## SECTION A GENERAL INFORMATION

*JAG wire basket – Courtesy of Johannesburg Art Gallery*



## GENERAL INFORMATION

<b>REGISTERED NAME:</b>	South African Heritage Resources Agency (SAHRA)
<b>REGISTRATION NUMBER:</b>	N/A
<b>PHYSICAL ADDRESS:</b>	111 Harrington Street Cape Town 8001
<b>POSTAL ADDRESS:</b>	P.O Box 4637 Cape Town 8000
<b>TELEPHONE NUMBER/S:</b>	027 21 462 4502
<b>FAX NUMBER:</b>	027 21 462 4509
<b>EMAIL ADDRESS:</b>	info@sahra.org.za
<b>WEBSITE ADDRESS:</b>	www.sahra.org.za
<b>EXTERNAL AUDITORS:</b>	Auditor-General
<b>BANKERS:</b>	Absa and Nedbank
<b>COMPANY SECRETARY:</b>	Ms. Lungisa Malgas

## ACRONYMS AND DEFINITIONS

<b>ACH</b>	Arts, Culture and Heritage
<b>AGSA</b>	Auditor General of South Africa
<b>APM</b>	Archaeology, Palaeontology and Meteorites
<b>APP</b>	Annual Performance Plan
<b>B-BBEE</b>	Broad-based black economic empowerment
<b>BEU</b>	Built Environment Unit
<b>BGG</b>	Burial Grounds and Graves
<b>CEO</b>	Chief Executive Officer
<b>DAC</b>	Department of Arts and Culture
<b>DEA</b>	Department of Environmental Affairs
<b>EIA</b>	Environmental Impact Assessment
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>G&amp;D</b>	Grading and Declaration
<b>HOU</b>	Heritage Objects Unit
<b>IU</b>	Inspectorate Unit
<b>IT</b>	Information Technology
<b>LHR</b>	Liberation Heritage Route
<b>MOU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>MUCH</b>	Maritime and Underwater Cultural Heritage
<b>NI</b>	National Inventory
<b>NDP</b>	National Development Plan
<b>NEMA</b>	National Environmental Management Act (Act No. 107 of 1998)

## ACRONYMS AND DEFINITIONS

<b>NGO</b>	Non-Governmental Organisation
<b>NHC</b>	National Heritage Council
<b>NHRA</b>	National Heritage Resources Act (Act No. 25 of 1999)
<b>NSDS</b>	National Skills Development Strategy
<b>PAIA</b>	Public Access to Information Act (Act No. 2 of 2000)
<b>PFMA</b>	Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999)
<b>PHRA</b>	Provincial Heritage Resources Agency
<b>SAHRA</b>	South African Heritage Resources Agency
<b>SAHRIS</b>	South African Heritage Resources Information System
<b>SASSETA</b>	Safety and Security Education Training Authority
<b>SCM</b>	Supply Chain Management
<b>SONA</b>	State of the Nation Address
<b>SMME</b>	Small, Medium and Micro Enterprises
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TRC</b>	Treasury Regulations
<b>WSU</b>	Walter Sisulu University



## STRATEGIC OVERVIEW

SAHRA is a Schedule 3A public entity as per the Public Finance Management Act No. 1 of 1999 (PFMA). It identifies, conserves, protects and promotes our national heritage resources for the greater good of our society and humanity and contributes to Outcome 14 of the NDP: Social cohesion and nation building.

As outlined in the NHRA preamble preservation and protection of our heritage is a catalyst and it:

- Encourages communities to nurture and conserve their legacy;
- Defines cultural identity;
- Lies at the heart of our spiritual well-being;
- Has the power to build our nation and the potential to affirm our diverse cultures;
- Shapes our national character;
- Celebrates our achievements; and
- Contributes to redressing past inequities (Preamble NHRA, 1999).

Legislation and other mandates that relate to heritage resource management:

- National Heritage Council Act (Act No. 11 of 1999)
- Cultural Institutions Act (Act No. 119 of 1998)
- South African Geographical Names Council Act (Act No. 118 of 1998)

- National Library of South Africa Act (Act No. 92 of 1998)
- South African Library for the Blind Act (Act No. 91 of 1998)
- National Film and Video Foundation Act (Act No. 73 of 1997)
- National Arts Council Act (Act No. 56 of 1997)
- Legal Deposit Act (Act No. 54 of 1997)
- National Archives and Record Service of South Africa Act (Act No. 43 of 1996)
- Pan South African Language Board Act (Act No. 59 of 1995)
- Culture Promotion Act (Act No. 35 of 1983)
- Heraldry Act (Act No. 18 of 1962)
- South African World Heritage Convention Act (1999)
- National Environmental Management Act (Act No. 107 of 1998)

Other relevant legislations and mandates include:

- Public Finance Management Act (Act No. 1 of 1999)
- The Annual Division of Revenue Acts (Act No. 10 of 2014)
- Basic Conditions of Employment Act (Act No. 75 of 1997 as amended)
- Employment Equity Act (Act No. 55 of 1998)
- Labour Relations Act (Act No. 66 of 1995)
- Skills Development Act (Act No. 37 of 2008)
- Government Immovable Asset Management Act (Act No. 19 of 2007)
- The Constitution of the Republic of South Africa, 1996

## STRATEGIC OUTCOME-ORIENTED GOALS

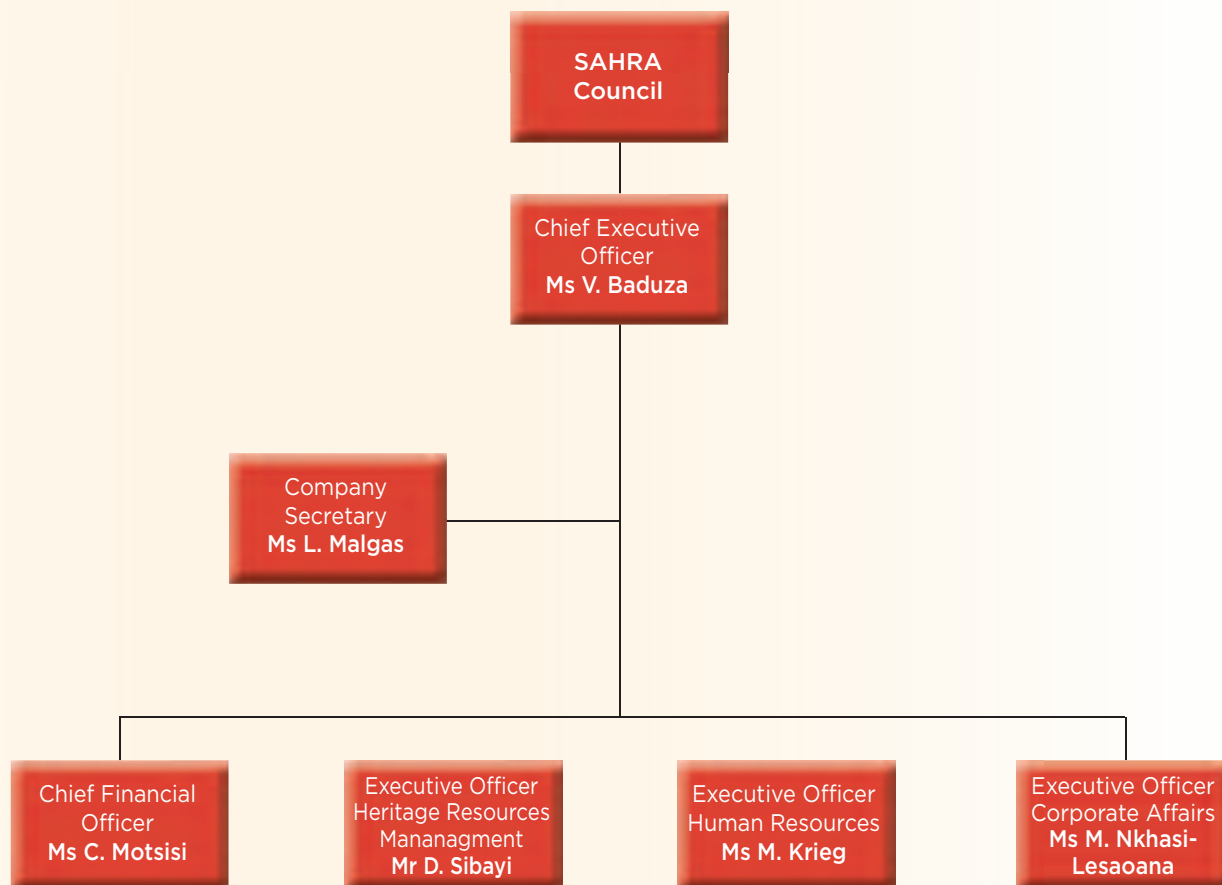
Moving into the future SAHRA will be guided by the following strategic objectives and goals as outlined in the reviewed 2015-2019 SAHRA strategic plan:

- Strengthen SAHRA as a recognised leader in heritage resources management, research and education at national, regional and global levels
- Position SAHRA as the premier heritage resources management agency
- Build SAHRA's global, regional and national network of stakeholders and partnerships
- Align SAHRA's initiatives to national socio-economic and developmental objectives
- Implement an effective and efficient corporate governance system and organisational design within SAHRA

## LEGISLATIVE AND OTHER MANDATES

SAHRA is a Schedule 3A public entity in terms of the PFMA. It is statutory entity established under the NHRA as the national administrative body responsible for the protection of South African cultural heritage. SAHRA, as an Agency of the Department of Arts and Culture (DAC), has been tasked to manage and implement the NHRA.

## ORGANISATIONAL STRUCTURE





## CHAIRMAN'S FOREWORD



**Mr. Fanie Makhanya**

**It gives me great pleasure to introduce the last Annual Report of this Council's term for the period of 2015/16.**

Heritage narrates the stories of our past; it reflects our present and will be our legacy for future generations. It is our cultural and natural imprint which characterizes our lives, our cities and our nations. Heritage resources and services are central to the development of post-apartheid South Africa, and plays a pivotal political, social and economic role in reconstituting and transforming society.

We can proudly report that in the 2015/16 year, the SAHRA continued to thrive on their legislated mandate on the nomination, grading and declaration of previously neglected heritage sites, including those that relate to the previously marginalised and ignored sections of our society. This

includes the recognition of unsung Heroes and Heroines of our nation who sacrificed their lives for the emancipation of our people. Through the heritage sites declaration process, we are able to ensure the much needed transformation of our heritage landscape so that it better reflects of all our communities and the journey to our hard-earned democracy.

During the past year we commemorated a memorial to Ms Josephine Moshobane, who died pursuing the cause of freeing her people from the racial oppression and exploitation. She died in 1986 after being tortured and injured by the apartheid security police whilst being held in solitary confinement. We had subsequently commemorated a memorial for Ms Mmakwena Matlala who, in the early 1950s, was banished for her 'refusal to co-operate' with the Native Affairs Department in the reclamation of Matlala's location in Limpopo.

Recognition was given this year to stalwarts of the struggle whose graves are in Mozambique, amongst these Mr Moses Mabhida. A memorial in honour of our fallen heroes and heroines was erected in Matola, Mozambique. The memorial was unveiled during Heritage Month by our President, the Honourable Mr Jacob Zuma and his counterpart in Mozambique, the Honourable Mr Filipe Nyusi.

In our endeavour to foster social cohesion, nation-building and an appreciation of our history, we are in the process of completing the erection of memorials of the Founding Fathers of our Democracy. These include memorials to Mr Thomas Maphikela (ANC), Dr James Moroka (ANC), Mr Robert Sobukwe (PAC), Mr Steve Biko (BCM) and Mr Josias Madzunya (PAC).

Further afield, and as part of the worldwide centenary commemoration of World War I, we are currently transforming the Delville Wood Memorial and Museum in France, to reflect the South African ethos of a democratic nation. The memorial is being transformed into an inclusive and representative site which will give a more accurate and balanced history of the events of the war. Apart from the inscription of the names of all South Africans, both black and white who died in World War I, we are also restructuring and reinterpreting the displays inside the museum to provide a balanced account of the role of South Africa and South Africans, such as the nearly 70 000 members of the Native Labour Corps, that participated in World War I.

We will continue in our trajectory to transform the cultural heritage landscape, memorialising our past and regulating the management and conservation of heritage resources in our country and beyond. The commitment to safeguard our cultural heritage through the implementation of our legislative prescripts remains absolute and vigorous. Through these regulatory frameworks, we will ensure that our heritage is protected for future generations.

This report is the culmination of the achievements of the Entity since the Council's induction in 2013. Prior to the appointment of this Council the Entity had received a negative audit report and the previous Council had embarked on the turnaround strategy to implement recommendations of the Auditor-General. The Entity under the guidance of the current Council has successfully completed the turnaround strategy by strengthening the governance of the Entity and filling strategic and critical positions.

It has been an ongoing and serious concern for the Council, across our three year term with the Entity, to have to report

a shortfall funding. Despite this, the Entity has managed the achievements mentioned above, and many others which are covered in this report-, and remains committed to fulfilling our mandate.

We would like to express a deep appreciation to the Minister of Arts and Culture, Mr Nathi Mthethwa for giving the Council support and opportunity to serve and strategically guide the Entity during its tenure; to the Deputy Minister, Ms Rejoice Mabhudafhasi for her relentless support during the unveiling of some of the memorials of our heroines; and to the Portfolio Committee for their guidance that has shaped the performance of the Entity.

Last but not least, I must thank colleagues in the SAHRA Council for their constructive role and participation in the deliberations of the Council and the commitment to the Entity they have displayed throughout their term of office. Our most sincere and humble appreciation goes to the Executive Management and staff of SAHRA for their work to turn around and stabilize the Entity, which is reflected in the Auditor-General's Reports.



Mr Fanie Makhanya  
Council Chairperson

## CHIEF EXECUTIVE OFFICER'S OVERVIEW



**Ms Veliswa Baduza**

**It is my pleasure to present the 2015/16 Annual Report of the South African Heritage Resource Agency.**

It is also with great excitement to report that the Entity has once more achieved an unqualified audit opinion for the financial year 2015/16.

We started the financial year with a heightened renewed purpose after a vigorous process of aligning our Annual Performance Plan to the Sector Strategic Objectives and Outcome 14 of government. This process has enabled us to reflect deeply on the intrinsic role that we are playing as an organisation in the country with regards to social cohesion and economic development.

With this realisation we have actively participated in the revision of the White Paper and also initiated a process of

developing regulations on section 7 and section 9 of the NHRA to enable better execution of our mandate.

The financial year was also affected by the “Rhodes must fall” protest action which sparked the destruction and defacing of Statues all over the Country. As a heritage body, we had to swiftly get involved and respond to the need for the conservation and preservation of our heritage. It became incumbent upon us to develop brochures and educate the Public on the purpose of conserving our heritage for future generations, which at times is symbolised through Statues.

As stated in the State of the Nation Address in February 2016, South Africa will be participating in the Centenary Commemorations of the Battle of Delville Wood in France. In line with the mandate of SAHRA as enshrined in the National Heritage Resources Act no 2 of 1999 (NHRA), we were thus mandated to lead the transformation of the Delville Wood Memorial and Museum in Longueval, in the Somme Region of France.

This project started in earnest in July 2015 and it is with great excitement to report that we will be ready for the Centenary Commemorations in July 2016. Almost 14000 names of South African soldiers who fell during World War 1 will be engraved on the Wall of Remembrance in Delville Wood.

During the year under review we managed to complete 9 Memorials of our Liberation Struggle heroes and heroines locally and international. In recognition of the Women who sacrificed their lives for our Liberation, we further erected and unveiled the Memorial of Mme Makwena Matlala in the Ga-Matlala village, Limpopo. She was banished in 1951 to King William's Town in the Eastern Cape Province by the apartheid government for her refusal to co-operate with



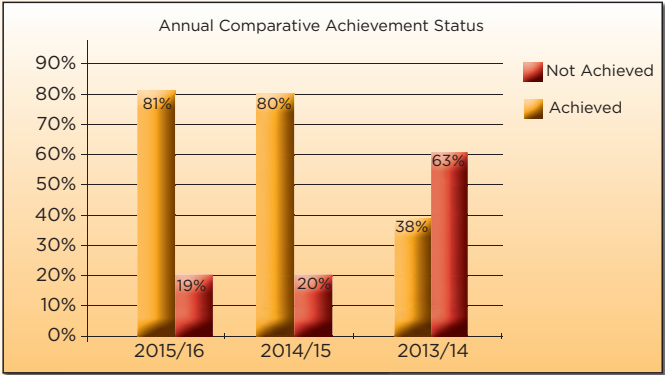
the Native Affairs Department (NAD) in the reclamation of Matlala's location.

We also declared 5 resources as national heritage resources; namely, the Broster Beadwork Collection, the Malapa Palaeo-Anthropological Site, the Klasies River Cave Complex, the grave site of Dr James Moroka as well as the grave site of Mr Thomas Maphikela. The protection given to these heritage resources has huge spinoffs of socio economic benefits through tourism and education.

During the last quarter of the financial year, we celebrated the unveiling of the Broster Beadwork Collection in partnership with the Walter Sisulu University. This was a culmination of a long collaborative effort with the University and other Curators who contributed immensely to the declaration of the Collection as a "Specifically Declared Heritage Object" which depicts an important part of the South African History of the Nguni people.

We are also excited to report that we have managed to achieve 81% of our set targets for the year.

The table below shows a comparative analysis of the Entity's performance in achieving the set targets over the past three financial years, clearly showing an upward trajectory in our annual performance.



By the end of the financial year we had already finalised the alignment of the organisational structure with the new strategy and vision of the Entity. Approval and lobbying for the funding of the structure will take place in the new financial year.

We have strengthened our internal controls in all areas of our business and also developed operational plans that will proactively give us early warning systems where performance is declining.

A Risk Management Committee was established during the year under review. The committee is chaired by an independent person nominated from the Audit and Risk Committee. We have invested time in empowering all Managers on Risk Management and ensuring that Risk Management is entrenched in our day to day operations.

We noted with serious concern the lack of a business model to inform delivery on our mandate and the related funding strategy to ensure that such a business model is duly funded. To this end we will be developing a compelling business model with the concomitant funding strategy that will enable

us to source adequate funding for the overall execution of our mandate.

Our Heritage Properties have a potential to increase revenue. To this end we are continuing to explore different options of accessing funding for the rehabilitation and restoration of the prioritised Heritage Properties to enable the repurposing thereof.

Discussions with the National Treasury on possible PPP collaborations have already commenced.

We will continue to advocate the importance of Heritage Resources Management by engaging in collaborative efforts with various stakeholders through colloquiums, conferences and other similar platforms.

During the year under review, we improved the Supply Chain Management (SCM) processes and also filled all the vacant posts. We noted with concern the increased number of deviations and to address this, the Procurement Plans have been in that section of the Entity improved to enable better planning.

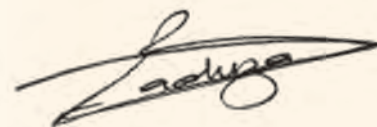
A comprehensive action plan was put in place to monitor the implementation of the audit findings of the prior year. Internal controls were enhanced through the development of Policies and improvement in the review of financial transactions. The

Internal Audit, Audit Committee and Executive Committee played a pivotal role in monitoring progress on the clearing of audit findings.

All these achievements would not have been possible without the relentless efforts of the entire Staff and Executives who have showed unreserved dedication to the successes of the Entity every time when duty called.

I would like to thank the Council and all its Committees for the sterling support and leadership provided and for steering the Entity in the right direction.

My sincere gratitude goes to the Department of Arts and Culture and all our strategic partners for their contribution to our success.



Ms Veliswa Baduza  
Chief Executive Officer  
Date: 31 July 2016

## STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

SAHRA is a statutory organisation established by the National Heritage Resources Act, No. 25 of 1999, as the national administrative body responsible for the protection of South Africa's cultural heritage. It is an implementing agency of the Department of Arts and Culture.

It is a legislative requirement that all government institutions and entities periodically review their strategic plans in order for them to remain relevant and to be responsive to their legislative mandates.

It is against this background that SAHRA conducted its strategic review in 2014 with emphasis on reshaping its future to ensure improved performance, a 2015–2020 strategic plan was approved by Council. The 2016/17 Annual Performance Plan is the second annual performance plan in implementing the strategic plan.

The sections below provide the strategic direction committed to by the leadership of SAHRA during the strategic planning workshop in October 2014:



An aerial photograph of a coastal area, likely Still Bay, showing stone-walled fish traps and a small building. The image is overlaid with a large, curved, semi-circular graphic element composed of concentric bands in shades of red, orange, and yellow. The text "PART B: PERFORMANCE INFORMATION" is centered within the white space of this graphic.

## **PART B: PERFORMANCE INFORMATION**

*Stone-Walled Fish Traps, Still Bay*

## SAHRA'S STRATEGIC OUTCOME-ORIENTED GOALS

SAHRA has defined a set of seven (7) strategic outcome-oriented goals arising out of a situational context that mirrors the key imperatives that SAHRA must pursue in alignment to the sector strategic objectives.

Sector Strategic objectives	SAHRA strategic outcome-orientated goals	SAHRA strategic objectives
1. A transformed, coherent and development focused sector	1. Regulated and protected heritage resources	Assert SAHRA's role as a regulatory body in heritage resources management.
2. Nation building through effective social cohesion programme implementation	2. Social cohesion and upliftment	Strengthen SAHRA as an agent to promote social cohesion and social upliftment through heritage resources management.
3. A productive, diverse and inclusive ACH Sector	3. Dynamic functional networks	Build SAHRA's brand internationally and locally through public awareness.
	4. Integrated developmental programmes	Align SAHRA's initiatives to national socio-economic and developmental objectives through identification, conservation, protection and promotion of Heritage Resources.
4. Sound fiscal management and a sustainable ACH Sector	5. Financial sustainability	Maximise immovable heritage assets for income generation and conservation.
5. Sound governance and the modernising of the ACH Sector to ensure its efficiency and effectiveness	6. Well-governed performing organisation	Implement effective and efficient corporate governance systems within SAHRA.
6. A professional and capacitated ACH Sector.	7. Professional and capacitated Heritage Resources Management Sector	Building the skills and capacity of the Heritage Resources Sector to ensure its ongoing development and sustainability.

## Expenditure Per Programme

Description	Adjusted Budget R'000	Actual Spent R'000	Variance R'000	% Spent
Programme 1: Administration	39,098	36,925	2,173	94%
Programme 2: Business Development	56,388	55,019	1,369	98%
Programme 1: Public Participation	1954	1830	124	94%
<b>Total Expenditure</b>	<b>97,440</b>	<b>93,774</b>	<b>3,666</b>	<b>96%</b>

## PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE

### Programme 1 - Administration

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
Align SAHRA's initiatives to national socio-economic and developmental objectives	4.1.1 Number of programmes implemented through partnerships with stakeholders for Socio-Economic Transformation	To contribute to socio-economic transformation by developing/implementing programmes, providing resources and or creating platforms for transformational activities. (Programmes, MOA's, etc.)	4	
Maximise Immovable heritage assets for income generation and conservation	5.1.1 Number of Immoveable heritage assets refurbished for income generation	To become financially viable SAHRA must look at mechanisms to generate revenue through immovable assets. This will be reviewed through quarterly project progress reports and or rental agreements, etc.	2	
Implement effective and efficient corporate governance systems within SAHRA.	6.1.1 % Annual staff turnover	The goal is to reduce the number of staff leaving the Entity as the longer the staff remains at SAHRA the more capacity can be built therefore enabling the Entity to effectively fulfil its mandate.	Reduce by 2% Annual voluntary turnover rate below 8%	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	4	Achieved	<ol style="list-style-type: none"> <li>1. Implementation of an MoU for the use of SAHRA's vacant plot in the Tulbagh Church Street Community Gardens to benefit the community.</li> <li>2. Maritime Underwater Cultural Heritage Youth Development Programme in Bredasdorp/Arniston</li> <li>3. An agreement between SAHRA and Mr Moerat has been concluded through a Youth Rehabilitation Programme to conduct a foot patrol of the whole property of SAHRA in Dal Josaphat.</li> <li>4. Maritime Underwater Cultural Heritage Youth Development Programme in partnership with the East London Museum in East London, Eastern Cape Province</li> </ol>	N/A	N/A
	2	Achieved	<ol style="list-style-type: none"> <li>1. The Struisbaai Fisherman's Cottage 7 has been refurbished and leased out for Holiday Makers.</li> <li>2. A new agreement which stipulates repairs by the tenant was signed for the Garden Cottage which was not occupied for some time.</li> </ol>	N/A	N/A
	1.57% Annual Turnover	Achieved	The Annual voluntary Staff Turnover for was 1.57%	N/A	N/A

**Programme 1 - Administration (*continue*)**

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	6.1.2 Number of training programmes	The continuous provision of training programmes leads to better efficiency and more effectiveness in delivering on the mandate of the Entity. Records of attendance of training	5	
	6.1.3 100% implementation of the Performance Management System	It is critical that performance contracts/agreements and plans are entered into (signed) with all staff so that performance of staff can be measured in relation to the deliverables in the Annual Performance Plan	100% performance contracts signed	
	6.1.4 Compliance with the ICT Annual Performance Plan	All deliverables in the IT performance plan to be implemented/rolled-out	100% compliance with the ICT Annual Performance Plan	
	6.1.5 % satisfaction rating of SAHRIS users	Establishing a baseline of the % user satisfaction of SAHRIS using a survey approach. Report on % baseline	% Baseline satisfaction rating of SAHRIS users established through an electronic SAHRIS survey	



	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	6	Achieved	The following training programmes were provided to and attended by staff:- 1. Bid Committees 2. South African Heritage Resources Information Systems (SAHRIS) 3. Standards of Generally Recognised Accounting Practice 4. VIP Basic Payroll 5. Employment Equity Training by the Department of Labour 6. Risk Management	N/A	N/A
	Performance contracts were signed by all staff	Achieved	All staff had entered into performance contracts with their respective Supervisors/Managers	N/A	N/A
	80%	Not Achieved	80% of the KPIs in ICT Annual Performance Plan have been implemented.	Limited Capacity within the ICT Unit	An external service provider was appointed during the third quarter. An ICT Manager has been appointed in May 2016
	60% of the users were satisfied with SAHRIS	Achieved	User survey compiled, rolled out and analysed. Report compiled on results	N/A	N/A

**Programme 1 - Administration (*continue*)**

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	6.1.6 Maintain an unqualified audit report	Unqualified audit opinion for the 2014/15 financial year. Auditor-General 2014/15 audit report	Unqualified audit report	
	6.1.7 MTEF and ENE submissions within National Treasury guidelines and timeframes	The goal is to ensure timeous submissions of the budget in terms of the National Treasury MTEF and ENE and deadlines. Submissions done via email	Submission of MTEF and ENE within the National Treasury guidelines and timeframes	
	6.1.8 Quarterly reports submitted to the Department of Arts and Culture and the National Treasury within 30 days	Timeous submission of quarterly performance reports to Department of Arts and Culture and National Treasury. Submissions done via email	Submission of quarterly reports within 30 days	
	6.1.9 Develop and implement the audits in the annual risk-based internal audit plan	Development of 2015/16 Internal Audit (IA) Plan and issuing draft/final audit reports as per this Plan	Develop and execute all audits in the annual risk-based Internal Audit Plan	
	6.1.10 All council and committee minutes and resolutions distributed within 10 days	Timeous distribution of Council and Committee meeting minutes and resolutions	All minutes and resolutions taken by Council and Council Committees distributed within 10 days	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	Unqualified Audit Opinion (2014/15)	Achieved	An unqualified audit opinion was received for the 2014/15 financial year	N/A	N/A
	MTEF and ENE were submitted to the National Treasury in line with the related guidelines and timeframes	Achieved	MTEF and ENE were submitted to the National Treasury within the prescribed guidelines and timeframes	N/A	N/A
	Financial and Performance Quarterly Reports were submitted to the National Treasury within set guidelines and timeframes	Achieved	Financial and Performance Quarterly Reports were submitted to the National Treasury within the prescribed guidelines and timeframes	N/A	N/A
	All audits in the annual risk-based Internal Audit Plan were executed	Achieved	Final Reports issued = 14 Audits: HR, HRM, FSCP, Cvr, PDOs (Smart), SCM 3x Quarterly PDOs 5x Follow-up reports - HR, Finance/ SCM, PDOs/Legal, CorpServ & HRM	N/A	N/A
	Minutes and resolutions for some Council meetings were distributed within 10 working days after the meetings	Not Achieved	60% of Minutes and resolutions for Council meetings were distributed within 10 working days after the meetings	Due to all meetings held back to back within one month some minutes and resolutions were not distributed within the set target	Council has approved that the minutes and resolutions be distributed within 21 working days

### Programme 1 - Administration (*continue*)

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	6.1.11 Evaluation of Council performance as per the Council Charter	Completed evaluation forms by Council members	Annual submission of Council evaluation forms	

### Programme 2 - Business Development

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
Assert SAHRA's role as a regulatory body in Heritage Resources Management	1.1.1 Number of policies, standards, norms reviewed and /or developed	The indicator measures the number of policies, procedures, standards, norms reviewed and/or developed in Heritage Resources Management to fulfil the mandate of SAHRA to regulate and monitor compliance according the National Heritage Resources Act (NHRA)	3	
	1.1.2 Workshops on policies with heritage resources bodies and practitioners	This will be measured by the number of reports and/or attendance registers on the workshops held on prescripts	4	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	50% of Council Evaluation forms were submitted	Not Achieved	50% of Council Evaluation forms were submitted	The SAHRA Council resolved that a service provider be appointed for an objective assessment	A service provider has been appointed to assist with Council evaluation

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	3	Achieved	<ol style="list-style-type: none"> <li>1. An Appeal Procedure</li> <li>2. Archaeology Permitting Policy</li> <li>3. Palaeontology Permitting Policy</li> </ol>	N/A	N/A
	4	Achieved	<ol style="list-style-type: none"> <li>1. Workshop and report on Arts, Culture and Heritage White Paper Review</li> <li>2. Report on the SAHRA and Department of Public Works workshop relating to section 9 (included representatives from the Provincial Heritage Authorities)</li> <li>3. Combing of the NHRA Workshop</li> <li>4. A Section 9 of the NHRA Workshop was held with the National Department of Public Works (representatives from the Provincial Heritage Resources Authorities)</li> </ol>	N/A	N/A

**Programme 2 - Business Development *(continue)***

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	1.1.3 Implement and monitor adherence to regulatory frameworks	This will be measured by the number of inspections, site visits, assessments and compliance reports issued	4	
Strengthen SAHRA as an agent to promote social cohesion and social upliftment through heritage resources management	2.1.1 Number of consultative engagements undertaken on heritage resources management	The objective is to assist in becoming a leading knowledge agency and inform policy directive on Heritage Resources Management through a number of engagements with other sector leaders	1	



	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	5	Achieved	<p>Inspections were held as follows:</p> <ol style="list-style-type: none"> <li>1. Cradle of Humankind World Heritage Site - Fossil Site Inspection report</li> <li>2. Taung National Heritage Site report (by Archaeology, Palaeontology &amp; Meteorites and Built Environment)</li> <li>3. Cease Works Order: Excavation works for the planned shopping centre (erven 409, 410, 411) - Adam's Well</li> <li>4. Meteorites Unit Canteen Kopje</li> <li>5. Sharpeville Massacre Heritage Site</li> </ol>	Canteen Kopje was not in the initial plan and had to be visited to address a mining issue	N/A
	3	Achieved	<ol style="list-style-type: none"> <li>1. SAHRA has been involved in consultative engagements on the Department of Arts and Culture's Revised White Paper for Arts, Culture and Heritage</li> <li>2. SAHRA is part of the Task Team for the Transformation of the Heritage Landscape which is led by the Minister of Arts and Culture and has participated in all the engagements of the Task Team to date</li> <li>3. A public participation meeting regarding the declaration of the Noordkapperspunt Fish Traps in Still Bay was held.</li> </ol>	SAHRA was invited by the Minister of Arts and Culture to participate in a Task Team Transformation of the Heritage Landscape and this was not initially planned	N/A

**Programme 2 - Business Development** *(continue)*

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	2.1.2 Number of publications/papers developed on heritage resources management	This will be measured by the number of publications/papers produced by Heritage Resources Management (i.e. Programme 2 only) (excluding quarterly newsletters)	5	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	7	Achieved	<ol style="list-style-type: none"> <li>1. A paper developed and published on SAHRIS as a tool for reporting, tracking and managing cases of heritage crime in South Africa. South African Museums Association Bulletin (SAMA) and CIPA</li> <li>2. A paper submitted to the ASAPA Conference Proceedings Journal on the use of SAHRIS as a tool for collaborative research with a focus on the spatial analysis of rock art sites and motifs</li> <li>3. A paper submitted to the CIPA Conference Proceedings Journal on using SAHRIS as a web based application for creating heritage cases and permit applications</li> <li>4. A paper submitted to the Journal of Cultural Heritage Management and Sustainable Development on SAHRIS as the South Africa's integrated, web-based heritage management system</li> <li>5. A paper submitted on the National Afrikaans Literature Museum and Research Centre as an Archival Institution</li> <li>6. A paper on Heritage Tourism was submitted to the UNESCO Heritage Series</li> <li>7. A paper on "On two wheels through a heritage site" was produced</li> </ol>	More officials were encourage to submit papers by management. SAHRA also received invitations to submit papers during the course of the year.	N/A

**Programme 2 - Business Development** *(continue)*

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	2.1.3 Number of memorials/monuments erected	Pictures and/or reports on the number of memorials or monuments erected or rehabilitated	10	
	2.1.4 National heritage resources declared	Gazettes confirming heritage resources declared	5	
	2.1.5 % of the received permit applications processed within 21 working days	This will be measured by a register or record of applications received and reports on applications processed within 21 working days to fulfil the mandate of SAHRA as a regulatory body in heritage resources management	100% processed	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	11	Achieved	The following memorials were erected and/or rehabilitated:- <ol style="list-style-type: none"> <li>1. Thomas Maphikela</li> <li>2. Mme Makwena Matlala</li> <li>3. Manchi Masemola</li> <li>4. Robert Sobukwe</li> <li>5. Matola Raid Monument and Memorial</li> <li>6. Josephine Moshobane</li> <li>7. Crown Mines</li> <li>8. Josias Madzunye</li> <li>9. Dr James Moroka</li> <li>10. Wonderwerk Cave</li> <li>11. Moses Mabida's grave</li> </ol>	While busy with the erection of a memorial for the victims of Matola Raid the Entity was requested to also erect a Memorial of Moses Mabida.	N/A
	5	Achieved	<ol style="list-style-type: none"> <li>1. Broster Beadwork</li> <li>2. James Moroka's Grave</li> <li>3. Thomas Maphikela's Grave</li> <li>4. Malapa Palaeo-Anthropological Site</li> <li>5. Klasies River Cave Complex</li> </ol>	N/A	N/A
	Not all permit applications were processed within 21 working days	Not Achieved	63.95% permit applications were processed within 21 working days	Methodology for measuring performance on this target was not properly set to enable consistent reporting.	To develop and document the system to enable correct and consistent reporting.

**Programme 2 - Business Development *(continue)***

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	2.1.6 % of the received Section 38 cases processed within 21 working days	This will be measured by a register or record of Section 38 cases opened and reports on cases processed within 21 working days	100% processed	
	2.1.7 Number of jobs created	Jobs created through: - Internships and - Through the procurement process, where service providers appointed by SAHRA are binded/encouraged to recruit locals to execute the work related to heritage resources projects	30 per annum	



	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	Not all section 38 cases were processed within 21 working days	Not Achieved	38.99% Section 38 cases were processed within 21 working days	Methodology for measuring performance on this target was not properly set to enable consistent reporting.	To develop and document the system to enable correct and consistent reporting.
	41	Achieved	<ol style="list-style-type: none"> <li>8 Interns were employed at various HRM Units through funding from the CATHSSETA.</li> <li>33 jobs were created through the erection of Memorials and Monuments projects that were rolled out throughout the country</li> </ol>	The over-achievement is constituted by the number of jobs created through the erection of memorials and monuments as it is not easy to pre-empt how many jobs would be created through these	N/A

**Programme 2 - Business Development *(continue)***

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	2.1.8 Number of programmes undertaken in communities/schools	The aim is to demonstrate the Entity's commitment in creating awareness and improve the knowledge of learners/communities/stakeholders on heritage matters. Sources are attendance registers, reports, programmes developed, and/or feedback surveys	5 per annum	
	2.1.9 Number of sites associated with the Liberation Heritage Route rehabilitated or declared	The aim is to fulfil the mandate of SAHRA in declaring heritage sites and creating awareness on liberation routes	2 sites rehabilitated or declared	
	2.1.10 Number of projects undertaken in foreign countries repatriating human remains/ erecting /rehabilitating memorialisation	Pictures and/or reports on the number of projects erected and or rehabilitated relating to foreign countries	1 Project completed	
	2.1.11 Number of PHRA officials trained	Attendance registers of PHRA officials who attended the SAHRIS training which was held to promote the advantages of the SAHRIS system	5 per annum	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	5	Achieved	<ol style="list-style-type: none"> <li>1. A youth development programme was conducted in Bredasdorp which incorporated a field trip</li> <li>2. A Museum Workshop was conducted in Bredasdorp</li> <li>3. Involvement in adjudication of the Heritage Competition by the Western Cape Education Department</li> <li>4. Education and Conservation Seminar with the Robben Island Museum and UNISA</li> <li>5. East London Museum Youth Development Programme: Learners workshop</li> </ol>	N/A	N/A
	2	Achieved	The memorials of the graves of Thomas Maphikela and James Moroka were erected and these are in the Heritage Liberation Route	N/A	N/A
	1	Achieved	The erection of the Matola Raid Monument and Memorial in Mozambique	N/A	N/A
	40	Achieved	<ol style="list-style-type: none"> <li>1. SAHRIS Training for Amafa, HWC and Limpopo Heritage Authority officials</li> <li>2. Refresher training for Gauteng PHRA officials on case creation, sit an property creation and mapping, document capture and the creation of case decisions</li> <li>3. Further training for Gauteng PHRA officials on creating heritage crime cases, heritage objects and organisations and institutions</li> </ol>	The reason for the over achievement is that training for Limpopo was not planned even though it took place. PHRAs also brought more people than anticipated.	N/A

### Programme 3 - Public Engagements

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
Build SAHRA's brand internationally and locally through public awareness	3.1.1 Number of exhibitions undertaken	Pictures and/or reports where the brand of SAHRA and its mandate is being promoted through exhibitions	5 exhibitions	
	3.1.2 Number of participants reached through SAHRIS awareness programmes	Report on the total number of new users (locally and internationally) accessing, browsing and or using the SAHRIS system	1000 participants	

	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	7	Achieved	Exhibitions undertaken were at the following events: 1. National Freedom Day Celebrations 2. National Youth Day Celebrations 3. Women's Day Celebrations 4. Unveiling of a Tombstone and Memorial of Mme Makwena Matlala 5. Unveiling of the Tombstone of Josephine Moshobane 6. Public Sector Career Expo 7. Unveiling of the Broster Beadwork	The unveiling of the Tombstone of Josephine Moshobane was not in the plan and it was an additional request from the Department of Basic Education and the Ministry of Arts and Culture. The public sector Career Expo was also not in the plan and was a request from the KwaZulu Natal Provincial Government. The unveiling of the Broster Beadwork was not initially planned for	N/A
	87635	Achieved	87635 participants were reached for the 2015/16 financial year.	SAHRIS was promoted at various platforms locally and internationally resulting in increased interest in the utilisation of the system by third parties.	N/A

### Programme 3 - Public Engagements (*continue*)

Strategic Objective	Performance indicator	Purpose/Definition	Annual Target	
	3.1.3 Promote SAHRA through branding	Development of a Corporate Identity Manual which informs SAHRA branding material	Develop a Corporate Identity Manual	
Building the skills and capacity of the Heritage Sector to ensure its ongoing development and sustainability	7.1.1 Youth Skills development programme in partnership with SETAs and partners	The intention was to sign Memorandum of Understanding with certain identified government partners as a means of developing a Youth Heritage Skills Development Programme	Youth Heritage Skills Development Programme developed	
	7.1.2 Professionalisation of the Heritage Resources Management programme	The intention was to sign a Memorandum of Understanding with an accredited institution to formalise Heritage Education through an accredited Heritage Resources Management Programme	Accreditation of the Heritage Resources Management Programme	



	Actual Performance	Achievement Status	Details of reported performance	Reason for Over/Under Achievement	Remedial Actions
	The Corporate Identity Manual was developed, workshopped and implemented	Achieved	The Corporate Identity manual was approved by the Council. (The implementation included Business Cards (Executives and Council Chairperson), E-mail Signatures, Letterheads, Presentation Template, Quarterly Newsletters, Internal Information Broadcast, Information booklets and brochures for various events)	N/A	N/A
	MoUs with the Iziko and East London Museums are being drafted	Not Achieved	MoUs with the Iziko and East London Museums are being drafted	The Entity had targeted to enter into an MoU with Iziko Museum. Discussions were held with Iziko Museum resulting in a draft MoU which unfortunately could not be concluded in 2015/16 financial year. East London Museum also approached SAHRA expressing an interest in partnership. Although this was an unplanned partnership the MoU could not be concluded during the year under review.	The MoUs will be concluded during the 2016/17 financial year.
	An MoU was signed with the Sol Plaatje University	Achieved	An MoU was signed with the Sol Plaatje University	N/A	N/A



# HERITAGE RESOURCES MANAGEMENT REPORT

*Barrel Wreck, Table Bay - Courtesy of Jon Carpenter*

## EXECUTIVE SUMMARY

The increasing demand for SAHRA to conserve heritage resources outside the borders of South Africa necessitated a shift in the organisation's focus. The last financial year compelled SAHRA to either rehabilitate sites or erect new memorials which commemorate the role played by South Africans abroad. Indeed, as a regulatory body SAHRA continuously performs its legislated mandate of managing and conserving heritage resources.

Following the exhumation and repatriation of Moses Kotane and JB Marks' remains from Moscow, Russia, in 2015, SAHRA undertook international projects/activities in France and Mozambique during this financial year.

Nationally, SAHRA continue to transform the cultural heritage landscape, memorializing our past and regulating the management and conservation of heritage resources. The latter is achieved through a permitting process and heritage impact assessment reviews to ensure and safeguard heritage resources. In this regard SAHRA is in constant contact with heritage practitioners, communities and developers to forge partnerships and promote cordial working relations. Through our electronic information system, SAHRIS, a large number of people are provided with information that assists in the management and conservation of heritage resources.

SAHRA has adopted a strategic approach and placed its focus on the nomination, grading and declaration of previously neglected heritage sites including those sites that relate to previously marginalized and ignored sections

of society. This process is cumbersome and requires careful assessment of these sites so they talk to the nation. More and more sites of cultural significance need formal protection and SAHRA endeavors to conserve them.

### HRM Sub-Programmes

Archaeology, Palaeontology and Meteorites (APM)  
Built Environment (BE)  
Burial Grounds and Graves (BGG)  
Grading and Declarations (G&D)  
Heritage Inspectorate (HI)  
Heritage Objects (HO)  
Maritime and Underwater Cultural Heritage (MUCH)  
National Inventory (NI)

## ARCHAEOLOGY, PALAEONTOLOGY AND METEORITES (APM) UNIT

### INTRODUCTION

The work of the Archaeology, Palaeontology and Meteorites (APM) Unit, undertaken in the financial year 2015-2016, to a significant extent comprised work undertaken on behalf of the Provincial Heritage Resources Authorities (PHRAs). While some PHRAs have taken on APM functions since the promulgation of the National Heritage Resources Act (NHRA) in 1999, functions in terms of APM matters are still being performed for numerous PHRAs who have yet to appoint qualified professionals to manage archaeology and palaeontology. SAHRA

manages archaeological and palaeontological matters for six provinces, namely: Northern Cape, Free State, Gauteng, Limpopo, Mpumalanga and North West provinces.

In as much as SAHRA has managed archaeological and palaeontological matters on behalf of some PHRAs, it has also endeavoured to meet its national mandate as outlined in the NHRA. Overall projects relate to work centred on Programme Two of SAHRA's strategic objectives of regulated and protected heritage resources and social cohesion and nation building. In this regard the SAHRA APM set out its Operational Plan for 2015-2016 to meet these requirements as it relates to the Entity's Annual Performance Plan. The following reports on the achievements and challenges of the unit in meeting its targets.

### **Policy Development**

An important area in which the Unit has contributed in a number of ways over the year has been increasing an awareness of standards of management for archaeological and palaeontological heritage resources that SAHRA aims to see implemented throughout the country. To this end extensive stakeholder engagements were undertaken in its review of the archaeology and palaeontology permit policies. These policies play an important role in the establishment of norms and standards in the management of archaeology and palaeontology. Amongst other things, these policies set norms and standards on how researchers must conduct themselves when dealing with archaeological and palaeontological resources.

### **Site Visits and Compliance monitoring**

SAHRA has actively engaged in the monitoring and evaluation of sites over the last year, despite its limited capacity in terms of staffing.

Week-long fossil site inspection programmes were undertaken in June 2015 in the Cradle of Humankind along with officials of the Cradle of Humankind Site Management Authority. These inspections have been highly successful and have served as a useful model for establishing appropriate structures post-declaration and how best to manage and monitor sites. In addition, to the fossil site inspections the APM Unit further plays an important role in the management of Taung Skull National and World Heritage.

A successful site visit was undertaken in collaboration with the SAHRA Built Environment Unit, and the North West Department of Rural Development and Agriculture (the Management Authority), in October 2015.

In addition to regulated site visits the unit plays a vital role in the Vele Colliery Mapungubwe Environmental Management Committee. This committee consists of key inter-government role players and non-governmental stakeholders. The aim of this committee is to assess and monitor compliance of activities related to mining activities around Mapungubwe.

### **Consultative Engagement**

During the 2015-2016 financial year SAHRA focussed focus on engaging with key stakeholders in the field of



heritage resources management and research. SAHRA APM took the opportunity to renew its relationships with the Association of Southern African Professional Archaeologists and the Palaeontological Society of South Africa. The purpose of the engagements is to foster good working relations and awareness with specialists' bodies, which in turn leads to greater compliance. One of the outcomes has been an increase in the number of permits for scientific study received from palaeontologists over the last year.

SAHRA APM attended the ASAPA Conference in Harare in July 2015. Contrary to previous ASAPA conferences, considerable attention was dedicated to issues related to heritage resources management. The SAHRA paper titled "Evaluating the current state of heritage resources management in South Africa" was well received. This further provided an opportunity to engage other thought leaders in southern Africa dealing with relatively similar issues and learning from shared experiences.

### **Development Applications and Permits**

As previously noted, much of the work the Unit has undertaken over the year has been related to PHRA work, a great deal of which comprises section 38 mining and development cases. It also includes processing of permit applications. In the past year the responded to 607 section 38 mining and development cases and processed 94 permit applications. Due to the number of applications received and the vacancies, it was not possible for all applications to be processed within 21 working days from the date of receipt. Due to the fact that SAHRA does

the work for six PHRA's compliance with provisions of the NHRA remains a concern. Unfortunately, too many development cases are still approved by various decision-making authorities without input from relevant heritage authorities. SAHRA has identified a need for greater engagement with various state departments, in particular, the Department of Mineral Resources and Department of Environmental Affairs.

SAHRA has endeavoured to assist PHRAs managing APM matters with its expertise where needed. A SAHRA representative served as a member of the Heritage Western Cape APM Committee during the last year. In previous years the manager of the Unit served as a member of the Eastern Cape PHRA APM Committee, however, this Committee has since been dissolved due to financial constraints. It is hoped as other PHRAs are able to take on the functions of managing archaeological and palaeontological resources, such assistance could be given to these PHRAs as it also creates greater communication between officials at national and provincial level. There has however been a concerted effort made to continue to liaise with other existing PHRAs over the year.

### **Research Paper**

Heritage can play a significant role in sustainable economic development. This year the unit investigated how heritage can be used as a resource for sustainable job creation. The Cradle of Humankind was used as a case study to promote eco-tourism. The Cradle of Humankind has invested considerable funds into the creation of bicycle lanes to attract cyclists to the area. A paper was

developed in collaboration with the Cradle Management Authority titled: *"On Two Wheels Through a World Heritage Site"* and submitted to UNESCO publications series for consideration. The paper explores the opportunities that the promotion of heritage can provide for social and economic benefits to local communities by using novel approaches to heritage promotion by combining it with other activities.

### Declarations

This year two sites were declared National Heritage Sites. These sites are Klasies River Cave Complex near Humansdorp in the Eastern Cape, and Malapa Fossil site located within the Cradle of Humankind in Gauteng. Both these sites play an important role in the understanding of human development in Africa. In addition to the gazetting of these two sites, positive strides have been made in the declaration processes of Kathu Archaeological Complex, Sibudu Cave, and David Green Fossilised shoreline.

### Capital Works Project: Wonderwerk Cave

A project in the Northern Cape that SAHRA has for some time endeavoured to get off the ground is its Capital Works Project at the Wonderwerk Cave National Heritage Site. Due to site sensitivity and significance of the archaeological deposit, a project was undertaken for the installation of a walkway (boardwalk), viewing platforms, railings, information panels, and lighting inside the cave. This project constituted significant intervention at the site

to enhance visitor safety and experience. This year SAHRA was successful in appointing a suitably qualified service provider. Construction work began in January 2016 and it is expected that the installation will be completed by March 2016.

### Conclusion

Overall greater emphasis has been placed on education and information dissemination, but also on better communication with key stakeholders in managing heritage resources. In this regard the unit has made positive strides forward in contributing towards strengthening SAHRA as a recognized leader in heritage resources management.



*Wonderwerk Cave National Heritage Site Walkway*

## BUILT ENVIRONMENT

### INTRODUCTION

The scope of the work of the Built Environment Unit (BEU) stretches across the built context and includes sites of cultural and intangible significance related to spaces, places and landscapes.

The BEU has a co-assessment and advisory role to play in consultation and consort with other SAHRA Units as and when impacts on built fabric, materiality or spatiality are anticipated. The Unit's key role is essentially the permitting of National Heritage Sites where applications related to these are submitted. In addition, it engages in matters related to Section 38 and 34 of the applications where Grade I sites (graded but not declared) are located within provinces where Memorandums of Understanding with SAHRA are in place

### Research Papers

The Unit resolved to investigate and gather information on the following areas in an effort to develop a publication:

In this respect a study and review of the Kassiesbaai Guidelines were undertaken and completed.

The Langa heritage resources review is underway and will assist in identifying sites of cultural and intangible significance.

Research on District Six (currently known as Zonnebloem) is ongoing and remapping and identification is complete.

The declaration of the University of Fort Hare has

prompted the creation of a visual presentation and a historical review and overview creating a context for its declaration.

The Cuban site visit report set the scene for the site visit and also provided closure in the form of a comprehensive Delville Wood and Havana overview.

### Number of Platforms Created and Maintained

In respect of platforms created and maintained SAHRA has representation on the Castle Control Board of the Castle of Good Hope, Cape Town though the BEU. SAHRA is represented in this forum as a Board member offering advice and assists in queries relating to matters of the built context as well as resource and access to other SAHRA Units i.e. Archaeology, Palaeontology and Meteorites, Heritage Objects and Burial Grounds and Graves.

In addition to the above SAHRA also has representation on the Castle Technical and Advisory Committee of the Castle of Good Hope. These are platforms that enable access to other leaders in the field of conservation such as the City of Cape Town, Iziko Museums and Department of Public Works Western Cape and National.

The Cultural Intersections forum is an added platform which engages in discussions around praxis relating to group discussion methodology', communication, modes of community participation and stakeholder management. The group consists of a cross section of role-players and has as members the Chief Director of the Castle of Good Hope, the Director of the Cape Town Heritage Trust, local role-players (Langa Heritage Foundation) and consultants

and youth workers under the guidance of the Consulate General of the Kingdom of the Netherlands.

The BEU participated in a competition run by the Western Cape Department of Education. SAHRA's role was that of advisor and adjudicator to a heritage competition run by the National Heritage Council. The initial engagement was around matters of content of grading and significance of sites and places of cultural activities.

This financial year was also marked by reactions against statues and memorials of cultural significance triggered by the #Rhodesmustfall and #Kinggeorgemustfall campaigns whose impact was felt in all provinces. The BEU was engaged to represent SAHRA at various forums to allay the momentum of resistance in order to guide conduct within the framework of the NHRA. In this regard representation was made at the Robben Island Museum, the Department of Cultural Affairs and Sport (Discussions and Good Practice Regarding Public Monuments, Memorials and Statues), Western Cape, and at the Historical Statues and Monuments Seminar in Durban, Kwazulu-Natal).

### **Engagement with Thought Leaders**

The BEU has established relationships with thought leaders in the field in various fora. These include, as mentioned, the Cultural Intersections programme under the direction of the Dutch Consulate. The BEU has also been in discussion with the Dutch Consulate regarding shared heritage projects to assist in cooperation at international level.

SAHRA is engaging the development of regulations related to the built environment, particularly as it relates to Section 9 of the NHRA: a process being driven by the BEU. In this regard the National Department of Public Works has played a significant role in respect of the construction and the facilitation of meetings.

In addition SAHRA BEU has also engaged with the Western Cape Department of Education around the issue of the annual competition. In its interaction the role of heritage within the curriculum was reinforced and proposals in discussion were highlighted. The BEU is looking forward to further interaction as the invitation was extended for the 2016/17 financial year.

### **Management of National Heritage Sites**

A number of consultative meetings were held with Robben Island Museum regarding projects, submission processes and requirements. In addition to the foregoing, consultants to the Parliament of South Africa and Union Buildings were briefed regarding processes and procedures as well as submission requirements. In this regard the role that the South African Heritage Resources Information Systems (SAHRIS) plays in expediting access to permitting and advisory roles was highlighted.

The BEU played a role in building of capacity in regard to Grade 10 learners in respect of heritage conservation and grading methodologies via the agency of the National Heritage Council and Western Cape Department of Education.



### **Increased Visibility on National, Regional and Global Stage**

Increased visibility was achieved at a number of levels. The first was the role the Unit played in regard to the Delville Wood Memorial site development. It played an advisory and administrative role in respect of the names lists for the democratisation of the Memorial. The Unit also attended a site visit in Cuba to provide input in the restoration of the Alex la Guma bust in Havana, Cuba.

It is in ongoing consultation with the Dutch Consulate around matters of shared heritage as related to the Built Environment. And, as mentioned earlier, ongoing engagement with the Cultural Intersections consultative group for purposes of developing modes of public participation and communication methodologies across cultures.

### **Partnerships and Stakeholder Management Database Established**

The Unit established a database of all contacts, i.e. partners, consultants and organisations, which can be used as a resource in terms of proposed projects and discussion forums.

The identification of heritage resources in South Africa has been prioritised and a database set up. This is a collaborative effort which includes municipalities, provincial heritage resources agencies and the existing national database to construct a National Inventory (of all identified heritage resources).

### **Formal Protections**

Formal Protections currently underway include District 6, the Wesleyan School, Kassiesbaai, the Constantia-Tokai Historical Farms and the South African Astronomical Observatory which is scheduled for completion by year end. In addition to the above list several other sites, which includes the declaration of the University of Fort Hare, have been prioritised. The projects are all at various stages of the formal protection process, ranging from initial discussion to, site mapping and Public Participation. These are all scheduled for completion in the 2016/17 cycle.

In addition to this, an exploration into the appropriate celebration of the life of Alex la Guma, former struggle veteran and internationally renowned writer, will receive critical attention.

### **Conclusion**

The BEU has faced and is facing a number of challenges which relate to mobility and the time available for proactive research in respect of conservation methodology, for conservation philosophy and for the production of technical reports.

## BURIAL GROUNDS AND GRAVES

### GRAVES IN FOREIGN COUNTRIES

#### Delville Wood Memorial Site

The graves of the South African native labour contingency (SANLC) at the Delville Wood battlefield were identified in France. This was aimed at working towards annual commemoration and transformation of the site. The SAHRA was requested to serve in the inter-departmental steering committee in order to advise on conservation measures that can be applied and to transform the battlefield and memorial in honour of the fallen combatants. The project is a work in progress as the names of the soldiers have been identified and a durable stone has been selected for the memorial wall that is to be constructed.

#### Matola Raid

South Africa under the apartheid government used its Defence Force (the SADF) to destabilize the Frontline States that supported the banned South African liberation movements. Military raids were made by the SADF against countries like Mozambique, Swaziland, Botswana, Zimbabwe, Zambia, Lesotho, Angola, Tanzania, Uganda, destroying their infrastructure and causing huge loss of life.

The government of Mozambique of the time played an integral part of a crusade to dismantle the apartheid government; and so perpetual atrocious onslaughts were waged against its sovereignty by the South African Defence Force. 30th January 1981 was a 'Black Thursday' for the former Portuguese Colony of Mozambique when

the South African Defence Force raided houses in Matola harboring the cadres of the Umkhonto Wesizwe (MK). The MK was the underground military wing of the African National Congress (ANC) at the time and Matola is a suburb in the outskirts of Maputo in Mozambique. The raided houses were the transit points for the MK cadres. Sixteen MK cadres and one Mozambican were instantly killed in that brutal attack, a direct attack on a sovereign state and a violation of a sister country and its people.

In view of this historical tragedy and in honor and memory of those fallen heroes, the South African and Mozambican governments initiated a project on 17-28 February 2002 to commemorate and memorialize the event of 30th January 1981 so that the two governments and the affected families in particular could find closure. This led to the signing of a Memorandum of Understanding (MOU) by the two governments on 14th February 2011 as a vehicle of translating this noble idea into action. The MOU paved the way for the establishment of commemorative structures comprised of a "Monument, Interpretative Centre and a Memorial". The idea was conceptualized to honor those fallen martyrs for their selfless contribution in the struggle against apartheid and also paying homage to the sacrifices made by the Mozambicans towards the emancipation of South Africans from shackles of oppression. Consequently, the construction of the interpretative centre and the monument was started in the same year by the National Department of Arts and Culture (DAC) on a land donated by the Mozambique government in Matola.

When the monument in Matola was conceptualized, three red obelisks were installed symbolizing the three houses

and placed on raiding lines towards the location of the houses. Also, thirteen concrete pillars were erected in the same vicinity representing the Frontline states and the unwavering support they offered to the liberation movements in South Africa. The thirteenth pillar represents international solidarity.

At the request of the DAC, SAHRA erected a memorial, rehabilitated and blended all the graves of the fallen martyrs including that of Moses Mabhida at Llhanguene Cemetery in Maputo. These include Ruth First; Lewis Rapitsi, Freddy Habedi, Betty Elizabeth Mioche, Stanley Mthembu, Augustine Nomasonto, Philemon Joe Mathlakala and Peter France.

In December 2014, one of the martyrs, Mr. Thabang Bookholane, was exhumed and repatriated to Port Elizabeth in South Africa by the Eastern Cape Provincial Government following a request from his family. Mr. Themba John Dimba survived the raid and later died and was cremated in KwaZulu-Natal, South Africa in 2012. His last wishes were observed when his ashes were interred on 29th August 2015, at the same site as his comrades, in Llhanguene Cemetery, Maputo.

Further, an indelible landmark of note at the cemetery is the empty "Marble-Burial Grave" of Moses Mabhida, a struggle stalwart who has since been exhumed and repatriated to South Africa (KwaZulu-Natal) on 1st December 2006. Notwithstanding this, SAHRA rehabilitated the burial spot; put a grave marker and inscription to entrench an everlasting living symbol of his selfless sacrifice towards emancipating the South African people. In the morning of 11th December 2015, the programme of the day started with

the laying of wreaths by the president of Mozambique, His Excellency Filipe Nyusi and the President of South Africa, His Excellency Jacob Gedleyihlekisa Zuma. They first paid homage and laid wreaths on "the five symbolic graves" erected by the Mozambicans for their fallen martyrs who fell victim to the raid and the course of the liberation struggle against Apartheid South Africa. The same ritual was performed to the Moses Mabhida grave site and the main site where the rest of martyrs are laid to rest. Families were afforded an opportunity to lay wreaths on the graves of their beloved fallen martyrs at the main site; and for those families not present.

It should be noted that most of the families of the deceased were traced, except for the families of Nduna Mvula, Daniel Mokhosi Molebatsi and Mduduzi Sibanyoni. It is at the main site where the 2m long memorial dedicated to the fallen martyrs is located. Presidents of the two countries unveiled the memorial and laid wreaths on site. Subsequent to the morning programme at Llhanguene cemetery in Maputo, the procession headed for Matola to unveil the interpretative centre and the monument. The commemorative structures were unveiled as an integral part of the "Heritage Month Programme". The ceremony was attended by families of victims of the raid, two survivors, former Mozambican President- Joachim Chissano and Ms Graca Machel. Cabinet ministers from both countries included the High Commissioner, Governors of Provinces in Mozambique, political activists, an audience from across eleven provinces of Mozambique, etc.

The message of the day from both presidents centered

on the selfless sacrifice made by the peoples of the two countries to destabilize and dismantle apartheid South Africa. These countries had a shared history, a common agenda and a common destiny to emancipate their people from colonialism. The “Matola Raid” made the bond between the two nations stronger than ever before, adamant and more determined to fight for the total liberation of South Africans.

Both viewed the opening of these commemorative structures as a witness of freedom and a testament to the resilience showcased by the people. This was a testimony to the world that they have conquered in trying times and these should be used as symbols of unity between the two nations; symbols that epitomize the strong bonds of friendship between the two countries. They echoed a common viewpoint that it was the unity of the two countries and clarity of their objectives that destroyed the apartheid system. A common destiny indeed; President Filipe Nyusi made a pledge that Mozambique will forever be the motherland for all South Africans as the suffering they endured will never be forgotten.

These commemorative structures will beef-up the existing Matola-Maputo Heritage Trail, redefine the heritage landscape of Mozambique and give further impetus to the developing Liberation Heritage Route that cuts across our continent and the world. Communications around the celebrations on the commemorative structures should be reflective of the overall objective of creating social cohesion and nation building amongst communities, united in their diversity. Communication should emphasize the broader

government strategy to celebrate the liberation heritage route and thus reaffirm our liberation heritage as part of our country’s collective heritage.

The aforesaid brief background seeks to outline the significance of Matola/Maputo memorialisation and commemoration within the context of creating and strengthening our relationship with our neighboring countries in general and Mozambique in particular and also working for the consolidation of the African Agenda.

Once more it should be taken into cognizance that this will undoubtedly leave an indelible contribution to the transformation of the heritage landscape and attaining sustainable socio-economic development in the country and the region in general; thanks to the tireless efforts of the DAC, SAHRA, High Commissioner, the Department of Public Works (DPW), Department of Military Veterans, The Department of International Relations and Cooperation (DIRCO), the National Heritage Council (NHC), MKVA, and the Government of Mozambique.

Having given the due insight to all of the reality above, the Minister of Arts and Culture, Mr. Nathi Mthethwa commissioned the South African Heritage Resources Agency on site to facilitate the grading and declaration of all sites associated with the Matola Raid and other struggle icons who died in Mozambique in pursuit of the freedom of the South African people. SAHRA is a heritage conservation body empowered to perform this function inside and outside our borders as directed by the National Heritage Resources Act (NHRA), no. 25 of 1999, sections 36(1) (2) (7) and (2) respectively.

### **Repatriation of Human Remains in Moscow, Russia**

In 2014 the DAC and its associated institutions, the National Heritage Council, SAHRA and Freedom Park were mandated to facilitate the repatriation of the remains of late Moses Kotane and John Beaver Marks from Moscow, Russia. In February 2014, the Minister (DAC) was informed by President Zuma that the widow of late Moses Kotane who is 102 years has requested that the remains of her husband be returned to the country.

Hence a Task Team on the Repatriation of late Moses Kotane Project (Task Team) comprising of the Department of Arts and Culture (DAC), National Heritage Council (NHC), South African Heritage Resources Agency (SAHRA) and Freedom Park has been established in order to advise the Minister and manage the processes that would need to be undertaken with regards to the repatriation of the remains of the Late Moses Kotane. The re-interment was held in South Africa. Moses Kotane was buried in Pella, North West on 14th March 2015 and John Beaver Marks was buried in Ventersdorp on 22nd March 2015.

The graves of both stalwarts were left with grave markers in order for SAHRA to install memory plaques in May 2015 pending the approval of the Mayor in Moscow.

The Minister of Arts and Culture Hon. Nkosinathi Mthethwa departed with a delegation to Moscow on the 22 – 28 June 2015 for the repatriation of the remains of John Beaver Marks and Moses Kotane. A memorial lecture will be held in Moscow in honour of the two liberation struggle icons and a special ceremony was held for the official sendoff of the remains. South Africans are humbly waiting and excited for the arrival of the remains which will culminate

in official funerals for both stalwarts.

Indeed SAHRA has complied with the prescripts of the National Heritage Resources Act no. 25 of 1999 in terms of s36 (9) which stipulates “that SAHRA must assist other state departments in identifying graves of fallen heroes and heroines who died on foreign soil after negotiations with the next of kin” SAHRA should assist to facilitate the process to re-inter the remains within the republic of South Africa.

### **ROYAL GRAVES**

#### **Mmakwena Matlala**

The project to restore and rehabilitate Makwena Matlala’s grave commenced in 2014 under the theme “Remembering the Forgotten, Honouring Victims of Political Banishment in South Africa

A memorial lecture on “Remembering the Forgotten, Honouring the Victims of Political Banishment in GaMatlala” was held on 28th August 2015 in Polokwane, Limpopo and a memorial was unveiled by Deputy Minister of Arts and Culture Ms Rejoice Mabudafhasi.

#### **Kgoshi Mampuru II**

The grave of Kgosi Mampuru II was identified by SAHRA and all requirements of the NHRA have been fulfilled. A 1.9 meter bronze statue is currently in the process of being erected in honour of the Bapedi leader.





Mme Makwena Matlala Unveiled Memorial – in Limpopo Province



Ms Josephine Mashobane's Tombstone

## HEROINES

### Josephine Mashobane

SAHRA honoured the late student activist who died after being tortured and injured by apartheid security police. A headstone and a ledger were unveiled by the Deputy Minister of Arts and Culture Ms Rejoice Mabudafhasi. The unveiling coincided with reconciliation month activities.

### Manche Masemola

She was a young girl and an important icon amongst the Anglican Church worldwide. SAHRA erected an interpretative plaque, headstone and ledger for her brave stance and beliefs.

## GRAVES OF THE FOUNDING FATHERS OF DEMOCRACY

SAHRA was requested to develop a plan aimed at assessing conservation needs of the leaders of the liberation struggle. Memorials that befit the stature of the liberation struggle icons have been constructed in honour of the role they played.

SAHRA has constructed memorials for the following heroes:

- Steve Biko: 1946 - 1977

Grave Location: King Williams Town

- Robert Sobukwe: 1924 - 1978  
Grave Location: Graaff - Reinet
- Thomas Mapikela: 1869 - 1945  
Grave Location: Bloemfontein
- Dr James Moroka: 1949 - 1952  
Grave Location: Thaba Nchu

### Heritage Promotion and Stakeholder Engagements

During the period being reported the BGG Unit also produced pamphlets that are aimed at educating the community about how SAHRA conserves and protects burial grounds and graves of cultural significance.

The BGG Unit also continues to assist other state departments to identify and conserve heritage resources, including advice in government inter-departmental task teams.



Kgoshigadi MRL Matlala surrounded by Bakone Royal House during the unweiling of Mme Makwena Matlala burial site

# GRADING AND DECLARATION UNIT

## INTRODUCTION

Declaration is the most permanent formal protection that can be given to elements of the national estate in terms of the National Heritage Resources Act (No 25 of 1999). And therefore requires careful and comprehensive research and administration. The Nationally declared resources must as a group tell the shared and collective story of South Africa. They are the key resources that best illustrate the events, peoples, and histories which have brought us to our current state of nationhood and contribute to redressing past inequities.

Therefore the Grading and Declarations Unit has been tasked in facilitating and managing the identification, review and legal administrative process of grading and declaring heritage resources nationally according to Sections, 3, 7, 27 and 29 of the National Heritage Resources Act, no 25 of 1999. The unit according to this mandate, works closely with all other HRM units in supporting the administrative processes of declaring and provisionally protecting these special resources.

In 2015 -16 the unit embarked on finalising the review of the procedural guidelines, continued research on updating the database, working on sites identified as part of the initial Liberation Heritage Route World Heritage Nomination, and other declaration processes of Grade 1 Sites.

## Graded and Declared Heritage Resources:

Heritage Resources Declared	Heritage Sites Graded
Broster Beadwork Collection 19 June 2015	Delville Wood - 16 October 2015
Malapa Palaeo-anthropological Site 18 March 2016	Walter Sisulu Square of Dedication (Kliptown) - 12 July 2015
Klasies River Cave Complex 18 March 2016	Freedom Park - 12 July 2015
Grave of James Moroka 24 March 2016	
Grave of Thomas Mapikela 24 March 2016	



## Public Consultations

Public consultation is a critical part to the declaration of heritage resources. The following public consultation meetings were conducted as part of this process:

- Still Bay Fish Traps on 20th November 2015
- Samora Machel on 20th February 2016
- Constitution Hill on 26 February 2016
- Liliesleaf Farm on 9th March 2016

The formal notifications have been completed for various other sites and include:

Delville Wood, Still Bay Fish Traps, Constitution Hill and Freedom Charter

## Freedom Charter

In 2010 SAHRA received and refused an application from Bonhams Auction house in London to export a copy of the Freedom Charter, signed by all five presidents of the participating organisations. As part of the 60th Anniversary of the adoption of the Freedom Charter, SAHRA identified the document for declaration. Concerns were raised regarding the declaration of a copy rather than an original document and therefore SAHRA embarked on research into the existence of an original. This took on various forms, ranging from conversations with and e-mails from ANC stalwarts who attended the Congress of the People and researching the Treason Trial, FEDSAW and ANC Collections, literature reviewed were Memory Against Forgetting by Rusty Bernstein, 50 Years of the

Freedom Charter by Jeremy Cronin and Raymond Suttner as well as, currently, The Congress Movement Volume 3 by Sylvia Neamen (courtesy of the HSRC). During the research SAHRA was made aware of a second signed copy housed at Liliesleaf Farm but there was no evidence towards an original document. Therefore, in the absence of an original document it was recommended that the two signed copies of the Freedom Charter signed be declared as “Specifically Declared Heritage Objects” while the search for the original continues. However due these concerns raised and the sensitivity around the matter, the Minister is to be informed of the processes completed by SAHRA before final declaration takes place.

## Enhance SAHRA's Involvement In The Liberation Heritage Route Project

The Liberation Heritage Route project is a national memory project that recognizes places associated to the struggle for a democratic South Africa. Further, as part of the greater African Liberation project, South Africa through its relevant departmental role-players, is working on a serial nomination of sites related to the Struggle for World Heritage Declaration. The World Heritage Convention (article 5) requires that sites are protected at the highest national level possible and, therefore, the site must be declared nationally before it can be enlisted on UNESCO's World Heritage Site list.

The Liberation Heritage Route National Nomination Task Team on which SAHRA is represented has spent time in identifying sites associated to the Liberation Struggle for

the serial World Heritage Nomination with an initial list of the following ten sites:

Site	SAHRA Status
The Union Buildings	Declared 2 December 2013
Walter Sisulu Square of Dedication and the Freedom Charter	Graded 12 July 2015
Sharpeville Human Rights Precinct	Identified
Liliesleaf Farm	Graded 27 November 2014
Soweto 1976 Uprising and Hector Pieterse Memorial Museum	Graded in 2006
Constitution Hill	Graded 27 November 2014
Mqhekezweni	Graded 27 November 2014
Ohlange Institute	Identified
University of Fort Hare	Identified
Wesleyan Church in Waaihoek Bloemfontein.	Graded 2011

## HERITAGE INSPECTORATE UNIT

### INTRODUCTION

Section 50 of the NHRA makes provision for the designation of the heritage inspectors. Section 50(7) states that the heritage inspectors may at all reasonable times enter any land or premises for the purposes of inspecting any heritage resource protected in terms of the provision of the Act, or any other property in respect of which the heritage resources authority is exercising its functions in terms of the Act.

It has been a progressive year as the Unit had contract workers who assisted to conduct inspections and investigations with success. The employees were trained on how to conduct inspections, plan before going on inspection and investigation, how to write a site report and transfer the information onto SAHRIS

### Regulated and Protected Heritage Resources

We have implemented, monitored and enforced follow-ups, such as monitoring and evaluation of sites before and after declaration. Thirty inspections were conducted.



Klasies River Cave

Archaeological Sites	Burial Grounds and Graves	Buildings	Maritime and Underwater Cultural Heritage
Kaditshwene	Ngquza Hill	Mvezo	Lake Fundudzi
Vlakfontein	Sarah Baartman	Mqhekezweni	
Mapungubwe	Dr Pixley ka Isaka Seme	Constitutional Hill	
Bosworth Rock Art	Mr Oliver Reginald Tambo	Voortrekker Monument	
Makgabeng	Rev Sefako Makgatho	Walter Sisulu Square	
Rubusana	Hector Pieterse Memorial	Solomon Mahlangu Square	
	Steelpoort (De Brochen project)	Waterval Boven	
	Rahima Moosa	Samora Machel site	
	Mokopane-Ivanplats	Bergendal monument	
	Lilian Ngoyi and Helen Joseph	Verglen Farm 25, Zestfontein	
	Dr Beyers Naude grave	farm portion 121 Benoni	
	Solomon Mahlangu Grave	Sharpeville site	
		Wesleyan Church (Free State)	

## HERITAGE OBJECTS UNIT

### INTRODUCTION

SAHRA's Heritage Objects Unit (HOU) is mandated to identify, assess, manage, and protect objects of cultural significance in South Africa, in terms of Section 32 of the Act. This is a national function as it includes regulating the movement of heritage objects outside of South Africa.

Heritage objects are diverse and may be publicly or privately owned so what is in private ownership cannot confidently be reported. However, State Institutions have an obligation to inventorise and look after the heritage resources in their custody and can use SAHRIS to do this. Heritage objects give insight into periods in the history of South Africa and contribute to identity and nation building.

The HOU's activities are aligned to SAHRA's strategic objectives and, during the period under review, three significant highlights were recorded.

One was the permit application to export an artwork by Irma Stern and the other was the declaration of the Broster Beadwork Collection, both of which shall be expanded upon below. The third highlight is the British Museum's exhibition of South African works of art to be displayed at the British Museum between November 2016 and February 2017. "The planned exhibition will showcase South African art from antiquity to contemporary works of art, reflecting political and social developments in

the area. The exhibition is set to acknowledge Southern Africa's role in the development of art and the continuous influence of its contemporary artists and artworks". Permit applications to temporarily export these works are being processed and the SAHRA generic Loan Agreement has been made accessible to the South African institutions from which the British Museum intend to loan objects from their collections. This will ensure that the conditions under which the objects are being loaned are conducive to their protection and they are to satisfy the South African institutions concerned.

### Reviewed and Gazetted List of Types of Objects

The Gazetted List of Types of Objects dated 6 December 2002 which describes the objects that are protected and may not be exported without a permit from SAHRA was reviewed in the previous financial year.

### Appeal Procedures Reviewed

The NHRA makes provision for an applicant to appeal against a decision if SAHRA refuses to issue a permit to export a Heritage Object. The existing Appeal Procedure was reviewed and submitted to Council where it was approved.

### Guideline for Specifically Declared Heritage Objects

The Guideline for Specifically Declared Heritage Objects and Collections was drafted and circulated to all units in SAHRA for review before finalisation. In the process of drafting these guidelines, the need for a similar guideline



for monitoring Specifically Declared Collections was identified. The Guidelines for both Specifically Declared Collections as well as Monitoring of Specifically Declared Collections were submitted to the Council HRM Committee.

### **Guideline for State Institutions**

The Guideline for State Institutions that informs institutions of the provisions of section 9 of the NHRA and provides advice their role and responsibility concerning the heritage objects in their custody, was approved by Council.

### **Printed Educational Booklet on Heritage Objects**

During the previous financial year the HOU created an educational booklet that was aimed at raising the awareness of youth around protected heritage objects.

The booklet was printed during the 2015/16 financial year. During heritage month (September) the HOU sent copies of the booklet to each library in South Africa so that it would be accessible for heritage programmes. In addition, booklets have been widely distributed to museums and schools.

### **Regulation for Dealers**

The NHRA makes provision for SAHRA to regulate dealers in heritage objects. A *Regulation for Dealers* was drafted and approved by Council this year following consultation with dealers and auctioneers. The regulation was gazetted on 18 December 2015.

### **Develop Publication on Heritage Resource Management**

The HOU presented papers at two conferences this year. The first, entitled “Celebrating 60 years of the Freedom Charter: The declaration of the Freedom Charter as a Specifically Declared Heritage Object” was presented at the South African Museums Association annual conference in October 2015. The second paper which dealt with the National Afrikaans Literature Museum and Research Centre and its role as an archival institution was presented at the South African Society of Archivists conference in July 2015.

### **Declaration of the Freedom Charter**

During the last financial year SAHRA pursued the declaration of a signed copy of the Freedom Charter as a Specifically Declared Heritage Object. Meetings were held with various role-players, including the African National Congress and the National Archives. Subsequent research was undertaken to establish whether an original Freedom Charter exists in order to determine what should be specifically declared. This research revealed the existence of a second signed copy of the Charter.

Two known copies of the Freedom Charter were thus nominated for declaration. This does not imply that SAHRA believes that no original copy exists. Research on finding the original copy is an ongoing. A notice notifying the public about the declaration was published in the City Press. Letters of notice were sent to Mr. Levy who owns one copy of the Freedom Charter, Department of Arts and Culture – National Archives Unit and to Luthuli House – African National Congress (ANC). The above processes

were followed through public participation meetings with the affected parties.

### **Permit Applications**

During the period under review, 35 permit applications were processed by the HOU, of which one was for the temporary export of objects and the remainder for permanent export.

### **Declaration of the Broster Beadwork Collection**

After the approval by SAHRA Council to declare Broster Beadwork Collection, the declaration was published in the Government Gazette Notice on 19th June 2015. As a result of this, Walter Sisulu University (WSU), in partnership with SAHRA, agreed to have an unveiling ceremony to announce this to the public. An Intergovernmental Steering Committee was established to plan the event. The SAHRA-HOU had to produce a plaque (with inscription) that will be installed on the storage building and a certificate to be hung inside. The initial plan was to have the plaque unveiled by the Minister of Arts and Culture – Honorable Nathi Mthethwa. Due to unforeseen circumstances the Minister could not make it to the unveiling. As a result, it was agreed that we approach the Chairperson of the Eastern Cape House of Traditional Leaders, Inkosi Ngangomhlaba Matanzima to unveil the plaque.

As part of public awareness around the event, a booklet was produced in English and isiXhosa. The booklet reflects the brief history of the BBC, i.e. who made it, where it was collected, by whom, when and who acquired it (current

owner). The National Heritage Council (NHC) sponsored the translation and printing of the English version into isiXhosa. The unveiling ceremony took place on 18th March 2016. It was held in Mthatha at the Walter Sisulu University.

The ceremony was honoured by WSU's academic staff which included the Interim Vice Chancellor, Professor Khaya Mfenyana, and the Incoming VC - Professor Rob Midgley. Rectors from five WSU's campus and the Executive Mayor of O.R. Tambo District Municipality, Ms. Nomakhosazana Meth. Kings and chiefs were present. Among them was the Chief of Qebe, Inkosi Gcinindawo Zibhene from Engcobo, where the collection was made. Government officials and cultural performance groups and a group of inmates from the Department of Correctional Services, Wellington Prison in Mthatha and the Qebe Cultural group. The surrounding museums, members of the public and students were also part of the ceremony.

An exhibition was displayed inside the storage building. This was done by East London Museum curator Ms. Christina Reeve and staff. ELM also produced three banners with a brief history of the collection. Once the Conservation Management Plan document is handed over to WSU, ELM will be responsible for monitoring of the collection in partnership with SAHRA.

HOU is proud to say the collection is stored in a secured building with climate control, 24 hour alarm system, fire detectors etc. HOU wishes to acknowledge the role of the service provider – Conservator Ms. June Hosford. She played an enormous role in the whole process and of developing a Conservation Management Plan for the BBC.

### **A Conservation Assessment for Genadendal Mission Museum**

Ms. June Hosford was appointed during the previous year to develop a Conservation Management Plan for the Genadendal Mission Museum collection. HOU staff and Inventory unit held a meeting to identify what to prioritise so that NIU might engage some of the tasks so that costs may be minimized. A visit was done at GMM and a meeting was held with the former Director of GMM Dr. Isaac Balie and the new Manager - Mr. Kumresh Chetty.

The purpose of the visit to GMM was to pave the way for Ms. Hosford to separate the collection. This was completed in about 5 days. Ms. Hosford was accompanied by Mrs. Regina Isaacs from HOU. The first report by the service provider has been submitted. HOU envisages this to continue in the next financial year 2016/17.

### **Nomination of Mayibuye Archives Centre and Robben Island Museum collection**

Whilst HOU was busy facilitating the process of nomination of the two collections, it transpired in one of the meetings that the Mayibuye Archives Centre is under threat. In the communication between HOU and UWC, UWC - Mayibuye Archives Centre towards the end of 2015, Ms. Mariki Victor, Manager at Mayibuye Archives Centre, advised HOU that they have started to put in place measures to safeguard the centre. Time frames regarding the implementation of these measures would be communicated to HOU by January 2016. In February 2016, a follow up e-mail was sent to Ms. Victor. No responses were received regarding the time frames. SAHRA, on the other hand, had not yet drafted a letter withdrawing the provisional protection. HOU wished to express appreciation to all panels of experts, organisations and individuals who assisted and advised on the significance and management of Heritage Objects.



**TABLE 1: FIREARM ASSESSMENTS**

DATE	CENTRE	No. OF FIREARMS ASSESSED	No. OF FIREARMS RETAINED FOR HERITAGE EVALUATION
21/04/2015	North West	710	10
22/04/2015	Fort Klapperkop	8	4
11/06/2016	Northern Cape	163	7
24/06/2015	Mpumalanga	345	42
14/07/2015	Free State	N/A	11
14/07/2015	North West	N/A	5
22/07/2015	Eastern Cape	N/A	21
08/12/2015	Kwazulu Natal	4067	10
25/01/2016	Western Cape	1563	0
02/02/2016	North West	555	5
03/02/2016	Mpumalanga	429	3
11/02/2016	Free State	653	18

**TABLE 2: PERMIT APPLICATIONS: 1 APRIL 2015 – 31 MARCH 2016**

No	Type of Object	Export: Permanent/Temporary
1.	'The Oude Jood' by Van Rijn	Temporary
2.	Cooke Telescope and Accessories	Permanent
3.	'Mother and Child' by Gerhard Sekoto	Permanent
4.	'St Marks Square, Venice' by Irma Stern	Permanent
5.	'Camel riders' by Irma Stern	Permanent
6.	'Girls and boat' by Irma Stern	Permanent
7.	'Double portrait of Children' by Irma Stern	Permanent
8.	'Bust of a Zulu' by Anton van Wouw	Permanent
9.	2 Baccarat vases	Permanent
10.	'Lowveld' by JH Pierneef	Permanent
11.	'Coastal landscape' by Maggie Laubser	Permanent
12.	'Bushveld landscape' by JH Pierneef	Permanent
13.	'Bushveld scene'	Permanent
14.	'Still life with books' by Irma Stern	Permanent
15.	'Woman' by Irma Stern	Permanent
16.	'Dhows' by Irma Stern	Permanent
17.	'Shangaan' by Anton van Wouw	Permanent
18.	'Bushman hunter' by Anton van Wouw	Permanent
19.	'Kruger in Ballingschap' by Anton van Wouw	Permanent

**PERMIT APPLICATIONS: 1 APRIL 2015 – 31 MARCH 2016 (Continue)**

20.	'Seascape with spring flowers' by Hugo Naude	Permanent
21.	'Namaqualand landscape' by Hugo Naude	Permanent
22.	'Mountain Landscape' by JH Pierneef	Permanent
23.	'Bosveld, Wildtuin' by JH Pierneef	Permanent
24.	'Cape Seascape' by Irma Stern	Permanent
25.	'Skapu Player' by Anton van Wouw	Permanent
26.	'Mother and Child' by Irma Stern	Permanent on condition that artwork is accessible
27.	Cape Stinkwood Armoire	Permanent
28.	'Free State Landscape' by JH Pierneef	Permanent
29.	'Still life of Anthuriums' by Vladimir Griegorovich Tretchikoff	Permanent
30.	'Small Landscape' by JH Pierneef	Permanent
31.	'Maluti Mountains at Ficksburg' by JH Pierneef	Permanent
32.	'Landscape with Trees' by JH Pierneef	Permanent
33.	'Woman with a Yellow scarf' by Irma Stern	Permanent
34.	'Still life with Anemones' by Irma Stern	Permanent
35.	'At the Well' by David Oerder	Permanent

## MARITIME AND UNDERWATER CULTURAL HERITAGE

### INTRODUCTION

SAHRA's Maritime and Underwater Cultural Heritage (MUCH) Unit is tasked with the identification, protection and management of maritime and underwater cultural heritage resources along South Africa's coastline and in its maritime waters, inland lakes, rivers and dams.

The Unit remains committed to the belief that for people to understand and value their cultural heritage they need to firstly be aware that it exists, and secondly, why it is important and relevant to their own lives. In pursuit of the belief that the promotion of South Africa's maritime and underwater cultural heritage resources is as important as their statutory protection, the Unit keyed much of its 2015/16 activity into the following organisational strategic objectives:

- Asserting SAHRA's role as a regulatory body in heritage resources management;
- Strengthening SAHRA as an agent to promote social cohesion and social upliftment through heritage resources management;
- Building SAHRA's brand nationally and internationally by raising public awareness; and
- Aligning SAHRA's initiatives to national socio-economic and developmental objectives.

South Africa's maritime and underwater cultural heritage sites tell the story of our long relationship with the sea and water. The future management of this underwater

heritage will rest in the hands of today's youth. Knowing this, the Unit has, for a number of years, been actively engaging young people in the promotion of maritime and underwater cultural heritage. This year has been no different.

In July 2015, the Unit organised a workshop in Bredasdorp, attended by museum educators, managers and practitioners from four museums in the southern Cape. The workshop provided museums with information about the functions of SAHRA and the MUCH Unit and about maritime and underwater cultural heritage. In addition it addressed the role of coastal museums in the management and promotion of this heritage resource and engaged museum practitioners on how best to align the promotion of maritime and underwater cultural heritage with initiatives and information that already exist at museums and within the school curriculum. Based on the success of this workshop, the Unit is already planning further, similar workshops at other centres along the South African coast in 2016.

Following on directly from the museum workshop, the Unit held the first Youth Development Programme schools workshop at the Bredasdorp Shipwreck Museum. Grade 8 and 9 learners from a local high school participated in a programme of presentations and activities around underwater heritage and maritime archaeology and had the opportunity to explore the maritime collection in the museum. Fearsome Cape winter weather prevented a planned fieldwork element of the programme – a survey of visible remains of the wreck of the Arniston – but a

mock wreck site created indoors provided learners with firsthand experience of engaging with shipwreck material and encouraged them to consider what these sites and artefacts can tell us about our individual and collective past. A second, equally successful school workshop was held for learners in East London in March 2016, this time hosted by the East London Museum.

At a more general level, the Unit has undertaken a number of other activities this year to develop and raise a national awareness of maritime and underwater cultural heritage.

The year 2015 marked the bicentenary of the wreck of the Arniston, a tragedy that resulted in the loss of more than 370 lives, and an event which gave the village on the southern Cape coast its name. The MUCH Unit participated in the commemorative activities held in Arniston to mark this occasion at the end of May. In addition to a stall and display on maritime and underwater heritage, the Unit was joined by SAHRA's HRM Executive Officer and CEO, who laid a wreath on behalf of the organisation at a special commemoration service on Sunday 31st May.

Engaging directly with the public through presentations and talks remains an important way in which the MUCH Unit seeks to promote both SAHRA and South Africa's maritime and underwater cultural heritage. This year, members of the Unit undertook numerous public speaking engagements to a variety of interest groups, directly reaching a diverse audience with a message about the importance of our maritime and underwater cultural heritage, and the need for its ongoing protection.

Also during this year, the Unit reshaped its existing social media presence by expanding its Facebook Youth group into a general Maritime and Underwater Cultural Heritage group, with a view to reaching a wider social media audience. This new Facebook page is updated daily with maritime heritage-related content generated by the Unit and has already gathered a loyal and growing public following.

### **Workshops, Conferences and Publications**

To promote SAHRA's brand and the profile of maritime and underwater cultural heritage, nationally and internationally, members of the MUCH Unit attended a number of key conferences and workshops during the past year.

In April 2015 Mr Gribble represented South Africa as its observer delegation at the annual UNESCO 2001 Convention States Party and Scientific and Technical Advisory Body meetings held in Paris.

This took place only weeks before the formal announcement of South Africa's ratification of the 2001 Convention, a development which will have a profound influence on the future management of maritime and underwater cultural heritage in South Africa. SAHRA now has not only a national legislative mandate in respect to the conservation, protection and promotion of this heritage resource, but as the Competent Authority under the terms of the 2001 Convention, the organisation now has wider regional and international responsibilities.

During the past year the Unit, and SAHRA as an organisation,

has remained a core partner in the Slave Wrecks Project, an international, multi-disciplinary and multi-institutional partnership involving Iziko Museums of South Africa, the Smithsonian National Museum of African American History and Culture, George Washington University, the US National Parks Service, and the US Black Scuba Divers Association, to investigate the global maritime slave trade. The wreck of the Sao Jose at Clifton in Cape Town is at the heart of this project and the Unit assisted again during this year in ongoing fieldwork on the site, and participated in a week of international commemorative events, symposia and meetings around the wreck and its legacy in June 2015.

In December 2015, the manager of the MUCH Unit accompanied a Ministry of Arts and Culture delegation on a working visit to the Netherlands. The purpose of the visit was to strengthen cultural relations, cement a co-operation agreement signed in 2009 and deepen bilateral understanding between South Africa and the Netherlands with respect to a number of areas of culture and heritage, including maritime and underwater cultural heritage.

More recently, the Unit presented a paper at a conference on the maritime archaeology of the British East India Company, organised by the University of Bournemouth in the United Kingdom.

During the course of the year the Unit produced a collection of papers and articles, for a range of audiences, related to the management of maritime and underwater cultural heritage.

## **Projects and Fieldwork**

Part of the Unit's mandate is to search for, identify, survey and inspect submerged sites. During the past year, therefore, the Unit has carried out a range of inspections, site assessments and survey work. To coincide with the Arniston bicentenary the Unit undertook a survey of wooden wreckage on the beach north of Arniston, which is believed to be part of the wreck.

The key project started by the Unit this year is the creation of the Geographical Information System (GIS) for South Africa's maritime and underwater cultural heritage. SAHRA currently maintains a database of approximately 2400 recorded wrecks within South African waters. Because this database was created largely from documentary sources, information about the precise location of most of the wrecks it records is very limited. To manage underwater cultural heritage effectively, SAHRA requires accurate positions for underwater heritage resources and a means of viewing and managing these data spatially. The GIS under development will provide this tool. Discussions with the Embassy of the Kingdom of the Netherlands early in 2015 resulted in them offering funding towards the project. This support is facilitating the purchase of computer hardware and giving SAHRA access to GIS training and development support from experts at the Rijksdienst voor Cultureel Erfgoed in the Netherlands in the coming months.

Linked to this GIS initiative, further funding has been obtained from the Rijksdienst voor Cultureel Erfgoed for a collaborative SAHRA/RCE project to explore the history of



modern salvage on Dutch historical shipwrecks in South African waters. The results of this project will feed into the management information about this subset of heritage sites, held in the SAHRA maritime and underwater cultural heritage GIS, and will be shared with the heritage agency (RCE) in the Netherlands.

The past year has seen further work by the Unit in relation to the SS Mendi, a troopship which sank with huge loss of life in February 1917, in preparation for the commemoration of the centenary of the loss of the ship in 2017.

### **Site Grading and Declaration and Permitting**

The process of grading Marion Island in the sub-Antarctic and the stone-walled fish traps at Still Bay on the Cape south coast, with a view to their declaration as National

Heritage Sites, has been taken forward this year with public and stakeholder engagement around both sites. The views of stakeholders in respect of the declaration have been canvassed and the Unit is working to develop the necessary conservation management's plans, as part of the declaration process. It is anticipated that both sites will be formally declared during the coming year.

Lastly, as part of the requirements of the Act, the MUCH Unit responds to and processes Section 35 underwater heritage-related permit applications and development applications received under the terms of Section 38. The Unit successfully processed all the research permit applications received and provided comments on Section 38 marine environment development proposals, within the 21-day timeframe set for such responses.



Fish traps – Still Bay

## NATIONAL INVENTORY UNIT

### INTRODUCTION

The National Inventory Unit (NIU) is tasked with compiling and maintaining the inventory of the national estate, in terms of Section 39 of the NHRA. This inventory must be in the form of a database of information on heritage resources and the South African Heritage Resources Information System, SAHRIS, fulfills that function. SAHRIS also serves to manage the processing of development and mining applications, in terms of Section 38 of the NHRA, permit applications in terms of Sections 27, 32, 34, 35 and 36 and functions as a tool for collections management. Highlights of the year included the Unit being well represented at several conferences which served to alert the international heritage fraternity to SAHRIS, its purpose and uses.

### Provincial Heritage Authorities

Following discussions in the previous financial year to ensure that Heritage Western Cape (HWC) integrates their proposed Heritage Information System, HIMS, with SAHRIS, in this financial year the NIU provided training to the HWC heritage officers to ensure that they were competent to perform tasks on SAHRIS that HIMS was not yet equipped to carry out. The training was attended by six officials from HWC and the system was very well received by the staff.

The NIU also provided refresher training to a large complement of Amafa heritage officers, with Amafa

remaining our most prolific user group. In addition to refresher training, a number of issues pertaining to the functionality of SAHRIS were discussed, representing the start of a phase of greater cooperation between the two entities.

The Limpopo PHRA as well as heritage practitioners working in that province also received training on SAHRIS. The workshop was attended by approximately 20 delegates from all over the Limpopo Province, as well as numerous State Entities, such as the Limpopo Heritage Resources Authority, Limpopo Provincial Geographic Name Change, Limpopo Economic Development Agency and the Provincial Archives. The training was very well received and the delegates requested that further sessions be held around the Province in order to empower local communities. During this workshop, the provincial representatives' plans to create their own heritage management system were discussed, but after the presentation on SAHRIS it was felt that the formulation of their own system would likely not be required as SAHRIS already meets all of their requirements.

### Co-operative Government Initiatives

SAHRA convened a meeting with the Department of Public Works (DPW) that was successfully organised by the National Inventory Unit, and attended by representatives from seven of the nine PHRAs. As Section 9 (3) (a) of the NHRA requires SAHRA to develop regulations in consultation with DPW for the maintenance and conservation of heritage resources under the control of State departments and supported bodies, the workshop



started this consultation process. A task team was established to drive the process forward.

The National Inventory Unit manager continues to be part of the Expert Reference Group meetings for the Special Environmental Assessment (SEA) Areas. These SEAs are proposed by the Department of Environmental Affairs in collaboration with the Council for Scientific and Industrial Research as a means of streamlining the application process for renewable energy projects. The manager has been instrumental in assisting with the drafting of the Heritage Specialist Assessment and Visual Specialist Assessment for this project. As this initiative is progressing towards completion and implementation, the NIU has been involved in vetting the proposed screening tool for heritage resources.

### **Combing of the National Heritage Resources Act**

In November of 2015 The National Inventory Unit hosted an internal workshop to begin the process of costing, amending and fully implementing the NHRA.

This workshop set the stage for further interaction on the subject of the NHRA, and, most significantly, it has signaled the start of a more strategic stance for SAHRA and its place in the heritage sector.

### **Museum Workshops and Collections Management**

Stakeholder engagement in 2015/16 included meetings with the Durban Natural Science Museum, the eThekweni Local History Museum, the Simonstown Museum, the University of KwaZulu-Natal (UKZN) Campbell Collection

and the UKZN Classics Museum, McGregor Museum Archaeology Department and the Clanwilliam Museum. All of these meetings were in respect of opening discussion about including those museums' inventories on SAHRIS. Further to these engagements, a meeting was also held with Iziko Cenozoic Palaeontology Department to discuss how SAHRIS can add greater value to the storage of palaeontological data.

### **National Audit Project**

The National Audit Project aims to assist national museums and other institutions with holdings of heritage objects, with the digitisation of their collections. This work ensures the longevity of the collections in digital record as well as increasing the audiences that the museums can reach.

Two audit projects were initiated in 2015/16. These were the audit of the pre-Colonial Archaeology Collection at Iziko Museum and the audit of the collected works and papers of the Archbishop Emeritus, Desmond Tutu, housed at the Robben Island Museum-University of the Western Cape Mayibuye Centre. The project plans for both of these projects have been signed by the SAHRA CEO and the Memoranda of Understanding for each partnership is being finalised. It is expected that both projects will get underway in the 2016/17 financial year.

In addition to initiating these two projects, the NIU was able to oversee the completion of the audit of the Traditional Southern African Art Collection at Johannesburg Art Gallery. Over 2570 Heritage Objects comprising this collection were digitised, and the photographs of these objects are currently being linked to the digital records

on SAHRIS. The UCT Archaeometallurgy Collection is currently underway, with the MoU having been signed in October 2015, and the collections specialist appointed in February. This project will be completed within the 2016/17 financial year. This audit will make the reference collection of archaeological metal objects, the photographed samples from those objects and the microscopy scans of those samples publicly available to further research both within South Africa and across the globe. This invaluable collection will further be augmented by digitally captured field notes accompanying each sample.

### Conferences

The staff of the NIU attended three conferences in the past year. The first of these was the Association of Southern African Professional Archaeologists (ASAPA) Conference in Harare in July, where the NIU presented a paper and a poster. The paper was entitled The use of SAHRIS as a tool for collaborative research with a focus on the spatial analysis of rock art sites and motifs, while the poster illustrated the potential SAHRIS presents to conduct cumulative impact studies on such large scale interventions as wind and solar farms. The second conference was the ICOMOS Scientific Committee on Heritage Documentation (CIPA) Symposium on digital heritage, held in August in Taiwan. Here the NIU presented two papers, one, entitled Using SAHRIS: A Web Based Application for Creating Heritage Cases and Permit Applications, providing an overview to the international audience of the platform, its use and application, and the other, entitled SAHRIS: using the South African Heritage

Register to report, track and monitor heritage crime, revealing how the system can be mobilised in the fight against heritage crime. The last conference was the South African Museums Association Conference, in Durban in October 2015 where the NIU presented a talk entitled Mobile Recording App, which explained the recently developed collections management application, which allows users to log heritage objects in the field or in museum exhibitions and upload them directly to SAHRIS, either immediately, or at a later point when in WiFi range.

### Articles Submitted for Publication

Arising out of conferences attended last year and this year, the NIU has submitted five papers to journals of various kinds during 2015/16. These are as follows:

- Smuts, K. 2015. SAHRIS as a tool for reporting, tracking and managing cases of heritage crime in South Africa. South African Museums Association Bulletin, (37): 17-31.
- Jackson, C. and Smuts, K. In press. The use of SAHRIS as a tool for collaborative research with a focus on the spatial analysis of rock art sites and motifs. (Submitted to ASAPA Conference Proceedings Journal Nov 2015)
- Mlungwana, N. In press. Using SAHRIS: a web based application for creating heritage cases and permit applications. (Submitted to CIPA Conference Proceedings Journal July 2015)
- Smuts, K. In press. SAHRIS: using the South African heritage register to report, track and monitor heritage crime. (Submitted to CIPA Conference Proceedings Journal July 2015)

- Smuts, K., Mlungwana, N. and Wiltshire, N. In press. SAHRIS: South Africa's integrated, web-based heritage management system. (Submitted to Journal of Cultural Heritage Management and Sustainable Development January 2016)

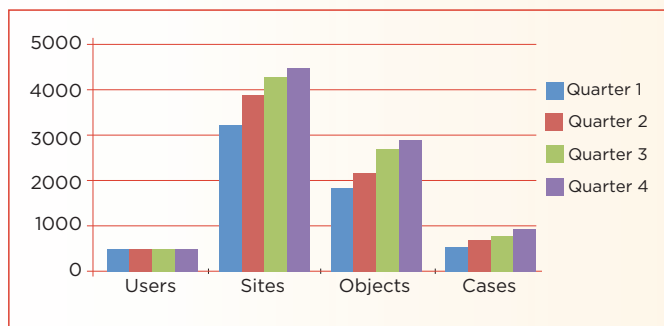
### Registry Digitisation Project

The contract staff working on the digitisation of the SAHRIS registry completed their contracts in December. It has been decided to absorb the remaining work within the staff complement of the NIU so that we have an opportunity to review the work done to date, ensure its accuracy, and map better training protocols and operating procedures for the next intake of digitisation staff. In the 2015/16 financial year, 1 393 registry volumes were scanned to SAHRIS, bringing

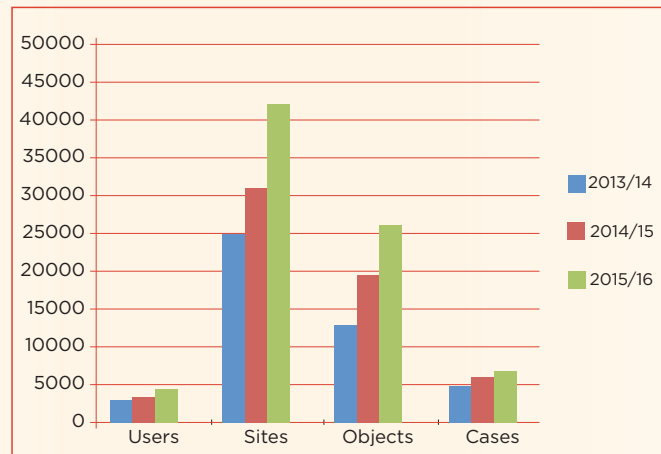
the total number of digitised registry files available online to 18 468. As part of the next phase of the digitisation project, entailing the extraction of the information in all the files onto SAHRIS as cases, sites and objects, staff have, thus far extracted 415 files into nodes on SAHRIS, bringing the total number of nodes extracted to 718.

### SAHRIS Statistics

At the end of the 2015/16 financial year, SAHRIS had 3 358 registered users (up from 2 935 at end of 2015/16). A total of 43 578 sites (up from 31 034 at the end of 2015/16) have been recorded on SAHRIS, and 26 985 objects (up from 18 529 at the end of 2015/16) captured to the system. SAHRA and the PHRAs have processed 8 403 cases online (up from 6 661 at the end of 2015/16)



Graph showing increase in use of SAHRIS per Quarter in 2015/2016



Graph showing increase in use of SAHRIS per year





David Green Fossil Shoreline



The background features a large, sweeping graphic on the left side composed of multiple concentric, curved lines in shades of red, orange, and yellow. These lines curve from the top left towards the bottom right. Below these lines, there is a close-up photograph of a woven basket or mat made of light-colored, natural fibers, showing a detailed texture. The overall design is modern and dynamic.

## **SECTION C: GOVERNANCE**

*“Conserving the past, future and present for the South African Nation”*

# EXECUTIVES



**Ms Veliswa Baduza** - Chief Executive Officer



**Mr Dumisani Sibayi** - Executive Officer -  
Heritage Resources Management



**Marika Krieg** - Executive Officer - Human  
Resources



**Ms Catherine Motsisi** - Chief Financial Officer



**Ms Lungi Malgas** - Company Secretary



**Mamakomoreng Nkhasi-Lesaoana** -  
Executive Officer - Corporate Affairs



# MANAGERS



**Ms Mimi Seetelo** - Burial Grounds and Graves



**Mr Phillip Hine** - Archaeology, Palaeontology  
& Meterites Acting Manager



**Mr Kgomoiso Sikhabisia** - Finance and acting  
Facilities Manager



**Mr John Gribble** - Maritime and Underwater  
Cultural Heritage



**Ms Zondre Seitel** - Internal Audit



**Ms Zeida Allie** - Properties



**Ms Nolwazi Mthembu** -  
Supply Chain Management



**Ms Regina Isaacs** - Heritage Objects



**Mr Thomas T. Khakhu** -  
Communications and Marketing



**Ms Nkosazana Machete** - Heritage Inspectorate



**Ms Kathryn Smuts** - National Inventory



**Ms Bongiwe Madolo** -  
Management Accountant



**Mr Gregory Ontong** - Built Environment



**Ms Nancy Cloete** - Acting IT Manager

## INTRODUCTION

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

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

## PORTFOLIO COMMITTEES

During the past financial year SAHRA was invited to and attended the Arts and Culture Portfolio Committee meeting on 18 August 2015 and the Tourism Portfolio Committee held on 4 September 2015

## THE ACCOUNTING AUTHORITY

### Responsibilities and Duties of the Council

The primary role of the SAHRA Council is to provide leadership to the Executive of the organisation in the discharging the responsibilities assigned to it under its establishment statute, Department of Arts and Culture policies, other relevant legislation and approved codes of good practice in governance and business behaviour.

Council members of the SAHRA are appointed on the basis of their individual professional expertise and are not to represent the interest of their respective companies or institutions.

### Function of the Council

The function of Council as outlined in Section 14 of the NHRA is to:

- Run the affairs of SAHRA in line with the Act establishing the organisation, the PFMA, DAC priorities, the Medium Term Strategic Framework (MTSF), the Medium Term Expenditure Framework (MTEF) and other relevant strategies and policies;
- Set broad strategy for the SAHRA to meet its objectives and performance targets;
- Ensure proper preparation and approval of strategic and annual performance plans, compliance reports, key procedures and policies;
- Approve decisions related to strategic initiatives such as commercial ventures, significant acquisitions, internal restructures and disposals; and
- Approve the annual budget of the SAHRA.

These functions should be read with the Governance Manual developed by the DAC.

### COUNCIL CHARTER

The SAHRA Council Charter was reviewed and approved by Council on the 30th January 2015.

# COMPOSITION OF THE COUNCIL



**Mr Fanie Makhanya**

**Designation:** Council Chairperson  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Architecture  
**Other Committees:** -  
**No. Of Meetings attended:** 7



**Dr William Ndlala**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Education  
**Other Committees:** HRM Committee  
**No. Of Meetings attended:** 9



**Dr Chitja Twala**

**Designation:** HR & REMCO Chairperson  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** History & Heritage  
**Other Committees:** HRM, HR & REMCO  
**No. Of Meetings attended:** 15



**Ms Reyhana Gani**

**Designation:** Audit & Risk Committee Chairperson  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Chartered Accountant  
**Other Committees:** Audit & Risk and HR & REMCO  
**No. Of Meetings attended:** 16



**Mr Jabulani Sindane**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Local Government Management  
**Other Committees:** Audit & Risk and HR & REMCO  
**No. Of Meetings attended:** 21



**Dr Gregory Houston**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Political Scientist  
**Other Committees:** HRM, IT & Assets Committees  
**No. Of Meetings attended:** 13



**Dr Ndukuyakhe Ndlovu**

**Designation:** HRM Chairperson  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Archaeology  
**Other Committees:**  
 HRM and HR & REMCO  
**No. Of Meetings attended:** 14



**Ms Jean Burgess**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Living Heritage  
**Other Committees:**  
 HRM, IT & Assets Committees  
**No. Of Meetings attended:** 13



**Mr Mokena Mokeka**

**Designation:** IT & Assets Chairperson  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Architecture  
**Other Committees:**  
 HRM, IT & Assets Committees  
**No. Of Meetings attended:** 8



**Mr Donald Lithole**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Heritage  
**Other Committees:** HRM Committee  
**No. Of Meetings attended:** 10



**Adv Tebogo Mogatusi**

**Designation:** Council Member  
**Date appointed:** 1 August 2013  
**End of the Term:** 31 July 2016  
**Area of Expertise:** Legal  
**Other Committees:**  
 HRM, IT & Assets Committees  
**No. Of Meetings attended:** 8



**Ms Sarah Winter**

**Designation:** Council Member  
**Date appointed:** 27 May 2015  
**End of the Term:** 31 July 2016  
**Area of Expertise:**  
 Built Environment & Landscape  
**Other Committees:**  
 HRM Committee  
**No. Of Meetings attended:** 4



## Composition of the Council

Name	Designation (in terms of the Public Entity Board Structure)	Date appointed	Date of the end of the Term	Area of Expertise	Other Committees (e.g.: Audit committee)	No. of Meetings attended
Mr Fanie Makhanya	Chairperson	1 August 2013	31 July 2016	Architecture	-	7
Mr Jabulani Sindane	Council Member	1 August 2013	31 July 2016	Local Government Management & Political Analyst	Audit & Risk Comm & HR & REMCO	21
Dr William Ndlala	Council Member	1 August 2013	31 July 2016	Education	HRM Comm	9
Dr Gregory Houston	Council Member	1 August 2013	31 July 2016	Political Scientist	HRM Sub Com, Audit Com	13
Dr Chitja Twala	Council Member	1 August 2013	31 July 2016	History & Heritage	HRM Comm & HR & REMCO	15
Dr Ndukuyakhe Ndlovu	Council Member	1 August 2013	31 July 2016	Archaeology	HRM Comm & HR & REMCO	14
Ms Reyhana Gani	Council Member	1 August 2013	31 July 2016	Chartered Accountant	Audit & Risk Comm & HR & REMCO	16
Ms Jean Burgess	Council Member	1 August 2013	31 July 2016	Living Heritage	HRM Comm & IT & Assets	13
Mr Mokena Makeka	Council Member	1 August 2013	31 July 2016	Architecture	HRM Comm & IT & Assets Comm	8
Mr Donald Lithole	Council Member	1 August 2013	31 July 2016	Heritage	HRM Comm	10
Adv Tebogo Mogatusi	Council Member	1 August 2013	31 July 2016	Legal	HRM Comm	8
Ms Sarah Winter	Council Member	27 May 2015	31 July 2016	Built Environment & Landscape	HRM Comm	4

## Committees of Council

Committee	No. of meetings held	No. of members	Name of members
Human Resources and Remuneration Committee (HR& REMCO)	5	4	Dr Chitja Twala (Chairperson), Dr Ndukuyakhe Ndlovu, Ms Reyhana Gani and Mr Jabulani Sindane.
IT & Assets Committee	4	4	Mr Mokena Makeka (Chairperson, Ms Jean Burgess, Mr Peter Hill and Dr Greg Houston.
Heritage Resources Management Committee (HRM)	3	9	Dr Ndukuyakhe Ndlovu (Chairperson), Dr William Ndlala, Dr Greg Houston, Mr Donald Lithole, Mr Mokena Makeka, Ms Jean Burgess, Dr Chitja Twala, Adv Tebogo Mogatusi and Ms Sarah Winter.
Audit & Risk Committee (A& R Comm)	6	7	Ms Reyhana Gani (Chairperson), Ms Thembeke Semane, Adv Dave Mitchell, Mr Thomas Kgokolo, Mr Jabulani Sindane, Mr Denga Ramuedzisi and Ms Julinda Gantana.



### Remuneration of Council Members

- Members are remunerated per meeting attended.
- Members who are employed by the State are not remunerated.
- Travel, accommodation and meals are paid to members who attend meetings.
- The Chairperson and Chairperson of each subcommittee receive a cell phone allowance.

### Total Expenses 2015/2016 for Council Remuneration:

EXPENSE	AMOUNT R
Accommodation & meals	228 094
Airfares & bus tickets	903 875
Catering	8 879
Telephone	56 880
<b>Total</b>	<b>1 197 836</b>

NAME OF COUNCIL MEMBER	TOTAL REMUNERATION RECEIVED R
Mr Fanie Makhanya	113 401
Ms Sarah Winter	14 908
Adv Tebogo Mogatusi	34 069
Mr Jabulani Sindane	66 567
Dr William Ndlala	36 301
Dr Gregory Houston	70 366
Dr Chitja Twala	89 534
Dr Ndukuyakhe Ndlovu	69 824
Ms Reyhana Gani	48 482
Ms Jean Burgess	51 779
Mr Mokena Makeka	41 367
Mr Peter Hill	10 854
Mr Donald Lithole	0

## RISK MANAGEMENT

The Executive Officer: Corporate Services (CS) is the Chief Risk Officer (CRO) for the SAHRA and takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the Public Sector Risk Management Framework (PSRMF).

SAHRA's Risk Management Policy is based on the Enterprise Risk Management Framework published by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission and updated with the requirements of the PSRMF. The SAHRA ERM Policy provides a proactive, systematic and integrated approach to risk management.

The ERM Committee (ERMCo) was formally established in 2014/15 and consists of a chairperson who is a non-executive member of the Audit and risk Committee with executives and managers as members. This Committee convenes at least four times a year and is responsible for monitoring the progress and actions taken or to be taken by management to mitigate risks to an acceptable level in order to achieve the Entity's objectives.

A comprehensive analysis of key risks based on the SAHRA's objectives was undertaken to inform the operational and strategic risks which were further entrenched into the operational processes of the Entity's units. The risk registers was compiled by management under the guidance of Internal Audit and monitored accordingly by the ERMCo. In the quest by the SAHRA to improve risk management processes, a full review of the

strategic risks were performed by Management to ensure that risks are mainly based on and aligned to the strategic objectives of the Entity.

The risk management process put in place by management to improve the identification and management of risks included amongst others:

- Facilitating/attending risk training workshops at both strategic and operational levels;
- Facilitating and coordinating the development of risk registers at the strategic and operational levels in line with the Entity's strategic objectives;
- Review of the ERMCo Terms of Reference;
- Review of the ERM Policy to reflect the current risk assessment methodology.

The Internal Audit Unit's annual risk-based plan was based on the updated Entity's risks.

## INTERNAL CONTROL UNIT

This is not applicable, as SAHRA does not have a dedicated Internal Control Unit.

## INTERNAL AUDIT AND AUDIT COMMITTEES

### Internal Audit

The Internal Audit Unit reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.2.

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to persistently improve the operations of the Entity. It assists the Entity to accomplish its objectives by bringing a systematic, disciplined approach by evaluating and improving the effectiveness of risk management, control and governance processes. The following key activities are performed in this regard:

- Valuable contribution is made by Internal Audit in improving the risk management processes, through its input and coordination in embedding the key risk management processes within the Entity;
- Assisting the CEO in maintaining adequate controls by evaluating those controls to determine their adequacy and effectiveness, and by developing recommendations for enhancement; and
- Assessing and making appropriate recommendations for enhancing or improving the governance processes in achieving the Entity's objectives.

The functions of the Internal Audit Unit are executed by a co-sourced arrangement between the in-house Internal Audit and Ernst & Young who were appointed for a period of three years to provide SAHRA with comprehensive internal audit services. Internal Audit has carried out its activities in accordance with the Internal Audit Charter which was reviewed and approved by the Audit & Risk Committee and Council.

The Internal Audit Plan was informed by the Entity's risk assessments, which were premised on the objectives of the Entity. All planned audits in the Internal Audit Plan were

met and continuous follow-ups were made of the previous audit findings emanating from both Internal and External audit reports. The following audits were conducted as per the 2015/16 risk-based Internal Audit Plan:

- Heritage Resources Management (mapping of grading & declaration, and inspection processes to identify and analyse control gaps and assessment of existing controls)
- Human Resources and Payroll
- Predetermined Objectives: "SMART criteria"
- Cost versus Revenue Management
- Financial Statement Month-end Close Procedures
- Supply Chain Management
- Quarterly reviews on the portfolio of evidence of Predetermined Objectives
- Follow-ups of previous audit findings

### **Audit and Risk Committee**

The Audit and Risk Committee is established as an oversight body, providing independent oversight in evaluating the adequacy and efficacy of risk management, control and governance processes in the Entity, which include oversight and responsibilities relating to amongst others, the:

- Internal Audit Unit;
- Internal Control and Financial Control;
- External Audit (Auditor-General of South Africa - AGSA);
- Financial reporting and Accounting practices;
- Annual Financial Statements and Accounting policies;

- Performance Management Systems;
- Risk Management processes and Fraud Prevention;
- Compliance with laws and regulations.

The table below discloses relevant information on the Audit and Risk Committee members:

Name	Qualifications	Internal or external	Date appointed	Date Resigned	No. of Meetings attended
Ms Reyhana Gani	Chartered Accountant	External	24 August 2013	-	5
Adv Dave Mitchell	Chartered Accountant & Advocate	External	01 December 2011	-	4
Ms Ruth Benjamin-Swales	Chartered Accountant	External	01 December 2013	18 March 2015	0
Mr Jabulani Sindane	Masters Degree in African Politics & Diploma in Management Advanced Programme	External	24 August 2013	-	6
Ms Thembeke Semane	BCom Accounting	External	18 October 2013	-	3
Ms Julinda Gantana	Masters in Business Leadership	External	01 June 2015		1
Mr Vhonani Denga Ramuedzisi	Chartered Accountant	External	01 June 2015		2
Mr Thomas Kgokolo	Chartered Accountant	External	01 June 2015		3

## **FRAUD AND CORRUPTION**

SAHRA has adopted the Fraud Prevention Strategy which confirms the Entity's zero tolerance stance towards fraud and corruption. Various channels for reporting allegations of fraud and corruption exist, which includes, amongst others, the SAHRA Fraud hotline email address [fraud@sahra.org.za](mailto:fraud@sahra.org.za); which one can also access via SAHRA's website if you want to remain anonymous.

The Fraud Prevention process is managed by the Internal Audit Unit within SAHRA and all allegations received through the various fraud reporting channels is recorded in a Fraud Register which is used as a tool to monitor and report on progress made on reported cases. These cases are reported quarterly to the Enterprise Risk Management Committee and the Audit and Risk Committee.

Some of the cases reported to date through the fraud prevention channels' did not relate to SAHRA, and were also not related to fraud; however cases reported related mainly to complaints which has been redirected to the Heritage Inspectorate Unit within SAHRA to address. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and or corruption and should they do so in person, their identities are kept confidential by the representative to whom they report the matter(s) to.

## **AUDIT AND RISK COMMITTEE REPORT**

We are pleased to present our report for the South African Heritage Resources Agency (SAHRA) for the financial year ended 31 March 2016.

### **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 Entity revealed certain weaknesses, which were then raised with the Entity.

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

- Heritage Resources Management (mapping of grading

& declaration, and inspection processes to identify and analyse control gaps and assessment of existing controls)

- Human Resources and Payroll
- Predetermined Objectives: “SMART criteria”
- Cost versus Revenue Management
- Financial Statement Month-end Close Procedures
- Supply Chain Management
- Quarterly reviews on the portfolio of evidence of Predetermined Objectives
- Follow-ups of previous audit finding

The areas of concern around inadequate internal controls, governance and risk management were brought to the attention of management and populated into a management action plan for monitoring. These action plans were then followed up by Internal Audit to ensure management’s implementation of recommendations and actions to reduce the risks/issues highlighted.

### **In-Year Management and Monthly/Quarterly Report**

The Entity has complied with the National Treasury regulation 29.3.1 by submitting quarterly performance reports to the Executive Authority.

### **Evaluation of Financial Statements**

The Audit and Risk Committee has reviewed and discussed the audited financial statements prepared by the Entity with management, the Auditor-General and Council and which is included in this Annual Report. We have satisfied ourselves that management has complied with all the required accounting standards and have fairly disclosed all relevant information at their disposal.

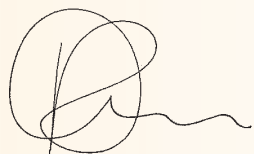
### **Auditor’s Report**

The Audit and Risk Committee has reviewed the Entity’s audit report and management report and has discussed all the findings and recommendations with the Auditor-General, management and Council.

We have reviewed and monitored the Entity’s implementation of the audit action plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

Internal control deficiencies and non-compliance with laws and regulations reported in the Audit Report were to an extent identified by management and the Audit Committee has satisfied itself that corrective measure and action plans are being implemented by management and Council to address these findings.

The Audit and Risk Committee concurs and 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.



Mrs Reyhana Gani, CA (SA)  
Chairperson of the Audit and Risk Committee  
SAHRA

Date: 31 July 2016



## SECTION D HUMAN RESOURCES MANAGEMENT



*Fish Traps, Rosi Bay*

# INTRODUCTION

## Overview of Human Resources

The Human Resources Unit has experienced a change of guard during this past financial year and the HR Team is busy picking up where the previous team has left off. The Organisation Development process is still being implemented. The draft Organisational Structure is in its final stages of preparation, job descriptions have been compiled for all posts within the organisation and all the posts have been evaluated. A benchmarked salary structure has also been updated for the entity. The conclusion of all these processes is being prepared for final approval.

## Set Priorities for the Year Under Review and the Impact of these Priorities

Strategic Concern	Impact
Organisational development strategic partner.	HR continued to play its role in facilitating the conclusion of the Organisational Development processes.
Human resource administrative excellence.	Leave management have been automated through the ESS system.
Training and Development	SAHRA has granted nine (9) bursaries during this financial year and has reached its training target in the Annual Performance Plan. The entity has also placed twelve (12) interns in the organisation, mainly in the critical skills shortage area of heritage management. Furthermore, SAHRA has joined the CATHSSETA as a levy paying member and has nominated a Skills Development Facilitator.

Strategic Concern	Impact
Finance	The HR Unit has especially focused on cost saving measures in the recruitment processes, prioritising on-line advertising when feasible and utilising technology for interviews.
Recruitment and selection	SAHRA continued to appoint high-calibre employees with commensurate qualifications and experience.
Employee relations and management services	SAHRA conducted regular Employee Wellness Interventions and has an outsourced employee wellness service.
Organisational and staff development services	The organisation went through a comprehensive Skills Audit that resulted in the identification of clear corporate training needs.
Employment equity and diversity services	SAHRA filled some vacancies in the Employment Equity Committee and have widened the scope of the Committee to that of Employment Equity and Training Committee. Furthermore, the Committee has received training from the Department of Labour. All the new members of the Employment Equity Committee have also received Orientation Training.
Policy and planning	The HR Unit has conducted an audit of Human Resources Policies and has revised the Remuneration Policy of the Entity.

### **Workforce Planning Framework and Key Strategies to Attract and Recruit a Skilled and Capable Workforce**

SAHRA is working directly with Higher Education Institutions to attract professionally qualified heritage professionals through the CATHSSETA Internship Programmes. Strict shortlisting criteria in line with the advertised job requirements are applied when processing applications and before candidates are invited for interviews.

### **Employee Performance Management Framework**

SAHRA implements regular employee wellness interventions and has a service level agreement with an employee wellness service provider to provide counselling services to employees when required.

## **POLICY DEVELOPMENT**

### **Highlight Achievements**

During the period being reported SAHRA reviewed its Remuneration Policy to bring clarity in the application of a salary structure for the organisation. An audit was conducted of all the Human Resources Policies with clear policy priorities been set for the new financial year. The groundwork has been laid for submission for approval of a Job Evaluation Policy as well as Human Resources Delegations.

The HR Unit has done a lot of work in preparing Organisational Development processes for final approval. This includes the

Organisational Structure Design and a benchmarked Salary Structure for the organisation. Job descriptions have been compiled for each post in the organisation and all the posts have been evaluated. The final approval of the latter process still needs to take place.

SAHRA has become a levy paying member of CATHSSETA and has nominated a Skills Development Facilitator.

### **Challenges Faced by SAHRA**

The budget constraints of the organisation continue to be a barrier to meaningful professional development and capacity building of employees. This leads to short-staffed Units, as well as under-capacitated employees. Salary levels are cited as one of the reasons for resignations and SAHRA experiences problems in attracting professional employees at managerial level due to perceived low salary offers. The organisation is experiencing higher than normal turnover. The heritage sector is small, which leaves SAHRA vulnerable for potential 'poaching'.

SAHRA is also unable to implement any merit- and reward system due to budget constraints.

The organisation could only implement an inflationary salary increase and is still experiencing unhappiness from the Union and employees with regards to that.

### **Future HR Plans/Goals**

The Unit's Operational Plan includes the following goals:

Strategic Concern	Impact	Targets
Number of policies, regulations, norms and standards approved by Council. Develop and implement Workplace Skills Plan.	Review and approval of the Recruitment Policy, the ESS Policy and the HIV/AIDS Policy.	Quarter Three
Retention of employees.	Develop: As per Cathsseta Template.	By 28 April 2016
Organisational Development	Implement: Training Plan.	100% implemented by end of Financial Year.
	Induct new employees.	Within 3 months of recruitment.
	Fully utilise exit interviews.	Starting Quarter One.
	Develop recruitment process flow.	Quarter Two
	Approved organisational structure.	Quarter One
	Implement Annual Staff Satisfaction Survey	Quarter Two

## HUMAN RESOURCES OVERSIGHT STATISTICS

### Personnel Cost by programme

Strategic concern	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of total exp. (R'000)	No. Of employees	Average personnel cost per employee
Office of the CEO	7 007 677	3 988 927	56.92%	8	496 616
Finance	10 619 260	5 378 140	50.65%	19	283 060
Corporate Affairs	14 447 539	5 994 922	41.49%	32	187 341
Human Resources	4 693 033	1 520 084	32.39%	8	190 010
Heritage Resources Management	14 326 064	12 965 103	90.50%	55	235 729
Communications & Marketing	1 818 699	929 893	51.13%	2	309 964
<b>TOTAL</b>	<b>52 912 272</b>	<b>30 777 068</b>	<b>58.17%</b>	<b>124</b>	<b>246 217</b>

(\*) The difference between the amount of total personnel expenditure disclosed in this schedule and the statement of financial performance is the relocation and training costs which was budgeted as general expenditure.

### Personnel Cost by Salary Band

Salary Band	Personnel Expenditure (R'000)	No. of Employee Code	% of personnel exp. to total personnel cost (R'000)	Average personnel cost per employee (R'000)
Top Management	1 407 840	1	5%	1 407 840
Senior Management	4 616 379	6	15%	769 396
Professionally Qualified/ Middle Management	7 812 275	18	25%	411 172
Semi-Skilled	4 187 840	40	14%	104 696
Skilled/Jnr Management	12 324 385	50	40%	246 488
Unskilled	428 349	9	1%	47 594
<b>GRAND TOTAL</b>	<b>30 777 068</b>	<b>124</b>	<b>100%</b>	<b>246 217</b>



## Training Costs

Directorate/Business Unit	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of employees trained	Avg training cost per employee
Office of the CEO	3 988 927	17 419	0.44%	53	329
Finance	5 378 140	164 942	3.07%	63	2 618
Corporate Affairs	5 994 922	-	0.00%	25	-
Human Resources	1 520 084	523 045	34.41%	111	4 712
Heritage Resources Management	12 965 103	-	0.00%	74	-
Communications & Marketing	929 893	-	0.00%	0	-
<b>TOTAL</b>	<b>30 777 068</b>	<b>705 406</b>	<b>2.29%</b>	<b>326</b>	<b>2 164</b>

## Employment Changes

Salary Band	Appointments	Terminations	Employees at end of the period
Top Management	0	0	1
Senior Management	1	1	5
Professionally qualified	4	7	12
Skilled	17	13	38
Semi-skilled	19	7	31
Unskilled	3	2	7
<b>Total</b>	<b>44</b>	<b>30</b>	<b>94</b>

### Reasons for Staff Leaving

Reason	No. of Employees	% of total No. of Staff leaving
Deceased	2	5%
End of Contract	15	41%
Pensioned	1	3%
Resigned	19	51%
<b>Grand Total</b>	<b>37</b>	<b>100%</b>

**Explanations:** Staff left mainly due to career progression and higher salaries. The heritage sector is small which is leaving SAHRA vulnerable for 'poaching'.

### Labour Relations: Misconduct and Disciplinary Action

Nature of disciplinary Action	Number
Counselling	1
Verbal Warning	0
Written Warning	1
Final Written warning	0
Dismissal	1
<b>Total</b>	<b>3</b>

## Employment Equity Status

Occupational Levels	Designated							Non-Designated			Total
	Male			Female				Male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Female	
Top Management				1							1
Senior Management	1			3			1				5
Professionally qualified	3	1		4	3			1			12
Skilled	14	4		7			7	5	1		38
Semi-skilled	6	5		15	3		1	1			31
Unskilled		3		4							7
Total Employees	24	13		34	6		9	7			94
People with Disabilities	0	0	0	0	0	0	0	0	0	0	0



## **SECTION E COMMUNICATION AND MARKETING REPORT**

*Sashe-Limpopo Confluence, Mapungubwe National Park*

## INTRODUCTION

The two key objectives for the Communication and Marketing Unit are to:

- Build SAHRA's brand internationally and locally through public awareness; and
- Share and provide access to correct information and knowledge to internal and external stakeholders.

The highlights of the financial year under review were the following:

- SAHRA continued to enjoy low negative ranking across all media;
- SAHRA activities received extensive media coverage and community support through South Africa; and
- Stakeholder engagements through social media created awareness on conservation, management and promotion of heritage resources in South Africa.

### **BUILD SAHRA'S BRAND INTERNATIONALLY AND LOCALLY THROUGH PUBLIC AWARENESS**

DAC, as SAHRA's overseeing government department, continues to give outstanding support to the organisation and partnered it in the unveiling of the Matola raid memorial erected in Mozambique.

During the year under review, SAHRA was promoted nationally through the following events and exhibitions:

- Participates through exhibition of SAHRA services during National commemorations days, such as Freedom Day, Youth Day, Women's Day, and Heritage Day;

- Unveiling and Commemoration of the first African woman to be banished by the apartheid regime, Mme Makwena Matlala – 31 August 2015;
- Unveiling of Matola Raid Memorial – 11 September 2015;
- Unveiling of Ms Josephine "Jos" Sekgana Mashobane – 18 December 2015; and
- Unveiling of the Specifically Declared Broster Beadwork Collection – 18 March 2016.

## MEDIA RELATIONS

A SAHRA Media Relations Policy was developed in the course of the year under review and tabled to Management Committee and Executive Committee (MANCO and EXCO) and thereafter to the Council Meeting of 29 January 2016. The Policy was approved at that meeting.

### **MEDIA RELATIONS AND MANAGEMENT**

SAHRA enjoyed neutral/balanced to positive media reporting as at March 2015. The most challenging coverage was received between March and June 2015 during the defacing of statues saga. The proactive approach when attending to issues has assisted in turning the situation of dealing with negative coverage to a more favorable status. DAC convened a national stakeholder dialogue on the transformation of the heritage sector with the focus on statues, symbols, and place names that define our public places.

SAHRA was represented extensively across radio and television media during the 2015/16 fiscal year with numerous SAHRA staff being interviewed by the likes of

Ikwekwezi FM, Soweto TV, SABC TV Channels, Metro FM, Phalaphala FM, SA FM, Mhungana Lonene FM, uKhozi FM, Voice of Cape Town and Bush Radio for Youth Month and for the unveiling of Mme Makwena Matlala memorial and burial site.

### **SOCIAL MEDIA**

The role of social media is becoming increasingly important as evidenced by the growth in public participation in the various social media platforms in which SAHRA is engaging. Facebook and Twitter have been identified as the key social media platforms through which SAHRA shall engage with the public, of which facebook in acting as the primary social media outlet due to its large consumer base.

Social media (Facebook and Twitter) have provided more channels to create access for public to conservation, management and current affairs information pertaining to heritage resources.

### **FACEBOOK**

The focus on communication through facebook has yielded remarkable growth in this area with an increase of 80.53% over and above the 40% annual target in the total number of lifetime likes.

### **TWITTER**

The twitter performance of SAHRA in 2015/16 is as follows: Sends 700 tweets, following 350 and has 200 followers.

### **MARKETING AND BRANDING**

In prior years a consistent SAHRA brand identity was lacking. In order to rectify this and ensure that SAHRA presents a unified voice in all of its public and internal communications a Corporate Identity Manual was developed and subsequently approved by the SAHRA Council during the year under review.

### **INTERNAL COMMUNICATION**

SAHRA's Organisational Newsletter was renamed to Jumis during the year under review and aligned to the approved Corporate Identity Manual. Jumis means heritage, inheritance or legacy in Khoekhoegowab language of the Khoekhoe or Khoikhoi (Nama).

### **WEBSITE**

SAHRA revamped its website in the course of the year under review to be more user friendly and to reflect the new SAHRA corporate identity.



## LANGUAGE POLICY

SAHRA as a national public entity is obliged to develop a Language Policy to comply with the requirements of Section 6 of the Constitution of South Africa and the Languages Act No. 12 of 2012.

SAHRA language policy has been developed and will be gazetted during 2016/17 financial year. SAHRA chose to use the following three official languages, that is, English; isiXhosa and seSotho.



Mr Fanie Makhanya - SAHRA Council Chairperson, Mr Gilbert Kganyago - Capricorn Municipality Mayor and Kgoshigadi MRL Matlala during the unveiling of Mme Makwena Matlala Memorial and burial site.

The background of the page features a collage of various currencies, including South African Rand coins and banknotes. Overlaid on this are several concentric, curved lines in shades of red, orange, and yellow, creating a dynamic, modern aesthetic. The text is centered in the upper half of the page.

## **SECTION F FINANCIAL INFORMATION REPORT**

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AFRICAN RESERVE

## General Information

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities:</b>	Identify, develop, manage, promote and preserve the national heritage estate in South Africa.
<b>Accounting Authority</b>	Mr Fanie Makhanya Ms Gani, R Dr Houston, G Mr Lithole, D Mr Makeka, M Ms Burgess, JP Adv Mogatusi, A.T. Dr Ndlala, W Dr Ndlovu, N Mr Sindane, J Dr Twala, C Ms Winter, S Ms Baduza, V
<b>Business address</b>	111 Harrington Street Cape Town 8001
<b>Postal address</b>	P.O. Box 4637 Cape Town 8000
<b>Bankers</b>	ABSA Bank Limited Nedbank Limited



## STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

for the year ended 31 March 2015

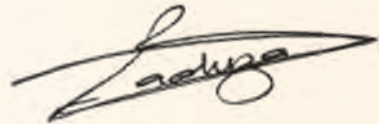
The Accounting Authority is responsible for the preparation of the public Entity's performance information and for the judgements made in this information.

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

In my opinion, the performance information fairly reflects the actual achievements against planned objectives indicators and targets as per the strategic and annual performance plan of the public Entity for the financial year ended 31 March 2016.

The external auditors have examined South African Heritage Resources Agency (SAHRA)'s performance information for the year ended 31 March 2016 and their report is presented on page **116**.

The performance information of the Entity set out on in **Section B** was approved by the board.



**Ms Veliswa Baduza**

Chief Executive Officer

Date: 31 July 2016



**Mr Fanie Makhanya**

Chairperson of Council

Date: 31 July 2016

## GENERAL FINANCIAL REVIEW OF THE ENTITY

The baseline of SAHRA was historically never informed by a proper business model and costing of the National Heritage Resources Act, of 1999. The Entity went through a rigorous turnaround after the disclaimer reports in the 2011/12 financial year resulting with a new strategic direction and better aligned organisational structure unfortunately without the concomitant funding the strategy will never enjoy a successful implementation.

### Revenue Collection

Sources of Revenue	Budget	Revenue Received	Variance
	R'000	R'000	R'000
Permit Applications Fees	30	30	-
Rental Income	1,605	1,799	-194
Other Income	-	117	-117
Interest Received	253	3,213	-2,960
<b>Total Revenue from Exchange Transactions</b>	<b>1,888</b>	<b>5,159</b>	<b>-3,271</b>
Government Grant & Subsidy	95,552	48,552	47,000
Donations	-	278	-278
Additional Funds from DAC	-	25,000	-25,000
<b>Total Revenue from Non-Exchange Transactions</b>	<b>95,552</b>	<b>73,830</b>	<b>21,722</b>
<b>Total Revenue</b>	<b>97,440</b>	<b>78,989</b>	<b>18,451</b>

Ninety one percent of the revenue is derived from the Government Grants. Rental income is generated from Properties owned by SAHRA. The baseline was increased by R27 million from the deferred revenue during the MTEF Adjustment Estimates process. Additional Funding of R25 million for the Delville Wood Project was received on the

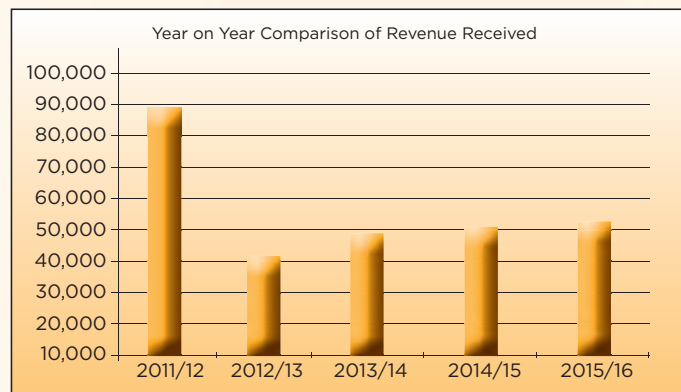
1st April 2016. In terms of GRAP 25, this amount was taken into consideration as agreed in the MOU which was signed with the Department of Arts and Culture in February 2016.

Our Heritage Properties have a potential to increase own revenue significantly. To this end we are continuing to explore different options of accessing funding for the

rehabilitation and restoration of the prioritised Heritage Properties.

Discussions with the National Treasury on possible PPP collaborations have already commenced. Our Heritage Properties have a strong potential of improving our funding constraints, and therefore in the new financial we will be increasing our efforts to engage key stakeholders on strategic long term funding for the rehabilitation of the identified Properties.

Below is table showing the year on year growth of our Revenue base:



The Graph above clearly illustrates how our Revenue has been increasing marginally over a five year period. The sharp drop in 2012/13 was largely attributable to the once off R47 million which was transferred to SAHRA for the construction of memorials of our sung and unsung liberation struggle heroes and heroines.

## Expenditure Analysis

Sources of Revenue	Adjusted Budget R'000	Actual Spent R'000	Variance R'000	% Spent R'000
Description				
Personnel Costs	31,568	32,992	-1,424	105%
General Expenditure	65,872	60,840	5,032	92%
Total Expenditure	97,440	93,832	3,608	96%



## OVERVIEW OF SAHRA'S FINANCIAL PERFORMANCE

The dire financial constraints of SAHRA remain a serious concern to the successful conservation and protection of our heritage. The baseline of SAHRA as Entity was historically never informed by a proper business model and costing of the National Heritage Resources Act, of 1999. The Entity went through a rigorous turnaround after the disclaimer reports in the 2011/12 financial year resulting with a new strategic direction and better aligned organisational structure unfortunately without the concomitant funding the strategy will never enjoy a successful implementation.

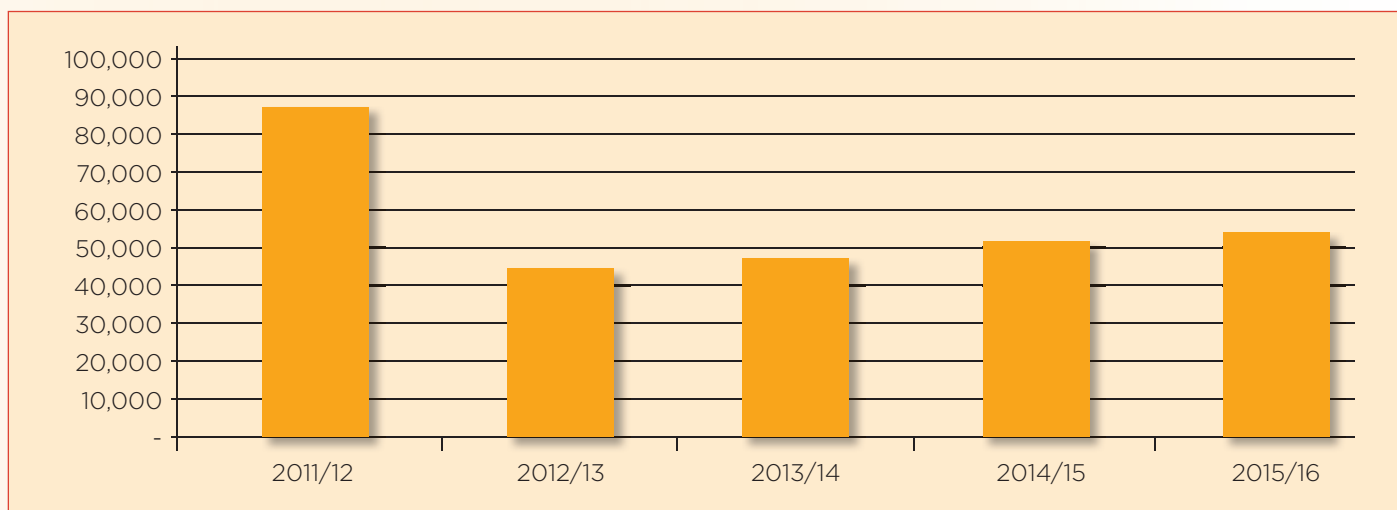
**Table 1.** Below is a depiction of revenue over a five year period:

Sources of Revenue	2011/12	2012/13	2013/14	2014/15	2015/16
<b>Revenue from Exchange Accounts</b>	<b>R'000</b>		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Permit Fees	20		30	57	30
Rental Income	589		885	763	908
Other Income	79		65	-	117
Interested Received	1 300		3 474	3 907	3 212
<b>Total Revenue from Exchange Transactions</b>	<b>1 988</b>		<b>4 454</b>	<b>4 727</b>	<b>4 267</b>
Government Grant & Subsidies	38 526		43 666	46 417	48 552
Project Funds	47 634		-	-	-
Donations	-		-	-	278
<b>Total Revenue from Non-Exchange Transactions</b>	<b>86 160</b>		<b>43 666</b>	<b>46 417</b>	<b>48 830</b>
<b>TOTAL REVENUE</b>	<b>88 148</b>		<b>48 120</b>	<b>51 144</b>	<b>53 097</b>

Ninety one percent of the revenue is derived from the Government Grants. Rental income is generated from Properties owned by SAHRA. Our Heritage Properties have a potential to increase own revenue significantly. To this end we are continuing to explore different options of accessing funding for the rehabilitation and restoration of the prioritized Heritage Properties.

Discussions with the National Treasury on possible Public Private Partnership (PPP) collaborations have already commenced. Our Heritage Properties have a strong potential of improving our funding constraints, and therefore in the new financial year we will be increasing our efforts to engage key stakeholders on strategic long term funding for the rehabilitation of the identified Properties.

**Table 2.** Graphical presentation of the annual revenue comparison  
**Year on Year Comparison of Revenue Received**



### Expenditure Analysis

**Table 3.** Below is a table showing expenditure according to the economic classification.

Expenditure Analysis	
	2015/16
Description	Adjusted Budget
Personnel Costs	31 568 000
General Expenditure	65 872 000
<b>TOTAL EXPENDITURE</b>	<b>97 440 000</b>

## Spending Trends

Spending increased sharply during the year under review as compared to the previous years. R94 109 million (2013/14:R52 137) including all non-cash items. The comparative increase in expenditure is attributable to the movement in the project funds. As at the 31st March we had spent R29 million on the rehabilitation of the Delville Wood Memorial in France and R3,9 million on the construction of memorials for our founding Fathers of our democracy as well as other unsung Heroes and Heroines.

The over expenditure of R1 374 million under the personnel costs is due to the under provision for the post-retirement benefits and 13th cheque provisions. We are showing a deficit of R15 120 million under the Statement of Performance, this is as a result of the Project Funds received in 2011/12 financial year which were spent in the current year.

**Table 4.** Below is a table showing expenditure Per Programme

	2015/16			
	Adjusted	Actual Expenditure	Variance	% Spent
	R'000	R'000	R'000	%
Prog 1. Administration	39 098	37 260	1 838	95%
Prog 2. Business Development	56 388	55 019	1 369	98%
Prog 3. Public Participation	1 954	1 830	124	94%
	<b>97 440</b>	<b>94 109</b>	<b>3 331</b>	<b>97%</b>

All the three Programmes have spent on average 98% of the budget. Spending under Programme 2 is as a result of the increased performance in the rehabilitation of the various memorials locally and outside the country.

### **Capacity Constraints**


The entity remains challenges with regards to implementing its mandate fully. This is largely attributable to the limited budget which has not allowed us to employ more Heritage Specialists for the execution of our mandate.

### **Supply Chain Management**

During the year under review, we improved the Supply Chain Management (SCM) processes and also filled all the vacant posts. We have noted with concern the increased number of deviations and to this end the Procurement Plans have been improved to enable better planning.

### **Previous year audit queries and how they were resolved**

A comprehensive action plan was put in place during the year under review to monitor implementation of the audit findings. Internal controls were enhanced through the development of Policies and improving the review of financial transactions. The Internal Audit and Audit Committee and Executive Committee played a pivotal role in monitoring progress on the clearing of audit findings.



**Ms Veliswa Baduza**

Chief Executive Officer

Date: 31 July 2016

## Accounting Authority's Responsibilities and Approval

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999) to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the Accounting Authority to ensure that the financial statements fairly present the state of affairs of the Entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The Financial Statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The Financial Statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Authority acknowledge that it is ultimately responsible for the system of internal financial control established by the Entity and places considerable importance on maintaining a strong control environment. To enable the Accounting Authority to meet these responsibilities, the Accounting Authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include

the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Entity and all employees are required to maintain the highest ethical standards in ensuring the Entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Entity is on identifying, assessing, managing and monitoring all known forms of risk across the Entity. While operating risk cannot be fully eliminated, the Entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Accounting Authority has reviewed the Entity's cash flow forecast for the year to 31 March 2017 and, in the light of this review and the current financial position, has every reason to believe that SAHRA will be a going concern in the year ahead and has continued to adopt the going concern basis in preparing the financial statements.

The Accounting Authority is primarily responsible for the financial affairs of the Entity.

The External Auditors are responsible for auditing and reporting on the Entity's financial statements. The Financial Statements have been examined by the Entity's external auditors and their report is presented on page 4.

The Financial Statements set out on pages 4 to 62, which have been prepared on the going concern basis, were approved by the Accounting Authority on 31 May 2016 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'F. Makhanya', with a stylized flourish at the end.

Mr Fanie Makhanya

Chairperson of Council



## ACCOUNTING AUTHORITY'S REPORT

The members of the Accounting Authority submit their report for the year ended 31 March 2016

### Review of Activities

Main business and operations

SAHRA is established in terms of Section 11 of the National Heritage Resources Act No.25 of 1999 (NHRA) which outlines an integrated interactive system for the management of the national heritage resources of South Africa.

There is a three tier system for heritage resources management, in which national level functions are the responsibility of SAHRA, provincial level functions are the responsibility of provincial heritage resources authorities and local level functions are the responsibility of local authorities.

As the implementing agency of the Department of Arts and Culture, SAHRA plays a critical role in the identification, conservation, protection and promotion of our heritage resources for the present and future generations. Heritage resources are formally protected through a notice in the Government Gazette.

Our business and operations includes amongst other things to promote and encourage public understanding and enjoyment of the national estate and public interest

and involvement in the identification, assessment, recording and management of heritage resources; promote education and training in fields related to the management of the national estate;

Oversight on the business is provided through a Council which is appointed by the Minister. The Council is constituted by all Chairpersons of the Provincial Heritage Resources Agencies in the nine Provinces and 6 other Professionals appointed by the Minister.

### Going Concern

The Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### Subsequent Events

The Members are not aware of any matter or circumstance arising since the end of the financial year that requires adjustment to or disclosure in the financial statements

### Bankers

ABSA Bank Limited  
Nedbank Limited

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE SOUTH AFRICAN HERITAGE RESOURCES AGENCY

## Report on the Financial Statements

### Introduction

1. I have audited the Financial Statements of the South African Heritage Resources Agency set out on pages 3 to 62, which comprise the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting Authority's Responsibility for the Financial Statements

2. The Accounting Authority is responsible for the preparation and fair presentation of these Financial Statements 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), 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.

## Auditor-General's Responsibility

3. My responsibility is to express an opinion on these Financial Statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

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

### Opinion

6. In my opinion, the Financial Statements present fairly, in all material respects, the financial position of the South African Heritage Resources Agency as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of Matter

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

Restatement of corresponding figures

8. As disclosed in note 27 to the Financial Statements, the corresponding figures for 31 March 2015 have been restated as a result of errors discovered during the 2015-16 financial year, in the Financial Statements of the South African Heritage Resources Agency at, and for the year ended, 31 March 2015.

### Report on other Legal and Regulatory Requirements

9. 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 findings on the reported

performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to raise reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined Objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2016:

- Programme 2: business development on pages 28 to 37
- Programme 3: public engagements on pages 38 to 41

11. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance information.

12. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

13. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2: business development
- Programme 3: public engagements

### **Additional Matters**

14. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

### **Achievement of Planned Targets**

15. Refer to the annual performance report on pages 20 to 41 for information on the achievement of the planned targets for the year.

### **Adjustment of Material Misstatements**

16. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of programme 2: business development and programme 3: public engagements. As management subsequently corrected the

misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

### **Unaudited Supplementary Schedules**

17. The supplementary information set out on pages 42 to 47 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report on them.

### **Compliance with Legislation**

18. I performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Procurement and Contract Management**

19. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by treasury regulation 16A6.1.

20. Contracts were awarded to bidders who did not submit a declaration of past supply chain practices such as fraud, abuse of SCM system and non-performance,

which is prescribed in order to comply with treasury regulation 16A9.2. I also could not obtain sufficient appropriate audit evidence that awards were only made to suppliers who submitted a declaration of past supply chain practices such as fraud, abuse of SCM system and non-performance, which is prescribed in order to comply with treasury regulation 16A9.2.

21. Contracts and quotations were awarded to suppliers whose tax matters had not been declared by the South African Revenue Services to be in order, as required by treasury regulation 16A 9.1 (d) and the Preferential Procurement Regulations.
22. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they were employed by the state or connected to any person employed by the state, which is prescribed in order to comply with treasury regulation 16A8.3.

### Internal Control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation.

### Financial and Performance Management

24. Non-compliance with supply chain management legislation occurred as management did not always adequately adhere to, review and monitor the processes of these prescripts.

*Auditor General*

Cape Town

29 July 2016



## Statement of Financial Position as at 31 March 2016

Figures in Rand	Note(s)	2016	2015 Restated*
<b>ASSETS</b>			
<b>Current Assets</b>			
Operating lease asset	9	883 208	891 404
Receivables from exchange transactions	3	629 724	618 377
Receivables from non exchange transactions	35	25 000 000	-
Cash and cash equivalents	4	33 746 100	77 470 449
		<b>60 259 032</b>	<b>78 980 230</b>
<b>Non Current Assets</b>			
Investment property	5	16 419 503	16 513 002
Property, plant and equipment	6	23 072 704	21 195 991
Intangible assets	8	570 382	629 044
Heritage assets	7	18 982 902	11 827 151
Operating lease asset	9	18 261 185	17 361 585
		<b>77 306 676</b>	<b>67 526 773</b>
Non Current Assets		77 306 676	67 526 773
Current Assets		60 259 032	78 980 230
<b>Total Assets</b>		<b>137 565 708</b>	<b>146 507 003</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Operating lease liability	9	43 577	15 418
Payables from exchange transactions	10	3 216 585	5 818 355
Employee benefit obligation	12	220 802	215 856
Unspent conditional grants and receipts	13	3 058 917	2 616 291
		<b>6 539 881</b>	<b>8 665 920</b>



Figures in Rand	Note(s)	2016	2015 Restated*
<b>Non Current Liabilities</b>			
Other financial liabilities	11	2 829 260	3 088 851
Operating lease liability	9	51 808	32 121
Employee benefit obligation	12	5 085 615	4 718 232
		<b>7 966 683</b>	<b>7 839 204</b>
Non Current Liabilities		7 966 683	7 839 204
Current Liabilities		6 539 881	8 665 920
<b>Total Liabilities</b>		<b>14 506 564</b>	<b>16 505 124</b>
Assets		137 565 708	146 507 003
Liabilities		(14 506 564)	(16 505 124)
<b>Net Assets</b>		<b>123 059 144</b>	<b>130 001 879</b>
Reserves			
Revaluation reserve	33	25 530 604	17 630 004
Accumulated surplus		97 528 540	112 371 875
<b>Total Net Assets</b>		<b>123 059 144</b>	<b>130 001 879</b>

## Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015 Restated*
<b>REVENUE</b>			
<b>Revenue from exchange transactions</b>			
Permit fees		29 850	22 771
Rental income		1 799 036	1 922 642
Other income		116 822	53 609
Interest received - investment	21	3 212 479	4 009 633
<b>Total revenue from exchange transactions</b>		<b>5 158 187</b>	<b>6 008 655</b>
<b>Revenue from non-exchange transactions</b>			
Government grants and subsidies (transfers)	15	73 552 000	46 417 000
Donations	34	278 422	-
<b>Total revenue from non-exchange transactions</b>		<b>73 830 422</b>	<b>46 417 000</b>
		5 158 187	6 008 655
		73 830 422	46 417 000
<b>Total revenue</b>	<b>14</b>	<b>78 988 609</b>	<b>52 425 655</b>

Figures in Rand	Note(s)	2016	2015 Restated*
<b>Expenditure</b>			
Salaries and benefits	20	(32 991 757)	(29 547 118)
Depreciation and amortisation		(1 523 960)	(1 337 587)
Finance costs	18	(7 577)	(169 165)
Provision for bad debt	17	(71 465)	(274 134)
Repairs and maintenance		(583 157)	(1 089 957)
Loss on disposal of assets		(454 346)	(84 014)
General expenses	19	(58 199 681)	(19 422 877)
<b>Total expenditure</b>		<b>(93 831 943)</b>	<b>(51 924 852)</b>
		-	-
Total revenue		78 988 609	52 425 655
Total expenditure		(93 831 943)	(51 924 852)
Operating surplus/deficit		-	-
(Deficit) surplus before taxation		(14 843 334)	500 803
Taxation		-	-
<b>(Deficit) /surplus for the year</b>		<b>(14 843 334)</b>	<b>500 803</b>

## Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	17 529 749	111 540 992	129 070 741
Adjustments			
<b>Correction of errors - refer to note 27</b>	(145 646)	330 079	184 433
<b>BALANCE AT 01 APRIL 2014 AS RESTATED*</b>	<b>17 384 103</b>	<b>111 871 071</b>	<b>129 255 174</b>
Changes in net assets			
Revaluation of land and buildings	278 688	-	278 688
Net income (losses) recognised directly in net assets	278 688	-	278 688
Surplus for the year as previously reported	-	322 269	322 269
<b>Correction of Errors note 27</b>	(32 787)	178 535	145 748
<b>Total changes</b>	<b>245 901</b>	<b>500 804</b>	<b>746 705</b>
<b>BALANCE AT 01 APRIL 2015 AS RESTATED</b>	<b>17 630 004</b>	<b>112 371 874</b>	<b>130 001 878</b>
Changes in net assets			
Revaluation of land and buildings	950 000	-	950 000
Net revaluation of heritage assets	6 950 600	-	6 950 600
Net income (losses) recognised directly in net assets	7 900 600	-	7 900 600
<b>Surplus for the year</b>	<b>-</b>	<b>(14 843 334)</b>	<b>(14 843 334)</b>
Total changes	7 900 600	(14 843 334)	(6 942 734)
<b>BALANCE AT 31 MARCH 2016</b>	<b>25 530 604</b>	<b>97 528 540</b>	<b>123 059 144</b>

## Cash Flow Statement

Figures in Rand	Note(s)	2016	2015 Restated*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Grants		48 552 000	46 417 000
Interest income		3 212 479	4 009 633
Other cash receipts		1 042 957	724 229
		<b>52 807 436</b>	<b>51 150 862</b>
<b>Payments</b>			
Employee costs		(32 485 095)	(28 478 904)
Suppliers		(61 099 935)	(18 869 822)
Finance costs		(7 577)	(169 165)
		<b>(93 592 607)</b>	<b>(47 517 891)</b>
Total receipts		52 807 436	51 150 862
Total payments		(93 592 607)	(47 517 891)
<b>Net cash flows from operating activities</b>	<b>23</b>	<b>(40 785 171)</b>	<b>3 632 971</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	6	(3 002 080)	(608 759)
Proceeds from sale of property, plant and equipment	6	322 493	-
Purchase of intangible assets	8	-	(34 200)
<b>Net cash flows from investing activities</b>		<b>(2 679 587)</b>	<b>(642 959)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of other financial liabilities		(259 591)	(5 813)
<b>Net cash flows from financing activities</b>		<b>(259 591)</b>	<b>(5 813)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(43 724 349)</b>	<b>2 984 199</b>
Cash and cash equivalents at the beginning of the year		77 470 449	74 486 250
<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>33 746 100</b>	<b>77 470 449</b>

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Ref
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### STATEMENT OF FINANCIAL PERFORMANCE

#### Revenue

##### Revenue from exchange transactions

Rental of facilities and equipment	1 605 000	-	1 605 000	1 799 036	194 036	34.1
Permit fees and other revenue	30 000	-	30 000	146 672	116 672	
Interest received - investment	253 000	-	253 000	3 212 479	2 959 479	34.2
<b>Total Revenue from Exchange Transactions</b>	<b>1 888 000</b>	<b>-</b>	<b>1 888 000</b>	<b>5 158 187</b>	<b>3 270 187</b>	

##### Revenue from non-exchange transactions

Deferred revenue	20 000 000	27 000 000	47 000 000	-	(47 000 000)	34.3
Transfer revenue						
Government grants & subsidies	48 552 000	-	48 552 000	73 830 422	25 278 422	
<b>Total revenue from non-exchange transactions</b>	<b>68 552 000</b>	<b>27 000 000</b>	<b>95 552 000</b>	<b>73 830 422</b>	<b>(21 721 578)</b>	



Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Ref
'Total revenue from exchange transactions'	1 888 000	-	1 888 000	5 158 187	3 270 187	
'Total revenue from non-exchange transactions'	68 552 000	27 000 000	95 552 000	73 830 422	(21 721 578)	
<b>Total revenue</b>	<b>70 440 000</b>	<b>27 000 000</b>	<b>97 440 000</b>	<b>78 988 609</b>	<b>(18 451 391)</b>	
<b>Expenditure</b>						
Personnel	(31 568 000)	-	(31 568 000)	(32 991 757)	(1 423 757)	
General expenses	(38 872 000)	(27 000 000)	(65 872 000)	(60 840 186)	5 031 814	
<b>Total expenditure</b>	<b>(70 440 000)</b>	<b>(27 000 000)</b>	<b>(97 440 000)</b>	<b>(93 831 943)</b>	<b>3 608 057</b>	
	-	-	-	(14 843 334)	(14 843 334)	
	-	-	-	-	-	
<b>Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 843 334)</b>	<b>(14 843 334)</b>	
Surplus before taxation	-	-	-	(14 843 334)	(14 843 334)	
Taxation	-	-	-	-	-	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 843 334)</b>	<b>(14 843 334)</b>	
<b>Reconcilliation</b>						

## Accounting Policies

### 1. PRESENTATION OF FINANCIAL STATEMENTS

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

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

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

These accounting policies are consistent with the previous period.

#### 1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

### Trade Receivables

The Entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the Entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated first on individually significant debtors and then apply a portfolio approach to the remaining debtors, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to balances in the portfolio.

### Impairment Testing

The Entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors such as inflation and interest.

### Provisions

Provisions were raised and management determined an estimate based on the information available.

### Useful Lives of Property, Plant and Equipment and Other Assets

The Entity's management determines the estimated useful lives and related depreciation /amortisation charges for property, plant and equipment and other assets. This estimate is based on the pattern in which an asset's future economic benefits or service potential are expected to be consumed by the Entity.

### Post Retirement Benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The Entity determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. The most appropriate discount rate that reflects the time value of money is with reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the Entity uses

current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

### Effective Interest Rate

The Entity used the prime interest rate to discount future cash flows.

### Allowance for Doubtful Debts

On receivables, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables' carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

## 1.2 INVESTMENT PROPERTY

Investment property is property comprises of land and building held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the Entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired at no cost or for a nominal cost, its cost is its fair value as at the date of acquisition. The residual value is assumed to be zero.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

### Cost Model

Subsequent to initial measurement investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal instalments over the useful life of the property, which is as follows:

Item	Useful life
Land	Indefinite
Buildings	75 years

As per the National Heritage Resources Act, No. 25 of 1999, Chapter 1 section 3(1): “For the purposes of this Act, those heritage resources of South Africa which are of cultural significance or other special value for the present community and for future generations must be considered part of the national estate and fall within the sphere of

operations of heritage resources authorities”

Chapter 1 section 5(1)(a): “Heritage resources have lasting value in their own right and provide evidence of the origins of South African society and as they are valuable, finite, non-renewable and irreplaceable they must be carefully managed to ensure their survival”

The investment properties are of cultural significance and special value for the present community and for future generations, these properties are considered part of the national estate and will therefore be preserved for current and future generations. These assets are held property to earn rental.

The useful lives of items of property, plant and equipment have been assessed to be zero.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

The gain or loss arising from the derecognition of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the investment property. Such difference is recognised in surplus or deficit when the investment property is derecognised.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

### 1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the Entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the Entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant

and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land and buildings which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation

surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in net assets related to a specific item of property, plant and equipment is transferred directly to accumulated surplus when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to retained earnings as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land and buildings which is carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.



The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	75 years
Plant and machinery	Straight line	5-15 years
Furniture and fixtures	Straight line	5-15 years
Motor vehicles	Straight line	5-10 years
IT equipment	Straight line	3-17 years
Leasehold improvements	Straight line	3 years
Vessels-Deck equipment,rib, winches, cranes and anchors	Straight line	12 years
Vessels-Propulsion system,engine, gearbox and propellers	Straight line	20 years
Vessels-Research and patrol hull	Straight line	20 years
Library books	Straight line	10 years

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the Entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the Entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

## 1.4 INTANGIBLE ASSETS

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an Entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the Entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the Entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Entity; and
- the cost or fair value of the asset can be measured reliably.

The Entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever

there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

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

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

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	1-10 years
Website	Indefinite

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss from the derecognition of an intangible asset is determined as the difference between the net proceeds, if any, and the carrying amount of the intangible asset. Such difference is recognised in surplus or deficit when the intangible asset is derecognised.

## 1.5 HERITAGE ASSETS

The principal issues in accounting for heritage assets are the recognition of the assets. The National Heritage Resource Act 25, of 1999 describes Heritage Assets as follows: "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." The National Heritage Resource Act 25, of 1999 state the following regarding the national estate:

1. For the purposes of this Act, those heritage resources of South Africa which are of cultural significance or other special value for the present community and for future generations must be considered part of the national estate and fall within the sphere of operations of heritage resources authorities.
2. Without limiting the generality of subsection (1) the national estate may include but not limited to:
  - a. places, buildings, structures and equipment, books, records, documents of cultural significance;

SAHRA has adopted the following criteria in accessioning heritage assets:

- (i) an item is important in the course, or pattern, of cultural or natural history;
- (ii) an item has strong or special association with the life or works of a person, or group of persons, of importance in cultural or natural history;
- (iii) an item is important in demonstrating aesthetic characteristics and/or a high degree of creative or technical achievement;
- (iv) an item has strong or special association with a particular community or cultural group for social, cultural or spiritual reasons;
- (v) an item has potential to yield information that will contribute to an understanding of cultural or natural history
- (vi) an item possesses uncommon, rare or endangered aspects of cultural or natural history;
- (vii) an item is important in demonstrating the principal characteristics of a class of cultural or natural places; or cultural or natural environments.

### **Classification of Heritage Assets**

Assets valued have been categorised under the following headings:

- a) Arts and Artifacts including Objects and Artwork
- b) Library Books Heritage
- c) Building and Monuments

If library books meet the definition of heritage assets, it is accounted for in accordance with GRAP 103 on Heritage assets. Examples of such items include:

- i) The books are scarce copies from various sources and limited copies are available.
- ii) No publishers are willing to reproduce these books
- III) The books will only be available for research purposes.
- iv) The general public will not be allowed to take them out; they can only be viewed in the library.
- v) The books will be held for an indefinite period, unless destroyed by circumstances beyond human control.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

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

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.

### **Recognition**

The Entity recognises a heritage asset as an asset if it is probable that future economic benefits or service

potential associated with the asset will flow to the Entity, and the cost or fair value can be measured reliably.

If the Entity holds assets that might be regarded as heritage assets but which, on initial recognition, do not meet the recognition criteria of a heritage asset because it cannot be reliably measured, information on such a heritage asset is disclosed in the notes 7 Heritage assets.

### **Initial Measurement**

For the purpose of initial measurement for the adoption of GRAP 103, the fair value of the subject assets has been applied to determine deemed costs in accordance with Directive 7 Application of Deemed Costs. Directive 7 is used to determine the cost of assets that were acquired prior to the measurement date outlined in paragraph .04, and only if information about the historical cost of those assets is not available. Measurement is the date than an Entity adopts the Standards of GRAP and is the beginning of the earliest period for which an Entity presents full comparative information, in its first financial statements prepared using Standards of GRAP.

Dual purpose assets (used for service delivery and preserved and defined as a heritage asset) can only be classified as a heritage asset when a significant portion of the asset meets the definition of a heritage asset

### **Valuation of Heritage Assets and Library Books**

The method of valuation employed was the fair value approach. Fair value measurement is define as, the fair

value of the assets herein described if exposed for sale in a second-hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. The fair value was ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.43). The sale would be “arm’s length” with no undue pressure on purchaser or seller. In determining the value of the library books, influences such as market climate, sensitivity to exchange rate variances, sales history and condition of the asset play an important role, however if the fair value cannot readily be ascertained by reference to quoted prices in an active and liquid market; then plausible value can be applied by an experienced valuation professional.

The fair value of a heritage asset can be determined from market-based evidence arrived at by appraisal. An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. GRAP 103 provides the following methods of valuation with regard to the valuation of heritage assets:

- a) In the case of specialised heritage buildings and other man-made heritage structures, such as monuments, SAHRA has used the market costs and replacement cost approach to determine fair values.
- i) An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. The fair value will be ascertained by reference to quoted prices in an active and liquid market (GRAP 103.43).

- ii) Where the fair value of an asset cannot be determined, and where no evidence is available to determine the market value in an active market of a heritage asset; a valuation technique may be used to determine its fair value. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, and reference to the current fair value of other heritage assets that have substantially similar characteristics in similar circumstances and locations, adjusted for any specific differences in circumstances. If there is a valuation technique commonly used by market participants to price such an asset, and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions.

### Subsequent Measurement

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Heritage assets owned by the Entity are revalued every three to five years.

### Impairment

The Entity assesses at each reporting date whether there is an indication that a heritage asset may be impaired. If any such indication exists, the Entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Useful lives of Heritage Assets have been assessed as follows:

Item	Average useful life
Buildings	Indefinite
Art and artefacts	Indefinite
Library books	Indefinite

### Derecognition

The Entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when heritage asset is derecognised.

## 1.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one Entity and a financial liability or a residual interest of another Entity.



The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any

reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

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

## CLASSIFICATION

The Entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

### Class

Receivables from exchange transactions  
Cash and cash equivalents

### Category

Financial asset measured at amortised cost  
Financial asset measured at amortised cost

The Entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

### Class

Payables from exchange transactions  
Unspent conditional grants and receipts  
Other financial liabilities

### Category

Financial liability measured at amortised cost  
Financial liability measured at amortised cost  
Financial liability measured at amortised cost

## Initial Recognition

The Entity recognises a financial asset or a financial liability in its statement of financial position when the Entity becomes a party to the contractual provisions of the instrument.

The Entity recognises financial assets using trade date accounting.

### **Initial Measurement of Financial Assets and Financial Liabilities**

The Entity measures a financial asset and financial liability, other than those subsequently measured at fair value, initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The Entity measures all other financial assets and financial liabilities initially at its fair value.

### **Subsequent Measurement of Financial Assets and Financial Liabilities**

The Entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction directly for impairment or uncollectability in the case of a financial asset.

### **Fair Value Measurement Considerations**

Short-term receivables and payables are not discounted

where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

### **Reclassification**

The Entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

### **Gains and Losses**

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

### **Impairment and Uncollectibility of Financial Assets**

The Entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the Entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on

financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

## **DERECOGNITION**

### **Financial Assets**

The Entity derecognises financial assets using trade date accounting.

The Entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the Entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset  
or
- the Entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the Entity:
  - derecognises the asset; and
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amount of the transferred asset is allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any differences between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

## Financial Liabilities

The Entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished - i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another Entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

## Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Distributions to holders of residual interests are recognised by the Entity directly in net assets. Transaction costs incurred on residual interests are accounted for as a deduction from net assets. Income tax [where applicable] relating to distributions to holders of residual interests and to transaction costs incurred on residual interests are accounted for in accordance with the International Accounting Standard on Income Taxes.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the Entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the Entity does not offset the transferred asset and the associated liability.

## 1.7 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it

does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the Entity assesses the classification of each element separately.

### **Operating Leases - Lessor**

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as revenue and the contractual receipts are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Any contingent rents are recognised separately as revenue in the period in which they are received.

### **Operating Leases - Lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term.

Any contingent rents are recognised separately as an expense in the period in which they are incurred.

## **1.8 IMPAIRMENT OF CASH-GENERATING ASSETS**

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the entity; or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

Criteria developed by the entity to distinguish cash-generating assets from non-cash-generating assets are as follow:

### Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a cash-generating intangible asset with an indefinite useful life or a cash-

generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

### Value in Use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

### Recognition and Measurement (Individual Asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less



its residual value (if any), on a systematic basis over its remaining useful life.

### **Reversal of Impairment Loss**

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **1.9 IMPAIRMENT OF NON-CASH-GENERATING ASSETS**

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented Entity.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Criteria developed by the Entity to distinguish non-cash-generating assets from cash-generating assets are as follow:

Cash-generating assets are assets that are held with the primary objective of generating a commercial return.

Assets will generate a commercial return when the Entity intends to generate positive cash flows from the asset similar to a profit-orientated Entity. Non-cash-generating assets are primarily held for service delivery purposes.

### Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The Entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the Entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the Entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

### Value in Use

Value in use of non-cash-generating assets is the present value of the assets' remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

### Depreciated Replacement Cost Approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the Entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

### Restoration Cost Approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of

the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

### **Recognition and Measurement**

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **Reversal of an Impairment Loss**

The Entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the Entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a

non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **1.10 SHARE CAPITAL /CONTRIBUTED CAPITAL**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### **1.11 EMPLOYEE BENEFITS**

Employee benefits are all forms of consideration given by an Entity in exchange for service rendered by employees

Termination benefits are employee benefits payable as a

result of either:

- an Entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

### Short-Term Employee Benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the Entity during a reporting period, the Entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the Entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The Entity measures the expected cost of accumulating compensated absences as the additional amount that the Entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Entity recognises the expected cost of bonus, incentive and performance related payments when the Entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Entity has no realistic alternative but to make the payments.

### Other Post-Retirement Obligations

The Entity provides post-retirement health care benefits upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The Entity also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities

### Actuarial Assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state

benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:

- those changes were enacted before the reporting date; or
- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

### 1.12 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the Entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current



market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

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

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

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

Provisions are not recognised for future operating expenditure.

If the Entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the

occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Entity.

A contingent liability is:

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 25.

## 1.13 REVENUE FROM EXCHANGE TRANSACTIONS

### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

### Interest

Revenue arising from the use by others of Entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to



- the Entity; and; or
- the amount of the revenue can be measured reliably. Interest is recognised, in surplus or deficit, using the effective interest rate method.

#### 1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an Entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting Entity.

##### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the Entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

##### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the Entity.

When, as a result of a non-exchange transaction, the Entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

##### Gifts and Donations, Including Goods In-Kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the Entity and the fair value of the assets can be measured reliably.

### 1.15 INVESTMENT INCOME

Investment income is recognised on a time-proportion basis using the effective interest method.

### 1.16 BORROWING COSTS

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.17 FRUITLESS AND WASTEFUL EXPENDITURE

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

Any expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance and financial position in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance or financial position. All efforts are made to recover the expenditure, failing which, will be approved by the Accounting Authority.

### 1.18 IRREGULAR EXPENDITURE

Irregular expenditure as defined in section 1 of the Public Finance Management Act means expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

(a) this Act; or

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act.

Any expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance and financial position in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance or financial position. All efforts are made to recover the expenditure, failing which, will be approved by the Accounting Authority.

### 1.19 BUDGET INFORMATION

The approved budget is prepared on an accrual basis.

The approved budget covers the 12 months ending 31 March 2016.

The financial statements and the budget are not prepared on the same basis of accounting. The actual financial statement information is therefore presented on a comparable basis to the budget information. The comparison and the reconciliation between the statement of financial performance and the budget for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Entity provides explanations for variances between the budget and actual amounts where the variances are greater than 10%.

As the financial statements and the budget are not on the

same basis of accounting a reconciliation between the statement of financial performance and the budget have been included in the financial statements.

### **1.20 RELATED PARTIES**

The Entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management is those persons responsible for planning, directing and controlling the activities of the Entity, including those charged with the governance of the Entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the Entity.

Only transactions with related parties where the transactions are not concluded within normal operating procedures or on

terms that are not no more or no less favourable than the terms it would use to conclude transactions with another entity or person are disclosed.

### **1.21 COMMITMENTS**

Items are classified as commitments where the Entity commits itself to future transactions that will normally result in the outflow of resources.

Capital commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure

notes in the following cases:

- approved and contracted commitments;
- approved and not contracted for;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. NEW STANDARDS AND INTERPRETATIONS

#### 2.1 Standards and Interpretations Effective and Adopted in The Current Year

The Entity has adopted the following standards and interpretations that are effective for the current financial year:

GRAP 18 - Segment Reporting - Not applicable

The Entity has considered the standard and it is not applicable because administrative units do not undertake activities of an Entity that generates economic benefits or service potential separately, resources are not allocated separately, performance of the Entity is not managed separately and the Entity does not manage the budget separately.

#### 2.2 Standards and Interpretations Issued, but not yet Effective

The Entity has not applied the following standards and interpretations, which have been published and are mandatory for the Entity's accounting periods beginning on or after 01 April 2016 or later periods:

##### GRAP 20: Related Parties

The objective of this standard is to ensure that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its

financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this standard referred to as the reporting entity) shall apply this standard in:

- identifying related party relationships and transactions;
- identifying outstanding balances, including commitments, between an entity and its related parties;
- identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- determining the disclosures to be made about those items.

This standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This standard also applies to individual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the

Entity. This disclosure also ensures that the reporting Entity is transparent about its dealings with related parties.

The standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to the reporting entity if that person:
  - has control or joint control over the reporting entity;
  - has significant influence over the reporting entity;
  - is a member of the management of the entity or its controlling entity.
- An entity is related to the reporting entity if any of the following conditions apply:
  - the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
  - one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
  - both entities are joint ventures of the same third party;
  - one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;

- the entity is controlled or jointly controlled by a person identified in (a); and
- a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The standard elaborates on the definitions and identification of:

- Close member of the family of a person;
- Management;
- Related parties;
- Remuneration; and
- Significant influence

The standard sets out the requirements, inter alia, for the disclosure of:

- Control;
- Related party transactions; and
- Remuneration of management

The effective date of the standard is not yet set by the Minister of Finance.

The Entity expects to adopt the standard for the first time when the Minister sets the effective date for the once.

The impact of this standard is currently being assessed.

### **GRAP 16 (as amended 2015): Investment Property**

Based on the feedback received as part of the post-implementation review, the Board agreed to reconsider certain principles in GRAP 16 and GRAP 17. In particular, the Board agreed to:

- Review the principles and explanations related to the distinction between investment property and property, plant and equipment.
- Consider whether an indicator-based assessment of useful lives of assets could be introduced.
- Clarify the wording related to the use of external valuers.
- Introduce more specific presentation and disclosure requirements for capital work-in-progress.
- Review the encouraged disclosures and assess whether any should be made mandatory or deleted.
- Require separate presentation of expenditure incurred on repairs and maintenance in the financial statements.

Various amendments were made to the Standard, affecting Definitions, Identification, Disclosure, Effective date and Transitional provisions.

The effective date of the standard is for years beginning on or after 01 April 2016.

The entity expects to adopt the standard for the first time in the 2016 financial statements.

The impact of this standard is currently being assessed.

### **GRAP 17 (as amended 2015): Property, Plant and Equipment**

Based on the feedback received as part of the post-implementation review, the Council agreed to reconsider

certain principles in GRAP 16 and GRAP 17. In particular, the Council agreed to:

- Review the principles and explanations related to the distinction between investment property and property, plant and equipment.
- Consider whether an indicator-based assessment of useful lives of assets could be introduced.
- Clarify the wording related to the use of external valuers.
- Introduce more specific presentation and disclosure requirements for capital work-in-progress.
- Review the encouraged disclosures and assess whether any should be made mandatory or deleted.
- Require separate presentation of expenditure incurred on repairs and maintenance in the financial statements.

Amendments identified as part of the post-implementation review, affected the following areas:

- Indicator-based assessment of the useful lives of assets
- Use of external valuers
- Encouraged disclosures
- Capital work-in-progress
- Expenditure incurred on repairs and maintenance

The effective date of the standard is for years beginning on or after 01 April 2016.

The entity expects to adopt the standard for the first time in the 2016 financial statements.

The impact of this standard is currently being assessed.

### **GRAP 21 (as amended 2015): Impairment of Non-cash-Generating Assets**

The Council agreed to include a research project on its



work programme to review GRAP 21 and GRAP 26 to assess whether the principles in these Standards could be simplified and streamlined. As part of its research project, the Council considered the following aspects which led to the proposed amendments included in this Exposure Draft:

- simplifying the approach to impairment to make it clearer when an asset is cash generating or non-cash-generating;
- assessing the feasibility of one measurement approach for non-cash-generating assets; and
- assessing the feasibility of combining the two Standards.

The changes to the Standard of GRAP on Impairment of Non-cash-generating Assets are outlined below:

General definitions:

The definition of cash-generating assets has been amended to be consistent with the amendments made to clarify the objective of cash-generating assets and non-cash-generating assets.

Cash generating assets and non-cash-generating assets:

Additional commentary has been added to clarify the objective of cash-generating assets and non-cash-generating assets.

Identifying an asset that may be impaired:

Additional commentary has been added to clarify that physical damage triggers impairment of an asset when it results in a permanent or a significant decline in the potential of an asset.

Reversing an impairment loss:

An indicator has been added that the restoration of an asset's service potential following physical damage to the asset could indicate a reversal in an impairment loss.

Additional commentary has been added to clarify that restoration of an asset's service potential as a result of physical damage is an indication that an impairment loss recognised in prior periods may no longer exist or may have decreased.

Disclosures:

The requirement to disclose the criteria developed to distinguish non-cash-generating assets from cash-generating assets has been amended to be consistent with the amendments made to clarify the objective of non-cash-generating assets and cash-generating assets.

The effective date of the standard is for years beginning on or after 01 April 2017.

The entity expects to adopt the standard for the first time in the 2017 financial statements.

The impact of this standard is currently being assessed.

### **GRAP 26 (as amended 2015): Impairment of Cash-Generating Assets**

The Council agreed to include a research project on its work programme to review GRAP 21 and GRAP 26 to assess whether the principles in these Standards could be simplified and streamlined. As part of its research project,

the Council considered the following aspects which led to the proposed amendments included in this Exposure Draft:

- simplifying the approach to impairment to make it clearer when an asset is cash generating or non-cash-generating;
- assessing the feasibility of one measurement approach for non-cash-generating assets; and
- assessing the feasibility of combining the two Standards.

#### Summary of changes:

The changes to the Standard of GRAP on Impairment of Cash-generating Assets are outlined below:

#### General definitions:

The definitions of cash-generating assets and cash-generating unit have been amended to be consistent with the amendments made to clarify the objective of cash-generating assets and non-cash-generating assets below.

#### Cash generating assets and non-cash-generating assets:

Additional commentary has been added to clarify the objective of cash-generating assets and non-cash-generating assets.

#### Disclosures:

The requirement to disclose the criteria developed to distinguish cash-generating assets from non-cash-generating assets has been amended to be consistent with

the amendments made to clarify the objective of non-cash-generating assets and cash-generating assets.

The effective date of the standard is for years beginning on or after 01 April 2017.

The entity expects to adopt the standard for the first time in the 2017 financial statements.

The impact of this standard is currently being assessed.

## Figures in Rand

### 3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade receivables  
Deposits  
Sundry receivables

#### Reconciliation of receivables from exchange transactions

Trade receivables  
Sundry receivables  
Deposits  
Less impairment allowance

#### Reconciliation of receivables from non-exchange transactions

Grant receivable  
No trade and other receivables were pledged as security.

#### Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to historical information about counterparty default rates.

#### Trade and Other Receivables Past Due But Not Impaired

Trade and other receivables that are more than 30 days outstanding are considered past due. All receivables are individually assessed for impairment.

The Entity has assessed these balances for recoverability and believes that they are still of good credit quality.

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

	2016	2015
	148 196	131 879
	282 367	39 346
	199 161	447 152
	<b>629 724</b>	<b>618 377</b>
	434 317	920 900
	199 161	511 231
	282 367	39 346
	(286 121)	(853 100)
	<b>629 724</b>	<b>618 377</b>
	<b>25 000 000</b>	-

## Figures in Rand

30 days

60 days

More than 90 days

2016	2015
25 003 176	5 900
-	247 428
195 985	62 641

## Trade and Other Receivables Impaired

As of 31 March 2016, trade and other receivables of R 415 554 (2015: R 970 721) were impaired and provided for. The amount of the allowance was R (286 121) as of 31 March 2016 (2015: R (853 100)).

The ageing of these receivables is as follows:

30 days

60 days

90 days

More than 90 days

54 831	56 510
55 269	55 403
36 039	34 074
269 415	824 735

## Reconciliation of allowance for impairment of trade and other receivables

Opening balance

Provision for impairment

Amounts written off as uncollectable

853 100	578 967
71 465	274 133
(638 444)	-
<b>286 121</b>	<b>853 100</b>

## 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand

Bank balances

Short-term deposits

2 000	2 000
6 863 162	48 094 654
26 880 938	29 373 795
<b>33 746 100</b>	<b>77 470 449</b>

## Restrictions on Use of Cash and Cash Equivalents

Included in bank balances and short term deposits are amounts held that may only be used in accordance with agreements with various transferors for receipt of non-exchange revenue (refer to note 14 - Unspent conditional grants and receipts).

At the reporting date the amounts subject to restrictions were:

## Figures in Rand

	2016	2015
A Galla Workshops	1 225	1 151
A Skakanga Trust Fund	1 267	1 191
Almshouse	1 850	1 738
Australian War Graves	111 219	104 481
Bellingham	5 060	4 754
Bethanie Restoration Trust	20 003	18 786
Bien Donne Restoration Trust	166 845	156 694
Bo-Kaap Trust	7 109	6 678
Constitution Hill	1 689	1 587
Dutch Reformed Church Somerset West	2 687	2 524
Department of Arts and Culture Projects	22 424 606	64 524 957
Dutch Reformed Church Ladies Association	54 592	51 285
Empire Road	22 286	20 936
Esme Lownds	33 622	31 589
Fort Armstrong	1 901	1 786
Genadendal Bequest	768 554	874 460
Getty Foundation	1 088	1 022
Hugo Vault	11 121	10 447
Klein Bosch Cemetery	3 297	3 097
La Motte	17 069	16 032
Langehoven`s Arbeidsgeot	38 675	36 322
Lemana Cottage	76 714	72 066
MM Hill Trust Fund	539 221	506 554
Mackie Niven	11 953	12 261
Mamre Projects	18 395	17 281
Matjes River Leaky Foundation	49 157	46 179
Mgwali Mission Church	54 854	51 531
NMC Publications Trust Fund	29 599	27 805
National Geographic Footprint	18 990	17 840

## Figures in Rand

	2016	2015
Oppenheimer Geological	458 254	430 418
Owl House Trust Funds	49 262	46 278
Sanlam Award, De Bult	12 799	12 024
Sanlam Fund, Waenshuiskranz	38 355	36 031
Sanlam,Steinkopf Mission	3 364	3 160
Sanlam, Valdezia	2 784	2 616
Sharley Cribb Nursing Home	8 769	8 238
Sontonga Memorial Fund	3 039	2 855
St Stephen's Church	7 429	6 979
Steinkopf Mission Church	516	484
Strand Street Lutheran Church	19 118	17 960
Vrijstatia Association	14 592	13 708
Wouterson Wessels Vault	1 720	1 615
Rowland and Leta Hill	6 497	6 497
Ansteys Building	154 833	154 833
Egazini	7 025	7 025
Sanlam Restoration Trust	9 859	9 859
Prestwich	-	269 194
British War Graves	1 000	1 000
Makapan's cave	1 765 935	1 751 441
Makgabeng	978 710	928 817
	<b>28 038 508</b>	<b>70 334 066</b>

The sharp decrease in the cash and cash equivalents under the Department of Arts Culture Projects is as a result of the increased spending of the funds that were transferred during the financial year 2011/12 for the rehabilitation of Monuments and Memorials as part of our mandate of preserving our history for future generation.

During the year under review R26 million was spent for the rehabilitation of the Delville Wood Memorial in France, and R5 million on the construction of Memorials in the country, and R2,5 million of the rehabilitation of the Wonderwerk Caves in Kimberley.



## 5. INVESTMENT PROPERTY

	2016			2015	
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying Value	Cost Valuation	Accumulated depreciation and accumulated impairment
Investment property	16 700 000	(280 497)	16 419 503	16 700 000	(186 998)
					16 513 002

### Reconciliation of investment property - 2016

	Opening balance	Depreciation	Total
Land	9 687 562	-	9 687 562
Buildings	6 825 440	(93 499)	6 731 941
	<b>16 513 002</b>	<b>(93 499)</b>	<b>16 419 503</b>

### Reconciliation of investment property - 2015

	Opening balance	Depreciation	Total
Land	9 687 562	-	9 687 562
Buildings	6 918 939	(93 499)	6 825 440
	<b>16 606 501</b>	<b>(93 499)</b>	<b>16 513 002</b>

## 6. PROPERTY, PLANT AND EQUIPMENT

Figures in Rand

Figures in Rand					2016			2015		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying Value	Cost Valuation	Accumulated depreciation and accumulated impairment	Carrying value				
Land	2 300 000	-	2 300 000	2 000 000	-	2 000 000				
Buildings	15 400 000	-	15 400 000	15 000 000	-	15 000 000				
Leasehold property	865 529	(116 135)	749 394	-	-	-				
Plant and equipment	1 604 538	(662 294)	942 244	1 431 418	(548 160)	883 258				
Furniture and fixtures	1 970 587	(746 420)	1 224 167	1 221 456	(654 260)	567 196				
Motor vehicles	1 601 278	(850 009)	751 269	1 713 116	(1 120 066)	593 050				
IT equipment	2 807 488	(1 783 667)	1 023 821	2 630 070	(1 553 768)	1 076 302				
Vessels	611 080	(286 186)	324 894	611 080	(259 468)	351 612				
Library books	485 463	(131 028)	354 435	412 193	(82 382)	329 811				
None Current Assets Held for Sale	2 480	-	2 480	394 762	-	394 762				
Total	27 648 443	(4 575 739)	23 072 704	25 414 095	(4 218 104)	21 195 991				

## Property, Plant and Equipment (continued)

Figures in Rand

2016

2015

### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Transfers	Revaluations	Depreciation	Total
Land	2 000 000	-	-	-	300 000	-	2 300 000
Buildings	15 000 000	-	-	-	650 000	(250 000)	15 400 000
Leasehold property	-	865 529	-	-	-	(116 135)	749 394
Plant and equipment	883 258	248 153	(19 979)	-	-	(169 188)	942 244
Furniture and fixtures	567 196	927 477	(91 851)	-	-	(178 655)	1 224 167
Motor vehicles	593 050	493 439	(199 726)	-	-	(135 494)	751 269
IT equipment	1 076 302	467 482	(73 000)	-	-	(446 963)	1 023 821
Vessels	351 612	-	-	-	-	(26 718)	324 894
Library books	329 811	73 270	-	-	-	(48 646)	354 435
Non Current Assets Held for Sale	394 762	-	(394 762)	2 480	-	-	2 480
	<b>21 195 991</b>	<b>3 075 350</b>	<b>(779 318)</b>	<b>2 480</b>	<b>950 000</b>	<b>(1 371 799)</b>	<b>23 072 704</b>

### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Disposals	Revaluations	Depreciation	Total
Land	2 000 000	-	-	-	-	2 000 000
Buildings	15 000 000	-	-	200 000	(200 000)	15 000 000
Plant and equipment	912 664	128 040	(5 899)	-	(151 547)	883 258
Furniture and fixtures	514 095	149 655	(8 495)	-	(88 059)	567 196
Motor vehicles	665 811	-	-	-	(72 761)	593 050
IT equipment	1 435 625	331 064	(112 641)	-	(577 746)	1 076 302
Vessels	373 644	-	-	-	(22 032)	351 612
Library books	371 002	-	-	-	(41 191)	329 811
Non Current Assets Held for Sale	394 762	-	-	-	-	394 762
	<b>21 667 603</b>	<b>608 759</b>	<b>(127 035)</b>	<b>200 000</b>	<b>(1 153 336)</b>	<b>21 195 991</b>

The land and buildings included in the property, plant and equipment is 109/111 Harrington Street which is a declared provincial heritage site in Government Notice No. 2517, as published in Government Gazette 12814 of 2 November 1990. The building was formerly known as Granite Lodge and it is now used as the head office of the South African Heritage Resources Agency.

### Revaluation of Land and Buildings

The land and buildings were revalued as at 31 March 2016 by an independent valuer. The method employed in conducting revaluation was the Income Capitalisation Approach. The net normalised income of the property was determined based on the assumption that the property is fully let at open market rental; market escalation applies and incurs market related operating cost. The net normalised income is then capitalised into perpetuity using a market related capitalisation rate to reflect the open market value. The capitalisation rate was 9.5%.

The Entity has lease hold assets in the hands of the lessee. The lease agreement placed restrictions over the assets.

## 7. HERITAGE ASSETS

	2016			2015		
	Cost / Valuation	Accumulated impairment losses	Carrying Value	Cost Valuation	Accumulated impairment losses	Carrying value
Art and artefacts	123 440	-	123 440	123 440	-	123 440
Library books	1 504 262	-	1 504 262	1 299 111	-	1 299 111
Land and buildings	17 355 200	-	17 355 200	10 404 600	-	10 404 600
<b>Total</b>	<b>18 982 902</b>	<b>-</b>	<b>18 982 902</b>	<b>11 827 151</b>	<b>-</b>	<b>11 827 151</b>

### Reconciliation of Heritage Assets 2016

	Opening balance	Additions	Revaluation increase/decrease	Total
Art and artefacts	123 440	-	-	123 440
Library books	1 299 111	205 151	-	1 504 262
Land and buildings	10 404 600	-	6 950 600	17 355 200
	<b>11 827 151</b>	<b>205 151</b>	<b>6 950 600</b>	<b>18 982 902</b>

### Reconciliation of Heritage Assets 2015

	Opening balance	Total
Art and artefacts	123 440	123 440
Library books	1 299 111	1 299 111
Land and buildings	10 404 600	10 404 600
	<b>11 827 151</b>	<b>11 827 151</b>

### **Heritage Assets which Fair Values cannot be Reliably Measured**

The following assets could not be reliably measured and this disclosed in the terms of GRAP 103.17:

#### **Art and Artefacts**

Management define the fair value measurement as, the fair value of the assets herein described if exposed for sale in a second-hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. No commercial value could be determined for 91 art and artifact assets classified as heritage.

#### **Library Books**

Management define the fair value measurement as, the fair value of the assets herein described if exposed for sale in a second-hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. No commercial value could be ascertained for 77 Books assessed as having historical significance.

#### **Library Books, Art and Artefacts**

The library books were revalued as at 31 March 2015 by an independent valuer. The method of valuation employed was the fair value approach. Fair value measurement is define as, the fair value of the assets herein described if exposed for sale in a second-hand market, allowing a reasonable period to find a purchaser who is well informed

and buys with full knowledge of the collection in their current state. The fair value was ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.43). The sale would be “arm’s length” with no undue pressure on purchaser or seller. In determining the value of the library books, influences such as market climate, sensitivity to exchange rate variances, sales history and condition of the asset play an important role.

The art and artefacts were revalued as at 31 March 2015 by an independent valuer. The method of valuation employed was the fair value approach. Fair value measurement is define as, the fair value of the assets herein described if exposed for sale in a second-hand market, allowing a reasonable period to find a purchaser who is well informed and buys with full knowledge of the collection in their current state. The fair value was ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.43) The sale would be “arm’s length” with no undue pressure on purchaser or seller. In determining the value of the fine arts, antiques and collectibles, influences such as market climate, sensitivity to exchange rate variances, sales history and condition of the asset play an important role.

Following the evaluation and valuation that have been performed on the heritage assets on the 31 March 2015, heritage assets - library books and art and artifacts were retrospectively adjusted against the opening balance in the statement of financial position on the 01 April 2013. The professional valuers are of the opinion that the heritage assets do not experience significant and volatile changes in fair value, thus the retrospective adjustment



against accumulative surplus was possible taking into account that the fair value would not have been significantly different at 31 March 2013.

### Land and Buildings

The land and buildings included in heritage assets are listed below. The land and buildings were revalued as at 31 March 2016 by an independent valuer. The method of valuation employed was the market value and replacement cost approach. The market value and replacement cost was determine by taking the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion. Also taking into account the current cost of a similar asset offering equivalent utility. The Entity is responsible for coordinating the identification and management of heritage resources in the country. In principle the heritage properties are held in custody by SAHRA on behalf of the nation for the present and future generations.

### Land and Buildings

Woutersen Wessel Vault, Green Point	710 000	1 000
Van Riebeeck's Hedge, Bishopscourt	1 900 000	1 100 000
Het Posthuys, Muizenberg	4 200 000	820 000
Hugo Family Vault, Simon's Town	130 000	5 000
Onderdal School, Wellington	940 000	810 000
Kleinbosch Cemetery, Dal Josafat	10 000	1 600
Groenberg School, Wellington	1 010 000	940 000
Erf 56, Tulbagh	450 000	340 000
Erf 225, Tulbagh	470 000	360 000
The Lookout, Uitenhage	160 000	160 000
Old Congregation Church, Cradock	1 000 000	1 000 000
Old Goal, Grahamstown	1 950 000	1 400 000
Old Residency, King Williamstown's Town	1 100 000	1 100 000
Garden of Remembrance, Aliwal North	940 000	160 000

Burgher Monuments, Boomplaats  
 Union Masonic Temple, Kimberley  
 Moorddrift Monument, Potgietersrus  
 Old English Fort, Marabastad  
 Verduin Ruins, Soutpansberg District  
 Powder Magazine, Potchesfstroom  
 Old Fort and Cemetery, Potchesfstroom  
 Site of Dr. David Livingstone's House, Marico District  
 Blarney Cottage, Richmond  
 Birth Place of General Louis Botha, Greytown  
 Spioenkop Battlefield, Ladysmith  
 Elandslaagte Memorial, Ladysmith  
 Piet Retief's Grave, Ulundu  
 Mapoch's Caves, Roosenekal  
 Krugerhof, Waterval-Boven

18 000	9 000
260 000	157 000
11 000	3 000
27 000	27 000
4 800	4 000
40 000	37 000
120 000	37 000
3 400	3 000
270 000	500 000
30 000	5 000
550 000	490 000
22 500	2 000
98 500	13 000
670 000	670 000
260 000	250 000
<b>17 355 200</b>	<b>10 404 600</b>

## 8. INTANGIBLE ASSETS

	2016			2015		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying Value	Cost Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	588 255	(484 548)	83 707	568 255	(484 548)	142 369
Website - SAHRIS	486 675	-	486 675	486 675	-	
<b>Total</b>	<b>1 054 930</b>	<b>(484 548)</b>	<b>570 382</b>	<b>1 054 930</b>	<b>(425 886)</b>	<b>629 044</b>

### Reconciliation of Intangible Assets - 2016

	Opening balance	Amortisation	Total
Computer software	142 369	(58 662)	83 707
Website - SAHRIS	486 675	-	486 675
	<b>629 044</b>	<b>(58 662)</b>	<b>570 382</b>

### Reconciliation of Intangible Assets - 2015

	Opening balance	Additions	Revaluation increase/ decrease	Total
Computer software	160 989	34 200	(52 820)	142 369
Website - SAHRIS	486 675	-	-	486 675
	<b>647 664</b>	<b>34 200</b>	<b>(52 820)</b>	<b>629 044</b>

### Other Information

Intangible assets with indefinite lives: SAHRIS is responsible for the management of the inventory of the National Estate and is an integrated and interactive system for the management of the national heritage resources. SAHRIS will be required into perpetuity as long as the requirements for it stipulated in NHRA remain in place.

The impairment will be tested on a annual basis.

## Figures in Rand

### 9. OPERATING LEASE ASSET /LIABILITY

#### Operating lease asset

Non-current assets

Current assets

2016	2015
------	------

18 261 185	17 361 586
883 208	891 404
<b>19 144 393</b>	<b>18 252 990</b>
90 155	81 959
460 252	418 410
62 142 809	62 274 806
<b>62 693 216</b>	<b>62 775 175</b>

#### Operating Leases as Lessor (Income)

##### Minimum lease payments due

- within 1 year
- in 2nd to 5th year inclusive
- later than 5 years

Operating lease income represents rentals received by the Entity from buildings owned

Leases have terms between 1 and 65 years, with the option to extend for a further period. The rentals escalate 10% per year on average.

#### Operating Lease Liability

Current operating lease

Non current liabilities

43 577	15 418
51 808	32 121
<b>95 385</b>	<b>47 539</b>
1 479 880	361 215
1 689 618	546 370
<b>3 169 498</b>	<b>907 585</b>

#### Operating Lease Liability

##### Minimum lease payments due

- within one year
- in 2nd to 5th year inclusive

Operating lease payments represent rentals payable by the Entity for the renting at its regional offices. The leases were negotiated for a period of 36 months, with the option to renew. The rentals escalate at a rate of 8% per annum.

Operating lease payments represent rental payable by the Entity for the mooring of its boat. The lease was negotiated for a period of 24 months with the option to renew. The rentals escalate at a rate of 10% per annum

Operating lease payments rental payable by the Entity for the renting of its Head Office space in 79 Roeland Street. The lease was negotiated for a period of 36 months with the option to renew. The rentals escalate at a rate of 8% per annum

## 10. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	3 291	2 041 257
Sundry payables	187 730	1 344 973
Accrued leave pay	854 219	908 945
Accrual for 13th cheque	700 540	511 481
Deposits received	40 488	67 539
Accruals	1 430 317	944 160
	<b>3 216 585</b>	<b>5 818 355</b>

## Figures in Rand

### 11. OTHER FINANCIAL LIABILITIES

#### Designated at fair value

Trust liabilities

Trust liabilities reflect monies held in trust accounts to be used for a specific purpose or project such as the maintenance of a specified asset.

#### Reconciliation of Trust liabilities

Opening balance

Expenses on trust funds

Interest capitalised

Transfer from main account to trust funds for Prestwich

Transfer from main account to trust funds for Genadendal

	2016	2015
Trust liabilities	2 829 260	3 088 851
Opening balance	3 088 917	3 094 730
Expenses on trust funds	(658 726)	(174 132)
Interest capitalised	169 941	168 319
Transfer from main account to trust funds for Prestwich	269 194	-
Transfer from main account to trust funds for Genadendal	(40 000)	-
	<b>2 829 260</b>	<b>3 088 851</b>



## Figures in Rand

### 12. EMPLOYEE BENEFIT OBLIGATIONS

The amounts recognised in the statement of financial position are as follows:

#### Carrying value

Present value of the defined benefit obligation-wholly unfunded

Non-current liabilities

Current liabilities

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

Opening balance

Net expense recognised in the statement of financial performance

#### Net expense recognised in the statement of financial performance:

Current service cost

Past service cost

Interest cost

Actuarial (gains) losses

#### Key assumptions used

Assumptions used at the reporting date:

Discount rate

Health care cost inflation

Real discount rate

Continuation at retirement

Proportion married at retirement

	2016	2015
	(5 306 417)	(4 934 088)
	(5 085 615)	(4 718 232)
	(220 802)	(215 856)
	<b>(5 306 417)</b>	<b>(4 934 088)</b>
	4 934 088	4 103 982
	372 329	830 106
	<b>5 306 417</b>	<b>4 934 088</b>
	40 205	69 484
	(215 856)	(143 956)
	395 746	348 366
	152 234	556 212
	<b>372 329</b>	<b>830 106</b>
	10.08%	8.20%
	9.53%	7.36%
	0.50%	0.78%
	100.00%	100.00%
	90.00%	90.00%

## Salaries

Salary inflation is only applicable to those members who participate on plan options which are income based. We were not provided with any members participating on income-based contribution plan options. Therefore, only the health care cost inflation assumption is applicable to this membership group. In the event that there were any members participating on income-based plan options, we would assume no bracket creep ie that salary inflation keeps pace with the income brackets. This implicitly implies that the contributions keep in line with health care cost inflation.

The basis on which the discount rate has been determined is as follow:

It is a requirement of GRAP 25 that the valuation discount rate be equal to the actual long corporate bond yields. Since the South African market in corporate bonds is not sufficiently deep, it is accepted practice to use the South African Government Bonds as a proxy, with or without an additional margin to reflect corporate risk. The term maturity of such bond should be consistent with the term of the liability. Therefore, as required by GRAP 25, the valuation discount rate is based on the current long-term government bond yields, as provided by the Johannesburg Stock Exchange (JSE), at the point on the curve where the duration of the liability matches the duration of the yield curve generated by the bonds. No additional margin has been added.

The basis used to determine the overall expected rate of return on assets, including the effect of the major categories of plan assets, is as follows:

## Figures in Rand

2016	2015
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## Other Assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	687 867	579 470
Effect on defined benefit obligation	77 455	65 115

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

	2016	2015	2014	2013	2012
	R	R	R	R	R
Defined benefit obligation	5 306 417	4 934 088	4 103 982	4 036 226	3 605 000

## Figures in Rand

### 13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Unspent conditional grants and receipts

Unspent grants

#### Movement during the year

Balance unspent at the beginning of the year

Conditions met and transferred to revenue

Current year transfers

Interest earned on positive balance

#### Reconciliation of unspent conditional grants and receipts

##### 13.1 Makapan

Balance unspent at the beginning of the year

Conditions met and transferred to revenue

Interest

#### Reconciliation of unspent conditional grants and receipts

##### 13.2 Makgabeng

Balance unspent at the beginning of the year

Conditions met and transferred to revenue

Interest

#### Reconciliation of unspent conditional grants and receipts

##### 13.3 Gis for South Africa

Current year transfers

Reconciliation of unspent conditional grants and receipts

#### Reconciliation of unspent conditional grants and receipts

##### 13.4 Dutch Wrecks in South Africa.

Current year transfers

Conditions met and transferred to revenue

	2016	2015
	3 058 910	2 616 289
	2 616 291	2 502 245
	(70 210)	(24 841)
	361 359	-
	151 470	138 885
	<b>3 058 910</b>	<b>2 616 289</b>
	1 732 582	1 662 194
	(68 569)	(24 020)
	100 663	94 408
	<b>1 764 676</b>	<b>1 732 582</b>
	883 707	840 051
	(920)	(820)
	50 814	44 476
	<b>933 601</b>	<b>883 707</b>
	144 342	-
	217 017	-
	(725)	-
	<b>216 292</b>	<b>-</b>

### **13.1 Makapans Valley Development**

(Agreement signed in August 2003, no required completion date noted).

The grant agreement indicates that money paid to SAHRA must be used for the specific purpose.

The National Lottery Distribution Trust Fund (NLDTF) has the right to withhold or reclaim the funds from the Entity if the money is not used in the manner agreed.

Unspent funds at end of the project is to be paid back to the NLDTF.

### **13.2 Makgabeng**

Write the history of Makgabeng and survey, research and document heritage resources in Makgabeng

(Agreement signed in June 2003, no required completion date noted).

Under the agreement, the money paid to SAHRA must be used for the specific purpose.

The National Lottery Distribution Trust Fund (NLDTF) has the right to withhold or reclaim the funds from the Entity if the money is not used in the manner agreed.

Unspent funds at end of the project is to be paid back to the NLDTF.

### **13.3 Maritime GIS for South Africa**

The project is between SAHRA and Kingdom of the Netherlands to provide both training and skills transfer from Dutch partners at the Riksdienst voor het Cultureel Erfgoed (RCE) in the Netherlands and computer hardware for GIS related data handling as part of the development. (Agreement signed on 06 November 2015)

Under the agreement, the money paid to SAHRA must be used for the specific purpose. Kingdom of the Netherlands has the right to demand repayment if the money is not used for its intended purpose.

### **13.4 Modern Oral History: Dutch Wrecks in South Africa**

The project is between SAHRA and Kingdom of the Netherlands to gather information about historical Dutch shipwrecks within South Africa territorial waters that have been subject to human intervention, principally non-archeological salvage and treasure hunting in nature. (Project plan signed on 23 November 2015)

Under the agreement, the money paid to SAHRA must be used for the specific purpose. Kingdom of the Netherlands has the right to demand repayment if the money is not used for its intended purpose.

## Figures in Rand

### 14. REVENUE

Permit fees
Rental of facilities and equipment
Other income
Interest received - investment
Transfer payments
Public contributions and donations

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

Permit fees
Rental income
Other income
Interest received - investment

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

Government grants and subsidies (Department of Art and Culture)
Donations

2016	2015
29 850	22 771
1 799 036	1 922 642
116 822	53 609
3 212 479	4 009 633
73 552 000	46 417 000
278 422	-
<b>78 988 609</b>	<b>52 425 655</b>
29 850	22 771
1 799 036	1 922 642
116 822	53 609
3 212 479	4 009 633
<b>5 158 187</b>	<b>6 008 655</b>
73 552 000	46 417 000
278 422	-
<b>73 830 422</b>	<b>46 417 000</b>

## Figures in Rand

### 15. GOVERNMENT GRANTS AND SUBSIDIES

Government grants and subsidies (Department of Art and Culture)

### 16. OTHER REVENUE

Other income (includes permit fees, claims, donations and refunds)

### 17. DEBT IMPAIRMENT

Contributions to debt impairment provision

### 18. FINANCE COSTS

Finance costs

### 19. GENERAL EXPENSES

Advertising

Auditors remuneration

Bank charges

Cleaning

Computer expenses

Consulting and professional fees

Lease rentals on operating lease

Catering and refreshments

Warranty costs

Insurance

Publications

Motor vehicle expenses

Postage and courier

Printing and stationery

	2016	2015
	73 552 000	46 417 000
	116 822	53 609
	71 465	274 134
	7 577	169 165
	706 883	1 341 610
	2 059 994	1 975 320
	39 301	28 069
	217 736	147 232
	280 287	121 545
	7 668 317	1 848 580
	1 428 601	773 661
	121 688	138 101
	15 129	-
	612 817	673 986
	409 176	258 636
	155 258	172 148
	158 072	75 865
	632 932	229 907



### Figures in Rand

	2016	2015
Security	460 695	270 255
Staff welfare	137 360	65 303
Staff membership fees	71 252	55 021
Telephone and fax	1 026 202	963 330
Heritage promotion	33 288 801	2 143 041
Travel expenditure	6 192 644	5 053 896
Consumables	-	41 282
Water and electricity	1 147 703	1 046 357
Uniforms	5 117	14 547
Council Fees	665 045	1 052 615
Staff bursaries	82 618	43 584
Conference costs	71 580	25 695
Workshops	156 521	293 500
Administrative expenses	2 255	2 297
Internal audit	385 697	567 494
	<b>58 199 681</b>	<b>19 422 877</b>

### 19.1 Consulting and Professional Fees

The expenditure under Consulting and professional services increased significantly as a result of the services which were required by the entity. These services include amongst others the use of consultants for the production of the 2014/15 Annual Financial Statements, Valuation of the Heritage Books and heritage properties of the entity consulting Fees for the IT Support and Project Management Fees for the rehabilitation of heritage sites

### 19.2 Lease Rentals

The sharp increase in lease rentals is as a result of the new office accommodation for SAHRA Head Office in Cape Town which was leased during the year for a period of three years.

### 19.3 Travel and Expenditure

The increase in the Travel Expenditure is as a result of the heightened delivery on the rehabilitation of memorials locally and outside the country.

## Figures in Rand

2016

2015

### 19.4 Heritage Promotion

The expenditure under Heritage Promotion increased significantly due to the heightened implementation of the rehabilitation projects. These project includes the rehabilitation and transformation of the Delville Wood Memorial, rehabilitation of the Wonder Werk Caves in Kimberley, rehabilitation of Memorials in Mozambique (Amatola Raid)

### 20. SALARIES AND BENEFITS

Acting allowances  
Basic  
13th cheque  
Housing benefits and allowances  
Leave pay charge  
Long-service awards  
Medical aid - company contributions  
Other short term costs - training  
PAYE  
Post- retirement health care benefits  
Provident fund  
Relocation and removal costs  
Travel, motor car, accommodation, subsistence and other allowances  
UIF

117 555	122 341
16 665 536	16 538 451
1 430 029	1 104 435
559 692	584 600
275 291	554 357
16 000	5 000
1 339 517	817 134
782 437	238 534
5 903 577	5 068 938
588 185	974 062
2 929 307	2 385 924
407 865	638 740
1 840 079	403 704
136 687	110 898
<b>32 991 757</b>	<b>29 547 118</b>

## Executive Committee Remuneration - 2016

	Annual Remuneration	13th Cheque	Leave paid out	Allowances	Total
<b>V. Baduza</b> Chief Executive Officer (current) Employment date: 01.02.2015 Term 2016: 12 months	1 023 546	-	-	384 295	1 407 841
<b>K. Nkhasi-Lesaoana</b> Executive Officer: Corporate Affairs (current) Employment date: 01.12.2012 Term 2016: 12 months	577 963	43 203	-	254 048	875 214
<b>G. Hughes</b> Executive Officer: Human Resource Management Employment date: 15.08.2013 Term 2016: 5 months (resigned)	336 007	-	14 575	4 000	354 582
<b>L.Malgas</b> Company Secretary Employment date: 01.12.2012 Term 2016: 12 months	865 360	-	-	9 600	874 960
<b>C. Motsisi</b> Chief Financial Officer Employment date: 07.01.2013 Term 2016: 12 months	760 986	-	-	441 315	1 202 301
<b>D. Sibayi</b> Executive Officer: Heritage Resources Employment date: 01.08.1998 Term for 2016: 12 months	905 699	71 123	-	-	976 822
<b>M. Krieg</b> Executive Officer: Human Resources Employment date: 01.11.2005 Term for 2016: 5 months	339 019	-	5 192	83 830	428 041
	<b>4 808 580</b>	<b>114 326</b>	<b>19 767</b>	<b>1 177 088</b>	<b>6 119 761</b>

### Executive Committee Remuneration - 2015

#### V. Baduza

Chief Executive Officer (current)

Employment date: 01.02.2015

Term 2015: 2 months

#### K. Nkhasi-Lesaoana

Executive Officer: Corporate Affairs (current)

Employment date: 01.12.2012

Term 2015: 12 months

#### G. Hughes

Executive Officer: Human Resource Management

Employment date: 15.08.2013

Term 2015: 12 months

#### L. Malgas

Company Secretary

Employment date: 01.12.2012

Term 2015: 12 months

#### C. Motsisi

Chief Financial Officer (current)

Employment date: 07.01.2013

Term 2015: 12 months

#### D. Sibayi

Executive Officer: Heritage Resources

Employment date: 01.08.1998

Term for 2015: 12 months

#### M. Ramagoshi

Acting Chief Executive Officer

Employment date: 01.11.2012

Term 2015: 1 month

#### P. Mokwena

Chief Executive Officer

Employment date: 01.04.2014

Term 2014: 5 months

Annual Remuneration	13th Cheque	Leave paid out	Allowances	Total
159 547	-	-	57 119	216 666
549 914	40 989	-	235 442	826 345
637 293	-	-	143 462	780 755
732 991	-	-	96 925	829 916
768 739	-	-	414 793	1 183 532
571 838	39 946	-	189 168	800 952
125 400	-	-	1 500	126 900
350 483	5 417	21 044	164 101	541 045
<b>3 896 205</b>	<b>86 352</b>	<b>21 044</b>	<b>1 302 510</b>	<b>5 306 111</b>

## Figures in Rand

### 20. Salaries and Benefits (Continued)

#### Council: Fees

Makhanya, F. (Chairperson)  
 Gani, R.  
 Twala, C. (Dr)  
 Ndlovu, N. (Dr)  
 Ndlala, M.W. (Dr)  
 Burgess, J.P.  
 Houston, G. (Dr)  
 Makeka, M  
 Mogatusi, A.T (Adv)  
 Hill, P.  
 Sindane J.  
 Winter, S.  
 Lithole, D.

	2016	2015
	113 401	237 339
	48 482	98 246
	89 534	122 358
	69 824	149 976
	36 301	53 070
	51 779	83 562
	70 366	73 969
	41 367	78 878
	34 069	81 397
	10 854	9 691
	66 567	3 230
	14 908	-
	-	-
	<b>647 452</b>	<b>991 716</b>
	589	10 807
	18 090	12 921
	22 861	16 151
	29 901	19 381
	14 956	-
	10 326	-
	20 800	-
	-	-
	<b>117 523</b>	<b>59 260</b>

Mr D Lithole is a Council member. He was not remunerated for the year under review because he works in the Public Sector.

#### Audit and Risk Committee - Fees

Benjamin-Swales, R. (resigned 1 April 2015)  
 Mitchell, D.  
 Gani, R. (Chairperson)  
 Semane, T.  
 Kgokolo, T.  
 Ramuedzisi, D.  
 Sindane, J.  
 Gantana, J.

Ms J. Gantana is an Audit Committee member. She was not remunerated for the year under review because she works in the Public Sector.

## Figures in Rand

### 21. INVESTMENT REVENUE

#### Interest revenue

Interest on bank accounts

### 22. AUDITORS' REMUNERATION

Audit fees

### 23. CASH (USED IN) GENERATED FROM OPERATIONS

(Deficit)/surplus

#### Adjustments for:

Depreciation and amortisation

Loss on disposal of assets and liabilities

Provision for doubtful debts

Movements in operating lease asset and accruals

Movements in retirement benefit assets and liabilities

Donations

#### Changes in working capital:

Receivables from exchange transactions

Movement in provision for doubtful debts

Other receivables from non-exchange transactions

Payables from exchange transactions

Unspent conditional grants and receipts

	2016	2015
	3 212 479	4 009 633
	2 059 994	1 975 320
	(14 843 334)	500 803
	1 523 960	1 337 587
	454 346	84 014
	71 465	274 134
	(843 558)	(900 280)
	372 329	830 106
	(278 422)	-
	(11 347)	(154 475)
	(71 465)	(274 134)
	(25 000 000)	-
	(2 601 771)	1 821 172
	442 626	114 044
	<b>(40 785 171)</b>	<b>3 632 971</b>



## Figures in Rand

### 24. COMMITMENTS FOR EXPENDITURES

#### Authorised expenditure

#### Operational expenditure

- Approved and contracted

#### Capital expenditure

- Approved and contracted: Heritage Promotions

#### Total commitments

Operational expenditure

Capital expenditure

1. Ernst & Young - Internal Audit services for 3 years
2. Tourvest Travel Services - Travel and accommodation management for 3 years
3. Vodacom - 3G data services for 2 years
4. ADT - Alarm monitoring services for 2 years
5. Neotel - Provision of Fibre services for 2 years

#### The expenditure will be financed from:

Government Grants

	2016	2015
	3 998 799	3 381 027
	14 236 961	-
	3 998 799	3 381 027
	14 236 961	-
	<b>18 235 760</b>	<b>3 381 027</b>

	-
	18 235 759.85
<b>-</b>	<b>18 235 759.85</b>

## Figures in Rand

2016

2015

### 25. CONTINGENCIES

The Entity has accumulated surpluses of R97 528 540 (2015: restated R112 371 874) for which approval for retention has not been obtained from National Treasury at the reporting date.

The Entity has present obligation of R5 378.55 for receivables in credit however it is not probable that the monies will be paid back.

### 26. RELATED PARTIES

#### Related party balances

##### Unspent conditional grants and receipts

Makapans (National Lottery Fund)

Makgabeng (National Lottery Fund)

1 764 676

933 601

1 732 582

883 707

##### Amounts included in Trade receivable (Trade Payable) regarding related parties

Amounts due from former acting CEO (Executive Committee)

Amounts due from CFO (Senior Management)

32 819

-

32 819

29 374

##### Amounts included in the provision for impairment

Amounts due from former acting CEO (Executive Committee)

Amounts due from CFO (Senior Management)

32 819

-

32 819

29 374

#### Related party transactions

##### Operational grant received

The Department of Arts and Culture

48 552 000

46 417 000

##### Restricted grant received

The Department of Arts and Culture

25 000 000

-

##### Amounts included for the provision for impairment(expense)

Amounts due from former acting CEO (Executive Committee)

Debt payment received from related party

Amounts received from former acting CEO (Executive Committee)

(48 112)

-

(48 112)

50 000

#### Relationships

##### Controlling Department of the Agency

The Department of Arts and Culture

##### Agency of the Department of Trade and Industry

National Lottery Fund

## **27. PRIOR PERIOD ERRORS**

### **27.1 Operating Lease Liability**

Operating lease liability was incorrectly disclosed on the Statement of Financial Position. This was due to straight-lining of Ditsong Museum lease agreement. The current portion of the operating lease liability current portion has been adjusted by R8 593 and the non current portion of the operating lease liability has been adjusted by R8 592 in the 2015 financial year.

### **27.2 Interest**

Interest in 2015 was understated by R102 343 due to R163 776 interest incorrectly classified as public contributions and donations. Interest was overstated by R42 838 due to incorrect interest accrued as per the bank confirmations, whilst R 19 048 was classified as interest income, leading to understatement of other income. The comparative figures for the 2015 financial year were corrected.

Interest was overstated by R89 882 and cash and cash equivalents was overstated by R89 882 in 2015 financial year. The comparative figures for the 2015 financial year were corrected.

### **27.3 Payables from Exchange Transactions**

Trade payables were overstated by R28 592 and general expenditure was overstated by R29 592 in 2015 due to payables that were not accounted for correctly as invoices were possessed twice. The comparative amount was adjusted accordingly and the balance was restated.

### **27.4 Payables from Exchange Transactions**

Accruals were understated by R108 023 and general expenditure was understated by R108 023 in 2015 due to accruals that were not accounted for correctly as invoices relating to 2015. The comparative amount was adjusted accordingly and the balance was restated.

### **27.5 Sundry Payables**

Sundry payables were overstated by R5 651 and general expenditure was overstated by R5 651 in 2015 due to revised council remuneration that were not accounted for correctly. The comparative amount was adjusted accordingly and the balance was restated.

### **27.6 Revenue from Exchange Transactions**

Rental income was understated by R9 194 and receivables from exchange transaction were understated by R9 194 due revenue not correctly recognized in the 2015 financial year. The comparative amount was adjusted accordingly and the balance was restated.

### **27.7 Non Current Asset Held for Sale**

Non current asset held for sale were understated by R135 016 and property, plant and equipment was overstated by R135 016 due to vehicles approved for disposal but included in the property plant and equipment 2015. The comparative amount was adjusted accordingly and the balance was restated.

### 27.8 Receivable from Exchange Transactions

Receivable from exchange transactions were understated by R99 701 and retained earning understated by R99 701 due to overpayment to SARS in 2010 and 2013 respectively. The comparative amount was adjusted accordingly and the balance was restated.

Receivable from exchange transactions were understated and revenue from exchange transactions overstated due to incorrect invoice of R5 500 raised on the debtors in 2015 financial year whilst the tenant vacated the premises. The comparative amount was adjusted accordingly and the balance was restated.

### 27.9 Other Financial Liabilities

Other financial liabilities were overstated and cash and cash equivalent was overstated by R66 due to interest incorrectly recognized in the 2015 financial year. The comparative amount was adjusted accordingly and the balance was restated.

### 27.10 Unspent Conditional Grants

Unspent conditional grants were overstated and cash and cash equivalent was overstated by R46 369 due to interest incorrectly recognized in the 2015 financial year. The comparative amount was adjusted accordingly and the balance was restated.

### 27.11 Salaries and Benefits

Salaries and benefits were understated by R340 and accruals understated by R340 due to invoices not

accounted for in 2015. The comparative amount was adjusted accordingly and the balance was restated.

### 27.12 Heritage Assets

The Accounting Policy of SAHRA provides for an extensive period of research by librarians to classify, categorise and value books during the process of accessioning and thereby recognising a library book. The Accounting policy recognised that SAHRA's library has three categories of books namely; Heritage Books, PPE Books and Reference materials. Reference materials are typically research papers and annual publications that may be of interest to users but are no longer in circulation/outdated and therefore not recognised in the Financial Asset Register of SAHRA but will be controlled. Assessment of 93 books to the value of R15 937.97 previously accounted for as library books, concluded that these are in fact reference materials. Rounding errors to the value of R1 961.91 were noted and The comparative amount was adjusted accordingly and the balance was restated.

### 27.13 Investment Property

Land and building was previously previously consolidated, thus depreciation was overstated by R258 336 in 2014 and 2015 respectively. The error was corrected by separating land from buildings and restating the accumulated depreciation in 2014 and depreciation in 2015 as per note 6.

### 27.14 Loss of Disposal

Loss on disposal was overstated in 2015 with an amount of R137 355 due to motor vehicles incorrectly classified

as held for sale. The error was corrected and the comparative amount was adjusted accordingly and the balance was restated.

### 27.15 Property, Plant and Equipment

Property, plant and equipment were understated by non current asset held for sale of R394 764 due to amendments in GRAP 100 whilst reducing increasing carrying value due to depreciation that was incorrectly accounted for against motor vehicles due to assets held for sale and overstated by R5 531 of library books which were incorrectly recognized in the prior year. Furniture and fixtures were understated by R23 181 due to assets not recognized in 2015. The error was corrected and the comparative amount was adjusted accordingly and the balance was restated.

### Statement of Financial Performance for the Year Ended 31 March 2015

#### Revenue from exchange transactions

Rental Income	1 913 448	9 194	1 922 642
Interest	3 907 290	102 343	4 009 633
Other income	34 561	19 048	53 609
Total Revenue from exchange transactions	5 855 299	130 585	5 985 884

#### Revenue from non exchange transactions

Public contributions and donations	163 776	(163 776)	-
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#### Expenditure

General expenses	19 314 495	108 381	19 422 876
Loss on disposal of assets	221 369	(137 355)	84 014
Depreciation	1 520 679	(183 092)	1 337 587
Salaries and benefits	29 546 778	340	29 547 118

#### Total expenditure

Balance previously reported	Prior period error	Restated balance
<b>50 333 321</b>	<b>(211 726)</b>	<b>62 363 363</b>
-	-	-

Balance previously reported	Prior period error	Restated balance
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## Statement of Financial Position as at 31 March 2015

### Assets

#### Current assets

Receivables from exchange transactions

Cash and equivalents

#### Non-current assets

Property, plant and equipment

Investment property

Heritage assets

524 177	94 200	618 377
77 560 331	(89 882)	77 470 449
20 786 193	409 798	21 195 991
16 254 666	258 336	16 513 002
11 846 491	(19 340)	11 827 151
<b>48 887 350</b>	<b>648 794</b>	<b>49 536 144</b>

### Liabilities

#### Current liabilities

Payables from exchange transactions

Operating lease liability

Unspent conditional grants and receipts

5 708 737	109 618	5 818 355
24 011	(8 593)	15 418
2 662 660	(46 369)	2 616 291
<b>8 395 408</b>	<b>54 656</b>	<b>8 450 064</b>

#### Non-current liabilities

Operating lease liability

Other financial liabilities

23 529	8 592	32 121
3 088 917	-66	3 088 851
<b>3 112 446</b>	<b>8 526</b>	<b>3 120 972</b>

### Net assets

Accumulated surplus

Revaluation reserve

111 863 261	508 614	112 371 875
17 808 437	(178 433)	17 630 004
<b>129 671 698</b>	<b>330 181</b>	<b>130 001 87</b>

### Total revenue



## 28. RISK MANAGEMENT

### Financial risk management

The Entity's activities expose it to a variety of financial risks including liquidity risk and credit risk.

### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, ensuring the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

The Entity's risk to liquidity is the risk that funds are not available to cover future commitments. The Entity manages liquidity risk through an ongoing review of future commitments and credit facilities. The Entity manages cash flows, manages budgets and monthly management accounts.

The table below analyses the Entity's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### At 31 March 2016

Payables from exchange transactions  
Unspent conditional grants and receipts

Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
2 785 600	-	-	-
3 058 910	-	-	-

Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
5 818 355	-	-	-
2 616 289	-	-	-

#### At 31 March 2015

Payables from exchange transactions  
Unspent conditional grants and receipts

Other financial liabilities consist out of trust liabilities where the Entity is responsible for maintaining specific assets. There are no contractual dates included in these trusts, therefore, the maturity of these liability cannot reliably be included in the above table.

## Credit Risk

Credit risk consists mainly of cash deposits, cash equivalents and trade receivables. The Entity only deposits cash with major banks with high quality credit standing, limiting exposure to any one counter-party. All banks used are approved by National Treasury.

Trade receivables include an extensive customer base. Therefore, management has to evaluate customer-related credit risk on an ongoing basis. Otherwise, no independent rating process is in place, risk control assesses the credit quality of the customer, taking into account factors such as its financial position and past experience.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2016	2015
Trade and receivable before impairment	434 317	920 900
Deposits	282 367	-

## Market Risk

### Interest Rate Risk

The Entity's interest rate risk arises from short - term deposits. Short-term deposits issued at variable rates expose the Entity to cash flow interest rate risk. On the other hand, short-term deposits issued at fixed rates expose the Entity to fair value interest rate risk. During 2016 and 2015, the Entity's deposits and bank balances at fixed rate were denominated in the Rand.

## Figures in Rand

### 29. FRUITLESS AND WASTEFUL EXPENDITURE

Opening balance  
Current Year  
Written off by council

#### Analysis of expenditure awaiting write off per age classification

Current year  
Prior year

#### Details of fruitless and wasteful expenditure

Interest on overdue accounts  
Deviation from the required employment policies and procedures  
2 months rent paid without occupation (renovation period)

#### Analysis of expenditure written off per age classification

Current year

### 30. IRREGULAR EXPENDITURE

Opening balance  
Add: Irregular Expenditure - current year  
Less: Amounts condoned

#### Analysis of expenditure awaiting condonation per age classification

Current year  
Prior years

2016	2015
596 497	418 438
174 884	178 059
(186 821)	-
<b>584 560</b>	<b>596 497</b>
166 122	178 059
418 438	418 438
584 560	596 497
8 762	171 453
-	6 606
166 122	-
<b>174 884</b>	<b>178 059</b>
186 821	-
-	-
<b>186 821</b>	<b>-</b>
9 050 684	4 706 617
4 027 010	4 344 067
(9 050 684)	-
<b>4 027 010</b>	<b>9 050 684</b>
4 027 010	4 344 067
-	4 706 617
<b>4 027 010</b>	<b>9 050 684</b>

## Figures in Rand

### Irregular Expenditure (Continued)

Details of irregular expenditure – current year

Correct tender processes not followed

Supply Chain Management processes not followed

	2016	2015
	-	-
	-	4 344 067
	4 027 010	-
	<b>4 027 010</b>	<b>4 344 067</b>

The Entity has commissioned an independent review of the irregular expenditure relating to a contract which was awarded to a Service Provider during the year under review for the rehabilitation of the Delville Wood Memorial in France.

### Analysis of expenditure condoned per age classification

Prior year

	9 050 684	-
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The condoned irregular expenditure cases of R9 050 million includes an amount of R4,3 million relating to the previous Travel Management Contract which was found not to have followed proper procurement processes. R4,7 million related to contracts that were previously awarded without following proper procurement processes. The forensic investigations done concluded that R2,4 million was incorrectly reported as irregular. The report also confirmed that R2,3 million was irregular, however, this was subsequently condoned by Council as the responsible Officials had left the organisation and that there was value for money.

## 31. CHANGE IN ESTIMATE

### Property, plant and equipment

The estimation of tangible assets' residual values is based on management's judgement whether the tangible assets will be sold or used past their useful lives and what their condition will likely be at that time. All tangible assets were reviewed during the year - a total of 595 tangible assets were identified which useful lives were revised.

Management estimates and determines a tangible asset's useful life by applying professional judgement, and has no intention of selling any of the tangible assets after its useful life has been depleted with the exception of some vehicles.

Upon physical inspection, the various tangible assets were found to still be in good working condition. It was thus decided to be cautious and revise the useful lives of tangible moveable assets.

The impact of this on the current period is as follows:

Decrease in depreciation: R269 007

The impact of this on the future periods is as follows:

Increase in depreciation: R269 007

## 32. FINANCIAL INSTRUMENTS DISCLOSURE

### Categories of financial instruments

#### 2016

#### Financial Assets

Trade and other receivables from exchange transactions

Cash and cash equivalents

At amortised cost	Total
25 679 342	25 679 342
33 746 100	33 746 100
<b>59 425 442</b>	<b>59 425 442</b>

#### Financial Liabilities

Other financial liabilities

Trade and other payables from exchange transactions

Unspent conditional grants and receipts

At amortised cost	Total
2 829 260	2 829 260
2 785 600	2 785 600
3 058 917	3 058 917
<b>8 673 777</b>	<b>8 673 777</b>

2015

### Financial assets

Trade and other receivables from exchange transactions  
Cash and cash equivalents

At amortised cost	Total
618 377	618 377
77 470 449	77 470 449
<b>78 088 826</b>	<b>78 088 826</b>

### Financial liabilities

Other financial liabilities  
Trade and other payables from exchange transactions  
Unspent conditional grants and receipts

At amortised cost	Total
3 088 851	3 088 851
5 818 355	5 818 355
2 616 291	2 616 291
<b>11 523 497</b>	<b>11 523 497</b>

### 33. REVALUATION RESERVE

Opening balance  
Change during the year

17 630 004	17 384 103
7 900 600	245 901
<b>25 530 604</b>	<b>17 630 004</b>

### 34. PUBLIC CONTRIBUTIONS AND DONATIONS

Donations

278 422	-
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### Receivables from Non-Exchange Transactions

Receivables from non-exchange transactions

2016	2015
25 000 000	-

### Sundry Receivable

The amount of R25 000 000 is in respect of the transfers receivables from the Department of Arts and Culture. The full amount of R25 000 000 has been aged at 30 days and has not been impaired.





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an agency of the  
Department of Arts and Culture

**South African Heritage Resources (SAHRA)**

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