

20192020 ANNUAL REPORT



arts & culture

Department:
Arts and Culture
REPUBLIC OF SOUTH AFRICA



**STAY
SAFE**

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS

Department of Arts and Culture

20192020

**ANNUAL
REPORT**



TABLE OF CONTENT

PART A: GENERAL INFORMATION 5

1.1 GENERAL DEPARTMENTAL INFORMATION	6
1.2 LIST OF ABBREVIATIONS/ACRONYMS	7
1.3 LIST OF FIGURES	9
1.4 FOREWORD BY THE MINISTER	10
1.5 STATEMENT BY THE DEPUTY MINISTER	12
1.6 REPORT OF THE ACCOUNTING OFFICER	14
1.7 STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION	28
1.8 STRATEGIC OVERVIEW	29
1.9 LEGISLATIVE AND OTHER MANDATES	29
1.10 ORGANISATIONAL STRUCTURE	31
1.11 PUBLIC ENTITIES REPORTING TO THE MINISTER	32

PART B: PERFORMANCE INFORMATION 39

2.1 AUDITOR-GENERAL'S REPORT ON PREDETERMINED OBJECTIVES	40
2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE	40
2.3 OVERVIEW OF ORGANISATIONAL ENVIRONMENT	54
2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES	56
2.5 PERFORMANCE PER PROGRAMME	57
2.6 CONDITIONAL GRANTS	79
2.7 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN	81

PART C: HUMAN RESOURCE MANAGEMENT 91

3.1 INTRODUCTION	92
3.2 HUMAN RESOURCE OVERSIGHT STATISTICS	93

PART D: GOVERNANCE 141

4.1 INTRODUCTION	142
4.2 RISK MANAGEMENT	142
4.3 FRAUD AND CORRUPTION	142
4.4 MINIMISING CONFLICT OF INTEREST	143
4.5 CODE OF CONDUCT	143
4.6 HEALTH, SAFETY AND ENVIRONMENTAL ISSUES	143
4.7 PORTFOLIO COMMITTEE	144
4.8 STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS	151
4.9 INTERNAL AUDIT AND AUDIT COMMITTEE	151
4.10 REPORT OF THE AUDIT COMMITTEE	155

PART E: FINANCIAL INFORMATION 161

5.1 ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY	162
5.2 REPORT OF THE AUDITOR-GENERAL	163
5.3 ANNUAL FINANCIAL STATEMENTS	168

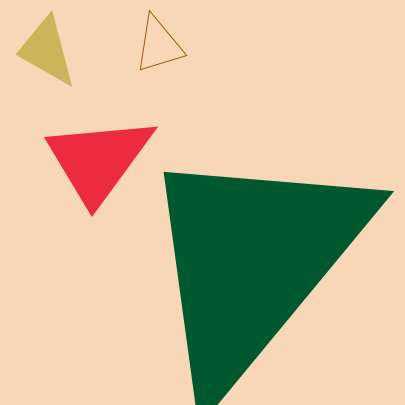
THEATRE
MUSIC
DANCE
VISUAL ARTS
ROCK ARTS
PHOTOGRAPHY
ARCHITECTURE
CRAFT
LITERATURE
FILM



PART



**GENERAL
INFORMATION**



1.1 GENERAL DEPARTMENTAL INFORMATION

Physical Address

Sechaba House
202 Madiba Street
Pretoria

Postal Address

Private Bag X897
Pretoria
0001

Tel: +27 12 441 3000
Fax: +27 12 441 3699
Email: info@dac.gov.za

ISBN: 978-1-990959-83-7
Website: www.dac.gov.za

1.2 LIST OF ABBREVIATIONS/ACRONYMS

ABBREVIATION	FULL FORM
ACH	ARTS, CULTURE AND HERITAGE
ACPD	ARTS AND CULTURE PROMOTION AND DEVELOPMENT
ADMIN	ADMINISTRATION
ADV.	ADVOCATE
AENE	ADJUSTED ESTIMATES OF NATIONAL EXPENDITURE
AFLIA	AFRICAN LIBRARY & INFORMATION ASSOCIATIONS & INSTITUTIONS
AGSA	AUDITOR-GENERAL OF SOUTH AFRICA
AIDS	ACQUIRED IMMUNODEFICIENCY SYNDROME
APP	ANNUAL PERFORMANCE PLAN
AU	AFRICAN UNION
AWHF	AFRICAN WORLD HERITAGE FUND
BAC	BID ADJUDICATION COMMITTEE
BAS	BASIC ACCOUNTING SYSTEM
BBBEE	BROAD-BASED BLACK ECONOMIC EMPOWERMENT
CAPEX	CAPITAL EXPENDITURE
CCIFSA	CULTURAL AND CREATIVE INDUSTRIES FEDERATION OF SOUTH AFRICA
CD	CHIEF DIRECTOR
CEO	CHIEF EXECUTIVE OFFICER
CFO	CHIEF FINANCIAL OFFICER
CIPC	COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
CODESA	CONVENTION FOR A DEMOCRATIC SOUTH AFRICA
COE	COMPENSATION OF EMPLOYEES
COVID-19	CORONAVIRUS DISEASE 2019
CS	CORPORATE SERVICES
CSD	CENTRAL SUPPLIER DATABASE
CSIR	COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH

ABBREVIATION	FULL FORM
D/HPRD	DIRECTOR: HERITAGE POLICY, RESEARCH AND DEVELOPMENT
DAC	DEPARTMENT OF ARTS AND CULTURE
DBE	DEPARTMENT OF BASIC EDUCATION
DBSA	DEVELOPMENT BANK OF SOUTHERN AFRICA
DDG	DEPUTY DIRECTOR-GENERAL
DEPT.	DEPARTMENT
DG	DIRECTOR-GENERAL
DHS	DEPARTMENT OF HUMAN SETTLEMENTS
DIRCO	DEPARTMENT OF INTERNATIONAL RELATIONS AND COOPERATION
DMSA	DITSONG MUSEUMS OF SOUTH AFRICA
DORA	DIVISION OF REVENUE ACT
DPME	DEPARTMENT OF PLANNING, MONITORING AND EVALUATION
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
DPW	DEPARTMENT OF PUBLIC WORKS
DSAC	DEPARTMENT OF SPORT, ARTS AND CULTURE
DTI	DEPARTMENT OF TRADE AND INDUSTRY
ECPG	EASTERN CAPE PROVINCIAL GOVERNMENT
EEA	EMPLOYMENT EQUITY ACT
FNB	FIRST NATIONAL BANK
FoC	FRAMEWORK OF COLLABORATION
FSPG	FREE STATE PROVINCIAL GOVERNMENT
G&S	GOODS AND SERVICES
GCIS	GOVERNMENT COMMUNICATION AND INFORMATION SYSTEM
GDP	GROSS DOMESTIC PRODUCT
GEHS	GOVERNMENT EMPLOYEES HOUSING SCHEME
GTAC	GOVERNMENT TECHNICAL ADVISORY CENTRE

ABBREVIATION	FULL FORM
HCT	HIV COUNSELLING AND TESTING
HDI	HISTORICALLY DISADVANTAGED INDIVIDUALS
HIV	HUMAN IMMUNODEFICIENCY VIRUS
HLT	HUMAN LANGUAGE TECHNOLOGIES
HOA	HOMEOWNER'S ALLOWANCE
HPP	HERITAGE PRESERVATION AND PROMOTION
HR	HUMAN RESOURCES
HRBP	HUMAN RESOURCE BUDGET PLAN
HRM	HUMAN RESOURCE MANAGEMENT
HVAC	HEATING, VENTILATION AND AIR CONDITIONING
IAA	INTERNAL AUDIT ACTIVITY
ICT	INFORMATION AND COMMUNICATION TECHNOLOGY
IDT	INDEPENDENT DEVELOPMENT TRUST
IG	INSTITUTIONAL GOVERNANCE
IKS	INDIGENOUS KNOWLEDGE SYSTEMS
IP	INTELLECTUAL PROPERTY
ISBN	INTERNATIONAL STANDARD BOOK NUMBER
KZN	KWAZULU-NATAL
LIASA	LIBRARY AND INFORMATION ASSOCIATION OF SOUTH AFRICA
LIS	LIBRARY AND INFORMATION SERVICES
LOGB	LEADER OF GOVERNMENT BUSINESS
MBA	MASTERS IN BUSINESS ADMINISTRATION
MGE	MZANSI GOLDEN ECONOMY
MinMEC	MINISTERS AND MEMBERS OF EXECUTIVE COUNCILS
MMS	MEDIUM MANAGEMENT SERVICE
MoA	MEMORANDUM OF AGREEMENT
MoU	MEMORANDUM OF UNDERSTANDING
MP	MEMBER OF PARLIAMENT
MPASA	MUSIC PERFORMERS ASSOCIATION OF SOUTH AFRICA
MRM	MORAL REGENERATION MOVEMENT

ABBREVIATION	FULL FORM
MSAC	MINISTRY OF SPORT, ARTS AND CULTURE
MTEF	MEDIUM-TERM EXPENDITURE FRAMEWORK
MTF	MARKET THEATRE FOUNDATION
MTSF	MEDIUM-TERM STRATEGIC FRAMEWORK
NAAIRS	NATIONAL AUTOMATED ARCHIVAL INFORMATION RETRIEVAL SYSTEM
NAAPA	NATIONAL ACADEMY OF AFRICA'S PERFORMING ARTS
NAC	NATIONAL ARTS COUNCIL
NARSSA	NATIONAL ARCHIVES AND RECORDS SERVICE OF SOUTH AFRICA
NCOP	NATIONAL COUNCIL OF PROVINCES
NEF	NATIONAL EMPOWERMENT FUND
NLS	NATIONAL LANGUAGE SERVICE
NLSA	NATIONAL LIBRARY OF SOUTH AFRICA
NMOG	NATIONAL MACRO ORGANIZATION OF GOVERNMENT
NO.	NUMBER
NPHAF	NATIONAL AND PROVINCIAL HEADS OF ARCHIVES FORUM
NRF	NATIONAL REVENUE FUND
NWPG	NORTH WEST PROVINCIAL GOVERNMENT
NYDA	NATIONAL YOUTH DEVELOPMENT AGENCY
OHS	OCCUPATIONAL HEALTH AND SAFETY
OHSA	OCCUPATIONAL HEALTH AND SAFETY ACT
OSD	OCCUPATION SPECIFIC DISPENSATION
PACOFs	PERFORMING ARTS CENTRE OF THE FREE STATE
PANSALB	PAN SOUTH AFRICAN LANGUAGE BOARD
PFMA	PUBLIC FINANCE MANAGEMENT ACT
PMDS	PERFORMANCE MANAGEMENT DEVELOPMENT SYSTEM
PMG	PAYMASTER-GENERAL
PPE	PERSONAL PROTECTIVE EQUIPMENT
PPP	PUBLIC-PRIVATE PARTNERSHIPS
RIM	ROBBEN ISLAND MUSEUM
RLHR	RESISTANCE AND LIBERATION HERITAGE ROUTE

ABBREVIATION	FULL FORM
RLMM	RESISTANCE AND LIBERATION MOVEMENTS MUSEUM
SABC	SOUTH AFRICAN BROADCASTING CORPORATION
SACO	SOUTH AFRICAN CULTURAL OBSERVATORY
SADC	SOUTH AFRICAN DEVELOPMENT COMMUNITY
SAFA	SOUTH AFRICAN FOOTBALL ASSOCIATION
SAHRA	SOUTH AFRICAN HERITAGE RESOURCES AGENCY
SAPLIS	SOUTH AFRICAN PUBLIC LIBRARY AND INFORMATION SERVICES
SAPS	SOUTH AFRICAN POLICE SERVICE
SARA	SOUTH AFRICAN ROADIES ASSOCIATION
SARS-CoV-2	SEVERE ACUTE RESPIRATORY SYNDROME CORONAVIRUS 2
SCM	SUPPLY CHAIN MANAGEMENT
SCOA	STANDARD CHART OF ACCOUNTS
SCOPA	STANDING COMMITTEE ON PUBLIC ACCOUNTS
SDG	SUSTAINABLE DEVELOPMENT GOALS
SEIA	SOCIO-ECONOMIC IMPACT ASSESSMENT

ABBREVIATION	FULL FORM
SHE	SAFETY, HEALTH AND ENVIRONMENTAL
SITA	STATE INFORMATION TECHNOLOGY AGENCY
SLA	SERVICE LEVEL AGREEMENT
SMS	SENIOR MANAGEMENT SERVICE
SOP	STANDARD OPERATION PROCEDURES
SRSA	SPORTS AND RECREATION SOUTH AFRICA
STI	SEXUALLY TRANSMITTED INFECTION
TB	TUBERCULOSIS
UAMP	USER ASSET MANAGEMENT PLAN
VCF	VENTURE CAPITAL FUND
UNESCO	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANISATION
VWL	VAN WYK LOUW
WCT	WIPO COPYRIGHT TREATY
WIPO CT	WORLD INTELLECTUAL PROPERTY ORGANIZATION COPYRIGHT TREATY
WPPT	WIPO PERFORMANCES AND PHONOGRAMS TREATY

1.3 LIST OF FIGURES

- Figure 1: Departmental performance overview of the past five years
- Figure 2: Departmental performance overview (predetermined objectives)
- Figure 3: Programme-specific performance (predetermined objectives)
- Figure 4: Provincial spread of national days
- Figure 5: Number of language bursaries awarded per institution

- Figure 6: Community libraries financially supported in 2019/20
- Figure 7: Conditional grants and earmarked funds received by the Department
- Figure 8: Progress of the assessed facilities per province
- Figure 9: Progress of the assessed facilities per public entity
- Figure 10: Condition of the assessed facilities



Mr Nathi Mthethwa (MP)
Minister of Sport, Arts and Culture

1.4 FOREWORD BY THE MINISTER

The world today faces unprecedented challenges of health and economic recession, largely as a result of the outbreak of COVID-19. Its devastation is be matched only by the Spanish Flu of 1918, which claimed more than 50 million souls globally. At the time of the Spanish Flu Pandemic, almost the entirety of the developing world was under the yoke of colonialism. A large proportion of those who perished due to this pandemic was located in the colonised countries.

The Coronavirus swept across the world with appalling scope and speed, activating a historically unprecedented public health and economic crisis of incalculable proportions. With the global economy and human society almost at a standstill for months on end, every part of the world economy is experiencing upheaval.

The World Bank is projecting that the global economy will shrink by 5,2% in 2020, with 170 countries experiencing negative per capita growth. The cost of the COVID-19 crisis to the world economy is projected to be approximately \$9 trillion over the next two years.

The most marginalised in society are expected to experience vastly disproportionate health and economic distress. These include the elderly and immunocompromised men, women and children. Creative and cultural workers are vulnerable precisely because this sector thrives on human contact and mass participation.

However, before this scourge took root in our society, the achievements of the sector were vast and a solid contribution was being made to the GDP. Recent mapping studies commissioned by the Department through the South African Cultural Observatory and released in March 2020, show that the cultural and creative sector grew by 2,4% per year between 2016 and 2018, compared with the South African economy as a whole, which grew at only 1,1% per year in this period.

The studies also showed that the number of cultural occupations in South Africa is sensitive to changes in GDP growth, but nevertheless grew at a faster rate than the number of jobs in other sectors in 2016 and 2017. A notable trend is increasing diversity and inclusion.

In 2017, 83,6% of people working in cultural occupations were:

- Black Africans (71,8%),

- Coloured People (10,1%), and
- People of Indian or Asian origin (1,8%).

Young cultural workers reflect greater diversity than older age groups. However, there is still a significant difference between the average earnings of men and women in cultural occupations.

The top three Creative and Cultural Industry contributors to GDP by domain are Design and Creative Services, Books and Publishing, and Audio-Visual and Interactive Media. The total contribution of the sector to GDP was estimated to be R241,8 billion (5,6 % of South Africa's GDP), taking into consideration both direct and induced effects. The study further shows that the education and skills levels of people in cultural occupations have been increasing over time, and the growth of the sector will depend on having a well-educated and skilled labour force.

One of the challenges associated with the creative economy identified by the study, is that many jobs in the sector are precarious and there has been a decline in formal employment in the last two years. Many of those working in the creative sector are freelancers, and this situation has been exacerbated further by the effects of COVID-19. A study done by the Third World Network estimates the following:

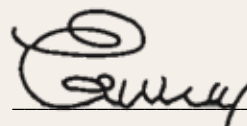
- For the first time since 1998, global poverty will increase. At least half-a-billion people may fall into poverty by the end of 2020, with some 60 million at risk of being pushed into extreme poverty.
- The World Bank estimates that sub-Saharan Africa will see its first recession in 25 years, wiping out nearly half of all jobs across the continent.
- South Asia will experience the most severe economic downturn in 40 years.
- The poorest countries in the world will undoubtedly be the hardest hit, further entrenching inequalities within and between countries.

Achieving the economic, social and environmental sustainable development goals (SDGs) by 2030 may well become a dream deferred, as the pandemic threatens to reverse existing milestones.

In history, major crises like these normally rally nations to radically alter the present circumstances for the better. In our case, the cultural and creative workers have not been spared either. In terms of a study undertaken by the South African Cultural Observatory and released in May of 2020, the impact of the virus in the sector is estimated to be just over R99 billion. This is the amount of money the GDP of our country will be losing this financial year.

In combating the scourge of the virus, our government put in place measures that included redirecting resources from planned programmes to the fight against the pandemic. The worst in our society saw an opportunity to loot, thus denying the most vulnerable in our society their only hope to survive the plague. Winning our fight against corruption demands more than passion. It demands an unflinching approach and active countering, based on unravelling and understanding the actual methods being used to commit these crimes of corruption. It demands the dominance in our thinking of achievement over drama.

While the year saw many gains, the shock of COVID-19 was felt throughout the global and national economies. A recovery plan is dependent on stimulating the economy and making bold decisions underpinned by social cohesion, nation building, transformation and moral regeneration.



MR NATHI MTHETHWA, MP
MINISTER OF SPORT, ARTS AND CULTURE
DATE: 27 OCTOBER 2020



Ms Nocawe Mafu (MP)
Deputy Minister of Sport, Arts and Culture

1.5 STATEMENT BY THE DEPUTY MINISTER

Our work during 2019 resonated closely with the mandate of the Department, especially with regard to languages, as UNESCO declared 2019 as “the year of indigenous languages”. Following this declaration, the development, preservation and promotion of indigenous languages was the overarching theme for 2019/2020, with the Department seizing the opportunity to set the national agenda on indigenous languages and shape the public discourse. As an important element of our intangible heritage estate, 2019 presented a time of reflection for the Department in terms of the overall agenda of government in terms of the preservation, development and promotion of indigenous languages.

As part of this exercise, the gains were juxtaposed against areas of concern, for which a concerted effort was still required. In recounting some of the gains, the Department continued to support over a dozen terminology and lexicography units at a number of tertiary institutions in the country. The Department has also intensified its oversight responsibility over the Pan South African Language Board (PanSALB). As a result, there are visible signs of improvement and PanSALB has stepped up its monitoring function to ensure compliance with the national legislative and policy regime on languages, especially indigenous languages. The focus on languages is not directed towards their political economy or aesthetics, but rather, as being at the very core of our national identity and transformation priorities.

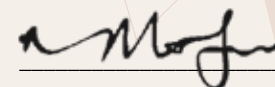
Social cohesion and nation building remain the common theme across all of the Department’s programmes, and we have continued to take our role seriously as the custodian of the government’s Programme of Action on social cohesion and nation building. However, it is recognised that no social cohesion and nation-building efforts will yield the desired results if it is a project wholly owned by government. Thus, through the civil society-led Moral Regeneration Movement, the appointment of social cohesion advocates, as well as the social compact project, the Department has intensified its efforts to ensure that broad sectors of South African society are mobilised towards the common goal of ensuring that South Africa progressively becomes a socially integrated and inclusive society. These commitments also speak to issues of gender parity and gender-based violence.

For any transformation project to have legitimacy, it must also mainstream issues affecting women and seek to rekindle the lost moral fabric of society, so that mortifying social phenomena such as gender-based violence and femicide are no longer part of the lives of women and girls.

These focus areas have required that we partner with several government departments, state agencies, and our own entities in rolling out community dialogues in targeted communities so as to not only raise awareness but ensure positive behavioural change among all men in our society. All interventions in this regard are ongoing and remain work-in-progress for the foreseeable future.

In responding to the key priorities of the Medium-Term Strategic Framework (MTSF), the current administration is committed to working towards building a better Africa and a better world. Given our specific location on the continent, our point of departure remains the African continent itself. In respect of the Department's niche contribution to this key priority, there are two standing programmes that are directed towards this key priority: Africa Month and the cultural seasons. The 6th edition of Africa Month was celebrated in 2019 under the overarching theme of "Celebrating 25 years of democracy: building a better Africa and a better world".

The Africa-month platform facilitated critical conversations between South Africans, African nationals and Africans from the diaspora. These acts of solidarity were important given historical fissures between South Africans and those from the continent, fanned during apartheid as part of its divide and rule modus operandi. The Department is proud to have rolled out the cultural seasons very successfully. Although they have a footprint across most parts of the globe, they also have a particular bias to Africa. This year, there was a concerted effort in the West, North and East African regions. We hope to continue along this path into the new financial year.



MS NOCAWE MAFU (MP)

DEPUTY MINISTER OF SPORT, ARTS AND CULTURE

DATE: 22 OCTOBER 2020



1.6 REPORT OF THE ACCOUNTING OFFICER

1. General Review of the State of Affairs

1.1 Spending Trends



Mr Vusumuzi Mkhize
 Director-General: Department of Arts and Culture

	2019/20 R'000	2018/19 R'000
Amount voted	4 572 085	4 338 737
Actual expenditure	4 344 567	4 237 985
Surplus	227 518	100 752

In the 2019/20 financial year, the unspent amount represents 5% of voted funds.

The detail of unspent funds per economic classification is as follows:

Economic Classification	R'000
Compensation of employees <ul style="list-style-type: none"> The department could not conduct recruitment after the announcement of the merger and had to first conclude the process of national macro-organisation of the state. Filling of the posts needed to be frozen while placing staff into the new start-up structure. The variance of R18,6 million is caused by vacant posts that are in the process of being filled. 	18 630
Goods and services <ul style="list-style-type: none"> The variance of R55,5 million is due to challenges experienced in the procurement of the appointment of transaction advisers to conduct a feasibility study for the National Archives new purpose building. Due to the COVID-19 pandemic, flagship events were cancelled/postponed and provinces could therefore not submit claims. 	55 500
Transfers and subsidies Departmental agencies and accounts (Cur/Cap) The variance of R9,5 million under-expenditure is mainly due to: <ul style="list-style-type: none"> Invoices from the Department of Public Works (DPW) for work performed at public entities are done on a recovery basis; therefore, invoices received were for work performed which was below the allocated budget. 	9 460

Economic Classification	R'000
<ul style="list-style-type: none"> The final report from the National Youth Development Agency (NYDA) regarding the Young Patriots programme was delayed due to the end of the term of the Board of the NYDA, who has to endorse the report. Final tranche could therefore not be made to the entity. As a result of the late submission of close-out reports by performing arts institutions, the Department paid the 1st tranches of the 2019/20 financial year late. This, therefore, had an impact on subsequent transfer of tranches. 	
<p>Foreign government organisations</p> <ul style="list-style-type: none"> The variance of R678 000 is as a result of the rand to pound exchange rate and the Commonwealth Foundation's reassessment of its contribution. 	678
<p>Households</p> <ul style="list-style-type: none"> The variance of R4,3 million is due to late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures. 	4 290
<p>Public corporations (Cur/Cap)</p> <ul style="list-style-type: none"> The variance of R17,1 million under-expenditure is mainly due to late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures. 	17 109
<p>Non-profit institutions (Cur/Cap)</p> <p>The variance of R37,5 million is due to the under-expenditure relating to:</p> <ul style="list-style-type: none"> Late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures. Funding for community arts centres was dictated by provincial government, as they identify the beneficiaries. Over the years there was under-expenditure due to a lack of necessary compliance documentation from the identified beneficiaries. To mitigate this reality, the Department resolved to fund a business plan per province for community arts centres. As a result, funds were not transferred until finalisation of the approved business plan process. 	37 468
<p>Buildings and other fixed structures</p> <ul style="list-style-type: none"> The variance of R78 000 is as a result of payment made to Development Bank of South Africa (DBSA) for professional services and management fees relating to the refurbishment and infrastructure project of the South African Roadies Association (SARA) House. 	78
<p>Higher education institutions</p> <ul style="list-style-type: none"> The variance of R4,4 million relates to the construction of Chief Tyali monument, which is administered by the the University of Fort Hare. The University did not submit the revised project proposal in line with the approved funds by the Department. 	4 373
<p>Heritage assets</p> <ul style="list-style-type: none"> The variance of R76,2 million is due to the DPW not being able to provide supporting documents for the invoices submitted to the Department for the National Archives (HVAC) project and the Sarah Baartman Centre of Remembrance. Processing of invoices were held back as the Department is awaiting confirmation from the DPW that no payments were made to the new contractor for work performed by the previous contractor in order in order avoid fruitless and wasteful expenditure. 	76 234

Economic Classification	R'000
Machinery and equipment	3 698
• The variance of R3,7 million is due to the halting of delivery of the procured storage system from abroad due to the COVID-19 lockdown.	
Total	227 518

1.2 Virements and shifting of funds

All virements were approved during and post the Adjusted Estimates of National Expenditure (AENE). Approval for all virements above the 8% threshold was granted by Parliament. The approved virements emanate from legacy projects reprioritisation, MGE work streams and reclassification of items. Approvals were granted prior to incurring the expenditure. The shifting of funds was implemented to augment the economic classifications that were over-spending in line with section 43 of the Public Finance Management Act (PFMA) and the Standard Chart of Accounts (SCOA) as outlined below:

1.2.1 Leave payments to officials who left the Department;

1.2.2 Shifts within the same economic classifications; and

1.2.3 Shifts to cover thefts and losses.

The table below provides a summary of virements and shifts per programme:

Programme	Adjusted Appropriation 2019/20	Shifting of funds	Virement	Final Appropriation 2019/20
	R'000	R'000	R'000	R'000
Administration	302 874	1 725	24 000	328 599
Institutional Governance	150 393	(1 527)	-	148 866
Arts and Culture Promotion & Development	1 132 238	(368)	-	1 131 870
Heritage Promotion & Preservation	2 986 580	170	(24 000)	2 962 750
Total	4 572 085	-	-	4 572 085

2. Significant event after the financial year end

2.1 COVID-19 pandemic allocation

The COVID-19 pandemic in South Africa is part of an ongoing pandemic of the coronavirus disease 2019 (COVID-19) caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). On 5 March 2020 the Minister of Health confirmed the spread of the virus to South Africa. The President of South Africa declared a national state of disaster on 15 March 2020, and on 17 March 2020 the National Coronavirus Command Council was established to lead the nation's plan to contain the spread and mitigate the negative impact of the coronavirus. On 23 March 2020 a national lockdown was announced, which started on 26 March 2020. In response to the pandemic, a R500 billion economic stimulus package was announced on 21 April 2020. The unfolding COVID-19 pandemic is having undeniable human and economic impacts. It has caused many deaths worldwide, millions of job losses and stock markets to dive. An allocation of R250 million was received in the financial year 2020/21 from National Treasury for the Department to respond to the COVID-19 pandemic. The received allocation does not have an effect on the 2019/20 accounts as the amount will form part of financial year 2020/21 appropriation statement.

2.2 NEF Receivable

The original contract between DAC and NEF ended on 31 August 2019. Both parties agreed in the meeting between the Department and NEF held on 20 February 2020 that the expired agreement be revived, restated and be amended for its period to end on 31 May 2020. This was reduced to writing, signed by NEF on the 24 February 2020 and was only signed by the DAC on the 24 April 2020. Therefore at the reporting date the condition existed that the subsequent event will happen before the financial statements are authorised for issue.

3. Services rendered by the Department

3.1 National Archives

3.1.1 The National Archives makes archival material available to the public. Although actual access to archival records is free of charge, the public is charged for the reproduction of material for further use, either on film or paper. Publications are also sold, and the public is charged for the transfer of data by magnetic means.

3.1.2 Tariff policy

The National Archivist determines tariffs, taking into account current market rates.

3.2 National Film, Video and Sound Archives

3.2.1 The National Film, Video and Sound Archives collects, preserves and provides access to audiovisual records created both by government and private bodies or individuals. Its aims are as follows:

- To preserve public and non-public audiovisual records or documents with enduring value for use by the public and the State;
- To make such records accessible to and promote their use by the public;
- To ensure the proper management and care of all public audiovisual records;
- To collect non-public audiovisual and related records with enduring value of national significance, which another institution cannot more appropriately preserve;
- To maintain national registers of non-public records with enduring value, and to promote cooperation and coordination between institutions having custody of such records; and
- Generally, to promote the preservation and use of our national archival heritage.

3.2.2 Tariff policy

The National Archivist determines the tariffs, taking into account current market rates.

3.3 Bureau of Heraldry

3.3.1 The Bureau of Heraldry registers the heraldic representations, names, special names and uniforms of individuals, associations and institutions. It also renders advice on heraldic and related matters and provides financial assistance to institutions, boards, committees or other public bodies or persons in order to promote the functional objectives of the Bureau of Heraldry.

3.3.2 Tariff policy

The State Herald determines the tariffs, in consultation with the National Archivist and taking into account the current market rates.

3.4 National Language Service

3.4.1 The National Language Service (NLS) provides a translation and editing service to all national government departments. The NLS also provides policy development support relating to official language development, particularly related to the Use of Official Languages Act.

3.4.2 Tariff policy

Translation and editing services, and policy advice and support are provided to all national government Departments at no cost.

4. Capacity Constraints

During the 2019/20 financial year, 33 positions were advertised across all Branches of the Department. The headcount was managed through the Human Resource Budget Plan (HRBP). The staff establishment was maintained to reflect only funded positions. The vacancy rate was 7,74% as at 31 March 2020.

5. Utilisation of Donor Funds

In the 2019/20 financial year no donor funds were received by the Department.

6. Public Entities (Related Parties)

The Department funded public entities, a constitutional institution, non-profit institutions, conditional grants, higher education institutions, foreign governments, households, public corporations and private enterprises.

In the 2019/20 financial year the actual amounts transferred to each entity included subsidies, capital transfers, Mzansi Golden Economy (MGE) related project partnerships, cost of compliance, leasing (private owned), municipal charges, community libraries, playback devices, operational costs and an allocation for bridges and roads.

6.1 Heritage Entities

Thirteen entities are declared institutions in terms of the Cultural Institutions Act, 1998, one is a non-profit institution and one, the National Heritage Council, was established in terms of the National Heritage Council Act, 1999, as outlined in the table below:

Institution	2019/20 R'000	2018/19 R'000
Afrikaanse Taalmuseum, Paarl	13 976	11 027
Ditsong/Northern Flagship, Pretoria	107 622	108 212
Engelenburg House Collection, Pretoria (NPI)	373	353
Freedom Park, Pretoria	99 907	97 275
Iziko Museums of Cape Town	103 607	86 886
KwaZulu-Natal Museum, Pietermaritzburg	117 765	60 809
Luthuli Museum, Groutville	15 562	14 828
Msunduzi/Voortrekker Museum, Pietermaritzburg	23 044	18 296
National English Literary Museum, Makhanda (Grahamstown)	15 136	14 493
National Heritage Council, Pretoria	91 751	68 493
National Museum, Bloemfontein	57 294	57 281
Nelson Mandela Museum, Mthatha	34 561	62 833
Robben Island Museum, Cape Town	119 320	115 351
War Museum of the Boer Republics, Bloemfontein	24 479	13 210
William Humphreys Art Gallery, Kimberley	27 967	14 486
Total	852 364	743 833

6.2 South African Heritage Resources Agency

The South African Heritage Resources Agency was established in terms of the National Heritage Resources Act, 1999, in order to:

- introduce an integrated and interactive system for the management of national heritage resources;
- promote good government at all levels;
- empower civil society to conserve its heritage resources for future generations;
- lay down general principles for heritage resource management;
- introduce an integrated system for the identification, assessment and management of the heritage resources of South Africa;
- establish the South African Heritage Resources Agency, together with its Council, to coordinate and promote the management of heritage resources at national level;
- set norms and maintain essential national standards for the management of heritage resources in South Africa;
- protect heritage resources of national significance;
- control the export of nationally significant heritage objects and the import into South Africa of cultural property illegally exported from foreign countries;
- enable the provinces to establish heritage authorities, which must adopt powers to protect and manage certain categories of heritage resources; and provide for the protection and management of conservation-worthy places and areas by local authorities.

2019/20 R'000	2018/19 R'000
58 315	60 650

6.3 Performing Arts Entities

Five performing arts entities are declared institutions in terms of the Cultural Institutions Act, 1998. The performing arts institutions assist in creating a sustainable performing arts industry based on access, excellence, diversity and redress. They encourage the development of the full range of performing arts. The institutions are:

Institution	2019/20 R'000	2018/19 R'000
Artscape, Cape Town	67 240	78 762
State Theatre, Pretoria	77 961	61 353
Playhouse Company, Durban	60 014	82 984
Performing Arts Centre of the Free State, Bloemfontein	67 243	53 059
Market Theatre Foundation, Johannesburg	70 907	52 303
Total	343 365	328 461

6.4 Business Arts South Africa

Business Arts South Africa is a non-profit company aimed at encouraging sponsorship of the arts by the business and private sector through the introduction of a matching grant scheme.

2019/20 R'000	2018/19 R'000
12 447	9 946

6.5 National Film and Video Foundation

In terms of the National Film and Video Foundation Act, 1997, the Foundation develops and promotes the film and video industry. It provides and encourages the provision of opportunities for persons from disadvantaged communities to participate in the industry.

The Foundation also promotes local film and video products, supports the development of and access to the industry, and addresses historical imbalances in infrastructure, skills and resources in the industry.

2019/20 R'000	2018/19 R'000
161 353	133 472

6.6 National Arts Council

In terms of the National Arts Council Act, 1997, the Council facilitates opportunities for people to practice and appreciate the arts.

The Council also promotes the general application of arts in the community, fosters the expression of a national identity by means of the arts, promotes freedom in the practice of the arts, and gives historically disadvantaged people greater access to the arts.

Other functions include addressing historical imbalances in the provision of infrastructure and promoting national and international liaison.

2019/20 R'000	2018/19 R'000
115 761	111 477

6.7 Pan South African Language Board

The Pan South African Language Board is defined as a constitutional institution in terms of the Public Finance Management Act, 1999. The Board actively promotes an awareness of multilingualism as a national resource and supports the previously marginalised languages by developing, administering and monitoring access, information and implementation programmes.

These activities are in accordance with the provisions of the Pan South African Language Board Act, 1999.

2019/20 R'000	2018/19 R'000
120 857	113 587

6.8 Libraries

Libraries preserve and promote awareness of the national documentary heritage and provide for related matters. They include the South African Library for the Blind, which provides library and information services to blind and print-handicapped readers and related matters.

Institution	2019/20 R'000	2018/19 R'000
National Library of SA	135 680	153 001
South African Library for the Blind	24 190	22 323
Blind SA	8 781	8 315
Total	168 651	183 639

7. Other organisations, provinces and municipalities to which transfer payments were made

The Department supports and promotes projects that aim to promote arts, culture and heritage, the functional objectives of the National Archives and language. It makes grant-in-aid payments to institutions, boards, committees and other public bodies or persons.

Various funding panels in the Department review project proposals received from role players and make recommendations to management with regard to the allocation of funds. Once funding is approved, the DAC and the beneficiaries enter into memorandums of agreement, which regulate, among other things, the payment of tranches and reporting requirements.

Funds were transferred to provinces for the conditional grant in terms of the Division of Revenue Act (DORA). The Department incurred the following amounts from various programmes in the 2019/20 financial year:

Transfers and subsidies	2019/20 R'000	2018/19 R'000
Provinces and municipalities (conditional grant payments)	1 501 203	1 423 685
Higher education institutions	4 445	5 440
Public corporations & private enterprises	109 161	120 134
Foreign organisations	4 372	4 265
Non-profit institutions	159 913	188 353
Households	17 790	24 197
Total	1 796 884	1 766 074

8. Corporate Governance Arrangements

8.1 Corporate Governance

The Department has a functional Internal Audit Directorate and Audit Committee established in line with section 38(1)(a)(ii) of the Public Finance Management Act, 1999, the Treasury Regulations (Chapter 3) and the King IV Report on Corporate Governance.

8.2 Internal Audit

The IA Directorate of the Department was functional throughout the financial year and operated in line with its approved Internal Audit Charter, informed by Treasury Regulation 3.2. The IA Directorate assisted the Accounting Officer and the Audit Committee in the effective discharge of their responsibilities. This was achieved through audit assignments that were executed in line with the approved Risk-Based Rolling Three-Year Strategic and Annual/Operational Internal Audit Plan for 2019/20, which was informed by the Department's approved strategic and operational risk assessment results and approved by the Audit Committee.

The results of all the assurance activities/assignments referred to above were duly reported to the Department's senior and executive management, including the Accounting Officer, and the Audit and Risk Management Committees of the Department throughout the financial year; and recommendations provided on areas where shortcomings were identified for corrective action to be implemented.

The IA Directorate played a significant role in performance information management and reporting by the Department through its quarterly audit assurance reviews on financial and performance reporting; the pre-determined objectives through the review of the 2018/19 Annual Performance Plan; and advice to the management of the Department through consulting engagements held.

In addition to the approved planned risk-based internal audit assignments and statutory assignments, i.e. performance information and internal financial controls, the IA Directorate also reviewed the Department's Management Action Plan as developed by management on the basis of the outcomes of the Auditor-General's audit report for the year ended 2018/19 to ensure that internal controls are improved through the identification and implementation of adequate controls/action plans. Actual implementation of the controls identified in the action plans is still required to strengthen the preventative and detective internal controls.

Internal Audit adhered to the approved Annual/Operational Risk-Based Internal Audit Plan with the assistance of the Internal Audit service provider appointed in November 2017 for a period of three years to supplement the insufficient human resource capacity and the required specialised audit skills, i.e. information technology audits.

The Department has filled 1 out of the 6 existing vacancies to date. The Internal Audit structure will be reviewed for adequacy in the 2020/21 financial year post the merger with the Department of Sport and Recreation South Africa. Due to the process of the merger of the two Departments, posts could not be filled.

8.3 Audit Committee

The primary purpose of the Audit Committee is to assist the Accounting Officer in fulfilling his oversight responsibilities to ensure that the Department has and maintains effective, efficient and transparent systems of financial, risk management, governance, and internal control.

The Department has a functional Audit Committee, which comprises four independent (non-executive) members, including the chairperson. The Committee conducted its oversight role in line with its approved Charter throughout the financial year.

Among other critical oversight responsibilities, the Committee played a significant role in providing oversight of the Department's systems of internal control, performance information and pre-determined objectives, improvement of the financial statements, and ethics and integrity management. In addition, the Committee encouraged the management of the Department to adopt a system of combined assurance to improve accountability.

The Committee also played a significant role in providing oversight of the internal control status by recommending the development of a detailed management action plan, including stringent monitoring through its ordinary and special meetings to assist the Department to reduce internal control deficiencies experienced in the past to a minimum and/or realise improvements, as well as to improve planned performance against pre-determined objectives aimed at realising the mandate of the Department.

Another area of emphasis highlighted by the Committee is for the Department to reconsider/develop a grant-funding policy since there is none available in the Department. The materiality framework has also been raised as a concern that the Department should address.

8.4 Forensic Investigations

The Department has an approved and updated Fraud Investigation Policy, which provides for the review and investigation of allegations of fraud, corruption and other financial misconduct in line with Treasury Regulations 4.1 to 4.3.

Only minimum capacity exists within the IA Directorate to conduct investigations into the allegations. The position of Assistant Director: Forensic Investigations was filled in June 2019. However, the reality is that the internal capacity is not sufficient, especially now that the new Department of Sport, Arts and Culture was established, which might imply that more forensic work could emanate from the merger. Internal Audit utilised the available permanent capacity and participated in the panel of Forensic Service Providers already appointed by the DPW, which came to an end in November 2019.

9. Risk Management

9.1 Risk Committee Governance

9.1.1 Constitution and Terms of Reference

The Department has a risk management committee comprising of Top Management and the Executive Management Team, and chaired by a non-executive member. The Risk Management Committee is responsible for oversight of the following areas:

- Risk Profile of the Department
- Risk Incident Database Management and Reporting
- Compliance Risk Management
- Ethics and Integrity (fraud awareness and fraud allegation management and escalation; financial disclosures; conflict of interest; and remunerative work outside the Public Sector)

9.1.2 Meetings and Reporting

The Risk Management Committee met its scheduled quorum and was able to meet quarterly to address matters regarding risk management affecting the organisation.

The Committee chairperson reported quarterly to the Audit Committee on matters discussed and resolved during each meeting.

The Committee self-assessed its efficacy within the Department and implemented recommended changes through a quality improvement plan. An organisation-wide 360° assessment was conducted for the past financial year to measure the impact of Enterprise Risk Management within the organisation, with the oversight of the Audit Committee.

9.1.3 Risk Advisory Services

The Committee chairperson advised the Accounting Officer on the following risk assignments that required management attention:

- Management, monitoring and financial reporting of capital expenditure for Heritage Assets.
- Occupational Health and Safety matters with emphasis on the National Archives, Old Library Building and the National Film and Video offices.
- Merger of the Department implemented through the National Macro Organisation of Government [NMOG].
- Risk finance for the Department's management of the escalating loss of tools of trade in alignment with internal losses and claims policy.
- Litigation matters and assessment of the root cause to enhance current controls towards litigation risk reduction.
- Establishment of the Ethics and Integrity Committee in compliance with Regulation 23(2) of the Public Service Regulations, 2016.

10. Asset Management

10.1 The Department continuously maintains and manages moveable assets on the I-Chain Assetware system.

10.2 On 9 March 2020, the Accounting Officer approved the disposal of redundant and obsolete moveable assets (i.e. office equipment, computer equipment, other machinery and equipment and vehicles) through selling to the highest bidder, and the proceeds were deposited into the revenue account.

10.3 The Department also identified computer equipment for donation to schools, churches and non-governmental organisations. Year-end verification of all moveable assets started on 3 January 2020.

10.4 All moveable assets acquired in the year under review have been accounted for and accurately captured on the asset register as per the Asset Management Framework and the Public Finance Management Act.

11. Supply Chain Management

11.1 There were no unsolicited bid proposals that were concluded in the year under review.

11.2 The Supply Chain Management has policies in place to prevent any possible irregular and wasteful expenditure. It also complies with and implements Instruction Notes that are issued by National Treasury from time to time.

11.3 The procurement of goods and services transactions is processed through Supply Chain Management; however, if there is any non-compliance with Supply Chain Management prescripts the Department implements consequence management.

11.4 There were no exemptions and deviations from the Public Finance Management Act (PFMA) and Treasury Regulations in the year under review.

12. Irregular, Fruitless and Wasteful Expenditure

In the 2019/20 financial year, the irregular expenditure opening balance was R437 million and irregular expenditure relating to 2019/20 amounted to R2 million. No amount was condoned as the Department is still waiting for an investigation report.

The Department incurred fruitless and wasteful expenditure amounting to R36.057 million substandard work identified on the legacy projects and interest paid on overdue accounts. There were no amounts incurred on unauthorised expenditure. The reasons for incidents and steps taken to address and prevent a recurrence of fruitless and wasteful expenditure are indicated in the table below.

Fruitless and wasteful expenditure	Amount	Reasons for the incidents	Steps taken to address and prevent a recurrence
Interest paid on overdue accounts	R14 504,42	Service provider changed the credit controller and in the transition the Department received the invoice very late	There is a continuous engagement between the service provider and the IT Unit
Substandard work on legacy projects	R36 023 563,39	DAC intervention led to the appointment of Rubiquant to commission reports on value for money on all legacy projects implemented by IDT. The following projects were investigated: <ul style="list-style-type: none"> · Enyokeni · Winnie Madikizela-Mandela Museum · Dr J L Dube · R Tambo, and · Khananda Hill 	The matter is currently subjected to dispute resolution.

13. Overview of the financial results of the Department

Departmental receipts	2019/2020			2018/2019		
	Total estimated revenue	Actual receipts at the end of March	Actual (over)/under receipts	Total estimated revenue	Actual receipts at the end of March	Actual (over)/under receipts
Sales of goods and services other than capital assets	R'000	R'000	R'000	R'000	R'000	R'000
	364	235	129	296	260	36
Interest, dividends and rent on land	12	47	(35)	9	14	(5)
Sales of capital assets	-	221	(221)	-	-	-
Revenue financial assets	564	368	196	268	692	(424)
Total	940	871	69	573	966	(393)

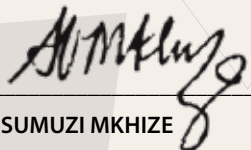
13.1 The Department estimated to collect R940 000 but only collected R871 000. The reduction in the revenue collected is due to the following reasons:

13.1.1 A contributing factor to the drop in the category sales of goods and services is the decline in the demand for services relating to coats of arms; and

13.1.2 Revenue financial assets: recovery of R511 000, which was due to be received by the Department. The amount was eventually received by the state attorney after the case was finalised. The state attorney surrendered the money to National Revenue Fund (NRF) on behalf of the Department.

14. Approval

The Annual Financial Statements as set out on pages 168 to 268 have been approved by the Accounting Officer.



MR VUSUMUZI MKHIZE
DIRECTOR-GENERAL: DEPARTMENT OF ARTS AND CULTURE
DATE: 29 OCTOBER 2020

1.7 STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2020

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor-General of South Africa.

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

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

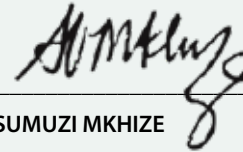
The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury.

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

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

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

In my opinion, the annual report fairly reflects the operations, performance information, human resources information and financial affairs of the Department for the financial year ended 31 March 2020.



MR VUSUMUZI MKHIZE

DIRECTOR-GENERAL: DEPARTMENT OF ARTS AND CULTURE

DATE: 29 OCTOBER 2020



1.8 STRATEGIC OVERVIEW

VISION

A creative and inclusive nation.

MISSION

To develop, preserve, protect and promote arts, culture and heritage.

VALUES

- **Responsiveness:** a department that is quick to react to requests from and provide feedback to the public and other stakeholders.
- **Patriotism:** as loyal **PATRIOTS**, we passionately serve South Africa and its people to build a nation.
- **Ubuntu: CARE** and concern for the wellbeing of our staff, customers and stakeholders is the foundation of our success.
- **Creative/Innovative:** in everything we do, we strive for **CREATIVE/INNOVATIVE** approaches.
- **Integrity:** in our day-to-day activities, our **INTEGRITY** shines through.
- **Professionalism:** together, we act **PROFESSIONALLY** to deliver value to the South African economy, its people and ourselves.
- **Accountability:** we are **ACCOUNTABLE** to the people of South Africa in our quest to provide them with high-quality services.

STRATEGIC OUTCOME-ORIENTED GOALS

- **A transformed and productive ACH Sector** – A sector that actively develops, preserves, protects and promotes diverse ACH.
- **An integrated and inclusive society** – An effective/impactful nation building and social cohesion programme.
- **An effective and efficient ACH Sector** – A sound governance system to ensure service delivery.

- **A professional and capacitated ACH Sector** – A skilled and capacitated ACH Sector to ensure excellence.

1.9 LEGISLATIVE AND OTHER MANDATES

- Constitution of the Republic of South Africa, 1996
- Copyright Act, 1978
- Cultural Institutions Act, 1998
- Cultural Promotion Act, 1983
- Division of Revenue Act, 2007
- Electronic Communications and Transactions Act, 2002
- Government Immovable Asset Management Act, 2007
- Government-wide Planning, Monitoring and Evaluation Framework, 2007
- Heraldry Act, 1962
- Legal Deposit Act, 1997
- Legislation pertaining to provincial library services (including the previous provincial ordinances)
- Local Government: Municipal Structures Act, 1998
- Minimum Information Security Standards (MISS), 1998
- Municipal Systems Act, 2002
- National Archives and Records Service of South Africa Act, 1996
- National Council for Library and Information Services Act, 2001
- National Development Plan (Vision 2030)
- National Heritage Council Act, 1999
- National Heritage Resources Act, 1999
- National Library of South Africa Act, 1998
- National Youth Policy, 2009

- Pan South African Language Board Act, 1995
- Promotion of Access to Information Act, 2000
- Promotion of Administrative Justice Act, 2000
- Protection of Personal Information Act (POPIA), 2013
- Public Finance Management Act, 1999

- South African Geographical Names Council Act, 1998
- South African Language Practitioner's Council Act, 2014
- South African Library for the Blind Act, 1998
- Use of Official Languages Act, 2012
- White Paper on Arts, Culture and Heritage, 1996



1.10 ORGANISATIONAL STRUCTURE




MINISTER
MR NATHI MTHETHWA



DEPUTY MINISTER
MS NOCAWE MAFU



DIRECTOR-GENERAL
MR VUSUMUZI MKHIZE



MR VUSITHEMBA NDIMA
DDG: HERITAGE PROMOTION
AND PRESERVATION



MR CHARLES MABASO
ACTING DDG: ARTS AND
CULTURE PROMOTION AND
DEVELOPMENT



MR MAKOTO MATLALA
ACTING DDG: CORPORATE
SERVICES







MS LISA COMBRINCK
ACTING DDG: INSTITUTIONAL
GOVERNANCE







MR MAKOTO MATLALA
CHIEF FINANCIAL OFFICER

1.11 PUBLIC ENTITIES REPORTING TO THE MINISTER

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
Development (Funding) Bodies	National Arts Council	 <p>NATIONAL ARTS COUNCIL OF SOUTH AFRICA an agency of the Department of Arts and Culture</p>	National Arts Council Act, 1997	Grant-making to artists and arts communities.
	National Film and Video Foundation –development of local film industry	 <p>national film and video foundation SOUTH AFRICA an agency of the Department of Arts and Culture</p>	National Film and Video Foundation Act, 1997	Funding for film and video industry.
Performing Arts Institutions	Artscape	 <p>ARTSCAPE an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	Staging of productions.
	Market Theatre Foundation	 <p>THE MARKET THEATRE FOUNDATION</p>	Cultural Institutions Act, 1998	

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
Performing Arts Institutions	Performing Arts Centre of the Free State	 <p>P·A·C·O·F·S PERFORMING ARTS CENTRE OF THE FREE STATE an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	Staging of productions.
	The Playhouse Company	 <p>The Playhouse Company Now that's entertainment! an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
	South African State Theatre	 <p>THE SOUTH AFRICAN STATE THEATRE an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
Museums	Afrikaanse Taalmuseum	 <p>Die Afrikaanse Taal museum & -monument 'n agentskap van die Departement van Kuns en Kultuur</p>	Cultural Institutions Act, 1998	Collections, conservation, research on collections, design of relevant exhibitions that will support the institution in its outreach educational and public programmes.

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
	Ditsong Museums of South Africa		Cultural Institutions Act, 1998	Collections, conservation, research on collections, design of relevant exhibitions that will support the institution in its outreach educational and public programmes.
	Freedom Park		Cultural Institutions Act, 1998	
	Iziko Museums of South Africa		Cultural Institutions Act, 1998	
	KwaZulu-Natal Museum		Cultural Institutions Act, 1998	

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
	Luthuli Museum	 <p>an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	Collections, conservation, research on collections, design of relevant exhibitions that will support the institution in its outreach educational and public programmes.
	National Museum	 <p>NATIONAL MUSEUM an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
	Nelson Mandela Museum	 <p>NELSON MANDELA MUSEUM an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
	Robben Island Museum	 <p>Robben Island MUSEUM</p>	Cultural Institutions Act, 1998	

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
	Amazwi South African Museum of Literature	 <p>an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	Collections, conservation, research on collections, design of relevant exhibitions that will support the institution in its outreach educational and public programmes.
	Voortrekker/ Msunduzi Museum	 <p>an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
	War Museum of the Boer Republics	 <p>an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
	William Humphreys Art Gallery	 <p>an agency of the Department of Arts and Culture</p>	Cultural Institutions Act, 1998	
Heritage	National Heritage Council	 <p>nhc National Heritage Council SOUTH AFRICA an agency of the Department of Arts and Culture</p>	National Heritage Council Act, 1999	Enhance knowledge production on heritage and ensure promotion and awareness of heritage.

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
	South African Heritage Resources Agency (SAHRA)		National Heritage Resources Act, 1999	Heritage conservation and management. Maximise the performance and effectiveness of SAHRA management and employees, implement good corporate governance.
Libraries	National Library of South Africa		National Library of South Africa Act, 1998	Collect, record, preserve and make available the national documentary heritage and promote an awareness and appreciation thereof by fostering information literacy, and by facilitating access to the country's information resources.
	South African Library for the Blind		South African Library for the Blind Act, 1998	Provides a national library and information service to serve blind and print-handicapped readers in South Africa by collecting, recording, providing access and bibliographic service to readers, to produce documents in Braille and audio and to preserve this heritage, to research standards and technology for the production of the material.

Sector focus	Name of institution	Logo	Founding legislation	Nature of operations/ primary outputs
Language	Pan South African Language Board (PanSALB)		Pan South African Language Board Act, 1995	Promote multilingualism in South Africa.

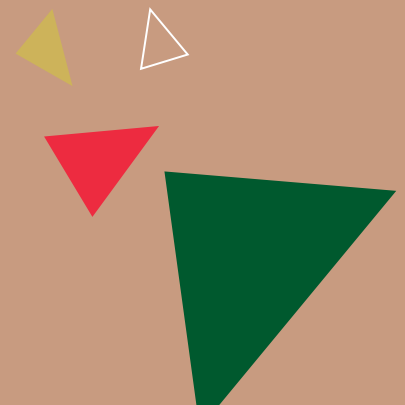


THEATRE
MUSIC
DANCE
VISUAL ARTS
ROCK ARTS
PHOTOGRAPHY
ARCHITECTURE
CRAFT
LITERATURE
FILM



PART
B

PROGRAMME
PERFORMANCE



2.1 AUDITOR-GENERAL'S REPORT ON PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 163 of the Report of the Auditor-General, published as Part E: Financial Information.

2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

Through policy development, the Department of Arts and Culture (DAC) seeks to bring about better conditions for the production, distribution and consumption of art, culture and heritage in order to yield greater economic and social benefits for our communities and the nation as a whole. The Department is adamant that by focusing its efforts on raising the profile of the creative sector and enhancing its contribution to the cultural life and economic development of our country, the national cultural landscape will change to better serve and benefit the arts community.

Moreover, as the country strives towards the National Development Plan vision of a diverse, socially cohesive society with a common national identity, the Department has been mandated to lead in the area of social cohesion, including promotion of a national cultural identity. Ours is to ensure that South Africans are more conscious of the things they have in common and not their differences. Furthermore, their lived experiences should progressively undermine and cut across the divisions of race, gender, disability, space and class.

2.2.1 PERFORMANCE TRENDS OVER THE PAST FIVE YEARS

The graph below provides an overview of the performance of the Department over the past five years. As depicted in the graph, there was a progressive improvement in the performance against predetermined objectives (annual targets) during the period 2015/16 to 2017/18. The improvement in performance can be, in part, attributed to setting of performance indicators and targets that are within the control of the Department; crafting of performance indicators and targets that are in line with the SMART principles; and the strengthening of internal systems and controls.

The subsequent decline in performance from the 2017/18 financial year can be attributed to our inability to maintain verification records to substantiate the achievement of some of our targets.

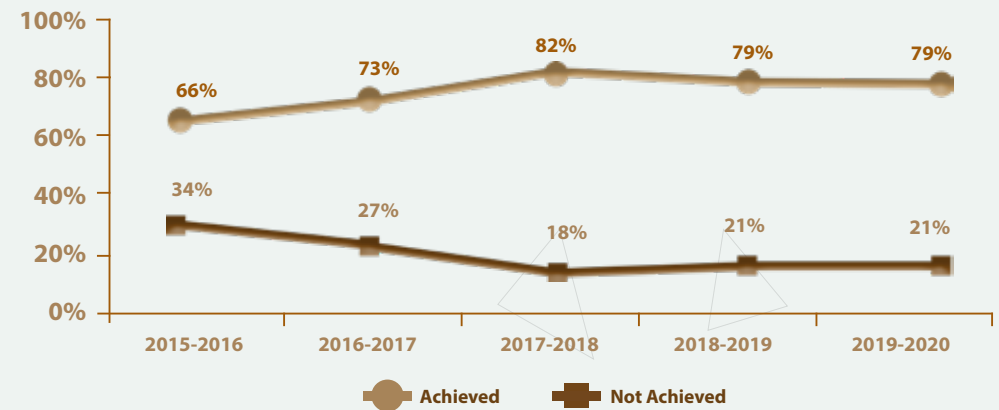


Figure 1: Departmental performance overview of the past five years

In the year under review, 1 April 2019–31 March 2020, the Department planned to achieve 38 targets. The chart below depicts that 30 targets, or 79% of the planned targets, were fully achieved at the end of the 2019/20 financial year.

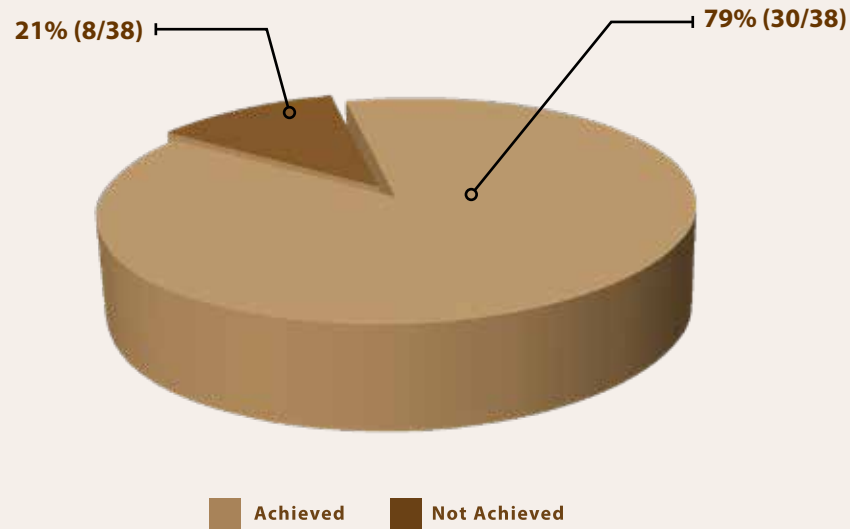


Figure 2: Departmental performance overview (predetermined objectives)

2.2.2 BRANCH-SPECIFIC PERFORMANCE

The Department is comprised of four branches, i.e. Administration, Institutional Governance, Arts and Culture Promotion and Development, and Heritage Promotion and Preservation. The graph below portrays the performance of each of the aforesaid branches.

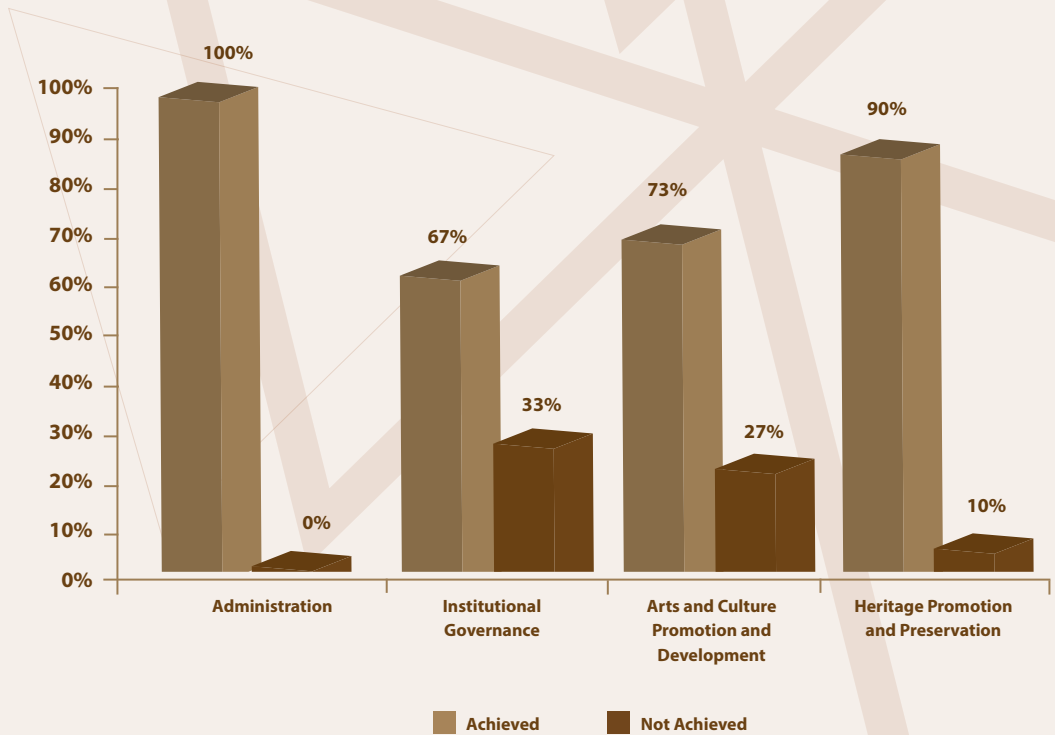


Figure 3: Programme-specific performance (predetermined objectives)

2.2.3 KEY HIGHLIGHTS

BUILDING SOCIAL COHESION THROUGH NATIONAL DAYS

The Public Holidays Act, 1994 (Act No. 36 of 1994), regulates to national public holidays in South Africa. In the period under review, the Department commemorated the national days as depicted in figure 4 below:

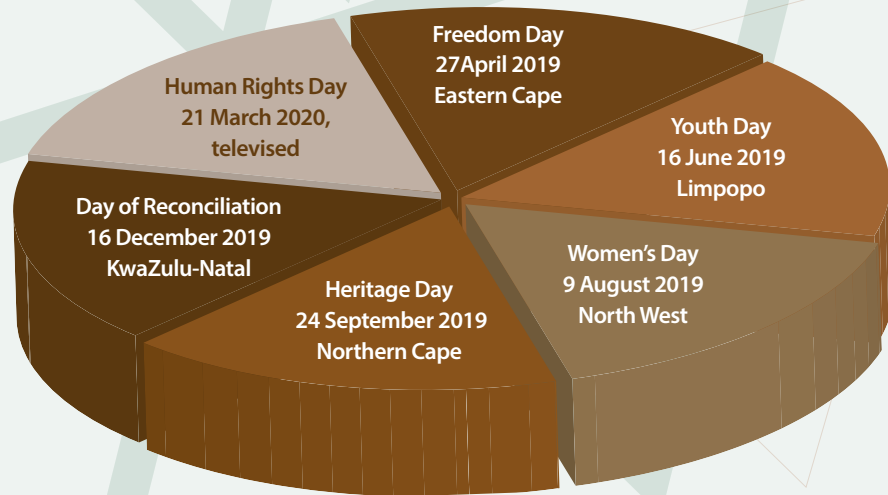


Figure 4: Provincial spread of national days

Unlike other national days, the 2020 Human Rights Day was commemorated through news and current affairs coverage, and programming coverage on SABC radio stations. This included coverage of the national address by the President of South Africa. Furthermore, Human Rights Day also benefited from a marketing campaign on SABC platforms (#CarrytheTorch). While the aim was to commemorate Human Rights Month in the usual extensive way, this year's coverage had to be muted as the country came under the grip of the COVID-19 pandemic.



President Cyril Ramaphosa delivering his Human Rights Day message

President Cyril Ramaphosa, in commemorating Human Rights Day, called on all South Africans to unite behind national efforts to curb and combat the spread of the COVID-19 pandemic. In his message the President stated that the nation observed Human Rights Day at an extraordinary time for the country and the world as we battle to contain the spread of the novel coronavirus, COVID-19.

The President announced that the theme for Human Rights Day 2020 was: "The year of unity, socio-economic renewal and nation building". He indicated that the threat posed by this formidable adversary (COVID-19) has compelled the country to take unprecedented steps to protect the most fundamental human right of all, the right to life. He further called to action all South Africans to play their part in ensuring the recovery of every citizen infected by the virus and the recovery of the economy from the deep effects of this global pandemic.

REHABILITATION OF INMATES: MARANG YOUTH DEVELOPMENT

In South Africa, prisons or correctional centres are viewed as places where punishment has to be imposed on those who committed crimes. However, the current government deemed it necessary to convert prisons into correctional centres, wherein offenders are afforded an opportunity to correct the mistakes that they have made and leave the facilities as rehabilitated individuals.

Through the Department, the Marang Youth Development project conducted workshops and presented a music festival for offenders and the community on 25 October 2019 at Thabo Mofutsanyane secure care centre, QwaQwa, Free State. A second event was hosted in the North West Province at Rustenburg correctional centre on 27 November 2019.



Proceedings at the Thabo Mofutsanyane secure care centre, Free State

GENDER-BASED VIOLENCE

The MPASA continues to use various communication and social media platforms to profile and promote key women both within the MPASA and externally that are doing phenomenal work within their respective sectors.

COMMUNITY CONVERSATIONS/DIALOGUES

The recent decade has seen the emergence of social discord, which is regarded as a social ill. In different societies, the challenge of peaceful coexistence in multireligious, multi-ethnic, sexually diverse societies faces an increasingly polarised ideological struggle over belonging and identity, linked with expressions of strong resistance against pluralistic models of society. As the Department entrusted with the promotion of social cohesion and nation building, the DAC hosts community conversations/dialogues as platforms to address the challenges confronting communities. The table below presents the geographical spread of community conversation/dialogue initiatives that were coordinated in the period under review:



Community conservation	Date	Venue	Theme	Reporting cycle
1. Freedom Month Dialogue	25 April 2019	Nelson Mandela University, Eastern Cape	Promoting the role of indigenous language	First quarter
2. Malelane Community Conversation	31 May 2019	Malelane , Mpumalanga	Promoting active citizenry and leadership through community engagement	
3. Youth Month Dialogue	13 June 2019	University of Limpopo, Limpopo	To promote healing and bridge the socio-historical gaps that exist within our societies	
4. Women's Day Dialogue	8 August 2019	Kismet Hall, Vryburg, North West	To allow women to engage with each other in intellectually stimulating debate	Second quarter
5. Heritage Month Dialogue	23 September 2019	Upington, Northern Cape	Promote diversity through cultural values and heritage	Third quarter
6. Mangaung Community Conversation	19 October 2019	Bloemfontein, Free State	Promoting active citizenry and leadership through community engagement	
7. Reconciliation Month Dialogue	12 December 2019	Circuit Management Centre, Bergville, KwaZulu-Natal	The Year of Indigenous Languages: Supporting Reconciliation through the Promotion, Development and Preservation of Indigenous Languages	Fourth quarter
8. Indigenous Language Seminar	21 February 2020	University of the Western Cape, Cape Town	Social cohesion and nation building community conversation	
9. Setsoto Social Cohesion Community Conversation	12 March 2020	Town Hall, Marquard, Free State	Social cohesion and nation building community conversation	

MORAL REGENERATION CONSULTATIVE WORKSHOP

The Department in conjunction with the Deputy President's Office conducted a Consultative Workshop on the Moral Regeneration Movement (MRM) in Benoni from 7-8 November 2019. The purpose of the workshop was to develop a programme of action to guide the work of the MRM in a manner that will influence the nature of the South African society and the trajectory it is taking as a nation.

There is consensus at Cabinet level that the moral regeneration effort must involve all key sectors of society, and not just government. In this regard, Deputy President David Mabuza, who is also the patron of the MRM, has undertaken to lead in the process of mobilising support for the MRM. To that end, a summit on moral regeneration is being planned and all stakeholders will be able to commit to the project at the summit.

However, it was felt that there needs to be systematic preparatory work towards the summit; hence, the stakeholder consultative workshop on moral regeneration. The workshop was officially opened by the Deputy Minister, Ncawu Mafu, who called on all sectors of society, particularly her colleagues in government departments, to make available human and financial resources to the MRM as the conscience of government. Currently, only the DAC provides funding to the MRM.

Comprehensive presentations on the status of the moral regeneration programme across all spheres of society were made, including inputs and suggestions by different stakeholders such as MRM representatives from provinces and Premiers' offices, civil society movements, government departments, social cohesion advocates, traditional leaders and Chapter 9 institutions. A task team composed of, among others, representatives from all provinces was formed and implemented.

INTERNATIONAL YEAR OF INDIGENOUS LANGUAGES

The year 2019 was declared as the International Year of Indigenous Languages by the United Nations Educational, Scientific and Cultural Organization (UNESCO). To put this declaration into effect, the Department, in partnership with the Pan South African Language Board (PanSALB), Gauteng Department of Sport, Arts, Culture and Recreation

and the Department of Basic Education, organised an Indigenous Languages Conference in October 2019, which was attended by all significant language stakeholders in the country and renowned academics from abroad. The Conference deliberated on pertinent language issues under broad topics such as Language in Education; Language and Technology; and Language, Culture and Identity. The aim of the Conference was to create awareness of reading, writing, and foster the development and promotion of the use of indigenous languages in all domains. The Conference focused on how the diversity of African languages reflects the rich philosophical thought and cultural heritage of Africa and attempted to advance and develop African languages in the present, including the advancement of cross-border languages. Key recommendations included:

- Advocating that announcements in public spaces (e.g. airports) be made in African Languages
- Addressing the decline in the academic study of African languages in institutions of higher learning, which is a threat to the future study of languages, literature, indigenous knowledge systems and cultures of South Africa
- Focusing on training teachers to teach African languages in African languages and skilling teachers in mother-tongue-based bilingual education and multilingual education.



Minister Nathi Mthethwa engaging the community during the Indigenous Languages conference, Gauteng

INTERNATIONAL MOTHER LANGUAGE DAY CELEBRATION

The focus on African (indigenous) languages continued, and in February 2020 the Department, in partnership with PanSALB and Kwa-Zulu Natal Department of Arts and Culture hosted an event in KwaZulu-Natal to celebrate International Mother Language Day and as the closing ceremony of the Year of Indigenous Languages. The celebration of International Mother Language Day was devoted to building peaceful, inclusive and sustainable societies through the promotion of “cross- border and shared languages”.

AFRICA MONTH COLLOQUIA

For the fifth year in succession, the Africa Month lecture took place in honour of the founding of the Organisation of African Unity. The 2019 keynote speaker was Linton Kwesi Johnson, a Jamaican poet and activist, who spoke in Soweto to a full house. His address celebrated the lives of the legends of African literature, paying special tribute to James Matthews, Sindiwe Magona and Don Mattera. He pointed out that South African literature has bequeathed the world a sense of the culture of freedom. In 2020, a collection of the main lectures of the Africa month programme will be compiled into a publication for local and international distribution.

INNOVATION HUBS

The year 2019 saw the advent of new initiatives of the Department to meet the needs of new times and new technologies through laying the foundations for innovation hubs. The development of creative industries accelerates the urban economy and creates new pathways of economic development.

A new initiative is the conceptualisation of Smart Community Arts Centres as innovative hubs for reskilling and information and communications technology (ICT) training, and boosting local content through adopting new technologies and establishing and using digital platforms for creatives (production, writing, music, animation and content creation). This involves identifying nine centres of excellence in each province and transforming them into digitally enabled centres with the requisite infrastructure and Internet and data access.

Further specialisation would involve virtual reality workshops/labs for documentary stories and short film production. The piloting of reading and digital reading programmes at Smart Community Arts Centres to develop critical thinking skills and boost the production of South African stories and literature will be coupled with more intensive distribution of African literary classics and other texts.

The year 2019 also saw the conceptualisation of the publishing hub, which seeks to bring writers, editors and publishers together to turn South African narratives into books and develop audiences. In 2020, 12 research and book projects will be supported through this initiative. These include books on South African world heritage and culture, autobiographies by South African women, a stage play, children’s and youth literature.

ART BANK SOUTH AFRICA

Through the National Art Bank, a coffee-table book has been produced to showcase artists whose works are part of the Art Bank collection. The forthcoming period will see a digital and interactive version of the book in order to reach wider audiences and create more market access.

SUPPORT FOR FILM INDUSTRY

- In 2019, special emphasis was placed on development and investment in the film industry to realise the full economic potential of the industry.
- Interventions will be premised on the key instruments/recommendations arising from the inaugural national film summit held in 2019, where a five-year agenda for the film sector was outlined.
- Some of elements of the agenda include the transformation charter/sector codes and bargaining council; policy, legislation review and attention to intellectual property (IP) regime; a black industrialists programme; audience development and stimulation; mobile economy opportunities; private investment stimulation; establishment of film/audio visual fund innovation hubs; advocacy; marketing and distribution support; and skills and infrastructure.

SUPPORT FOR YOUTH IN THE ARTS

Debut Fund Programme for Emerging Entrepreneurs – This programme is undertaken in partnership with Business Arts South Africa (BASA) and provides early stage and start-up capital to emerging cultural young entrepreneurs across the country. The programme will be broadened in the 2020/21 financial year and further designed to assist in activating sponsorship for a cross-section of arts projects in different regions of the country.

MZANSI GOLDEN ECONOMY

The Mzansi Golden Economy (MGE) programme permeates all sectors of society. Improvements have been made to ensure that the neediest communities in remote provinces, towns and villages benefit from the MGE.

In this reporting period, the Isiko foundation hosted a music, art and cultural heritage festival, which included a business skills development workshop and a soccer tournament, in Limpopo, Malamulele on 25 May 2019. The people of Limpopo celebrated their colourful culture and recognised young talented individuals who take pride in their heritage. The cultural music festival is an annual event that uplifts the artists and people of South Africa by providing a platform for the people of Limpopo to showcase and promote South Africa's rich cultural and natural heritage. The festival was focused on edutainment (education through entertainment); the soccer tournament was held at Saselamani Stadium on 26 May 2019.

Traditional cultural events allow the people of South Africa to come together and celebrate unity by embracing the rich traditions and cultural spirit in their communities. The Isiko foundation is still upholding the Collins Chabane Legacy with the support of the DAC by hosting the Annual Collins Chabane Cultural Heritage Festival.

In June 2019, the Xela Fashion Academy held a traditional arts, fashion and craft event in the Emnotweni Arena, Nelspruit, Mpumalanga. The objective of the event was to create access, skills exchange and networking between young and established designers.

In addition, the event gave young designers and crafters more confidence in their products.

The programme included the following ratio of designers, crafters and artisans: three African, nine national and seven from Mpumalanga. These designers, crafters and artisans manufactured arts and craft products ranging from jewellery, household furniture made out of galvanized wire, accessories, shoes, bags, leather belts, traditional attires to Ndebele blankets.

The target market was people who appreciate handmade products and its artistic flair, and the uniqueness that comes with it because of the unique culture. The arts and craft exhibitions were able to attract and hold visitors attention, especially the colours and items such as paintings, woven baskets, traditional attires and jewellery made out of beads. The event was a success with the support and funding from the DAC and it boosted the local economy of the province because about 80% of the service providers were from the province.



Proceedings at the Xela Fashion Academy fashion show, Mpumalanga

Furthermore, the 5th Azibuyele Emasisweni Annual Cultural Event was held on 19 October 2019 at the Zikhali Royal Residence, Mbazwana, northern KwaZulu-Natal. The local communities and Amabutho were invited. The event attracted +/- 10 000 people from KwaZulu-Natal, the Eastern Cape, Limpopo and Eswatini (Swaziland), and leaders of the traditional royal house. On the day of the event, the cultural parade created a hype and was a celebration of our heritage.

The line-up of the event included the Amabutho tribe from Izigodi (Umkhanyakude rural district) who performed traditional songs and dances, traditional dances by local professional artists, poetry and cultural music. Inkosi Zikhali was given the opportunity to reflect and address the current economic development, social cohesion and issues in the Mbazwana area. This annual event brought social and economic improvement by providing job opportunities to the community of Mbazwana in northern KwaZulu-Natal.

LANGUAGE BURSARY PROGRAMME

In recognition of the historically diminished use and status of indigenous languages, section 6(2) of the Constitution of the Republic of South Africa, 1996, obliges the State to take practical and positive measures to elevate the status and advance the use of these languages. In this regard, the Department provides bursaries to students studying official South African languages at various institutions of higher learning, with emphasis on previously marginalised languages. The scholarship remains a critical pillar in advancing the lives of young people. The Department partnered with the following universities over the previous five years: University of Venda, University of Limpopo, University of the Witwatersrand, North-West University, Nelson Mandela University, University of South Africa, University of the Western Cape, and the University of Zululand.

This programme contributes towards skills development through recruitment of youth in the language profession. The Department will continue to offer language bursaries to students to ensure that government and other institutions have qualified and professional staff to work in the language field. A total of 458 bursaries were awarded in the period under review. The figure below depicts the geographical distribution of language bursaries awarded per institution.

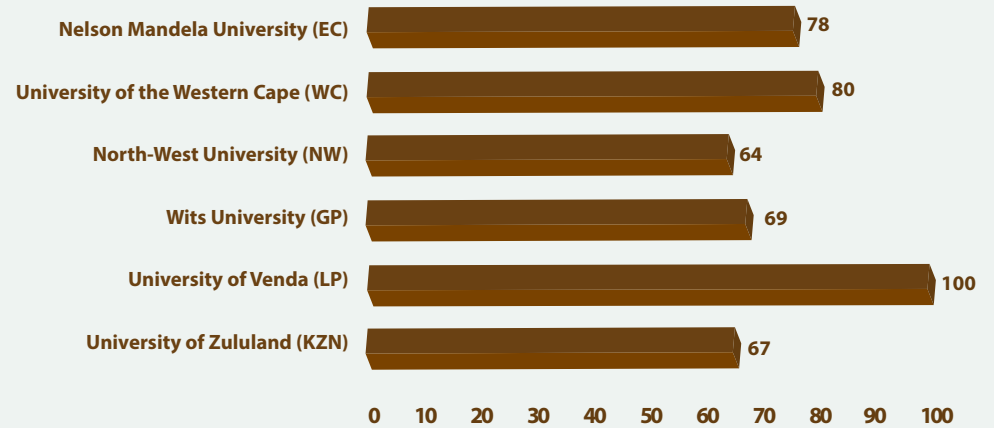


Figure 5: Number of language bursaries awarded per institution

The Department will continue awarding language bursaries to previously disadvantaged individuals, with more emphasis on previously marginalised languages and South African Sign Language. Financial resources, i.e. more budget to be allocated to the bursary scheme, will be requested from the National Treasury.

AFRICA CENTURY INTERNATIONAL AFRICAN WRITERS CONFERENCE AND THE SOUTH AFRICAN LITERARY AWARDS

On 7 November 2019, the Department, in partnership with the wRite Associates, held the 7th Africa Century International African Writers Conference and the 14th South African Literary Awards at the Ditsong Museum. The date, 7 November, marks a day where South African writers are recognised, appreciated and celebrated as part of International African Writers' Day. The event was divided into two sessions, a conference and an awards ceremony.

During the conference, Prof. Mandla Makhanya, who is the Principal and Vice Chancellor at the University of South Africa, delivered a speech under the theme: "Africa Writing in Tongues: Towards Social, Political, Heritage and Cultural Justice – Celebrating UNESCO's International Year of Indigenous Languages". A total of 28 writers were nominated in 13 categories for the 2019 South African Literary Awards (SALA). Each winner received a trophy and a certificate, and the runners-up received certificates. SALA pays tribute to South African writers, producers and creators of literature and celebrates literary excellence in portraying and sharing of South Africa's histories, values systems and philosophies.

LIVING HUMAN TREASURES BOOKS PUBLISHED

The rich knowledge, skills and techniques of Africa have been neglected and do not enjoy the parity of esteem accorded to the Western and Asian knowledge systems that form the basis of the world's science, technology, education and cultural landscapes. As part of South Africa's attempt to raise the profile and wider appreciation of the country's rich and diverse indigenous knowledge, the DAC has commissioned the writing and publishing of two books in each financial year profiling indigenous knowledge holders. The profiles of Ouma Katrina Esau and Gogo Madosini Mpahleni, who possess rare knowledge and skills that would otherwise not have been preserved for future generations to enjoy, were prioritised in the 2019/20 financial year.

Below is a summary of the profile for each living human treasure:

- Ouma Katrina Esau is a proponent of the preservation of the cultural traditions and language of the NUU/ people, who are part of the Khoisan communities, who live in the Kalahari Desert in the Northern Cape. The NUU/ language is only spoken by very few elderly citizens. Ouma Katrina teaches the young people of Rosedale in Upington the language and the culture of the NUU/ people. The book titled "Speaking for NUU/" details her work in the conservation of this dying language and culture.
- Gogo Madosini Mpahleni is an elderly musician who makes and plays the umrhubhe and uhadi, which are indigenous music instruments. She also plays the isitolotolo, which is a jaw harp made from steel. Gogo Madosini has performed her music to both South African and international audiences and is one of a few South Africans who can play the uhadi and umrhubhe. The book titled "Sounds of the land" details her life and journey as an indigenous musician in South Africa and her struggle to derive a livelihood from her trade

The living human treasures documentation project will go a long way in ensuring that South Africa's vast and diverse indigenous knowledge is documented for future generations to enjoy. The commissioning of books on indigenous knowledge systems (IKS) will also assist our knowledge holders to derive an income and earn a livelihood from their knowledge and craft without being exploited by intermediaries.

LAUNCH OF THE GENERAL HASHIM MBITA PUBLICATION

As part of implementing one of the resolutions of the March 2018 Southern African Ministerial Roundtable on the Roads to Independence: African Liberation Heritage Programme, the Department procured the Hashim Mbita Publication, which was received in March 2019. The publication is quite voluminous and the Department is in the process of determining how the content can be analysed, unpacked, popularised and made more accessible to South Africans, the South African Development Community (SADC) and Africa at large.

It comprises nine volumes that document the history of the liberation struggle, which sought to end colonial rule in Southern Africa.

The publication presents events and stories of Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. In addition to these countries, the research covers the contributions of countries and organisations outside of the SADC Region that played a key role in aiding the liberation movements in Southern Africa. This is done with an understanding of the need to make the history of the Southern African liberation struggle known by making documentation about the struggle accessible to all, and the imperative to cultivate Pan-Africanism and an Afrocentric view of the significance of the struggle.

DIGITISATION OF THE RECORDS OF THE CONVENTION FOR A DEMOCRATIC SOUTH AFRICA

The constitutional development process for South Africa started with the Convention for a Democratic South Africa (CODESA) engagements, which began on 21 December 1991 at the World Trade Centre in Johannesburg (CODESA 1). The process continued into a second phase (CODESA 2) which began on 15 May 1992. The CODESA collection gives insight into the democratic journey of the country. The Department is the custodian of cultural heritage material and is responsible for providing access to archival resources.

The CODESA records are fragile and some are illegible; to date, 37 796 paper records of CODESA have been collected. The process of digitisation brings these records to life and enables the public to engage with them without restriction. Original records can only be accessed at the National Archives and Records Service of South Africa (NARSSA), but once digitised, these records will be available and accessible via the Internet.

COMMUNITY LIBRARIES PROGRAMME

The National Treasury has allocated R1,5 billion in the 2019/20 financial year towards the grant for community libraries.

The funds are used for infrastructure projects, purchasing of library material, information

and communication technologies infrastructure and equipment, compensation of employees, establishment of services for the visually impaired and reading programmes.

All newly built and/or modular libraries have been supported financially in the first quarter of the financial year. Below is the geographical spread of community libraries supported in the period under review.

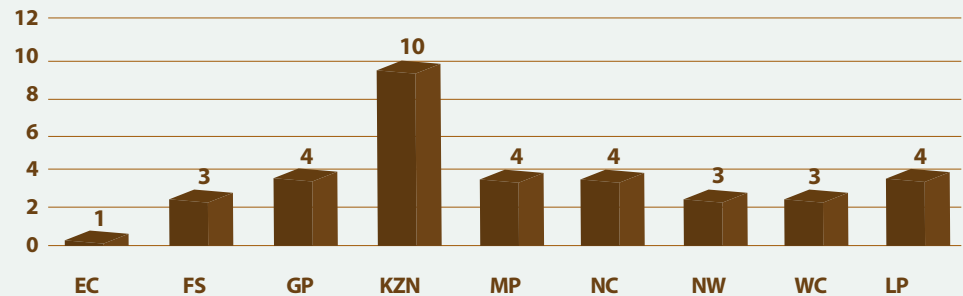


Figure 6: Community libraries financially supported in 2019/20

AFRICAN WORLD HERITAGE FUND ADVOCACY EVENT

The African World Heritage Fund (AWHF) was launched in 2006 in South Africa following a joint initiative by the African Union (AU) and UNESCO. Its mandate is to support African states in the implementation of the UNESCO World Heritage Convention. The strategic objective of the AWHF is to establish an endowment fund of 25 million US\$ that will be invested and the returns will be used to finance the operations and programmes of the organisation. For that purpose, African and non-African states have to contribute financially. Since 2007, when the AWHF started its programmes, about 30 countries (including 20 African countries) have provided financial support amounting to approximately 15 000 US\$, including 40% invested in the endowment fund.

Since its creation, the AWHF has strived to champion the challenges faced by many African countries in the implementation of the 1972 World Heritage Convention, specifically the underrepresentation of African sites on the World Heritage List and constraints related to effective conservation and management of World Heritage properties.

The AWHF has also strived to identify conditions that will allow World Heritage Sites to play a catalytic role in socio-economic growth and infrastructure development in Africa. Thus, the AWHF has gradually consolidated its strategic position on the continent, thanks to its capacity building programmes and professional networks.

On 9 February 2020, the AWHF hosted an advocacy event that was held on the sidelines of the African Union Heads of State Summit in Addis Ababa, Ethiopia. The event was hosted by His Excellency Ibrahim Boubacar Keita, President of the Republic of Mali and AU Champion for Arts, Culture and Heritage. The event was attended by the African Union Commission Chairperson and 12 other African Heads of States. His Excellency Ibrahim Boubacar Keita, President of the Republic of Mali and AU Champion for Arts, Culture and Heritage, together with His Excellency Cyril Ramaphosa, President of the Republic of South Africa and Chairperson of the Africa Union, have agreed to host a donors fundraising event for Africa's natural and cultural sites of outstanding universal value in January or February 2021.

The proposed event is in line with the Agenda 2063: The Africa We Want. Furthermore, it came at the right moment in a context where, in spite of efforts made, the initial strategic objective of 25 million US\$ has not been achieved yet. This situation can be explained by the global economic crisis having had a negative impact on the commitments made by various governments. In addition, operational challenges have jeopardised the fulfilment of pledges by some African countries. The fundraising event is one step towards reinforcing the AWHF's resources and consolidating its fundraising strategy, and marked a key step for the entry into force of the Charter for African Cultural Renaissance, a strategic framework for the expression and development of the African culture

MONUMENTAL FLAG STUDY VISIT TO SHEBOYGAN, UNITED STATES OF AMERICA

The DAC is tasked with leading the Social Cohesion and Nation Building project. The national symbols, especially the flag, are seen as vital instruments that play a pivotal role in the unification of our nation.

The flag, being the symbol of national identity, is to be promoted among all citizens. The #IAMTHEFLAG project involves a number of activities, some of which involve the promotion of the flag. One of the ways to popularise the flag is to make it a national monument where cultural and commemorative activities can take place.

The establishment of the Monumental Flag project is still at an initial stage. Activities undertaken at this stage include the commissioning of a feasibility study, and study visits to selected countries where monumental flags are flown. Delegates from the Department visited Sheboygan from 3-7 March 2020 where a monumental flag is flown. The delegation gathered a lot of crucial information to shape the proposed South African Monumental Flag project, including lessons to be learned from Sheboygan, challenges to be avoided and some technical issues to be included in the compilation of the project specifications.

FEASIBILITY STUDY ON THE ESTABLISHMENT OF THE RESISTANCE AND LIBERATION MOVEMENT MUSEUM

Although many heritage institutions linked to the resistance and liberation struggle have been established after 1994 in various parts of the country and even outside South Africa, none of these institutions focus on the resistance and liberation struggle as a whole. Their focus is either on specific elements of the resistance and liberation struggle or includes the resistance and liberation struggle as one of a number of components in a broader narrative. Some of these institutions include the Robben Island Museum, Apartheid Museum and Freedom Park.

The Resistance and Liberation Movement Museum (RLMM) is being established as a subproject of a larger project led by the DAC, i.e. the Resistance and Liberation Heritage Route (RLHR). The RLHR is a national legacy project that contributes to the transformation of the South African heritage narrative and landscape. Through the project, we will identify, document, conserve and manage a series of heritage elements (both tangible and intangible) that present evidence of a common narrative, memory and experiences relating to the resistance and liberation struggle in South Africa.

Further, the project will recognise and infuse local, provincial, national and transnational initiatives and spaces that should be included as part of the resistance and liberation heritage. Key components of the RLMM will include a detailed exposition of the horrors and atrocities of colonialism and apartheid, with a focus on resistance, healing, democratisation, reconciliation and the establishment of a non-racial, non-sexist, democratic society.

In the year under review, the Department conducted and completed a feasibility study on the establishment of the RLMM as a central element of the RLHR. The study investigated the following governance options for the RLMM:

- Option 1: Government funded model – operated in-house by museum staff
- Option 2: Government owned and funded – operated by a non-profit or for-profit company (private operator)
- Option 3: Public-private partnership (PPP) model.

According to the recommendations stated in the feasibility study, the Department was advised to adopt option 2. This will allow the museum to operate like a lifestyle centre and will include several other compatible amenities.

COLLECTIONS CARE MANAGEMENT ASSESSMENT OF NATIONAL AND PROVINCIAL ARCHIVES

The NARSSA created the National and Provincial Heads of Archives Forum (NPHAF) where matters pertaining to archival management are discussed. Further, the NARSSA conducted a collections care management assessment of all nine provincial archives and the NARSSA. The aim of this assessment was to determine the state of collections care in archival institutions and to identify areas where intervention may be needed. The assessment was done using an international benchmarking tool to get a clear picture of how archives in South Africa were performing in line with international standards.

Based on the findings of the assessment, it was clear that archives have major challenges such as infrastructure, skills and budget.

It was also clear that the best way to address archival challenges was collaboration between provincial and national archival institutions. There is a need for these assessments to be conducted periodically to measure the success or failure of intervention measures put in place to respond to the gaps identified.

ANNUAL LIBRARY AND INFORMATION ASSOCIATION OF SOUTH AFRICA CONFERENCE

The Annual Library and Information Association of South Africa (LIASA) Conference is a highlight on the calendar for LIASA members and a catalyst in stimulating professionalism and improved library services as well as the exchange of knowledge and innovative ideas between the library and information professionals in all sectors. It offers a valuable forum to meet, network and find strategies and solutions to issues relating to library and information services provision and access to information in all formats. The annual LIASA conferences serve as a platform for sharing of ideas and benchmarking among library practitioners on various subjects in relation to the development, preservation, protection and promotion of the documentary and literary heritage of the country.

The 2019 Conference was held from 30 September to 4 October 2019 at the Durban International Convention Centre under the theme: “Libraries: the butterfly effect”. The Department supported the hosting of the Conference financially. The Annual LIASA Conference is one of the highlights on the calendar for LIASA members, partners and all library workers. Approximately 700 delegates attended the Conference and a number of speakers (national, international and continental) presented papers.

MINISTERIAL ROUNDTABLE ON INFORMATION ACCESS

Since 2015, the African ministers responsible for the provision of library and information services have held meetings to discuss the status of libraries and implementation of the access to information agenda.

The African ministers committed to provide the necessary resources for the development of African libraries to respond to modern day challenges and provide access to emerging technologies; encourage the establishment of institutional partnerships between libraries in the continent for exchange of knowledge and experiences; fast-track implementation of continental innovative strategies to improve ICT and knowledge management; encourage the implementation of fair and balanced copyright laws to facilitate access to information for all; and committed to meet regularly, among others.

The African Library and Information Associations and Institutions (AFLIA) is an independent international not-for-profit organisation that pursues the interests of library and information associations, library and information services, librarians and information workers and the communities they serve in Africa. AFLIA monitors the implementation of

the declarations by African countries in the library and information services sector and pursues some of the clauses as it is empowered to do as an association. The Republic of Ghana hosted the 2019 African Ministerial Meeting at Labadi Beach Hotel, Accra from 28–30 October 2019. The theme for the meeting was: "Libraries on the African Development Agenda". The purpose of the African ministerial meetings is to profile the impact of library and information services on the continent as hubs of innovation and to raise awareness of the continent's library and information sector as a provider of access to information to all citizens. A total of 14 Ministers from Angola, Burkina Faso, Cameroon, the Central African Republic, Ghana, Guinea-Bissau, Kenya, Lesotho, Malawi, Nigeria, Senegal, South Africa, Uganda and Zimbabwe attended the ministerial meeting, and the other countries sent representatives. The Ghana Declaration was adopted and signed. AFLIA will continue to monitor progress on the 2015, 2018 and 2019 declarations and facilitate the hosting of the next ministerial meeting.



2.3 OVERVIEW OF ORGANISATIONAL ENVIRONMENT

Human resources are the DAC's most important asset and its competitive advantage in the sustenance of its brand image and achievement of organisational goals and objectives. It was for this reason that the Department undertook to finalise the organisational review exercise that was started in the 2018/19 financial year. The purpose of the exercise was to determine the ideal organisational structure; current placement of staff against the ideal structure (and answering the question of whether people are correctly placed) and structure linked to the current Compensation of Employees (COE) budget provision; alignment of strategy and functions with the organisational structure; function review and streamlining to eliminate duplication and wastage of resources; business process mapping (core and support business processes) and development of standard operating procedure (SOPs), high-level value chains and process flows; review of the service delivery model, operating model and financing model to ensure alignment with the organisational structure.

The Government Technical Advisory Council (GTAC), under the authority of the National Treasury, was appointed in November 2017 to assist the Department with the organisational review exercise. The terms of reference included the following objectives: DAC's strategy and functions to be aligned to its legislative mandate, a service delivery model that ensures effective and efficient delivery of the DAC's functions to be developed, business process maps that are aligned to the service delivery model to be developed, DAC's organisational structure to be aligned to the service delivery model, job descriptions to reflect the requirements of the improved service delivery model, skills to be placed in the right jobs in the DAC, a medium-term expenditure framework (MTEF) budget for COE budget to be produced, a work plan for the implementation of the revised structure and service delivery model and a change management intervention to be developed.

On 29 May 2019, the President of the Republic of South Africa, Mr Cyril Ramaphosa, announced a new Cabinet, including the reconfiguration of some government departments.

Consequently, the Department was merged with the Department of Sport and Recreation South Africa (SRSA) with effect from 1 April 2020. The merger had an effect on the organisational review process. It would not have been constructive to continue with the Department's organisational review without taking into account the repercussion of the merger. A decision was therefore taken to put the organisational review on hold until the merger is finalised. The recommendations received from GTAC so far will be considered when the process is resumed.

In line with the decision to merge the DAC and SRSA, including the terms of reference as prescribed by the National Macro Organisation of Government, a start-up structure for the new department was developed and approved by the Minister of Sport, Arts and Culture in November 2019. The start-up structure was meant to operationalise the new Department.

The new Department has subsequently conducted its first sectorial strategic planning session in September 2019 to define the new vision of the Department and to guide the process of merging the programmes of the former DAC and SRSA. Further, the new Department will embark on an organisational review process to determine the ideal structure that would allow it to effectively achieve its mandate. The outcomes of this process will be used to develop a compelling case to lobby for additional funding under the COE budget, should it be necessary.

Regulation 18(5) of the Public Service Regulations, 2016, requires that senior management service (SMS), medium management service (MMS), occupation specific dispensation (OSD) employees, ethics officers, employees in Supply Chain Management (SCM) and Finance, and all designated employees in all categories disclose their financial interests. The DAC maintained 100% compliance with the financial disclosure requirements for all designated employees in all categories required to disclose for the 2019/20 financial year. In addition, the Department maintained a 100% resolution rate for addressing service delivery complaints logged at the Presidential Hotline for the 2019/20 financial year.

Rule 146(1) of Parliament relating to parliamentary questions and how Cabinet members should handle questions from members of the Legislature has reference. The Deputy President and Leader of Government Business (LOGB), David Mabuza, congratulated all members of the Ministry of Sport, Arts and Culture (MSAC), and the officials of the DAC for responding to all parliamentary questions in the 2019/20 financial period.

The Batho Pele principles direct departments to be constantly in touch with the citizens they serve. To this end, the DAC hosted a total of 20 izimbizo to engage with arts, culture and heritage practitioners on the quality of services delivered by the Department, and to get feedback on areas where the Department was not performing well. For example, the Social Cohesion Youth Dialogue that took place at the University of Limpopo on 13 June

2019, as part of the programme of activities leading to the Youth Day Commemoration, provided a platform and an opportunity to discuss issues that affect young people and propose solutions that will improve their lives and future aspirations. Another platform was hosted on 8 August 2019 in Vryburg where women came together to discuss issues that affect them in the society. Gender parity is the focus area for government. For generations, women (especially black women) have carried the greatest burden of apartheid dispossession and deliberate underdevelopment. In her keynote address, the Deputy Minister, Nocawe Mafu, remarked that the most important thing to note about the 1956 women's march was that they understood that South Africa could only move forward and be liberated if women were united and understood what social cohesion was about.



2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

2.4.1 CABINET-APPROVED POLICIES

REVISED WHITE PAPER

The Department revised the 1996 White Paper on Arts Culture and Heritage (ACH) and submitted it to Cabinet for consideration and approval during the reporting period. The rationale for the revision was to consolidate the democratic dispensation established for the sector in 1996 and to reposition it to effectively accelerate transformation by addressing shortcomings and integrating it into national and international policies with a direct bearing on the sector.

These include the National Development Plan 2030 (2011); National Strategy for Social Cohesion and Nation Building (2011); UNESCO Declaration of Cultural Diversity (2001); Convention for the Safeguarding of the Intangible Cultural Heritage (2003); Charter for African Cultural Renaissance (2006), Convention on the Protection and Promotion of the Diversity of Cultural Expression (2005) and the African Union's Agenda 2063 (2014). The revised White Paper also revokes elements of the 1996 White Paper on Arts, Culture and Heritage that is outdated and out of sync with the present political and sector approach to developing the cultural and creative industries and increasing its contribution to addressing the country's triple challenges of unemployment, poverty and inequality.

SOUTH AFRICAN PUBLIC LIBRARY AND INFORMATION SERVICES BILL

The South African Public Library and Information Services Bill (SAPLIS), 2019, aims to provide a framework of measures to redress the inequalities in the provision of public library and information services (LIS) and to establish essential norms and standards for the provision of LIS in South Africa. The Bill requires the Minister to issue national norms and standards for the provision of LIS. The implementation of the norms and standards will have serious financial implications for all spheres of government that are involved in managing, funding and delivering LIS. Based on the financial implications, and after consulting with the National Treasury, it was not practical in the short to medium term to implement the Bill. The Department informed Cabinet about the proposal to delay the Bill by at least three years based on the current financial status of government.

2.5 PERFORMANCE PER PROGRAMME

2.5.1 PROGRAMME 1: ADMINISTRATION

PURPOSE OF THE PROGRAMME

Programme 1 provides leadership to the organisation to achieve its strategic objectives and to deliver high quality public services. The different Directorates bring together a range of corporate functions that work together collectively and consistently to help the Department to plan ahead by offering expert knowledge, professional advice and effective internal controls. It also has a coordinating role in standardising governance and accountability oversight across the Department.

THE ADMINISTRATION PROGRAMME CONTRIBUTES TO THE FOLLOWING STRATEGIC OBJECTIVES:

- To develop, protect and promote the cultural and creative sector
- To develop, preserve, protect and promote heritage
- To develop and promote the official languages
- To build relationships and partnerships locally and internationally
- To provide access to information
- To implement sound financial management and control systems
- To lead, coordinate and implement social cohesion programmes
- To build human resource capacity and promote excellence

KEY SUBPROGRAMMES

The Administration Branch is organised to carry out its work according to the following subprogrammes:

- Ministry
- Management
- Corporate Services
- Office of the Chief Financial Officer
- Office Accommodation



Achieved	Not achieved
100% (5/5)	0% (0/5)

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
STRATEGIC GOAL 1: A TRANSFORMED AND PRODUCTIVE ACH SECTOR								
To develop, protect and promote the cultural and creative sector To develop, preserve, protect and promote heritage To develop and promote the official languages To build relationships and partnerships locally and internationally	No. of communication and marketing campaigns implemented to profile the Department	CS 1	8	7	7 communication and marketing campaigns were implemented to profile the Department	<ul style="list-style-type: none"> Plans Approved reports 	-	On 15 March 2020, the President declared a state of disaster, including a limit on the number of people allowed to attend meetings or gathering, due to the COVID-19 Pandemic; therefore, Human Rights Day had to be commemorated differently than usual
To provide access to information	No. of services modernised (processes automated)	CS 2	3	2	2 services were modernised (processes automated) as follows:	<ul style="list-style-type: none"> Plans Approved reports 	-	-

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
					<ul style="list-style-type: none"> Phase 2: Grant management system Phase 2: National Automated Archival Information Retrieval System (NAAIRS) 			
STRATEGIC GOAL 3: AN EFFECTIVE AND EFFICIENT ACH SECTOR								
To implement sound financial management and control systems	% of total value of procurement awarded to BBBEE-compliant service providers	CS 3	77,86%	>70%	70,65% of total value of procurement was awarded to BBBEE-compliant service providers	<ul style="list-style-type: none"> Approved reports Sample of top 20 CSD reports 	+0,65%	More contracts were awarded to BBBEE-compliant service providers
STRATEGIC GOAL 2: AN INTEGRATED AND INCLUSIVE SOCIETY								
To lead, coordinate and implement social cohesion programmes	No. of Izimbizo held	CS 4	38	20	20 Izimbizo were held	<ul style="list-style-type: none"> Approved reports Photographic images 	-	-
STRATEGIC GOAL 4: A PROFESSIONAL AND CAPACITATED ACH SECTOR								
To build human resource capacity and promote excellence	Maintain <10% vacancy rate in the DAC	CS 5	-	Maintain <10%	7,74% vacancy rate was achieved	<ul style="list-style-type: none"> Approved workforce profile Report Approved organisational structure 	+2,26	-

2.5.2 PROGRAMME 2: INSTITUTIONAL GOVERNANCE

PURPOSE OF THE PROGRAMME

To coordinate and manage all crosscutting functions of the Department and its public entities, and to provide support and oversight to these public entities.

THE INSTITUTIONAL GOVERNANCE PROGRAMME CONTRIBUTES TO THE FOLLOWING STRATEGIC OBJECTIVES:

- To drive integrated outcomes-based research, planning, monitoring and evaluation across the Sector
- To create a coherent policy and legislative environment for the ACH Sector

- To build relationships and partnerships locally and internationally
- To lead, coordinate and implement social cohesion programmes

KEY SUBPROGRAMMES

The Institutional Governance Branch is organised to carry out its work according to the following subprogrammes:

- International Relations
- Social Cohesion, Nation Building and Target Groups
- Coordination, Monitoring & Evaluation, and Good Governance



Achieved	Not achieved
67% (8/12)	33% (4/12)

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
STRATEGIC GOAL 3: AN EFFECTIVE AND EFFICIENT ACH SECTOR								
To drive integrated outcomes-based research, planning, monitoring and evaluation across the Sector	No. of departmental and entities' performance information reports/ documents approved	IG 1	15	14	10 departmental and 4 entities performance information reports/ documents were approved as follows: <ul style="list-style-type: none"> • 4 consolidated quarterly reports on performance of public entities • 4 DAC quarterly performance reports • 1 DSAC 2020/25 strategic plan • 1 DSAC 2020/21 APP • 1 DAC 2019/20 operational plan • 1 DAC 2018/19 annual report • 2 Outcome 14 reports 	<ul style="list-style-type: none"> • Quarterly Outcome 14 reports approved by the DG • Quarterly performance reports approved by the DG • Submission approved by the Minister, tabling letter and copy of approved annual report • Submission on quarterly performance analysis approved by the Minister • Submission approved by the Minister, tabling letter and copy of approved strategic plan and APP • Operational plan approved by the DG 	-	-

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
To create a coherent policy and legislative environment for the ACH Sector	No. of governance tools implemented for DAC public entities	IG 2	Governance framework was approved by the DG on 28 March 2019	5	5 governance tools were implemented for DAC public entities	<ul style="list-style-type: none"> • Approved submission • Appointment letters • Proof of acceptance • Invitations • Agendas • Attendance registers • Induction and training manuals • Assessment forms 	-	-
	No. of CEO's forums held	IG 3	2	2	1 CEO's forum was held	<ul style="list-style-type: none"> • Invitations • Agenda • Attendance register • Minutes 	-1	Due to competing priorities in the Chairperson's diary, the meeting scheduled for February was postponed to 27 March 2020, however, as a result of the national lockdown, the scheduled meeting could not take place and was instead convened on 23 April 2020

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	Approved feasibility and due diligence report on amalgamation of DAC public entities	IG 4	Consultations with entities were conducted during the fourth quarter, which culminated in an interim report that was submitted to the DAC on 29 March 2019	Approved feasibility and due diligence report on amalgamation of DAC public entities	The feasibility and due diligence report on amalgamation of DAC public entities was approved by the DG on 31 March 2020	<ul style="list-style-type: none"> • Invitations • Agenda • Minutes • Attendance registers • Approved submissions • Reports 	-	-
STRATEGIC GOAL 1: A TRANSFORMED AND PRODUCTIVE ACH SECTOR								
To build relations and partnerships locally and internationally	No. of cultural diplomacy engagements coordinated	IG 5	20	20	20 cultural diplomacy engagements were coordinated	<ul style="list-style-type: none"> • Approved submissions • Reports 	-	-
STRATEGIC GOAL 2: AN INTEGRATED AND INCLUSIVE SOCIETY								
To lead, coordinate and implement social cohesion programmes	No. of national days commemorated	IG 6	6	6	6 national days were commemorated	<ul style="list-style-type: none"> • Approved concept papers • Approved submissions • Programmes • Reports 	-	-

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of reports on the implementation of the social cohesion compact	IG 7	-	2	The 2 reports that were developed did not report on the implementation of the social cohesion compact	<ul style="list-style-type: none"> Social cohesion compact document Reports 	-2	The target was recorded as not achieved due to inadequate corroborating evidence, the social cohesion compact could not be finalised during the year under review
	No. of community conversations held	IG 8	8 (In the 2018/19 annual report the indicator was called no. of social cohesion projects implemented)	9	9 community conversations were held	<ul style="list-style-type: none"> Reports Attendance registers 	-	-
	No. of social advocacy platforms held	IG 9	8 (In the 2018/19 annual report the indicator was called no. of social cohesion projects implemented)	20	20 social advocacy platforms were held	<ul style="list-style-type: none"> Reports Attendance registers Appointment letters Acceptance/confirmation letters 	-	-

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of MRM programmes supported	IG 10	1 (In the 2018/19 annual report the indicator was called no. of social cohesion projects implemented)	1	1 MRM programme was supported	<ul style="list-style-type: none"> • Report • MoA • Grant letter • Payment stub 	-	-
	No. of arts and youth development programmes supported	IG 11	1 (In the 2018/19 annual report, the indicator was called no. of target-group programmes supported)	3	2 arts and youth development programmes were supported	<ul style="list-style-type: none"> • Approved submissions • MoAs • Payment stubs • Reports 	-1	The third arts and youth development programme was only partially supported, therefore, the programme did not have adequate corroborating evidence to substantiate full achievement
	No. of arts and social development programmes supported	IG 12	1 (In the 2018/19 annual report the indicator was called no. of target-group programmes supported)	4	All 4 arts and social development programmes were only partially supported	<ul style="list-style-type: none"> • Approved submissions • MoAs • Payment stubs • Reports 	-4	All 4 arts and social development programmes did not have adequate corroborating evidence to substantiate full achievement

2.5.3 PROGRAMME 3: ARTS AND CULTURE PROMOTION AND DEVELOPMENT

PURPOSE OF THE PROGRAMME

The Programme is responsible for the promotion and development of arts, culture and language.

THE ARTS AND CULTURE PROMOTION AND DEVELOPMENT PROGRAMME CONTRIBUTES TO THE FOLLOWING STRATEGIC OBJECTIVES:

- To develop, protect and promote the cultural and creative sector
- To develop and promote official languages
- To build relationships and partnerships locally and internationally
- To provide access to information
- To lead, coordinate and implement social cohesion programmes
- To build human resource capacity and promote excellence
- To drive integrated outcomes-based research, planning, monitoring and evaluation across the Sector

KEY SUBPROGRAMMES

The Arts and Culture Promotion and Development Branch is organised to carry out its work according to the following subprogrammes:

1. National Language Service

- Human Language Technologies (HLT)
- Translation and Editing
- Language Planning and Development
- Terminology Coordination

2. Cultural and Creative Industries Development

- Visual Arts and Design (Multimedia)
- Performing Arts (Multidisciplinary)
- Books and Publishing
- Cultural Industries Policy, Research and IP Development



Achieved	Not achieved
73% (8/11)	27% (3/11)

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
STRATEGIC GOAL 1: A TRANSFORMED AND PRODUCTIVE ACH SECTOR								
To develop, protect and promote the cultural and creative sector	No. of cultural and creative sector projects supported through the MGE	ACPD 1	32 and 10 flagship projects	70	71 cultural and creative sector projects were fully supported through MGE	<ul style="list-style-type: none"> • Approved submissions • MoAs/Z59 • Reports • Payment stubs • Grant letters • BAS report • Register of applications 	+1 The one extra project was funded through MGE and implemented by International Relations unit	A further 16 projects to the 71 projects reported as fully achieved were partially supported. However, the 16 projects have inadequate verification evidence attributable to, among other things, COVID-19 lockdown regulation and restrictions, delays in the submission of compliance documents and reports by beneficiaries, and this impacted on the timeous start of the projects and the processing the final payments on time (or the closeout of the project)

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of job opportunities created across all MGE work streams and cultural development programmes	ACPD 2	-	9 000	9 600 job opportunities were created across all MGE work streams and Cultural Development Programmes	<ul style="list-style-type: none"> Consolidated statistical report approved by the DDG or CD 	+600	Job opportunities were created and accounted for across all MGE work streams and Cultural Development Programmes in the period under review, thus providing a comprehensive account of the jobs created
	No. of sector organisations supported	ACPD 3	-	12	Only four (4) of the envisaged twelve (12) sector organisation were fully supported	<ul style="list-style-type: none"> Approved submissions MOAs Reports Payment stubs Appointment letters SLA Invoices 	-8	Seven (7) additional sector organisations to the 4 reported as fully achieved were partially supported and thus have inadequate corroborating evidence to substantiate full performance. Contributing factors include instances of

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
								<p>organisations that could not conclude their programmes due to the limitation of social gatherings due to COVID-19 lockdown and restrictions, including delays in the submission of compliance documents to conclude the programmes.</p> <p>Further, one (1) of the envisaged twelve (12) sector organisations was not supported at all due to budget constraints</p>
To develop and promote official languages	No. of multi-year HLT projects supported	ACPD 4	6	6	6 multi-year HLT projects were supported	<ul style="list-style-type: none"> • Reports • MoAs • Payment stubs 	-	-
To build relationships and partnerships	No. of market access platforms supported	ACPD 5	10	12	12 market access platforms were fully supported	<ul style="list-style-type: none"> • Approved submissions • MoAs • Reports 	0	Noteworthy and for completeness of reporting, Three (3) more project to the

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
locally and internationally						<ul style="list-style-type: none"> • Payment stubs • Appointment letters • Terms of reference • Order numbers 		12 projects reported as achieved, were partially supported. These projects could not be concluded timeously as result of national lockdown due COVID-19 pandemic, including delays in the submission of compliance documents to conclude the programmes
To provide access to information	% of documents received and accepted that are translated and/or edited	ACPD 6	100% (731)	100%	100% (676) of documents received and accepted were translated and/or edited	<ul style="list-style-type: none"> • Approve document registers • Approved reports 	-	-
STRATEGIC GOAL 2: AN INTEGRATED AND INCLUSIVE SOCIETY								
To lead, coordinate and implement social cohesion programme	No. of provincial community arts programmes supported	ACPD 7	86	9	None of the planned provincial community arts programmes were fully supported or concluded in the year under review	<ul style="list-style-type: none"> • Approved submission • MOA/SLA • Reports • Payment stubs 	-9	Noteworthy is that seven (7) of the nine (9) envisaged provincial community arts programmes received partial financial support, and these include

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
								programmes based in Free State, North-West, Northern Cape, KwaZulu-Natal, Limpopo, Eastern Cape and Gauteng. The Western Cape and Mpumalanga based programmes did not receive financial support at all. Contributing factors include delays in finalising business plans which led to delays in starting and finalising the projects, including the payments thereof
STRATEGIC GOAL 4: A PROFESSIONAL AND CAPACITATED ACH SECTOR								
To build human resource capacity and promote excellence	No. of bursaries awarded for development of qualified language practitioners	ACPD 8	536	300	458 students were awarded with bursaries for development of qualified language practitioners	<ul style="list-style-type: none"> • MOAs • Payment stubs • Contracts between universities and students • Reports • Proof of registrations • Proof of payment of student fees 	+158	Awarding of the bursaries is at the discretion of universities depending on the cost of their courses and the number of language-related modules that are being registered for. Some universities have a cheaper fee

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
								structure than others hence additional 158 students supported
	No. of capacity building programmes supported	ACPD 9	11	23	12 capacity building programmes were fully supported	<ul style="list-style-type: none"> • Approved submissions • MoAs • Reports • Payment stubs 	-11	Noteworthy and for completeness of reporting, an additional 14 capacity building programmes to the 12 reported as achieved were only partially supported and thus could not be completed. Contributing factors include instances of programmes that could not be concluded due to the limitation of social gatherings due to COVID-19 lockdown and restrictions, including delays in the submission of compliance documents to either start the programmes or conclude the programmes

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of artists placed in schools	ACPD 10	-	360	382 artists were placed in schools	<ul style="list-style-type: none"> • Approved submissions • Proposals • MoAs • Reports • Payment stubs • Contracts and IDs of artists • List of schools • List of artists • Confirmation letters from schools 	+22	More artist were placed in schools than anticipated
STRATEGIC GOAL 3: AN EFFECTIVE AND EFFICIENT ACH SECTOR								
To drive integrated outcomes-based research, planning, monitoring and evaluation across the Sector	No. of reports produced by SACO	ACPD 11	-	36	37 reports were produced by SACO	<ul style="list-style-type: none"> • Research agenda • Reports 	+1	The Country Report for Sweden in Quarter 2 was completed earlier than originally anticipated. It had been initiated in light of South African strengthening its relationships with Sweden through a partnership with the Gothenburg Book Fair and a cultural agreement that is in the offing

2.5.4 PROGRAMME 4: HERITAGE PROMOTION AND PRESERVATION

PURPOSE OF THE PROGRAMME

The Programme is responsible for the identification, collection, safeguarding, promotion and transformation of South African heritage, archives, heraldry and libraries, and to develop, manage and monitor all departmental and public entities' infrastructure and capital works projects.

THE HERITAGE PROMOTION AND PRESERVATION PROGRAMME CONTRIBUTES TO THE FOLLOWING STRATEGIC OBJECTIVES:

- To develop, protect and promote heritage
- To provide access to information

KEY SUBPROGRAMMES

The Heritage Promotion and Preservation Branch is organised to carry out its work according to the following subprogrammes:

1. National Archives and Libraries

- Records Management and Information Services
- Archives Services
- National Film, Video and Sound Archives
- Library Policy and Coordination

2. Heritage Preservation and Promotion

- Heritage Policy and Research Development
- Living Heritage
- Heritage Institutional Development
- Bureau of Heraldry
- Infrastructure Management Office



Achieved	Not achieved
90% (9/10)	10% (1/10)

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
STRATEGIC GOAL 1: A TRANSFORMED AND PRODUCTIVE ACH SECTOR								
To develop, preserve, protect and promote heritage	No. of Gazette notices on standardisation of geographical names published	HPP 1	4	3	3 Gazette notices on the standardization of geographical names were published	<ul style="list-style-type: none"> Copies of Gazette notices 	-	-
	No. of books profiling living human treasures published	HPP 2	2	2	2 books profiling living human treasures were published	<ul style="list-style-type: none"> Published books 	-	-
	No. of multi-year heritage infrastructure projects completed	HPP 3	4	2	1 multi-year heritage infrastructure project was completed, construction of the OR Tambo Garden of Remembrance was not completed	<ul style="list-style-type: none"> Contractor appointment letter and/or SLA Contractors' construction progress reports for the OR Tambo Garden of Remembrance and the Winnie Madikizela-Mandela Brandfort House Museum as approved by the DDG Contractors' construction completion certificates for the OR Tambo Garden of Remembrance 	-1	According to the report from the implementing agent, progress on the construction was heavily affected by the weather, as a result, a number of construction days were lost

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
						and the Winnie Madikizela-Mandela Brandfort House Museum • Contractors' construction completion certificates for the OR Tambo Garden of Remembrance and the Winnie Madikizela-Mandela Brandfort House Museum		
	Feasibility study report on Resistance and Liberation Movements Museum submitted to Cabinet	HPP 4	Draft feasibility study report on Resistance and Liberation Movements Museum was developed	Feasibility study report on Resistance and Liberation Movements Museum submitted to Cabinet	Feasibility study report on Resistance and Liberation Movement Museum was submitted to Cabinet	• Draft report • Presentation • Minutes of the infrastructure work stream • Minutes of the Technical Committee • Attendance registers • Feasibility study report • Ministerial submission to Cabinet	-	-
	No. of flags installed in schools	HPP 5	1 114	1 000	1 004 flags were installed in schools	• Flag installation notes • List of schools	+4	The partnership with Gauteng province meant that more schools were reached

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of heritage bursaries awarded	HPP 6	-	65	66 heritage bursaries were awarded	<ul style="list-style-type: none"> MoAs with universities Payment stubs Progress reports from universities Proof of registration Proof of payment of student fees 	+1	The University of Johannesburg indicated at a late stage that they had one additional student that was not paid
	No. of job opportunities created through arts, culture and heritage infrastructure	HPP 7	-	530	1 185 job opportunities were created through arts, culture and heritage infrastructure	<ul style="list-style-type: none"> Consolidated statistical report approved by the DDG or CD 	+655	-
To provide access to information	No. of archival collections digitised	HPP 8	2	3	3 archival collections were digitised as follows: 1. Truth and Reconciliation Commission Audio Tapes 2. Treason Trial Dictabelts	<ul style="list-style-type: none"> Project plans List of digitised records Reports Project close-out reports as approved by the DDG 	-	-
	No. of newly built and/or modular libraries supported financially	HPP 9	29	32	3. CODESA Records 36 newly built and/or modular libraries were financially supported	<ul style="list-style-type: none"> Payment stubs Reports 	+4	Limpopo libraries (Runnymede, Seleteng, Mavalani and Dumela) could not be completed in

Strategic objective	Performance indicator	Code	Baseline for 2018/19	Target for 2019/20 as per annual performance plan (APP)	Actual achievement as at 31 March 2020	Verification source(s)	Deviation from planned target	Reason for deviation
	No. of heritage policies drafted	HPP 10	1	1 national policy drafted on the repatriation and restitution of human remains and heritage objects	1 national policy on the repatriation and restitution of human remains and heritage objects was drafted and submitted to the DPME for the second socio-economic impact assessment (SEIA); the first SEIA was done on 23 March 2020	<ul style="list-style-type: none"> Attendance register Minutes signed by the D/HPRD Programme/Agenda Email correspondence or second SEIA certificate Presentation of the Policy Updated Policy 	-	<p>the 2019/20 financial year</p> <p>The draft policy could not be presented to cluster meetings in the year under review</p>

2.6 CONDITIONAL GRANTS

Through the Conditional Grant for Community Libraries Programme, the Department seeks to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives.

The graph below details the conditional grants and earmarked funds paid for the period 1 April 2019 to 31 March 2020.

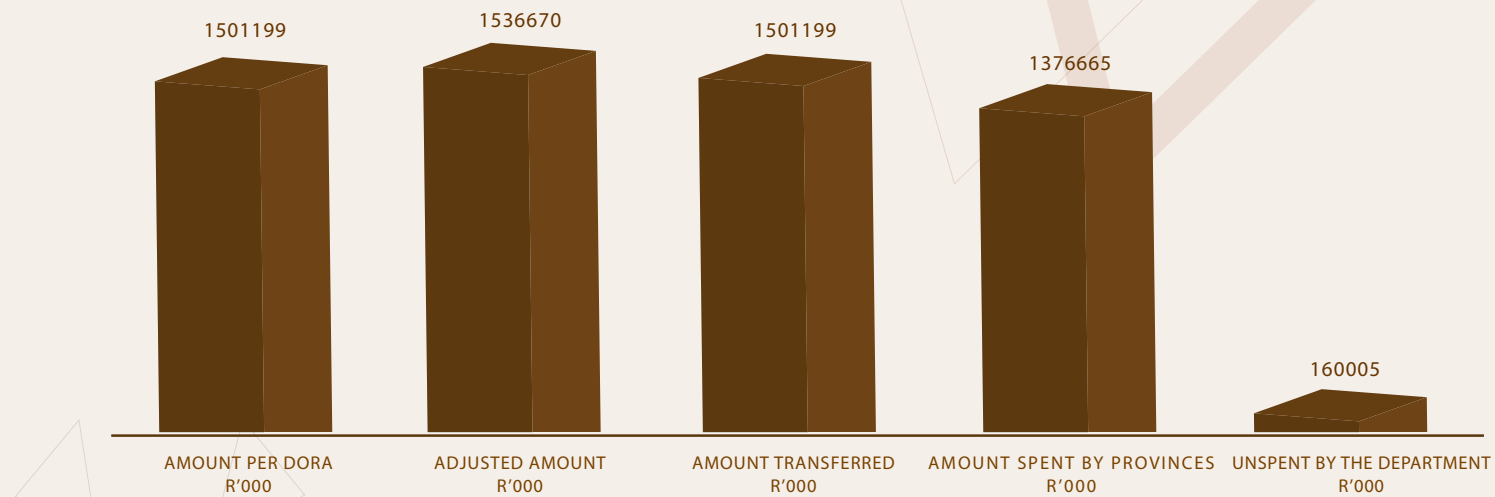


Figure 7: Conditional grants and earmarked funds received by the Department

Confirmation that all transfers were deposited into the accredited bank account of the provincial treasuries remains a priority to the Department. The table below contains a list of all transfers that were deposited into the accredited bank account of the provincial treasuries for the purpose of the conditional grant for community libraries.

Province	Account name	Bank	Account number	Branch code
Eastern Cape	ECPG Exchequer Account	Standard Bank	273021524	050419
Free State	FSPG Exchequer Account	Standard Bank	240322398	055534
Gauteng	Gauteng Exchequer Account	First National Bank	62298193500	210554
KwaZulu-Natal	KZN Provincial Government – Exchequer Account	ABSA	4072455883	630305
Limpopo	Limpopo Exchequer Account	ABSA	4094350766	632005
Mpumalanga	Mpumalanga Provincial Treasury	Standard Bank	330670 034	002852
Northern Cape	NCPG Exchequer Account	Standard Bank	043399029	050002
North West	NWPG Exchequer Account	First National Bank	628 1172 6803	210244
Western Cape	Provincial Government of the Western Cape: Exchequer Account	Nedbank	1452045143	145209

Below are some of the achievements worth noting in the Conditional Grant for Community Libraries Programme:

- 36 new library services were financially supported and 11 were established
- 45 library upgrades were financially supported and 44 libraries were completed
- 394 984 additional library materials were purchased
- 1 006 libraries were connected with free public Internet access
- 19 services for the visually impaired were established and 170 maintained at community libraries in all provinces
- 2 479 existing library staff contracts maintained in all provinces
- 59 new staff appointed at public libraries to support function shift
- 35 library workers in the Free State, Northern Cape and North West received bursaries

MONITORING THE CONDITIONAL GRANT FOR COMMUNITY LIBRARIES PROGRAMME

Whenever there is a financial transaction, monitoring plays an important role for the purpose of accounting and transparency in the utilisation of state funds. The Department continued to allow provinces to use a maximum of 5% of the total amount allocated to them for capacity building and provincial coordination of the grant. The Department advised provinces to use these funds for the purpose it was meant for and to improve project management skills and capacity.

In the financial period under review, the Department further provided oversight over the implementation of the project through MinMEC and the Technical Intergovernmental Committee on a quarterly basis to ensure regular communication and reporting. The National Treasury through the Government Technical Advisory Centre (GTAC) also provides technical expertise and knowledge, especially on infrastructure projects.

An amount of R160 005 000 was unspent on books procurement, new and upgrading of infrastructure projects, and staff compensation by the receiving provincial departments of arts and culture. In conclusion, it is worth noting that all provinces complied with the requirements of the Division of Revenue Act.

2.7 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

In the 2019/20 financial year, the following amendments to the Immovable Asset Register took place:

- Addition – acquisition of Old St Anne’s Hospital (KwaZulu-Natal Museum)
- Addition – acquisition of lease of National Film and Video Foundation Buffalo City Facility (film centre)
- Addition – acquisition and upgrade of Market Square building (Market Theatre Foundation)
- **Addition after confirmation of ownership:**
 - The square building (Market Theatre Foundation)
 - Parking site (Market Theatre Foundation)
 - Feeds and seeds building (Market Theatre Foundation)
 - Storage building (Market Theatre Foundation)
 - Biovet building (Market Theatre Foundation)
 - FNB Building – workshop (Market Theatre Foundation)
 - Freedom Park Heritage Site and offices (Freedom Park Trust)

• **Exclusion of relinquished leases:**

- Hostel building (Amazwi South African Museum of Literature)
- 85 Old Hospital (Amazwi South African Museum of Literature)
- Old Presbytery (Amazwi South African Museum of Literature)
- Domus Building (National Heritage Council)
- Constitutional House (Freedom Park Trust)
- Caledon House (Artscape)

In the 2019/20 financial year, the DAC appointed a service provider to conduct a condition assessment of all the facilities that are used by the DAC and its public entities. Assessments of the facilities in the Free State, Limpopo, Mpumalanga, Gauteng and North West have been completed and half of the buildings in KwaZulu-Natal were assessed. The assessment of the buildings in the remainder of KwaZulu-Natal, the Western Cape and Eastern Cape will be completed by the end of March 2021.

The progress of the assessed buildings was 53% as at the end of March 2020 and the following graphs summarise the progress:



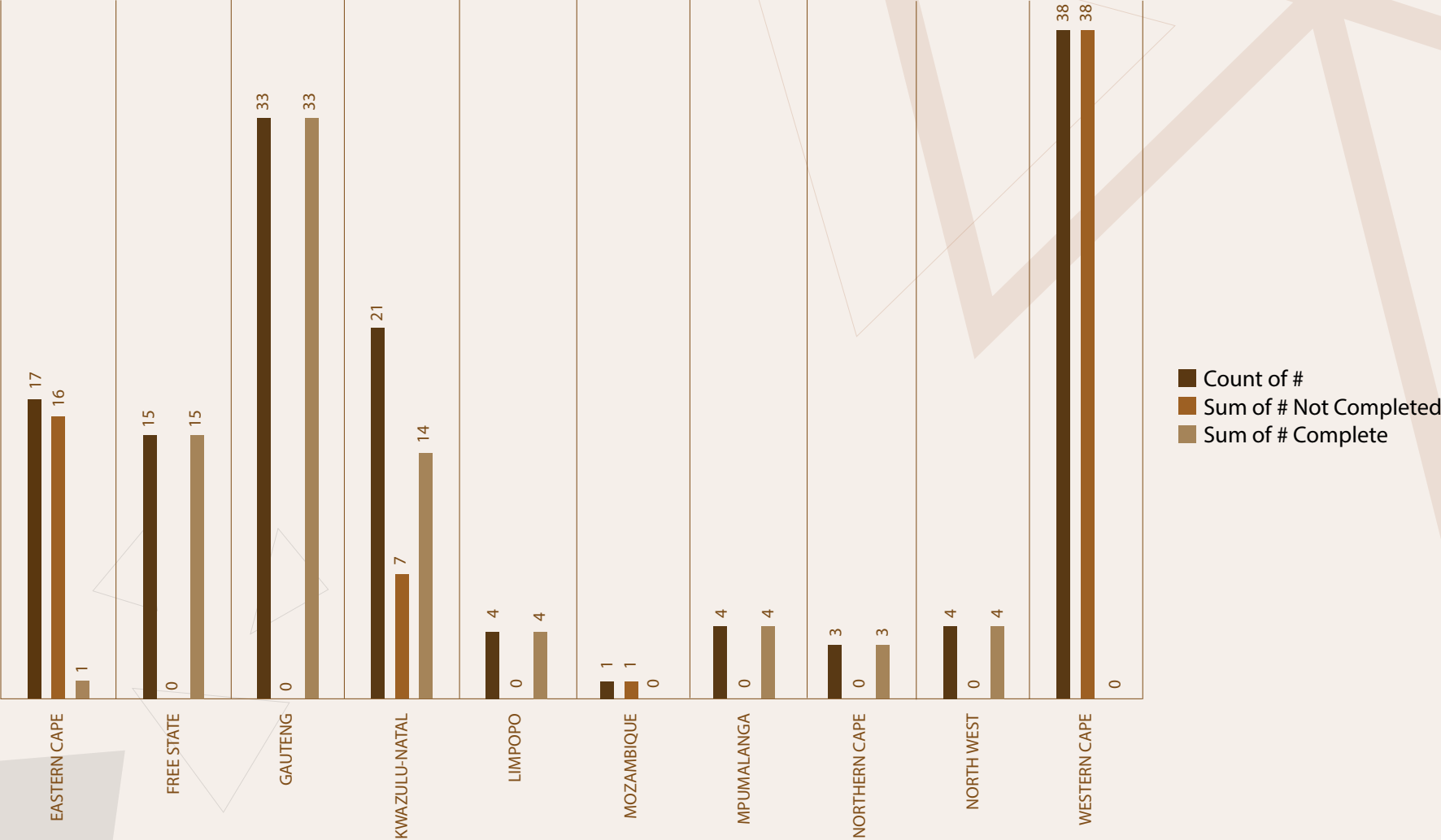


Figure 8: Progress of the assessed facilities per province

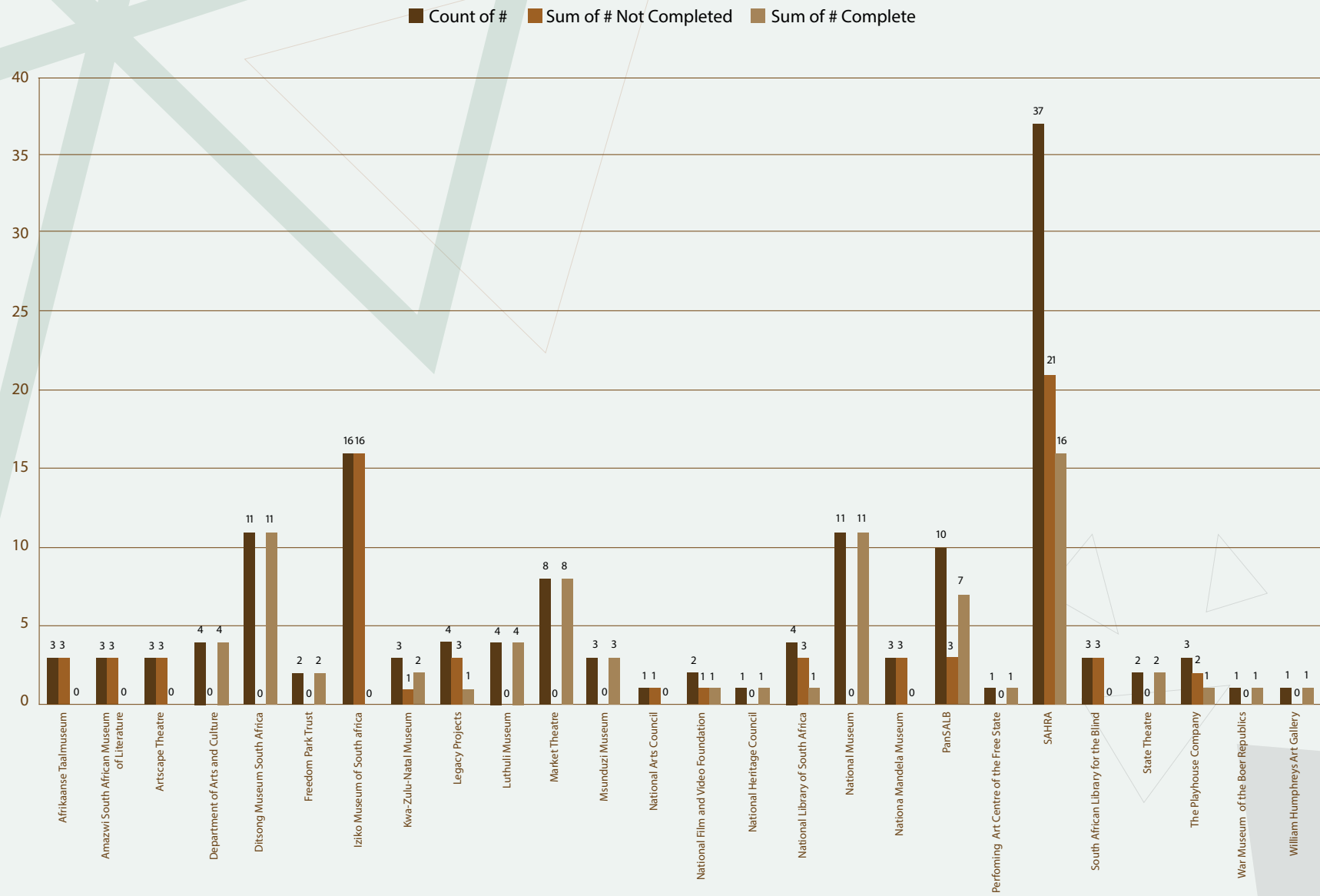


Figure 9: Progress of the assessed facilities per public entity

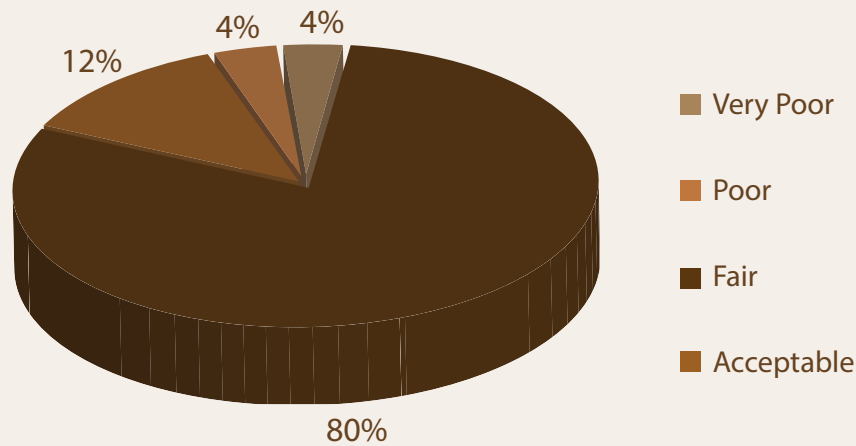


Figure 10: Condition of the assessed facilities

The DAC initiated facilities management contracts for the restoration and preventative maintenance of buildings. Some of these contracts were at the implementation phase and some at the planning phase as at the end of March 2020. Facilities maintenance/management contracts were planned for the following institutions:

1. Robben Island Museum

A task team led by the Directors-General of the DAC and the Department of Public Works (DPW) was established to drive the implementation of the facilities management project for the island. A tripartite agreement was signed between the DAC, DPW and Robben Island Museum (RIM). Both the DAC and the DPW committed funds to maintain and restore the island. The four-year facilities maintenance contract of Coega (service provider) has expired and the DPW is in the process of appointing a new service provider. For the interim, the DPW has awarded a short-term contract for the maintenance of the island.

2. Nelson Mandela Museum

The Nelson Mandela Museum (NMM) has appointed a service provider to implement the facilities management contract for the maintenance of the Bhunga building and Qunu Youth and Heritage Centre for three years. The number of breakages and maintenance issues reported has dropped drastically and the response time to fix them has improved.

3. Ditsong Museums of South Africa

The Ditsong Museums of South Africa (DSMA) is in the process of appointing a service provider to implement the facilities management contract for the maintenance of the eight DMSA sites.

4. Freedom Park

Freedom Park has appointed a service provider to conduct a condition assessment of the Freedom Park complex and to provide a detailed 10-year maintenance plan as well as a cost estimate for capital improvements for the whole complex.

5. Playhouse Company

The Playhouse Company has appointed a service provider to implement the facilities management contract for the maintenance of three facilities for three years.

7. Artscape Theatre

The Artscape Theatre has appointed a service provider to implement the facilities management contract for the maintenance of three facilities for three years.

8. Performing Arts Centre of the Free State

The Performing Arts Centre of the Free State (PACOFs) is in the process of appointing a service provider to implement the facilities management contract for the maintenance of the whole complex.

9. South African State Theatre

The State Theatre is in the process of appointing a service provider to implement the facilities management contract for the maintenance of the whole complex.

10. National Library of South Africa

The National Library of South Africa (NLSA) has appointed a professional service provider to implement the facilities management contract for the maintenance of the Cape Town and Pretoria campus for three years.



Project list breakdown

Institution name and project description	Progress status
Heritage Promotion and Preservation	
South African Library for the Blind	
Upgrading of the Jossie Wood building	Tender stage – project went out on tender that was supposed to close on 17 April 2020, but due to the COVID-19 lockdown, the closing date will be extended
Iziko Museums of South Africa	
Construction of a storage structure in the court yard	Construction – project is 99% complete
Amazwi South African Museum of Literature	
Upgrading of the Schreiner House precinct	Tender stage – proposals requested and only one service provider responded
Ditsong Museums of South Africa	
Reconstruction of Tswaing Building	Planning – due to community issues surrounding the area and the allocation of work packages to interested groups, the project has not commenced yet
Renovation and upgrading of museum, and security upgrades (Willem Prinsloo)	Construction – project is 80% complete
Emergency repairs for Ditsong Museums of South Africa buildings	Construction – project is 50% complete
Upgrade of climate control for collections at Ditsong Museums of South Africa buildings	Construction – project is 10% complete
KwaZulu-Natal Museum	
Providing security and upgrading of the Old St Anne's Hospital to a new KZN Museum Building	Design stage – consultant team was appointed on 15 February 2020
General maintenance for KZN Museum	Construction – project is 81% complete
Nelson Mandela Museum	
Construction of exhibition centre	Design stage – consulting team was appointed in the 1 st quarter of 2020 and has started with designs
Robben Island Museum (various projects)	
Restoration and conservation of built environment (high, medium, and low priority; village precinct)	Tender and procurement – detailed specifications and cost estimates and tender documents have been completed
Feasibility study for the Robben Island Interpretation Centre and alternative location for Mayibuye Archives	Planning – feasibility study completed on the relocation of the Mayibuye Archives
Upgrading of facilities to enhance interpretation and visitor management	Practical completion – project is 100% complete
Nelson Mandela Gateway: reconfiguration of space to accommodate exhibition and executive office space, fire and OHS compliance	Design – finalisation of designs and procurement documentation for implementation is in progress
Installation of customised hospitality fittings at JC Hall, female asylum and guest house	Planning – appointment of consultants is in progress

Institution name and project description	Progress status
Refurbishment and upgrade of 10 houses for adaptive reuse	Planning – appointment of consultants is in progress
National Library of South Africa (Pretoria and Cape Town)	
Facilities management contract (maintenance for both the Pretoria and Cape Town campus)	Construction – 10% complete, service provider has commenced with the condition assessment
Afrikaanse Taalmuseum en -monument	
Upgrading of workers' changing room	Tender and procurement – detailed specifications and cost estimates have been completed and the tender documents were awaiting heritage approval
Maintenance of all facilities	Construction – project is 60% complete
War Museum of the Boer Republics	
General maintenance	Construction – ongoing maintenance as per the landscape service contract
Upgrading of the Heat Ventilation and Air Conditioning (HVAC) and Fire Suppression System and installation of a backup generator	Construction – project is 30% complete
Refurbishment of the workshop to comply with OHS requirements	Practical completion – project is 100% complete
William Humphreys Art Gallery	
Replacement of HVAC system	Planning – appointment of consultants is in progress
National Archives	
Upgrading of fire protection installation and refurbishment of HVAC system and related installations	Construction
Steve Biko Foundation	
Maintenance of the Steve Biko Centre	Construction – the Steve Biko Foundation has appointed local on-site employees for ongoing maintenance of the Steve Biko Centre, the project is 75% complete
Legacy projects	
Sarah Baartman Centre: construction of a centre of remembrance	Construction
Matola Raid Monument (Maputo): construction of a remembrance site	Construction completed
Mbuzini: Samora Machel memorial – phase 2 construction	Feasibility study: conditional assessment
Liberation Heritage Route	Feasibility study
Liliesleaf Farm: archival infrastructure and exhibition	Completed
South African Heritage Resource Agency: Delville Wood Memorial upgrading	Corrective construction work was suspended due to investigation process
Isibhubhu Cultural Arena	Implementation protocol for provincial government to implement
Dr JL Dube Memorial Centre	Structural assessment done and treasury approval obtained for implementing remedial work

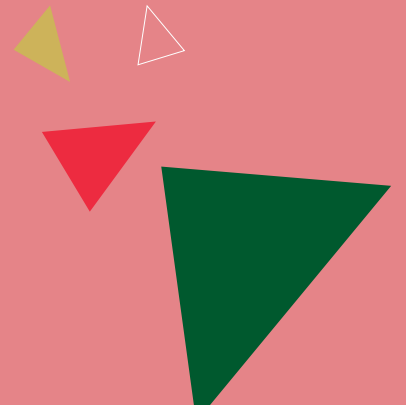
Institution name and project description	Progress status
OR Tambo Memorial Centre	Construction
Winnie Madikizela-Mandela Brandfort House Museum	Construction
Ingquza Hill Massacre Museum	Completed
Waaiohoek (Wesleyan Church) Museum Exhibition	Stakeholder engagement for exhibition approval
Khananda Massacre Museum	Completed
Arts Culture Promotion and Development	
Market Theatre Foundation	
Upgrading and refurbishment of the Barney Simon Theatre	Planning – appointment of consultants is in progress
Facilities management contract	Construction – 10% complete, service provider has commenced with the condition assessment
Artscape	
Facilities management contract	Construction – 12% complete, service provider has commenced with the condition assessment
The Playhouse Company	
Facilities management contract	Tender and procurement – service provider has been appointed
National Film and Video Foundation	
Creation of film centres – phase 1	Practical completion
Creation of film centres – phase 2	Planning – Design and cost estimate completed
South African State Theatre	
Facilities management contract	Tender and procurement – appointment of a service provider is in progress
Replacement and refurbishment of stage lighting, equipment and facilities	Tender and procurement – appointment of a service provider is in progress
Performing Arts Centre of the Free State	
Mechanical ventilation and air conditioning system	Tender and procurement – tender for the appointment of consultants has been advertised
Facilities management contract	Tender and procurement – appointment of a service provider is in progress
Public spaces	
Beautification of public spaces project in Dundee, KwaZulu-Natal	Planning – new project proposals were received and adjudicated; final internal approval is underway
Community Arts Centres	
Upgrading of three Community Arts Centres in the North West: Kanana Community Arts Centre – upgrading of toilets, water systems, wall fence, gates, electrical systems, roofing, ceilings and painting	Implementation phase – repairs, upgrading and renovations have started and are ongoing

Institution name and project description	Progress status
Atamelang Community Arts Centre – upgrading window panes, burglar bars and doors, wooden flooring, tiling and electrical systems Steve Biko Centre upgrading of roofing, ceilings and windows	
Bat Arts Centre, Durban Upgrading the hall and air conditioning system, and accessibility to dance and visual arts studios	Implementation phase – upgrading, renovations and refurbishment of floors, security and access is ongoing
Kwa Mashu Community Advancement Centre Final phase – upgrading of theatre roofing, lighting, seats and music recording and video and editing equipment	Implementation phase – roofing, upgrading and refurbishing work is being undertaken and the project is ongoing
Wushini Arts Centre Upgrading of the theatre, outdoor theatre and roofing of the multipurpose hall	Implementation phase – roofing, upgrading and refurbishment work is being undertaken and the project is ongoing
Sibikwa Community Arts Centre Upgrading of training facilities	Implementation phase – the project has been put on hold following the fall of the upper training facility and will resume after investigations have been concluded
Music Academy of Gauteng Soundproofing and treatment of the main recording studio; completion of the post-production studio; tiling and soundproofing of eight practice cubicles; eight digital pianos for practice cubicles; furnishing of studio reception area and studio management offices; equipment for the post-production studio; movable partitioning screens; air conditioning for the auditorium and acoustic treatment; painting of the palisade fence; burglar bars and doors; library equipment and material; and boarding furnishing	Implementation phase – upgrading, refurbishment and renovations work is being undertaken and work is ongoing
National Arts Festival Upgrading of the Makhanda Power Station (Arts Residency)	Planning phase – implementation of the project has been delayed due to the staging of the National Arts Festival in 2019 and the resignation of the CEO thereafter
Incubators	
National Academy of Africa's Performing Arts (NAAPA)	Phase one was completed after the land dispute issue that delayed the construction was resolved; the Department has allocated R2 000 000 to the 2 nd phase which will start soon



PART

**HUMAN RESOURCE
MANAGEMENT**



THEATRE
MUSIC
DANCE
VISUAL ARTS
ROCK ARTS
PHOTOGRAPHY
ARCHITECTURE
CRAFT
LITERATURE
FILM

3.1 INTRODUCTION

One of the primary goals of human resource management (HRM) is to maintain productivity by providing the Department with an adequate number of skilled and efficient workers. HRM supports the Department's employees throughout their employment life cycle. This support starts at the hiring process, continues throughout employment and goes into retirement through assistance with pensions and the administration of benefits.

The Department experienced a staff turnover rate of 10,60%, which was due to natural attrition, and 24,40% was due to resignations. The Department was able to maintain a vacancy rate of less than 10%. Only funded positions are captured and maintained in the Department's establishment. The vacancy rate was 7,74% as at 31 March 2020.

PERFORMANCE MANAGEMENT

The aim of performance management is to align organisational objectives with the skills, performance goals and competencies of employees. This involves creating a workforce that has an understanding of what is to be achieved at the overall organisational level. The submission rate of performance agreements for the 2019/20 financial year was 97,39% for salary level 1-12 and 90,24% for the senior management service.

WELLNESS

The Wellness Programme provided employees with appropriate interventions to deal with challenges they encounter on a daily basis. Screening campaigns offered through the Wellness Programme assisted with early detection of prostate, breast and cervical cancer. This gave employees the opportunity to register on the disease management programme in time.

The Chief Directorate: HRM, through the Wellness Unit, managed to continue implementing initiatives meant to promote work-life balance, improve morale and promote productivity through the hosting of a wellness sports day. The sports day provided an opportunity for employees to take part in sporting codes such as soccer and netball, and a fun run/walk. The established weekly aerobics classes continue to play a big role in promoting the Healthy Living Programme.

ACHIEVEMENTS

Despite the cuts in the Compensation of Employees budget, the Department was able to implement its internship programme, which aims to give practical work experience to graduates who require exposure in the work environment. The Department was able to provide 24 young graduates (5% of funded positions) with an opportunity to gain practical work experience in their field of study. The interns are placed for a period of two years.

The Department achieved and exceeded the set target of 50% for women appointed at SMS level. The representation of women at SMS was 53,33% as at 31 March 2020. The Department strives to ensure representivity in the workplace, including people with disabilities. The percentage of people with disabilities as at 31 March 2020 was 2,40%.

3.2 HUMAN RESOURCE OVERSIGHT STATISTICS

3.2.1 PERSONNEL-RELATED EXPENDITURE

The following tables summarise the final audited personnel-related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Note: please keep in mind that these tables reflect only expenditure occurred through Persal and may differ from the final financial statements in Part E of this Report.

Table 3.2.1 - Personnel cost by programme for the period 1 April 2019 to 31 March 2020

Programme	Total expenditure (R'000)	Personnel cost (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel cost as % of total expenditure	Average personnel cost per employee (R'000)	Employment
Administration	315 534	99 619	0	0	31,60	611	163
Arts and Culture Promotion & Development	1 068 764	50 881	0	0	4,80	628	81
Heritage Promotion & Preservation	2 830 367	59 219	0	0	2,10	498	119
Institutional Governance	141 179	39 108	0	0	27,70	724	54
Z = Total as on financial systems (BAS)	4 355 845	248 827	0	0	5,70	597	417

Table 3.2.2 - Personnel cost by salary band for the period 1 April 2019 to 31 March 2020

Salary band	Personnel cost including transfers (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total personnel cost including goods and services (R'000)	No. of employees
Contract (levels 1-2)	418	0,20	139	254 282	3
Contract (levels 3-5)	688	0,30	172	254 282	4
Contract (levels 6-8)	1 641	0,60	328	254 282	5
Contract (levels 9-12)	8 500	3,30	708	254 282	12
Contract (levels 13-16)	6 863	2,70	1 716	254 282	4
Contract, other	1 256	0,50	52	254 282	24
Lower skilled (levels 1-2)	2 286	0,90	254	254 282	9
Skilled (levels 3-5)	8 661	3,40	241	254 282	36
Highly skilled production (levels 6-8)	48 464	19,10	407	254 282	119
Highly skilled supervision (levels 9- 12)	119 796	47,10	749	254 282	160
Senior management (levels 13-16)	52 155	20,50	1 272	254 282	41
Total	250 728	98,60	601	254 282	417

Table 3.2.3 - Salaries, overtime, homeowners' allowances and medical aid by programme for the period 1 April 2019 to 31 March 2020

Programme	Salaries		Overtime		Homeowner's allowance (HOA)		Medical aid		Total personnel cost per programme (R'000)
	Amount (R'000)	Salaries as % of personnel cost	Amount (R'000)	Overtime as % of personnel cost	Amount (R'000)	HOA as % of personnel cost	Amount (R'000)	Medical aid as % of personnel cost	
Administration	85 386	83,60	1 794	1,80	2 126	2,10	3 545	3,50	102 195
Arts and Culture Promotion & Development	43 308	84,00	73	0,10	1 031	2,00	1 854	3,60	51 554
Heritage Promotion & Preservation	49 500	82,40	182	0,30	1 474	2,50	2 665	4,40	60 073
Institutional Governance	34 225	84,80	163	0,40	654	1,60	744	1,80	40 376
Total	212 419	83,56	2 212	0,90	5 286	2,10	8 806	3,46	254 199

Table 3.2.4 - Salaries, overtime, home owners' allowances and medical aid by salary band for the period 1 April 2019 to 31 March 2020

Programme	Salaries		Overtime		Homeowner's allowance (HOA)		Medical aid		Total personnel cost per programme (R'000)
	Amount (R'000)	Salaries as % of personnel cost	Amount (R'000)	Overtime as % of personnel cost	Amount (R'000)	HOA as % of personnel cost	Amount (R'000)	Medical aid as % of personnel cost	
Contract (levels 1-2)	412	98,60	0	0,00	0	0,00	0	0,00	418
Contract (levels 3-5)	683	99,30	2	0,20	0	0,00	0	0,00	688
Contract (levels 6-8)	1 612	97,90	28	1,70	0	0,00	0	0,00	1 646
Contract (levels 9-12)	8 161	93,90	0	0,00	0	0,00	30	0,30	8 687
Contract (levels 13- 16)	6 511	92,20	0	0,00	0	0,00	6	0,10	7 061
Contract, other	1 225	94,50	28	2,20	0	0,00	0	0,00	1296
Lower skilled (levels 1-2)	1 481	64,80	8	0,30	182	8,00	415	18,20	2 286
Skilled (levels 3-5)	6 395	73,80	186	2,10	502	5,80	803	9,30	8 671
Highly skilled production (levels 6-8)	37 909	77,50	1 016	2,10	1 639	3,30	3 414	7,00	48 933
Highly skilled supervision (levels 9-12)	01 574	83,60	944	0,80	2 208	1,80	3 619	3,00	121 437
Senior management (levels 13-16)	46 529	87,50	0	0,00	754	1,40	522	1,00	53 158
Total	212 419	83,56	2 212	0,49	5 286	2,10	8 806	3,46	254 199

3.3 EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.3.1 - Employment and vacancies by programme as at 31 March 2020

Programme	No. of posts on approved establishment	No. of posts filled	Vacancy rate - %	No. of employees additional to establishment
Administration, permanent	175	163	6,85	10
Arts and Culture Promotion & Development, permanent	91	81	0,98	8
Heritage Promotion and Preservation, permanent	128	119	7,03	4
Institutional Governance, permanent	58	54	6,89	6
Total	452	417	7,74	28

Table 3.3.2 - Employment and vacancies by salary band as at 31 March 2020

Programme	No. of posts on approved establishment	No. of posts filled	Vacancy rate - %	No. of employees additional to establishment
Contract (levels 1-2), permanent	3	3	0,00	0
Contract (levels 3-5), permanent	5	5	0,00	2
Contract (levels 6-8), permanent	4	4	0,00	0
Contract (levels 9-12), permanent	11	11	0,00	1
Contract (levels 13-16), permanent	7	7	0,00	1
Contract, other	24	24	0,00	24
Lower skilled (levels 1-2)	9	9	0,00	0
Skilled (levels 3-5)	39	35	10,30	0
Highly skilled production (levels 6-8)	126	120	4,76	0
Highly skilled supervision (levels 9-12)	176	161	8,52	0
Senior management (levels 13-16)	48	38	20,83	0
Total	452	417	7,74	28

Table 3.3.3 - Employment and vacancies by critical occupations as at 31 March 2020

Critical occupation	No. of posts on approved establishment	No. of posts filled	Vacancy rate - %	No. of employees additional to establishment
Administrative related, permanent	47	46	4,83	0
Archivists, curators and related professionals, permanent	55	45	18,20	0
Auxiliary and related workers, permanent	13	10	23,10	0
Cleaners in offices, workshops, hospitals, etc., permanent	12	12	0,00	0
Client information clerks (switchboard, reception, information clerks), permanent	3	2	33,33	0
Communication and information related, permanent	87	85	2,29	4
Engineers and related professionals, permanent	2	2	0,00	0
Finance and economics related, permanent	14	13	7,10	0
Financial and related professionals, permanent	8	7	12,50	0
Financial clerks and credit controllers, permanent	8	8	0,00	0
Food services aids and waiters, permanent	7	7	0,00	0
General legal admin. and related professionals, permanent	1	1	0,00	0
Human resources and organisational develop and related, permanent	6	5	16,70	0
Human resources clerks, permanent	2	2	0,00	0
Human resources related, permanent	14	14	0,00	0
Information technology related, permanent	1	1	0,00	0
Language practitioners, interpreters and other communication related, permanent	18	15	16,70	0
Legal related, permanent	3	3	0,00	0
Library, mail and related clerks, permanent	3	3	0,00	0
Logistical support personnel, permanent	4	4	0,00	0
Material-recording and transport clerks, permanent	2	2	0,00	0
Messengers, porters and deliverers, permanent	4	4	0,00	0
Other admin. and related clerks and organisers, permanent	44	43	2,27	24

Critical occupation	No. of posts on approved establishment	No. of posts filled	Vacancy rate - %	No. of employees additional to establishment
Other admin. policy and related officers, permanent	5	5	12,50	0
Other information technology personnel, permanent	12	6	50,00	0
Other occupations, permanent	3	3	0,00	0
Risk management and security services, permanent	3	3	0,00	0
Secretaries and other keyboard-operating clerks, permanent	30	30	0,00	0
Security officers, permanent	13	13	0,00	0
Senior managers, permanent	28	23	17,90	0
Total	452	417	7,74	28

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation–
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course of study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.4 FILLING OF SENIOR MANAGEMENT SERVICE POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the senior management service (SMS) by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.4.1 - SMS post information as at 31 March 2020

SMS level	Total no. of funded SMS posts	Total no. of SMS posts filled	% of SMS posts filled	Total no. of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	1	100,00	0	0,00
Salary level 16	1	1	100,00	0	0,00
Salary level 15	6	3	50,00	3	50,00
Salary level 14	12	11	91,66	1	8,33
Salary level 13	35	29	82,85	6	17,14
Total	55	45	81,81	10	18,18

Table 3.4.2 - SMS post information as at 30 September 2019

SMS level	Total no. of funded SMS posts	Total no. of SMS posts filled	% of SMS posts filled	Total no. of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	1	100,00	0	0,00
Salary level 16	1	1	100,00	0	0,00
Salary level 15	6	3	50,00	3	50,00
Salary level 14	12	10	83,33	2	16,66
Salary level 13	36	29	80,55	7	18,91
Total	56	44	87,56	12	21,42

Table 3.4.3 - Advertising and filling of SMS posts for the period 1 April 2019 to 31 March 2020

SMS level	Advertising	Filling of posts	
	No. of vacancies per level advertised within 6 months of becoming vacant	No. of vacancies per level filled within 6 months of becoming vacant	No. of vacancies per level not filled within 6 months but filled within 12 months
Director-General/Head of Department	0	0	0
Salary level 16	0	0	0
Salary level 15	1	0	0
Salary level 14	2	0	0
Salary level 13	1	0	1
Total	4	0	1

Table 3.4.4 - Reasons for not having complied with the filling of funded vacant SMS posts advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 to 31 March 2020

Reasons for vacancies not advertised within six months
The Department was in the process of merging with the Department of Sport and Recreation South Africa; therefore, some SMS positions were not advertised to limit the number of excess employees after the merger.
Reasons for vacancies not filled within 12 months
<ul style="list-style-type: none"> • The post of DDG: ACPD was advertised in November 2019 and interviews were conducted in December 2019. Awaiting concurrence from Cabinet on the recommended candidate. • The post of DDG: CS became vacant in July 2019 and was advertised in September 2019. The post had to be re-advertised due to the limited number of applications that were received. • The post of CD: Heritage became vacant in February 2018 and was first advertised with a closing date in March 2018. Due to the limited number of applications that were received, the post was re-advertised with the closing date 26 October 2018. It was subsequently filled in June 2019. • The post of CD: HRM was re-advertised with the closing date 4 October 2019 and interviews were conducted in March 2020. The recommended candidate will assume duty on 1 June 2020.

Reasons for vacancies not filled within 12 months

- The post of Director: Library Policy Coordination became vacant on 1 June 2019 and was advertised in July 2019. Interviews were conducted on 30 October 2019 and 14 November 2019, respectively, and no suitable candidate could be identified. Therefore, the position was re-advertised.
- The post of Director: Heritage Institutional Development became vacant in June 2019. Interviews were conducted on 31 October 2019 and 14 November 2019, respectively, and the post was filled on 1 April 2020.

Note:

- In terms of the Public Service Regulations, Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.4.5 - Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2019 to 31 March 2020

Disciplinary steps taken

N/A

Notes:

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

3.5 JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.5.1 - Job evaluation by salary band for the period 1 April 2019 to 31 March 2020

Salary band	No. of posts on approved establishment	No. of jobs evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				No.	% of posts evaluated	No.	% of posts evaluated
Contract (levels 1-2)	3	2	66,66	2	100,00	0	0,00
Contract (levels 3-5)	5	0	0,00	0	0,00	0	0,00
Contract (levels 6-8)	4	0	0,00	0	0,00	0	0,00
Contract (levels 9-12)	11	0	0,00	0	0,00	0	0,00
Contract (levels 13-16), permanent	7	0	0,00	0	0,00	0	0,00
Other	24	0	0,00	0	0,00	0	0,00
Lower skilled (levels 1-2)	9	3	33,33	3	33,33	0	0,00
Skilled (levels 3-5)	39	1	2,56	1	2,56	0	0,00
Highly skilled production (levels 6-8)	126	0	0,00	0	0,00	0	0,00
Highly skilled supervision (levels 9-12)	176	5	2,91	0	0,00	0	0,00
Senior management (levels 13-16)	48	0	0,00	0	0,00	0	0,00
Total	452	11	2,43	6	1,32	0	0,00

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees may differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.5.2 - Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 to 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	5	0	0	0	0
Male	1	0	0	0	0
Total	6	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.5.3 - Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 to 31 March 2020

Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Deputy Director: Entities Management	2	11	12	Horizontal transfer from another occupational group.
Total no. of employees whose salaries exceeded the level determined by job evaluation				2
Percentage of total employed				0,47%

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.5.4 - Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 to 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	1	0	0	0	1
Total	2	0	0	0	2
Employees with a disability					0

3.6 EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.6.1 - Annual turnover rates by salary band for the period 1 April 2019 to 31 March 2020

Salary band	No. of employees as at 1 April 2019	Appointments and transfers into Dept.	Terminations and transfers out of Dept.	Turnover rate
Contract (levels 1-2), permanent	3	4	3	100,00
Contract (levels 3-5), permanent	4	5	5	125,00
Contract (levels 6-8), permanent	4	5	4	100,00
Contract (levels 9-12), permanent	12	14	11	91,70
Other, permanent	28	0	3	10,70
Contract (Band A), permanent	1	2	2	200,00
Contract (Band B), permanent	5	1	5	100,00
Contract (Band C), permanent	1	1	1	100,00
Lower skilled (levels 1-2), permanent	12	0	0	0,00
Skilled (levels 3-5), permanent	32	3	1	3,10
Highly skilled production (levels 6-8), permanent	116	5	1	0,90
Highly skilled supervision (levels 9-12), permanent	165	5	6	3,60
Senior Management Service Band A, permanent	28	0	1	3,60
Senior Management Service Band B, permanent	7	0	0	0,00
Senior Management Service Band B, temporary	4	0	2	50,00
Senior Management Service Band C, permanent	3	0	0	0,00
Total	425	45	45	10,60

Table 3.6.2 - Annual turnover rates by critical occupation for the period 1 April 2019 to 31 March 2020

Critical occupation	No. of employees as at 1 April 2019	Appointments and transfers into Dept.	Terminations and transfers out of Dept.	Turnover rate
Administrative related, permanent	44	7	4	9,10
Archivists, curators and related professionals, permanent	40	4	1	2,50
Auxiliary and related workers, permanent	12	0	2	16,70
Cleaners in offices, workshops hospitals, etc., permanent	12	0	0	0,00
Client information clerks (switchboard, reception, information clerks), permanent	2	0	0	0,00
Communication and information related, permanent	84	10	7	8,30
Custodian personnel, permanent	1	0	0	0,00
Diplomats, permanent	2	1	0	0,00
Engineers and related professionals, permanent	2	1	1	50,00
Finance and economics related, permanent	13	0	0	0,00
Financial and related professionals, permanent	7	2	1	14,30
Financial clerks and credit controllers, permanent	8	1	0	0,00
Food services aids and waiters, permanent	7	4	3	42,90
General legal, admin. and related professionals, permanent	1	0	0	0,00
Human resources and organisational development and related personnel, permanent	5	0	1	33,30
Human resources clerks, permanent	2	1	0	0,00
Human resources related, permanent	15	0	0	0,00
Language practitioners, interpreters and other communication related, permanent	15	0	1	6,70
Legal related, permanent	2	0	0	0,00
Library, mail and related clerks, permanent	5	2	1	20,00
Logistical support personnel, permanent	4	0	0	0,00
Material-recording and transport clerks, permanent	5	0	0	0,00
Messengers, porters and deliverers, permanent	6	5	3	50,00
Other admin. and related clerks and organisers, permanent	40	1	6	15,00

Critical occupation	No. of employees as at 1 April 2019	Appointments and transfers into Dept.	Terminations and transfers out of Dept.	Turnover rate
Other admin. policy and related officers, permanent	7	2	0	0,00
Other information technology personnel, permanent	11	0	3	27,30
Other occupations, permanent	3	1	0	0,00
Risk management and security services, permanent	4	0	1	25,00
Secretaries and other keyboard-operating clerks, permanent	30	0	3	10,00
Security officers, permanent	13	0	0	0,00
Senior managers, permanent	23	1	8	34,80
Total	425	45	45	10,60

Notes:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation–

- (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course of study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the Department.

Table 3.6.3 - Reasons why staff left the Department for the period 1 April 2019 to 31 March 2020

Termination type	Number	% of total resignations	% of total employment	Total	Total employment
Resignation, permanent	11	24,40	2,63	45	417
Expiry of contract, permanent	30	66,70	7,19	45	417
Discharge due to ill health, permanent	1	2,20	0,23	45	417
Retirement, permanent	2	4,40	0,48	45	417
Dismissal – misconduct, permanent	1	2,20	0,23	45	417
Total	45	100	9,11	45	417

Table 3.6.4 - Granting of employee-initiated severance packages for the period 1 April 2019 to 31 March 2020

Category	No. of applications received	No. of applications referred to MPSA	No. of applications supported by MPSA	No. of packages approved by Department
None	0	0	0	0
Total	0	0	0	0

Table 3.6.5 - Promotions by salary band for the period 1 April 2019 to 31 March 2020

Termination type	Number	% of total resignations	% of total employment	Total	Total employment
Contract (levels 1-2), temporary	3	0	0,00	0	0,00
Contract (levels 3-5), temporary	4	0	0,00	0	0,00
Contract (levels 6-8), temporary	4	0	0,00	0	0,00
Contract (levels 9-12), temporary	12	0	0,00	3	25,00
Contract (levels 13-16), temporary	7	0	0,00	0	0,00
Other, permanent	28	0	0,00	0	0,00
Lower skilled (levels 1-2), permanent	12	0	0,00	0	0,00
Skilled (levels 3-5), permanent	32	0	0,00	27	84,40
Highly skilled production (levels 6-8), permanent	116	1	0,90	83	71,60
Highly skilled supervision (levels 9-12), permanent	165	11	7,60	90	54,50
Senior management (levels 13-16), permanent	42	4	9,50	15	35,70
Total	425	16	3,80	218	51,30

Table 3.6.6 - Promotions by critical occupation for the period 1 April 2019 to 31 March 2020

Salary band	No. of employees at 1 April 2019	Promotions to another salary level	Salary band promotions as % of employees by salary level	Progressions to another notch within salary level	Notch progression as % of employees by salary band
Administrative related, permanent	44	0	0,00	21	47,70
Archivists, curators and related professionals, permanent	40	6	15,00	24	60,00
Auxiliary and related workers, permanent	12	0	0,00	3	25,00
Cleaners in offices, workshops, hospitals, etc., permanent	12	0	0,00	3	25,00
Client information clerks (switchboard, reception, information clerks), permanent	2	0	0,00	2	100,00
Communication and information related, permanent	84	6	7,10	37	46,40
Custodian personnel, permanent	1	0	0,00	0	100,00
Diplomats	2	0	0,00	0	0,00
Engineers and related professionals, permanent	2	0	0,00	0	0,00
Finance and economics related, permanent	13	1	7,70	11	84,60
Financial and related professionals, permanent	7	0	0,00	7	100,00
Financial clerks and credit controllers, permanent	8	0	0,00	7	87,50
Food services aids and waiters, permanent	7	0	0,00	1	14,30
General legal admin. and related professionals, permanent	1	0	0,00	0	0,00
Human resources and organisational development and related personnel, permanent	5	0	0,00	5	100,00
Human resources clerks, permanent	2	0	0,00	2	100,00
Human resources related, permanent	15	2	13,30	10	66,70
Language practitioners, interpreters and other communication related, permanent	15	0	0,00	9	60,00
Legal related, permanent	2	0	0,00	1	50,00
Library, mail and related clerks, permanent	5	0	0,00	3	60,00

Salary band	No. of employees at 1 April 2019	Promotions to another salary level	Salary band promotions as % of employees by salary level	Progressions to another notch within salary level	Notch progression as % of employees by salary band
Logistical support personnel, permanent	4	0	0,00	3	75,00
Material-recording and transport clerks, permanent	5	0	0,00	3	60,00
Messengers, porters and deliverers, permanent	6	0	0,00	2	33,30
Other admin. and related clerks and organisers, permanent	40	0	0,00	5	12,50
Other admin. policy and related officers, permanent	7	0	0,00	2	28,60
Other information technology personnel, permanent	11	0	0,00	7	63,60
Other occupations, permanent	3	0	0,00	0	0,00
Risk management and security services, permanent	4	0	0,00	3	75,00
Secretaries and other keyboard-operating clerks, permanent	30	0	0,00	24	80,00
Security officers, permanent	13	0	0,00	7	53,80
Senior managers, permanent	23	1	4,30	7	30,40
Total	425	16	3,80	218	51,30

3.7 EMPLOYMENT EQUITY

Table 3.7.1 - Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making, permanent	3	0	0	0	6	0	0	0	9
Internship, permanent	8	0	0	0	16	0	0	0	24
Contract (top management), permanent	1	0	0	0	1	0	0	0	2
Contract (senior management), permanent	2	0	0	0	0	0	0	0	2
Contract (professionally qualified), permanent	5	0	0	0	7	0	0	0	12
Contract (skilled technical), permanent	1	0	0	0	4	0	0	0	5
Contract (semi-skilled), permanent	1	0	0	0	3	0	0	0	4
Contract (unskilled), permanent	0	0	0	0	3	0	0	0	3
Total	149	3	0	13	220	6	3	23	417

Table 3.7.2 - Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management, permanent	3	0	0	0	0	0	0	0	3
Senior management, permanent	14	1	0	0	19	2	1	1	38
Professionally qualified and experienced specialists and mid-management, permanent	64	2	0	5	73	2	1	13	160

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents, permanent	33	0	0	8	69	1	1	7	119
Semi-skilled and discretionary decision making, permanent	14	0	0	0	19	1	0	2	36
Unskilled and defined decision making, permanent	3	0	0	0	6	0	0	0	9
Internship, permanent	8	0	0	0	16	0	0	0	24
Contract (top management), permanent	1	0	0	0	1	0	0	0	2
Contract (senior management), permanent	2	0	0	0	0	0	0	0	2
Contract (professionally qualified), permanent	5	0	0	0	7	0	0	0	12
Contract (skilled technical), permanent	1	0	0	0	4	0	0	0	5
Contract (semi-skilled), permanent	1	0	0	0	3	0	0	0	4
Contract (unskilled), permanent	0	0	0	0	3	0	0	0	3
Total	149	3	0	13	220	6	3	23	417

Table 3.7.3 - Recruitment for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, permanent	2	0	0	0	3	0	0	0	5

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents, permanent	0	0	0	0	5	0	0	0	5
Semi-skilled and discretionary decision making, permanent	2	0	0	0	1	0	0	0	3
Contract (top management), permanent	0	0	0	0	1	0	0	0	1
Contract (senior management), permanent	2	0	0	0	1	0	0	0	3
Contract (professionally qualified and experienced specialists and mid-management), permanent	6	0	0	0	8	0	0	0	14
Contract (skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents), permanent	1	0	0	0	4	0	0	0	5
Contract (semi-skilled and discretionary decision making), permanent	1	0	0	0	4	0	0	0	5
Contract (unskilled), permanent	0	0	0	0	4	0	0	0	4
Total	14	0	0	0	31	0	0	0	45
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.7.4 - Promotions for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management, permanent	1	0	0	0	0	0	0	0	1
Senior management, permanent	4	1	0	0	10	1	1	1	18
Professionally qualified and experienced specialists and mid-management, permanent	40	0	0	2	48	3	1	7	101
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents, permanent	24	0	0	2	51	1	1	5	84
Semi-skilled and discretionary decision making, permanent	12	0	0	0	12	1	0	2	27
Unskilled and defined decision making, permanent	0	0	0	0	0	0	0	0	0
Contract (senior management), permanent	0	0	0	0	0	0	0	0	0
Contract (professionally qualified), permanent	2	0	0	0	1	0	0	0	3
Contract (skilled technical), permanent	0	0	0	0	0	0	0	0	0
Contract (semi-skilled), permanent	0	0	0	0	0	0	0	0	0
Total	83	1	0	4	122	6	3	15	234
Employees with disabilities	3	0	0	0	2	0	0	1	6

Table 3.7.5 - Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	2	0	0	0	2
Senior management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management, permanent	3	0	0	0	2		0	1	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents, permanent	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Not available, permanent	0	0	0	0	3	0	0	0	3
Contract (top management), permanent	1	0	0	0	0	0	0	0	1
Contract (senior management), permanent	3	0	0	0	4	0	0	0	7
Contract (professionally qualified), permanent	6	0	0	0	5	0	0	0	11
Contract (skilled technical), permanent	2	0	0	0	2	0	0	0	4
Contract (semi-skilled), permanent	2	0	0	0	3	0	0	0	5
Contract (unskilled), permanent	0	0	0	0	3	0	0	0	3
Total	17	0	0	0	26	0	0	2	45
Employees with disabilities	0	0	0	0	1	0	0	0	1

Table 3.7.6 - Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Violation of protected disclosure and gross insubordination	0	0	0	0	1	0	0	0	1
Financial misconduct/irregular expenditure	3	0	0	0	3	0	0	0	6
Irregular expenditure and issuing of unlawful instruction to subordinate	0	0	0	0	0	0	0	1	1
TOTAL	3	0	0	0	4	0	0	1	8

Table 3.7.7 - Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	34	5	0	0	37	2	3	2	83
Professionals	120	6	0	3	131	3	1	17	281
Technicians and associated professionals	49	1	0	8	116	4	2	5	185
Clerks	27	0	0	0	38	0	0	3	68
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	230	12	0	11	322	9	6	27	617
Employees with disabilities	4	0	0	0	0	1	0	1	6

3.8 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

All members of the SMS must conclude and sign performance agreements within specific time frames. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.8.1 - Signing of performance agreements by SMS members as at 31 August 2019

SMS level	Total no. of funded SMS posts	Total no. of SMS members	Total no. of signed performance agreements	Signed performance agreements as % of total no. of SMS members
Director-General/Head of Dept.	1	1	1	2,38
Salary level 16	0	0	0	0,00
Salary level 15	1	1	1	2,38
Salary level 14	12	12	9	21,43
Salary level 13	28	28	27	64,29
Total	42	42	38	90,48

Note:

- In the event of a national or provincial election occurring within the first three months of a financial year, all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2019.

Table 3.8.2 - Reasons for not having concluded performance agreements for all SMS members as at 31 August 2019

Reasons
One of the SMS members was off sick but the other three did not provide any specific reasons for not submitting on time; therefore, disciplinary measures were recommended.

Note:

- The reporting date in the heading of this table should be aligned with that of Table 3.8.1 (May/August)

Table 3.8.2 - Reasons for not having concluded performance agreements for all SMS members as at 31 August 2019

Reasons

One of the SMS members was off sick but the other three did not provide any specific reasons for not submitting on time; therefore, disciplinary measures were recommended.

Note:

- The reporting date in the heading of this table should be aligned with that of Table 3.8.1.



3.9 PERFORMANCE REWARDS

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.9.1 - Performance rewards by race, gender and disability for the period 1 April 2018 to 31 March 2019

Race and gender	Beneficiary profile			Cost	
	No. of beneficiaries	No. of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	9	149	6,00	291,90	32 433,00
Female	19	205	9,30	512,47	26 972,00
Asian					
Male	0	0	0,00	0,00	0,00
Female	0	3	0,00	0,00	0,00
Coloured					
Male	0	4	0,00	0,00	0,00
Female	0	9	0,00	0,00	0,00
Total: black males	9	153	5,90	512,47	32 433,00
Total: black females	19	217	8,80	291,90	26 972,00
White					
Male	1	22	9,10	23,54	23 542,00
Female	2	22	9,10	31,97	15 986,00
Employees with a disability	1	10	10,00	55,08	55 078,00
Total	32	413	7,70	914,96	28 593,00

Table 3.9.2 - Performance rewards by salary band for personnel below SMS for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary profile			Cost	
	No. of beneficiaries	No. of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee (R)
Lower skilled (levels 1-2)	5	9	55,60	52,68	10 536,00
Skilled (levels 3-5)	5	37	13,50	72,57	14 514,00
Highly skilled production (levels 6-8)	7	117	6,00	159,63	22 804,00
Highly skilled supervision (levels 9-12)	14	160	8,80	575,94	41 139,00
Other	0	24	0,00	0,00	0,00
Contract (levels 1-2)	0	3	0,00	0,00	0,00
Contract (levels 3-5)	0	4	0,00	0,00	0,00
Contract (levels 6-8)	0	5	0,00	0,00	0,00
Contract (levels 9-12)	0	12	0,00	0,00	0,00
Total	31	371	8,40	860,83	27 769,00

Table 3.9.3 - Performance rewards by critical occupation for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary profile			Cost	
	No. of beneficiaries	No. of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee (R)
Administrative related, permanent	4	41	9,80	172,15	43 038,00
Archivists, curators and related professionals, permanent	1	45	2,20	24,99	24 987,00
Auxiliary and related workers, permanent	0	10	0,00	0,00	0,00
Cleaners in offices, workshops, hospitals, etc., permanent	5	12	41,70	46,36	9 272,00
Client information clerks (switchboard, reception, information clerks), permanent	0	2	0,00	0,00	0,00

Salary band	Beneficiary profile			Cost	
	No. of beneficiaries	No. of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee (R)
Communication and information related, permanent	6	82	7,30	252,89	42 148,00
Custodian personnel	0	1	0,00	0,00	0,00
Diplomats	0	2	0,00	0,00	0,00
Engineers and related professionals, permanent	0	2	0,00	0,00	0,00
Finance and economics related, permanent	1	14	7,10	52,60	52 605,00
Financial and related professionals, permanent	1	11	9,10	54,14	54 138,00
Financial clerks and credit controllers, permanent	0	9	0,00	0,00	0,00
Food services aids and waiters, permanent	2	7	28,60	35,08	17 539,00
General legal admin. and related professionals, permanent	0	1	0,00	0,00	0,00
Human resources and organisational development and related professionals, permanent	0	6	0,00	0,00	0,00
Human resources clerks, permanent	1	3	33,30	13,57	13 572,00
Human resources related, permanent	1	15	6,70	37,63	37 629,00
Information technology related	0	1	0,00	0,00	0,00
Language practitioners, interpreters and other communication related, permanent	3	14	21,40	84,63	28 209,00
Legal related, permanent	0	2	0,00	0,00	0,00
Library, mail and related clerks, permanent	0	5	0,00	0,00	0,00
Logistical support personnel, permanent	0	4	0,00	0,00	0,00
Material-recording and transport clerks, permanent	0	5	0,00	0,00	0,00
Messengers, porters and deliverers, permanent	2	8	25,00	30,24	15 122,00
Other admin. and related clerks and organisers, permanent	0	34	0,00	0,00	0,00
Other admin. policy and related officers, permanent	1	7	14,30	27,42	27 415,00
Other information technology personnel, permanent	1	8	12,50	26,76	26 764,00
Other occupations, permanent	0	2	0,00	0,00	0,00

Salary band	Beneficiary profile			Cost	
	No. of beneficiaries	No. of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee (R)
Risk management and security services, permanent	1	3	33,33	23,54	23 542,00
Secretaries and other keyboard-operating clerks, permanent	2	27	7,40	32,96	16 481,00
Security officers, permanent	0	13	0,00	0,00	0,00
Senior managers, permanent	0	16	0,00	0,00	0,00
Total	14	423	3,30	373,52	26 680,00

Note:

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or subcategories within an occupation–

- (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course of study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Table 3.9.4 – Performance-related rewards (cash bonus), by salary band for SMS for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary profile			Cost		Total cost as % of total personnel cost	Personnel cost SMS (R'000)
	No. of beneficiaries	No. of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee		
Band A	1	27	3,70	54	54 137	0,20	34 239
Band B	0	10	0	0	0	0	14 936
Band C	0	3	0	0	0	0	5 869
Band D	0	2	0	0	0	0	5 174
Total	1	42	2,40	54	54 137	0,10	60 219



3.10 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.10.1 - Foreign workers by salary band for the period 1 April 2019 to 31 March 2020

Salary band	1 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled	0	0	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0	0	0
Contract (levels 9-12)	0	0	0	0	0	0
Contract (levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

Table 3.10.2 - Foreign workers by major occupation for the period 1 April 2019 to 31 March 2020

Major occupation	1 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals and managers	0	0	0	0	0	0
Total	0	0	0	0	0	0

3.11 LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the Public Service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.11.1 - Sick leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% days with medical certificate	No. of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total no. of employees using sick leave	Total no. of days with medical certificate
Contract (levels 1-2)	5	0,00	2	0,60	3	3	346	0
Contract (levels 3-5)	9	100,00	3	0,90	3	8	346	9
Contract (levels 6-8)	13	76,90	2	0,60	7	17	346	10
Contract (levels 9-12)	35	74,30	6	1,70	6	89	346	26
Contract (levels 13-16)	8	100,00	2	0,60	4	41	346	8
Contract, other	91	31,90	21	6,10	4	23	346	29
Lower skilled (levels 1-2)	96	82,30	12	3,50	8	60	346	79
Skilled (levels 3-5)	343	74,60	32	9,20	11	301	346	256
Highly skilled production (levels 6-8)	1 021	81,30	102	29,50	10	1 542	346	830
Highly skilled supervision (levels 9-12)	1 037	77,00	136	39,30	8	2 760	346	798
Senior management (levels 13-16)	218	74,30	28	8,10	8	975	346	162
Total	2 876	76,70	346	100	8	5 820	346	2 207

Table 3.11.2 - Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% days with medical certificate	No. of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total no. of employees using sick leave	Total no. of days with medical certificate
Skilled (levels 3-5)	197	100	2	25,00	99	198	197	8
Highly skilled production (levels 6-8)	85	100	5	62,50	17	109	85	8
Senior Management (levels 13-16)	149	100	1	12,50	149	671	149	8
Total	431	100	8	100	54	978	431	8

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.11.3 - Annual leave for the period 1 January 2019 to 31 December 2019

Salary band	% of total employees using sick leave	Estimated cost (R'000)	Total no. of days with medical certificate
Contract (levels 1-2)	34	3	11
Contract (levels 3-5)	47	5	9
Contract (levels 6-8)	55	6	9
Contract (levels 9-12)	156	16	10
Contract (levels 13-16)	48	6	8
Contract, other	392	28	14
Lower skilled (levels 1-2)	319	12	27
Skilled (levels 3-5)	817	37	22
Highly skilled production (levels 6-8)	3 088	120	26
Highly skilled supervision (levels 9-12)	4 390	172	26
Senior management (levels 13-16)	999	37	22
Total	10 345	442	23

Table 3.11.4 - Capped leave for the period 1 January 2019 to 31 December 2019

Salary band	Total no. of days with medical certificate	Total no. of days with medical certificate	Total no. of days with medical certificate	Total no. of days with medical certificate
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	51
Highly skilled production (levels 6-8)	0	0	0	42
Highly skilled supervision (levels 9-12)	0	0	0	27
Senior management (levels 13-16)	0	0	0	34
Total	0	0	0	33

The following table summarises payments made to employees for leave that was not taken.

Table 3.11.5 - Leave pay-outs for the period 1 April 2019 to 31 March 2020

Salary band	% of total employees using sick leave	Estimated cost (R'000)	Total no. of days with medical certificate
Annual – discounting with resignation (work days)	508	17	29 882
Annual – discounting unused vacation credits (work days)	172	2	86 000
Annual – gratuity: death/retirement/medical retirement (work days)	37	1	37 000
Capped – gratuity: death/retirement/medical retirement (work days)	2	1	2 000
Total	719	21	34 238

3.12 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.12.1 - Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	N/A

Table 3.12.2 - Details of health promotion and HIV/Aids programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Regulation 55 (d) of Public Service Regulations, 2016? If so, provide his/her name and position.	Yes	<input type="checkbox"/>	Mr Makoto Matlala: Act. DDG/Corporate Services is designated to implement the provision contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001.
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes	<input type="checkbox"/>	Three Employees are paid from the compensation budget and projects from the goods and services budget (HRM).
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes	<input type="checkbox"/>	By offering key services the Employee Health and Wellness Unit aims to achieve the following goals: Implementing the National Strategic Plan for HIV/Aids, STIs and TB 2017-2022 by– i. addressing the social and structural drivers of HIV, TB and STIs; ii. accelerating prevention of new HIV, TB and STI infections; iii. sustaining health and wellness; and iv. grounding the response to HIV, TB and STIs in human rights principles and approaches.

Question	Yes	No	Details, if yes
			<p>Promoting and enhancing DAC employees' performance and organisational performance through–</p> <ul style="list-style-type: none"> i. developing, implementing and popularising of the wellness management policy; and ii. implementing a wellness management operational plan with the following objectives: <ul style="list-style-type: none"> (a) to promote physical wellness of employees; (b) to promote psychosocial wellness of employees; (c) to promote and encourage organisational wellness; and (d) to promote work-life balance. <p>Addressing all aspect of employees' health that affect their work performance through–</p> <ul style="list-style-type: none"> i. developing, implementing and popularising the Health and Productivity Management Policy to DAC employees; ii. providing health education and promotion; iii. promoting the management of non-communicable and communicable diseases; iv. promoting the management of mental health in the workplace; and v. promoting the management of incapacity leave due to ill-health and retirement
<p>4. Has the Department established (a) committee(s) as contemplated in Regulation 55 (d) of Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	<p>Yes</p>		<p>The Employee Health and Wellness Unit appointed the following DAC employees as members and champions of Employee Health and Wellness Committee:</p> <ul style="list-style-type: none"> • Opelo Thole: Subdirectorate Terminology Coordination • Hlwaela Mphuloane: Subdirectorate: Payment & Asset

Question	Yes	No	Details, if yes
			<p>Management</p> <ul style="list-style-type: none"> • Mokgadi Matemane: Chief Directorate: National Language Service • Corry Masilela: Subdirector: Events Management • Matsobane Kekana: Directorate: Internal Audit • Luvuyo Ngingi: Subdirector Terminology Coordination • Patricia Mohlala: Division: Security • Petrus Mathiba: Division: Registry • Tumelo Modjela: Directorate: Information Technology • Tshepiso Serokolo: Directorate: Information Technology
<p>5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>	Yes		<p>The following polices have been reviewed and approved:</p> <ul style="list-style-type: none"> • Policy on Job Evaluation • Policy on Resettlement • Policy on Leave • Workplace Health and Productivity Management Policy • Workplace Wellness Management Policy • Policy on Appointments, Secondments, Promotions, Transfers and Termination of service • Policy on Recruitment and Selection.
<p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>	Yes		<ul style="list-style-type: none"> • Provide educational information on the stigma related to HIV/Aids and TB in the workplace through electronic and print media. • Provide ongoing emotional and psychosocial support to employees who are victims of stigmatisation and discrimination related to HIV/Aids and TB. • Popularise policies that address discrimination and stigmatisation of employees infected with HIV and TB in the workplace through print and electronic media. • Promote and mainstream HR policies that address barriers to

Question	Yes	No	Details, if yes
			<p>human rights through print and electronic media.</p> <ul style="list-style-type: none"> • Popularise the existing policy on EEA and its provisions, which addresses equity and protection of vulnerable individuals in the workplace. • Raise awareness of issues related to gender-based violence, stigma and discrimination against people living with disability, including those infected and affected by HIV/Aids. • Intensify awareness of women's empowerment and gender equality issues through workshops, print and electronic media. • Encourage and promote behavioural change interventions through print and electronic media.
<p>7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.</p>	<p>Yes</p>		<p>Between April 2019 and March 2020, 37 male employees and 68 female employees participated in HIV counselling and testing (HCT). Of the 105 employees who participated in HCT, no employees were tested HIV positive.</p>
<p>8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.</p>	<p>Yes</p>		<p>The Employee Wellness Unit provides a report on the impact of the implementation of the health promotion programme to the Directors-General of the Department of Arts and Culture and the Department of Public Service and Administration at least once per annum in the form of the following operational plans:</p> <ol style="list-style-type: none"> a. HIV & AIDS, TB and STI Operational Plan; b. Health and Productivity Management Operational Plan; c. Wellness Management Operational Plan. <p>The Employee Health and Wellness Unit also provides the following reports quarterly and annually:</p>

Question	Yes	No	Details, if yes
			a. Reports on the progress made in the projects in the Branch's Operational Plan; b. DAC Report on the Operational Plan; c. Audit Committee Report for all 4 quarters.



3.13 LABOUR RELATIONS

Table 3.13.1 - Collective agreements for the period 1 April 2019 to 31 March 2020

Total number of collective agreements	None
---------------------------------------	------

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.13.2 - Misconduct and disciplinary hearings finalised for the period 1 April 2019 to 31 March 2020

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0,00
Verbal warning	0	0,00
Written warning	0	0,00
Final written warning/suspended without pay	1	50,00
Fine	0	0,00
Demotion	0	0,00
Dismissal	1	50,00
Not guilty	0	0,00
Case withdrawn	0	0,00
Total	2	100

Table 3.13.3 - Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 to 31 March 2020

Type of misconduct	Number	% of total
Violation of protected disclosure and gross insubordination	1	16,66
Financial misconduct/irregular expenditure	4	66,66
Irregular expenditure and issuing of unlawful instruction to subordinate	1	16,66
Total	6	100

Table 3.13.4 - Grievances lodged for the period 1 April 2019 to 31 March 2020

Outcomes of disciplinary hearings	Number	% of total	Total
No. of grievances resolved	8	57,14	8
No. of grievances not resolved	6	42,86	6
Total number of grievances lodged	14	100	14

Table 3.13.5 - Disputes lodged with councils for the period 1 April 2019 to 31 March 2020

Disputes	Number	% of total
Total number of disputes lodged	3	100

Table 3.13.6 - Strike action for the period 1 April 2019 to 31 March 2020

Total no. of working days lost	0
Total cost of working days lost (R'000)	0
Amount recovered as a result of no work, no pay (R'000)	0

Table 3.13.7 - Precautionary suspensions for the period 1 April 2019 and 31 March 2020

No. of people suspended	4
No. of people whose suspension exceeded 30 days	4
Average no. of days suspended	1 870
Cost of suspension (R'000)	3 130 274,00

3.14 SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development.

Table 3.14.1 - Training needs identified for the period 1 April 2019 to 31 March 2020

Occupational category	Gender	No. of employees at 1 April 2019	Training needs identified at beginning of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	48	0	20	0	20
	Male	29	0	3	0	3
Professionals	Female	97	0	98	0	98
	Male	73	0	76	0	76
Technicians and associated professionals	Female	23	0	101	0	101
	Male	11	0	67	0	67
Clerks	Female	156	0	33	0	33
	Male	52	0	31	0	31
Elementary occupations	Female	3	0	23	0	23
	Male	0	0	5	0	5
Gender subtotals	Female	327	0	275	0	275
	Male	165	0	182	0	182
Total		492	0	457	0	457

Table 3.14.2 - Training provided for the period 1 April 2019 to 31 March 2020

Occupational category	Gender	No. of employees at 1 April 2019	Training needs identified at beginning of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	48	0	44	0	44
	Male	29	0	39	0	39
Professionals	Female	97	0	152	0	152
	Male	73	0	129	0	129
Technicians and associated professionals	Female	23	0	127	0	127
	Male	11	0	58	0	58
Clerks	Female	156	0	41	0	41
	Male	52	0	27	0	27
Elementary occupations	Female	3	0	0	0	0
	Male	0	0	0	0	0
Gender subtotals	Female	327	0	365	0	364
	Male	165	0	252	0	253
Total		492	0	617	0	617

3.15 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.15.1 Injury on duty for the period 1 April 2019 to 31 March 2020

Nature of injury on duty	Number	% of total
Required basic medical attention only	13	68,42
Temporary total disablement	6	31,57
Permanent disablement	0	0,00
Fatal	0	0,00
Total	19	100

3.16 USE OF CONSULTANTS

The following tables relate information on the use of consultants in the Department. In terms of the Public Service Regulations, 'consultant' means a natural or juristic person or a partnership who or which, in terms of a specific contract, on an ad-hoc basis provides any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.16.1 - Consultant appointments using appropriated funds for the period 1 April 2019 to 31 March 2020

Project title	Total no. of consultants who worked on project	Duration (working days)	Contract value in Rand
Community Library Conditional Grant Project	2	11 months	2 414 720,00 (DPSA Hourly Fee Rates for Consultants (R686.00 per hour) = 1 207 360,00 X2)

Total no. of projects	Total no. of individual consultants	Total duration (working days)	Total contract value in Rand
1	2	11 months	2 414 720,00

Table 3.16.2 - Analysis of consultant appointments using appropriated funds in terms of historically disadvantaged individuals (HDIs) for the period 1 April 2019 to 31 March 2020

Project title	% ownership by HDI groups	% management by HDI groups	No. of consultants from HDI groups who worked on project
Library Conditional Grant	100	100	2

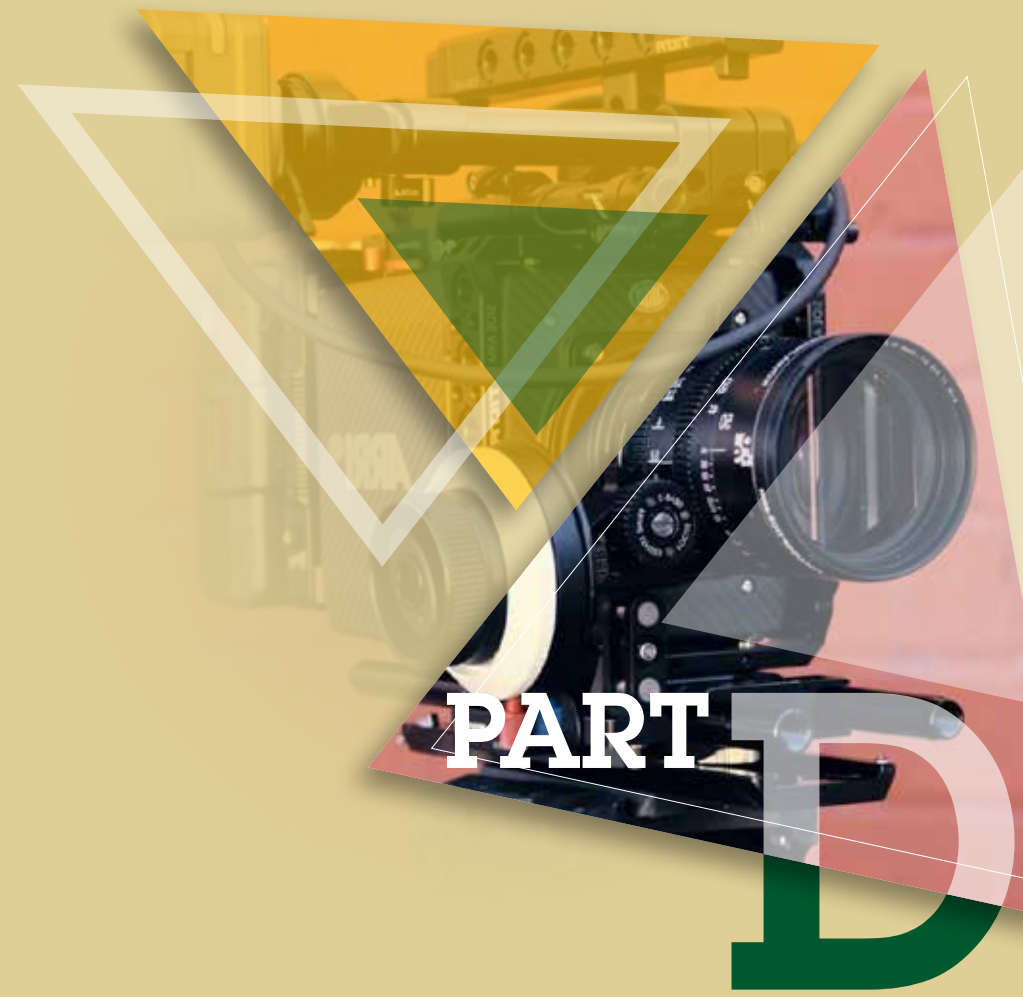
Table 3.16.3 - Consultant appointments using donor funds for the period 1 April 2019 to 31 March 2020

Project title	Total no. of consultants who worked on project	Duration (working days)	Donor and contract value in Rand
None	0	0	0

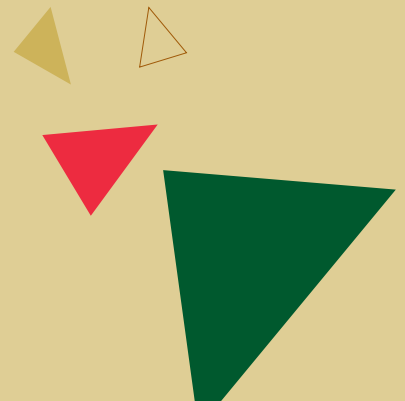
Total no. of projects	Total no. of individual consultants	Total duration (working days)	Total contract value in Rand
None	0	0	0



THEATRE
MUSIC
DANCE
VISUAL ARTS
ROCK ARTS
PHOTOGRAPHY
ARCHITECTURE
CRAFT
LITERATURE
FILM



PART D
GOVERNANCE



4.1 INTRODUCTION

The Department's commitment to maintaining the highest standards of governance is fundamental to the management of public finances and resources. The public wants assurance that the Department has good governance structures in place to effectively, efficiently and economically utilise the state's resources, which are funded by the tax payer.

4.2 RISK MANAGEMENT

As required by section 38(1)(a)(i) of the PFMA, and in line with the Public Sector Risk Management Framework, the Department has an established Risk Management Committee that advises the Accounting Officer on matters of risk management in fulfilling his mandate as required by the Act. The Risk Management Committee operates on the advice of an independent member as the Chairperson, who reports to the Department's Audit Committee.

The Risk Management Committee has adopted formal approved terms of reference as contained in the Risk Management Committee Charter, and regulates its affairs and discharges its responsibilities in compliance with the Risk Management Committee Charter.

The Committee comprises the Director-General, executive management, top management and selected senior managers who represent core operational functions within the DAC. The Committee held five meetings during the 2019/20 financial year with an average attendance rate of 66%.

The Department's Risk Management Unit maintained the following policies:

Enterprise Risk Management

- (i) Risk Management Framework
- (ii) Risk Management Policy
- (iii) Risk Management Committee Charter
- (iv) Project Risk Methodology

(v) Project Risk Management Framework

Ethics and Integrity

(i) Ethics Policy

(ii) Ethics Strategy

(iii) Ethics and Integrity Committee Charter

(iv) Fraud Policy

(v) Fraud Prevention Strategy

(vi) Fraud Investigation Policy

(vii) Gifts Policy

(viii) Remunerative work outside the Public Sector

(ix) Conflict of Interest Policy Compliance Risk Management (i) Compliance Risk Management Framework

(ii) Compliance Policy

The cadence of reporting quarterly at both operational and strategic level was maintained. The overall risk mitigation implementation effort for the year was measured at 70% for the entire organisation. Escalation to the Audit Committee was done quarterly by the Risk Management Committee Chairperson.

4.3 FRAUD AND CORRUPTION

Reporting of fraud allegations and application of Fraud Prevention Policy:

- The Department has an approved Fraud Prevention Strategy, which is reviewed annually. A fraud risk assessment was conducted to review the key fraud risk exposure faced by the Department. All reported allegations were escalated to the Accounting Officer and the Chief Audit Executive for preliminary and follow-up investigations.

4.4 MINIMISING CONFLICT OF INTEREST

The Department has a newly established Ethics and Integrity Committee, chaired by a Deputy Director-General, in compliance with regulation 23(2) of the Public Service Regulation, 2016, to provide oversight on ethics management.

The Committee met to consider the submitted requests to perform remunerative work outside the Public Sector. The Chairperson provided oversight of the planning process, awareness about the disclosure of financial interests by designated officials, and gift disclosures, including the outcome of conflict of interest cases for the previous year's disclosures.

4.5 CODE OF CONDUCT

The Department complies with the Code of Conduct as articulated in Chapter 2, Part 1 of the Public Service Regulations, 2016. This is done by providing all new employees with the Code of Conduct booklet upon joining the Department. Further to this, the Department has also rolled out induction programmes for new recruits, with the aim of informing officials of the expected behavioural standards from an ethical perspective. The key outcomes were focused on professionalism in the public sector, including the management of conflict of interest and overall familiarisation with the respective policies and legislation.

4.6 HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The vision of the Department's Occupational Health and Safety (OHS) programme is a healthy and safe working environment for all who enter its premises, in compliance with the relevant legislation. The mission of the programme is to provide a safe and healthy occupational environment by preventing accidents, injuries and illness resulting from all foreseeable workplace hazards and risks, and to continuously respond rapidly and appropriately when these occur.

The DAC considers its staff to be its most valuable asset and is committed to maintaining the health and safety of all staff as a priority.

This commitment also extends to others in the workplace, such as our visitors, on-site contractors and stakeholders who visit our various sites and attend our events.

The commitment to workplace health and safety was achieved through the active participation of all staff. It was the expectation that staff enthusiastically support activities designed to enhance their health and safety, and that Management committed the time and resources needed to make this possible.

This commitment includes compliance with the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) (OHSA) in light of the COVID-19 threat. The Department implemented stringent measures as per the guidelines of the Department of Health to proactively prevent potential occupational infections. The Occupational Health and Safety Policy was approved with effect from 1 September 2019. The health and safety plan outlines details of activities to ensure compliance and awareness of all occupational risks within the workplace, which includes compliance with the OHSA in light of the COVID-19 threat, and strategies for providing a safe and healthy occupational environment by preventing injuries, illness and accidents resulting from these risks.

Formal and informal building inspections were conducted on a regular basis. These inspections allowed the identification of risks and hazards in the workplace. Quarterly health and safety meetings were conducted. Emergency preparedness was put in place through biannual evacuation drills which were conducted in accordance with the Disaster Management Act, 2002 (Act No. 57 of 2002), and municipal by-laws.

Health and safety representatives were trained in basic SHE rep functions, first aid and firefighting. Furthermore, there was regular liaising with the various facilities managers to ensure that adequate property maintenance was done. There was adequate, ongoing communication and awareness, appraising all staff of all information concerning health and safety in general and in relation to the activities of the OHS Plan, including ongoing updates and awareness sessions.

Measures were put in place after the announcement of the state of disaster to deal with the COVID-19 pandemic. The relevant personal protective equipment and protocols were implemented to ensure prevention and protection for all staff.

4.7 PORTFOLIO COMMITTEE

The Department was invited to several meetings with the Portfolio Committee on Arts and Culture. The details of the meetings are provided in the table below:

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
3 July 2019 4 July 2019	DAC 2019/20 APP and strategic plan SRSA 2019/20 APP and strategic plan DAC 3 rd and 4 th Quarter Expenditure Report for 2018/19	The Department presented its APP and strategic plan covering the mandate, strategic posture and the Minister's 10-point plan for the Department. The presentation also included socio-economic statistics that informed the planning process, the key programmes contributing to economic development, infrastructure programme, emerging strategic initiatives, the policy and legislative programme, budget and expenditure plan (2019 MTEF allocations), and the performance targets set for the financial year.
27 August 2019	SACO briefing on the contribution of arts to the gross domestic product (GDP) and the effect of the Copyright Bill on the industry	<p>In the 3rd quarter, the Department planned to implement and achieve 30 performance targets; 23 (77%) of the aforesaid targets were achieved and seven (23%) were not achieved. The Department incurred actual expenditure of R1,1 billion (93%) in the 3rd quarter versus a quarterly projected budget of R1,2 billion.</p> <p>In the 4th quarter, the Department planned to implement and achieve 33 performance targets. However, only 24 (73%) of the aforesaid targets were achieved and nine (27%) were not achieved. The Department incurred actual expenditure of R1,1 billion (117%) in the 4th quarter versus a quarterly projected budget of R934,2 million.</p>
3 September 2019	Joint meeting with the DPW and implementing agencies on the legacy infrastructure projects	<p>SACO briefing on the contribution of arts to the GDP</p> <p>Cultural industries contribute R63 billion to the GDP per year, i.e. 1,7% of the GDP. They have a growth rate of 4,8% per year, which is faster than the rest of the economy, with 1 million employed (6,94% of total employment in 2016). 35% of cultural jobs are held by people younger than 35 years, and 86% of people in cultural occupations are blacks.</p> <p>Effect of the Copyright Bill on the industry</p> <p>In the Copyright Act, 1978 (Act No. 98 of 1978), the default position is that the commissioner owns the work, and performers are being paid just for the work done during the commission. The new Bill seeks to level the playing field.</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
10 September 2019	Joint meeting with the DPW and implementing agencies on the legacy infrastructure projects	<p>The Department engaged the services of the Independent Development Trust (IDT), an entity of the DPW, to implement its arts and culture infrastructure projects from the 2011/12 financial year.</p> <p>The DAC faced a number of challenges with the IDT, and despite several high-level interventions, the IDT regional offices were unable to provide and implement project-specific recovery plans. Following more than a year of unsatisfactory engagement and exchange of correspondence, the Department terminated the relationship with the IDT in November 2016. All the project responsibilities have been ceded to the Department.</p> <p>The Department, as a recovery intervention, requested participation in the Department of Human Settlements (DHS) infrastructure contract in terms of National Treasury Regulation 16A6.6 for the completion of legacy projects. A service provider was appointed after following the required processes.</p>
17 September 2019	DAC Library Conditional Grant and update on National Archives issues	<p>Library Conditional Grant</p> <p>Since the inception of the grant in 2007/08, 205 new library infrastructure/libraries have been built and 538 existing libraries have been upgraded. The plan is to build 96 more new libraries and upgrade 135 existing libraries in the next three years.</p> <p>The building of libraries results in the employment of staff, provision of free internet access, purchasing of new library materials, improved services for the visually impaired and toy library services for children.</p> <p>The resources of public libraries are harnessed in supplementing educational resources, supporting early childhood development and providing desperately needed skills to the youth to increase their employment opportunities.</p> <p>The new libraries are built in close proximity to schools and material that supports teaching and learning is purchased.</p> <p>To increase the culture of reading, especially in indigenous languages, 77 titles in African languages have been reprinted and made available to public libraries in all the provinces.</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
		<p>Update on National Archives issues</p> <p>The NARSSA was established through the promulgation of the National Archives and Record Service of South Africa Act, 1996 (Act No. 43 of 1996), and constitutes a vital part of the nation's heritage and is a means to enhance national identity, nation building and empowerment. Among the key programmes of the NARSSA are the Archives Awareness Week, HVAC project, Rivonia Trial Dictabelts, revamping of the NAAIRS, new website projects, national oral history project, and the revamping of the existing NARSSA building.</p>
18 September 2019	Joint meeting with the Department of Basic Education (DBE) on the memorandum of understanding (MoU) on school sports and artists in schools, and social cohesion and nation building	<p>The DAC and DBE have formally collaborated since 2004 following an audit study on arts education in public schools, which was jointly funded by both Departments. Cooperation and collaboration between the DAC and DBE was formalised and institutionalised through the signing of the Framework of Collaboration (FoC) in 2007. All the schools-based arts education programmes are geared towards achieving social cohesion and national identity.</p> <p>Arts education is one of the most important functions of the DAC and is reflected in the White Paper on Arts, Culture and Heritage (1996) and the revised White Paper, which is currently in the final stage. The National Development Plan further endorses the meaningful role of the DAC in the revitalisation of the creative arts curricular in public schools. Arts education also contributes to Outcome 14, Nation building and social cohesion, and Outcome 1, Improved quality of education.</p>
8 October 2019	DAC 1 st Quarter Performance Report for the 2019/20 financial year	<p>The Department planned to implement and achieve 21 performance targets; 71% (15/21) of the aforesaid targets were achieved and 29% (6/21) were not achieved. The Department incurred actual expenditure of R943,5 million (85%) in the 1st quarter versus a quarterly projected budget of R1,1 billion.</p> <p>The actual expenditure of R943,5 million (20%) incurred in the 1st quarter versus the annual budget of R4,6 billion.</p>
9 October 2019	DAC Annual Report 2018/19	<p>The financial years from 2015/16 to 2017/18 have seen a steady improvement in the performance of the Department. The period of 2018/19 saw a slight decline of 3% in performance when compared to 2017/18. The Department planned to achieve a total of 39 performance targets. However, eight targets could not be achieved, which translates to 79% achievement. The expenditure for the financial year was 97,7% of the appropriation.</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
1 November 2019	Joint meeting with the Department of Trade and Industry (DTI), DAC, the National Lotteries Commission and the South African Football Association (SAFA) on sports issues	<p>Joint meeting with the DTI and DAC</p> <p>Two Bills were passed last year by the National Assembly and subsequently by the National Council of Provinces (NCOP) early this year. The aim of the Bills is to amend the Performers Protection Act, 1967 (Act No. 11 of 1967), and the Copyright Act, 1978, which are very old and not in line with international standards. The Bills incorporate the latest international treaties, such as the Beijing Treaty on Audiovisual Performances, the World Intellectual Property Copyright Treaty (World Intellectual Property Organization (WIPO) CT also known as the WCT) and the WIPO Performances and Phonograms Treaty (WPPT). The WCT was created to address changes in digital technology and communications, particularly the distribution of digitally protected works over the Internet. Known as the "Internet treaties", the WCT was enacted along with the WPPT to respond to new marketplace and technology developments.</p>
5 November 2019	DAC update on the revised White Paper and repeat fees for artists	<p>Update on the revised White Paper</p> <p>The 1996 White Paper is outdated and out of sync with the present political and sector approach of developing the Cultural and Creative Industries to increase its contribution to addressing the country's triple challenges of unemployment, poverty and inequality. The revision was initiated to update national policies for the sector in light of the changes and new developments that have taken place in the last two decades and the new challenges that have emerged over this period. Furthermore, it was done to consolidate the democratic dispensation established for the sector in 1996, and to reposition it to effectively accelerate transformation by addressing shortcomings and integrating it into national policies and strategies for inclusive artistic, cultural, social and economic development. The imperative is to ensure that the revised White Paper on ACH provides an inclusive, integrated and effective macro policy framework designed for the accelerated development of the diverse artistic practices, cultures and heritage traditions of South Africa. This will be achieved by enhancing the sector's potential to contribute, alongside and in partnership with other departments and across different levels of government, to the eradication of inequality, unemployment, poverty and exclusion in society.</p> <p>Repeat fees for artists</p> <p>The reasons behind the failure to protect artists/practitioners and deter this abusive business behaviour in the sector lie mainly within the gaps that exist in the copyright legislation of the country. The Department trusts that major improvements will be realised should the copyright reforms that are currently underway be effected. In the current</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
		<p>Copyright Act, 1978, the default position is that he who commissions owns the work, and performers are being paid just for the work done during the commission. The new Bill seeks to level the playing field.</p>
<p>19 November 2019</p>	<p>DAC entities, National Arts Council (NAC), NLSA and SAHRA briefing on investigations and their outcomes</p>	<p>NAC A decision was taken to appoint the CEO of the State Theatre, Dr Mkhize, as the interim CEO of the NAC. Mr Mkiva would be relieved of the interim CEO duties and reinstated as a council member. A meeting to hand over the report to Dr Mkhize took place in the first week of January 2019. Dr Mkhize met with the Chairperson of the NAC for a briefing, and was introduced to the staff members of the NAC on 22 January 2019.</p> <p>A full report of beneficiaries who received funding is available. At the last scheduled hearing from 10-13 December 2018, the last day of the hearing was scheduled for 5 February 2019 for the employee's witness to provide testimony. During this hearing it was mentioned that the CEO has two other witnesses; to accommodate them it was concluded that the matter would be heard on 25 and 27 February 2019 respectively.</p> <p>NLSA The Department received an anonymous correspondence from the employees of the NLSA regarding the misuse of resources and funds and the dismissal/suspension of Directors at the NLSA. From the correspondence received, it became evident that there were challenges at the entity. As a form of intervention, the DG directed officials from the Department to visit the entity and meet with NLSA staff to get clarity on the issues and concerns raised. The meeting was held on 18 October 2018 at the NLSA in Pretoria. A detailed report generated from the meeting with staff of the NLSA was presented to the Executive Management and union members on 28 November 2018. The DAC met with NLSA employees on 12 February 2019 to address all the concerns that were raised by them. The meeting provided a platform for the NLSA staff to address all the concerns raised and both management and staff committed to work on improving communication.</p> <p>The Board appointed an independent investigator and a report has been shared with the Minister for noting.</p> <p>SAHRA The investigation has been completed and a final report was handed over to the Minister. With regard to the other</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
		<p>three officials, two were charged and the disciplinary process was almost complete. The charges against the third official were more serious; therefore, a full disciplinary inquiry would take place. It was for this reason that he was not charged/served notice in December 2018, but rather to allow this process in the new year. Criminal charges were also laid against those implicated in the report and the CEO was dismissed on 14 January 2019.</p>
1 December 2019	Freedom Park allegations and media reports	<p>The Council of Freedom Park responded to Ms van Dyk's allegations and offered to meet with her to correct the distortions in what was presented to her, and further offered her a proper tour of the Park.</p> <p>Ms van Dyk has declined the offers from the Freedom Park Management and Council, and has based all her statements on Freedom Park on a one-sided story by Dr Montash.</p> <p>With regard to the legality and ownership of the name Freedom Park, it should be noted that the following decision was made at the Cabinet Committee meeting held on 5 May 1998:</p> <p>The establishment of Freedom Park as a legacy project on 10 June 1998.</p>
18 February 2020	Pending legislation and objectives, South African Public Library Information Services Bill, 2019	<p>The purpose of the Bill is to provide measures to redress the inequalities in the provision of public library and information services and resources. The scope of the Bill only covers public library and information services that are established, funded or maintained by a province or municipality to provide library and information services to the public. The Bill excludes school libraries, libraries in institutions and private libraries. The Bill also requires the Minister of Arts and Culture to issue national norms and standards for the provision of library and information services.</p> <p>A 10-year roll-out plan, which will prioritise the resources according to areas with the most needs and maintain ideal standards based on the socio-economic situation, is proposed. The Department presented the costs of implementing the Bill to the National Treasury (joint meeting of national and provincial departments) on 17 January 2020.</p> <p>During the 2018/19 MTEF the budget of the community library conditional grant was reduced by R236 million and R283 million in the 20/21 MTEF. The National Treasury recommended that the implementation of the Bill had to be delayed due to the current financial constraints.</p> <p>PanSALB</p> <p>The CEO was subjected to a disciplinary hearing by the new Board, which arose from the recommendations of the Gobodo forensic report. During the course of the hearing the CEO sought settlement with PanSALB, which would have awarded him payment for the remainder of his contract, i.e. 12-13 months payment.</p>

Date of meeting	Matters raised during Portfolio Committee briefings	How the Department addressed these matters
25 February 2020	PanSALB forensic report	<p>Freedom Park NEHAWU issues</p> <p>The Department requested the Council of Freedom Park to address the matter and share the outcome with the Department. The Council instituted an investigation through its Executive Committee. The investigation report generated by the Committee was subsequently rejected by the union and they demanded an independent investigation. Subsequent to this, the Council appointed a service provider to do an independent investigation into the matter. A report was presented to the Council in December 2019.</p>
28 February 2020	2 nd Quarter Performance Report for 2019/20	<p>In the 2nd quarter, the Department planned to implement and achieve 26 performance targets. However, 81% (21/26) of the aforesaid targets were achieved and only 19% (5/26) were not achieved. For the quarter, the overall spending was R2,0 billion (44%) against the Main Appropriation of R4,6 billion and the spending pattern was in line with that of the previous financial year with a decline of 1,0%.</p>
3 March 2020	DAC entity, Ditsong 2019/20 APP	<p>Due to a high turnover in the senior management of the entity for a number of years, the entity has been battling with negative audit opinions; however, stability has been achieved. A CFO who understands the challenges that the entity is faced with has been employed and this has played a role in the improvement on the entity's audit opinion.</p>
5 March 2020	DAC entity, South African Roadies Association (SARA) projects supported by the DAC from 2014 to date	<p>The total funds committed to SARA after the signing of the settlement agreement in 2014 amount to R37 810 154,92. These funds were used as follows:</p> <ul style="list-style-type: none"> • R7 169 704,92 for international relations support over the years; • R7 640 450,00 for live events, technical production conference support; and • R23 000 000,00 was committed for SARA House renovations.
17 March 2020	DAC entities, NAC and SARA on matters of audited financial statements, governance issues and funding model	<p>Moved to 18 March 2020 and finally cancelled due to changes in the parliamentary programme.</p>

4.8 STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS

The Department did not appear before SCOPA during the reporting period.

Resolution no.	Subject	Details	Response by the Department	Resolved (Yes/No)
N/A	N/A	N/A	N/A	N/A

4.9 INTERNAL AUDIT AND AUDIT COMMITTEE

4.9.1 INTERNAL AUDIT

The objective of the Internal Audit Activity (IAA) in the Department is to provide an effective, independent, objective assurance and consulting activity designed to add value to and improve the Department's operations. It achieves this by evaluating and improving the effectiveness of risk management and control and governance processes, and facilitates the full functioning of the Audit Committee in the Department.

The IAA was functional throughout the financial year under review and operated in line with its approved Internal Audit Charter, based on Treasury Regulation 3.2 and the Standards for the Professional Practice of Internal Auditing.

The scope of the IAA's work was derived from the approved risk-based three-year strategic and annual operational plans approved by the Audit Committee for the 2019/20 financial year.

The following internal audit assignments were carried out by IAA during the year under review, in an effort to assist the Accounting Officer and the Audit Committee in the effective discharge of their responsibilities:

- Quarterly Reviews of Predetermined Objectives – 2019/20 financial year and Quarter 4 of the 2018/19 financial year
- Review of the draft 2020/21 Annual Performance Plan (APP)
- Internal Financial Controls
- Review of the 2018/19 Unaudited Annual Financial Statements
- Quarterly Review of the 2019/20 Unaudited Financial Statements (Quarter 1 to Quarter 3)
- Conditional Grants
- Transfers – follow-up audit
- Records Management (DAC, National Archives and National Film, Sound and Video Archives) – follow-up audit
- Governance and Compliance Review
- Security and Health and Safety (Sechaba House, National Archives and National Film, Sound and Video Archives)
- Asset Management – follow-up audit
- Project Management (MGE Projects Audit)
- Human Resource Management (PMDS and Recruitment)
- Supply Chain Management – follow-up audit
- Information Technology General Controls – follow-up audit
- Information Technology (Applications Controls Review) – follow-up audit
- Adequacy and Effectiveness Review of the Management Action Plan to address the 2018/19 AGSA Findings.

4.9.2 AUDIT COMMITTEE

The Department's Audit Committee is appointed in terms of section 38(1)(a)(ii) of the PFMA and Treasury Regulation 3.1, and operates in accordance with the aforementioned regulations, including the provisions prescribed in terms of sections 76(4)(d) and 77 of the PFMA, as well as its approved Charter.

The primary purpose of the Audit Committee is to assist the Accounting Officer in fulfilling his responsibilities to ensure that the Department has and maintains effective, efficient and transparent systems of financial, risk management, governance, and internal control by providing oversight on the following:

- (i) financial reporting, systems of internal control and performance against predetermined objectives;
- (ii) enhancing business ethics and trust in the Department;
- (iii) ensuring and enhancing the independence of the IAA;
- (iv) reviewing the strategic and operational risk areas of the Department to be covered in the scope of internal and external audits;
- (v) ensuring the proper functioning of both the internal and external audit processes, and other assurance services, including fraud and corruption investigation activities; and
- (vi) monitoring compliance with laws and regulations and the Code of Conduct.



The Audit Committee was fully functional and comprised four members (external to the Department) as at 31 March 2020; and the details of membership and number of meetings are outlined as follows:

Name	Employer	Qualifications	Designation	Date of appointment	End of term	No. of meetings attended
a) Adv. WE Huma	Self-employed	<ul style="list-style-type: none"> • LLM (Master of Laws) • LLB (Bachelor of Laws) • BProc • Post-Graduate Diploma in Company Direction (Corporate Governance) • Fellow of the Institute of Directors. • Financial Management (Finance for Non-Financial Managers) 	Chairperson [non-executive member]	14 May 2014 (1 st term)	13 May 2017	13
				15 May 2017 (2 nd term)	30 September 2020	
b) Mr MAE Amod	Self-employed	<ul style="list-style-type: none"> • Chartered Director, South Africa (CD-SA) • MBA • BCom • Certified Internal Auditor • Certified Government Auditing Professional • Certification in Risk Management Assurance 	Non-executive member	14 May 2014 (1 st term)	13 May 2017	9
				15 May 2017 (2 nd term)	30 September 2020	
c) Ms P Mvulane	Private business	<ul style="list-style-type: none"> • Chartered Accountants (SA) and Registered Auditor • Honours BCom (Accounting) • Specialist Diploma in Auditing • BCom (Accounting) • Certificate of Corporate Governance in Public Sector 	Non-executive member	19 October 2016 (1 st term)	18 October 2019	9
				18 October 2019 (2 nd term)	19 October 2022	

Name	Employer	Qualifications	Designation	Date of appointment	End of term	No. of meetings attended
d) Ms F Tshikhudo	State-owned entity	<ul style="list-style-type: none"> • Honours BCompt • BCom (Accounting and Auditing) • Post-Graduate Diploma (Accounting Science) • Post-Graduate Diploma: Risk Management • Certificate in Management Development • Certified Risk Management Assurance • Certified Internal Auditor 	Non-executive member	19 October 2016 (1 st term)	18 October 2019	10
				18 October 2019 (2 nd term)	19 October 2022	

The Audit Committee met on 13 occasions – four ordinary audit committee meetings and nine special audit committee meetings. The special audit committee meetings focused on the following matters, which could not be accommodated within the ordinary meetings:

Two (2) of the nine (9) special Audit Committee Meetings were held as follows:

- 2018/19 Unaudited Annual Financial Statements and Annual Performance Report;
- 2018/19 Audited Annual Financial Statements and Annual Performance Report.

The remaining seven (7) special audit committee meetings focused on the following matters, which could not be accommodated within the ordinary meetings:

- DSAC Draft 2020/2021 Annual Performance Plan and Strategic Risks;
- Review and oversight over certain forensic investigation project(s);
- Continuation of Ordinary Audit Committee Agenda Items which were not concluded due to time constraints;
- Tabling of the 2019/20 Internal Audit Coverage Plan;
- Tabling of the Final 2018/19 MGE Internal Audit Report;
- Review of the Management Action Plan to address the 2018/19 AGSA Findings;
- Consultations with National Treasury on a Shared Services Model for DAC;
- Consultations with National Treasury on the State of Readiness Assessment;
- Tabling of the newly developed Internal Audit Strategy.

4.10 REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2020.

4.10.1 AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a)(ii) of the PFMA and Treasury Regulation 3.1, and operated in accordance with the aforementioned regulations, including the provisions prescribed in terms of sections 76(4)(d) and 77 of the PFMA.

The Committee further reports that it has adopted appropriate formal terms of reference as its Charter, which was duly approved, and has regulated its affairs in compliance with this Charter and discharged all its responsibilities as contained therein.

4.10.2 EFFECTIVENESS OF INTERNAL CONTROLS

Internal control is a cost-effective process, effected by the senior management of the Department, designed to provide reasonable assurance regarding the achievement of its objectives in the categories of effectiveness and efficiency of operations, financial reporting, and compliance with applicable laws and regulations, and policies and procedures.

The Audit Committee provided oversight on business areas of the Department in line with applicable provisions of the PFMA, the Treasury Regulations and its approved Audit Committee Charter. This was achieved through the assurance reviews conducted by IAA as well as from the assurance reviews by the AGSA in line with the approved coverage plans, respectively. The IAA provided the Audit Committee and Management with assurance on the existence of internal controls, their appropriateness and effectiveness, and recommendations where weaknesses and/or deficiencies in internal controls were noted.

From the various reports submitted by the Department's Internal Auditors, there are clear indications that although the systems of internal control were adequate, they were not effective in several instances. Certain matters reported on indicated internal control deficiencies, deviations from business rules/policies and delays in either implementing the corrective actions or ensuring accountability. The Committee also noted the recurring deficiencies in internal controls from previous years.

Matters of serious concern to the Committee regarding internal controls are as follows:

- Policies and procedures – Instances where the periodic review and approval of certain policies and procedures were delayed and resulted in recurring AGSA findings, i.e. the Grant Funding Policy, standard operating procedures for all transfers and project management, and ICT disaster and security policies;
- Lack of adequate project management in the Department (coordination, monitoring, reporting, delayed implementation and requisite skills);
- Inadequate maintenance of sufficient, reliable and complete verification sources for reported performance information;
- Inadequate monitoring of performance information by programme manager's, i.e. lack of monthly branch meetings to review performance information;
- Inadequate review and quality of the Department's financial statements, i.e. preparation and quality assurance;
- Inadequate and delayed implementation of management action plans developed to improve internal controls and performance, as well as the application of consequence management;
- Irregular expenditure has been reduced with the introduction of further internal controls, but instances of non-compliance with policies and procedures by employees, which result in irregular, fruitless and wasteful expenditure, are still continuing and robust monitoring by Management is required to ensure accountability;

- OHS, i.e. occupation certificate for the Department's current premises was only received towards the end of the financial year and unsatisfactory OHS audits at the National Archives;
- Consequence management for non-compliance with procedures for reporting losses and claims; and
- Development of a materiality framework for the Department.

The above issues are recurring and/or delayed in implementation. The Committee has repeatedly communicated its discomfort with regard to the non-implementation and the non-enforcement of accountability on the part of responsible senior managers/employees.

Proper planning, which has been identified as a cause of most of the deficiencies, has also been re-emphasised as an area that the Department is yet to improve on. The Committee monitored the improvement and turnaround of the internal control environment as well as the external audit outcome through oversight of the management action plan in relation to the 2018/19 AGSA audit outcomes. It has observed that although some improvements were made, they did not have much impact on the 2019/20 financial year as a result of delayed implementation, e.g. development and approval of policies, development and implementation of adequate internal controls, and also inadequate implementation of action plans in most instances.

4.10.3 INTERNAL AUDIT

The Audit Committee monitored the work of the IAA against the approved Internal Audit Annual Plan throughout the financial year through its quarterly Committee meetings and is satisfied that the IAA addressed the risks pertinent to the Department in its audits, and that the resulting reported conclusions were independent and in full compliance with the approved Internal Audit Charter and Treasury Regulations. Nevertheless, the Committee is concerned that the IAA is under-resourced, given its current human resources and budget allocation, to function optimally and maximise its coverage of the risk exposures facing the Department.

Efforts to supplement the capacity of the IAA through the appointment of an internal audit service provider have been noted by the Committee and will continue to be monitored.

4.10.4 RISK MANAGEMENT

The Department has a Risk Management Committee that advises the Accounting Officer on matters of risk management in fulfilling his mandate as required by section 38(1)(a)(i) of the PFMA and in line with the Public Sector Risk Management Framework developed by National Treasury.

The Risk Management Committee operates on the advice of an independent chairperson, who serves on the Department's Audit Committee and reports on the management of risks within the Department. The Risk Management Committee has adopted formal approved terms of reference as contained in the Risk Management Committee Charter, and regulates its affairs and discharges all its responsibilities in compliance with the Charter.

In line with its approved Charter, the Risk Management Committee held five (quarterly) ordinary risk management committee meetings during the 2019/20 financial year with an average attendance rate of 66%. The Chairperson of the Risk Management Committee reported quarterly to the Audit Committee in fulfilling their risk management oversight role. The following is a summary of interventions and outcomes of enterprise risks management activities during the year.

■ Risk Management Committee self-assessment 2018-19

The Risk Management Committee's self-assessment reflected mature efficacy outcomes on members' ability to report on identified strategic risk exposure due to the established cadence of reporting. Quality improvement interventions focused on refresher training in risk management and training in the Protection of Personal

Information Act, 2013 (Act No. 4 of 2013), in response to the gaps identified after the Risk Management Committee self-assessment. However, growth opportunities exist within the following areas:

- Training and development interventions in business continuity management for lead implementers of business continuity strategies across the organisation;
- Risk appetite and tolerance – understanding the articulation of risk appetite and tolerance statements and the Department’s adopted strategy when taking decision in line with the approved appetite levels.

■ Oversight on operational risk exposure

- **OHS (occupation certificates for Sechaba House and the National Archives)** – the matter of the occupation certificate for Sechaba House was pursued since building adjustments were made after the internal partitioning was done to address the risk of the safety of employees. The matter of the occupation certificate for the National Archives was pursued with the aim to comply with the notice issued by the Department of Labour, after having assessed occupational safety risks. Remedial action was undertaken by management and certificates were received by the end of the financial year. A condition assessment was conducted for the National Archives, including water tests, as of August 2019.
- **National Macro Organisation of Government (NMOG)** – as directed by the Department of Public Service and Administration, the Department embarked on and finalised the merger of the Department of Arts and Culture and the Department of Sport and Recreation South Africa to form the Department of Sport, Arts and Culture, which came into effect from 1 April 2020.

The Committee urged management not to disregard reports from prior interventions for matching and placing of staff within the organisation.

- **Risk finance** – the level of losses of productivity tools in the Department continued to cause concern, including the delayed recovery of costs from employees who were found to be negligent. The policy environment for handling risk finance was brought to the fore, leading to a resolution that the Department’s Risk Framework must be specific on risk finance in compliance with Treasury Regulation 12.1.1, which specifies that the State will bear its own damages and accident risk claims and be responsible for managing losses of both minor and major assets.

■ Establishment of the Ethics and Integrity Committee

The Risk Management Committee ensured that the Ethics and Integrity Committee was established as required by regulation 23(2) of the Public Service Regulations, 2016.

Remunerative work outside the Public Sector – the Committee agreed to assess the frequency of leave taken by employees, including the abuse or misuse of State facilities to conduct some of the remunerative work. Remunerative work outside the Public Sector should be subjected to annual audits and the Department should recommunicate the outcome of conflict of interest assessments to all staff.

Conflict of interest – maintained scrutiny of conflict of interest through validation of company directorship on the Companies and Intellectual Property Commission (CIPC) database. However, the CIPC database was not only used to check the validity of directorships but also the information of employees who are employed by the State.

Recovery of funding to State employees – the Department’s Legal Services pursued the recovery of funding to employees of the State, which was given in contradiction to section 8 of the Public Administration Management Act, 2014 (Act No. 11 of 2014).

Losses and claims – the Committee considered all categories of submitted losses and resolved that the CFO’s office had to expand and append the reasons or recommendations received from the State Adviser for each loss, prior to submitting a recommendation to the Accounting Officer.

4.10.5 KEY STRATEGIC RISK FOCUS AREAS

ICT Infrastructure Risk – the current ICT infrastructure landscape does not allow for adequate storage of digitised data to enable access and preservation of historical records. Digitisation: the Department collaborated with the Constitution Hill Trust to digitise collections at the National Archives. The network connectivity between the National Archives and Sechaba House was discontinued due to a transversal arrangement with the State Information Technology Agency (SITA). This matter has not been resolved yet and had a negative impact on the service delivery of the National Archives.

Capital projects under-expenditure – the current expenditure on capital expenditure (CAPEX) was low throughout the year as measured against anticipated projections. This poses a potential risk to the Department’s public entities of losing future allocations due to the non-expenditure on the CAPEX budget.

Information Management Risk – potential non-compliance by the Department with the Protection of Personal Information Act, 2013. Training at an organisational level was rolled out for all staff to raise awareness as to what the protection of personal information entails.

External Environment Risk (COVID-19 pandemic) – The National State of Disaster as declared on the 15th of March 2020 in terms of Section 27(1) of the Disaster Management Act [DMA], 2002 (Act No.57 of 2002), brought about potential unforeseen potential risk exposures. This led to the Department’s Business Continuity strategies being tested to ensure that effective mitigation efforts on limiting the further spread of the disease at the work place and to protect employees. The Risk Committee discussed the potential exposure to COVID-19 at the February 2020 Risk Management Committee. Guidance and advice will be received from designated departments, as a national disaster was declared on 15 March 2020, in tandem with that of the Business Continuity Committee’s plans.



4.10.6 EMERGING RISK REPORT AS AT 30 MARCH 2019

#	Emerging risk	Status H/M/L	Currently	1-12 months 2019/20	13-24 months 2020/21	25-36 months 2021/22
1	Contagion Risk (Covid-19) – failure to limit and contain the transmission of the virus may lead to new contaminations at the workplace; impact of the pandemic on the Department's mandate and its employees	High	✓	✓	✓	✓
2	ICT Systems and Innovation Risk – over-reliance on ICT staff and corporate virtual intelligence during the pandemic	High	✓	✓	✓	✓
3	Operational Risk – people, processes and systems during the pandemic	High	✓	✓	✓	✓

4.10.7 Forensic investigations

The Committee monitored and provided oversight on allegations of fraud, corruption and financial misconduct reported to the Department, and is satisfied that the allegations are receiving attention. The turnaround time for the initiation of investigations has improved slightly but is still a concern due to insufficient capacity, which the Department should address speedily. The Committee will continue to monitor the investigation of allegations, including their outcomes and implementation of recommended actions.

The table below provides the number of fraud allegations reported in the 2019/20 financial year.

INVESTIGATION PHASES	PUBLIC ENTITIES	DEPARTMENT
Completed/Reporting	-	-
In progress/Execution	-	2
Not yet allocated	-	8
Total	-	10

4.10.8 EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee reports that:

- it has reviewed and discussed the audited annual financial statements with Management of the Department and the AGSA;
- reviewed the Auditor-General’s Interim Audit Report and Management Report, including Management’s response thereto;
- reviewed any changes in accounting policies and practices;
- reviewed the Department’s compliance with certain legal and regulatory provisions in so far as they

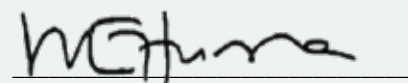
- related to risks, audits and other related matters;
- reviewed the information on predetermined objectives to be included in the draft annual report; and
- reviewed significant adjustments resulting from the audit.

4.10.9 AUDITOR-GENERAL’S REPORT

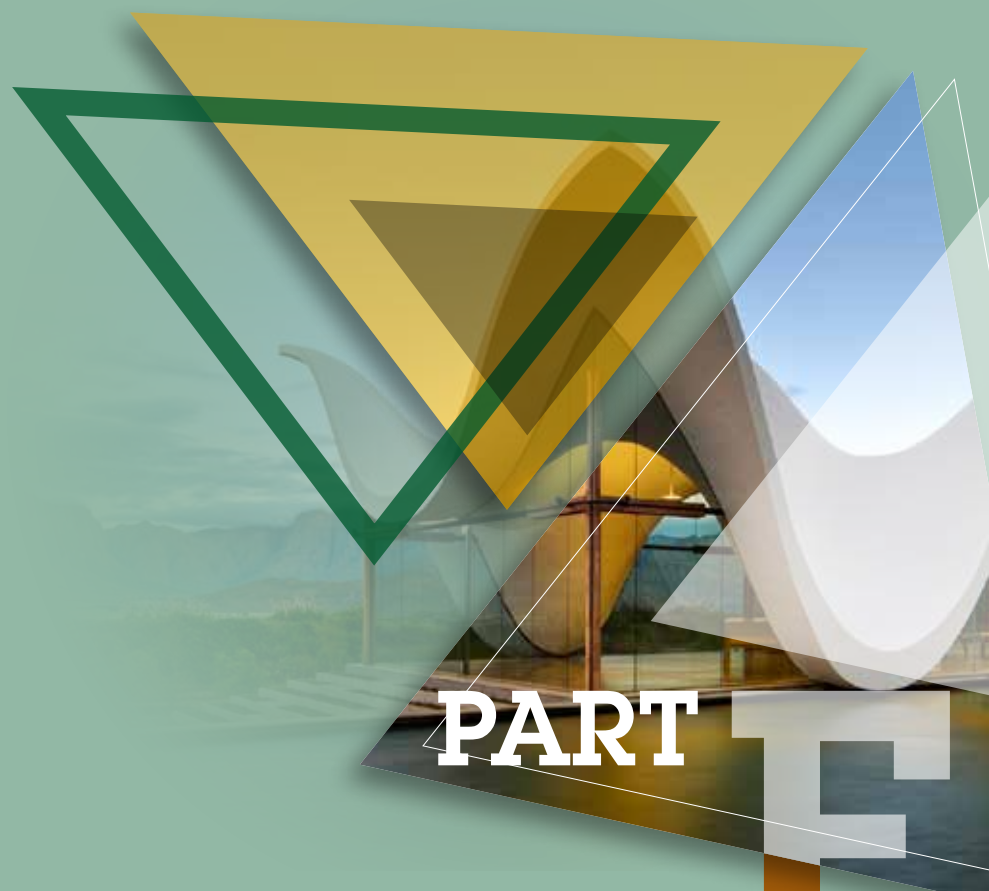
We have reviewed the Department’s implementation plan for audit findings raised by the AGSA in the previous year (2018/2019). While some improvements have been noted, we are still not satisfied that all issues raised have been sufficiently addressed (i.e. that internal controls have been effectively implemented to prevent future recurrence of deficiencies). However, Management has assured the Audit Committee that they are addressing all these issues.

The Audit Committee has met with the Auditor-General of South Africa and Management to ensure that there are no unresolved issues.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the audited Annual Financial Statements and Performance Information, and is of the opinion that the unaudited Annual Financial Statements and the Performance Information Report should be accepted and read together with the report of the Auditor- General.



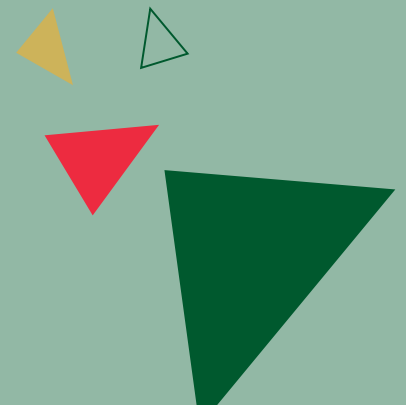
ADV. WE HUMA
CHAIRPERSON OF THE AUDIT COMMITTEE
DEPARTMENT OF ARTS AND CULTURE
DATE: 21 OCTOBER 2020



PART

E

**FINANCIAL
INFORMATION**



THEATRE
MUSIC
DANCE
VISUAL ARTS
ROCK ARTS
PHOTOGRAPHY
ARCHITECTURE
CRAFT
LITERATURE
FILM

5.1 ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY

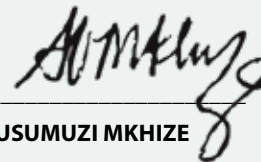
ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY

I hereby acknowledge that the Auditor-General in terms of section 40(2) of the PFMA has audited the Annual Financial Statements of the Department of Arts and Culture. I acknowledge my responsibility for the accuracy of the accounting records and the fair presentation of the financial statements and confirm, to the best of my knowledge and belief, the following:

- the financial statements have been prepared in accordance with the National Treasury determined framework as prescribed by treasury regulations and the PFMA ;
- the financial statements are complete and accurate;
- all amounts appearing on the financial statements have been cast and cross-cast and accurately cross referenced;
- the financial statements are free from material misstatements, including omissions; and
- accounting estimates are reasonable in the circumstances.

The Department of Arts and Culture annual financial statements for the year ended 31 March 2020 have been audited by external auditors and their report is presented on page 163.

The Annual Financial Statements of the Department as set out on page 168 to page 268 have been approved.



MR VUSUMUZI MKHIZE
DIRECTOR-GENERAL: DEPARTMENT OF ARTS AND CULTURE
DATE: 29 OCTOBER 2020



5.2 REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 37: DEPARTMENT OF ARTS AND CULTURE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the Department of Arts and Culture set out on pages 168 to 249, which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the DAC as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of Public Finance Management Act of South Africa, 1999 (Act no.1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2019 (Act no.16 of 2019) (Dora).

Basis for the opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.

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

Emphasis of matter

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

Related party transactions

7. As disclosed in note 25 to financial statement, the department has paid the cumulative amount of R75 million to a venture capital fund over the past three years and only R11 million has been disbursed to beneficiaries over the past four years which indicate the underspending on the project, consequently the contract for this project expired and was extended until 31 May 2020.

Other matter

Unaudited supplementary schedules

8. The supplementary information set out on pages 251 to 268 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of

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

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

13. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2020:

Programmes	Pages in the annual performance report
Programme 3: arts and culture promotion and development	66 – 73

16. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
 - Programme 3: arts and culture promotion and development

Other matters

18. I draw attention to the matters below.

Achievement of planned targets

19. Refer to the annual performance report on pages 57 to 78 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets.

Adjustment of material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 3: arts and culture promotion and development. As management

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

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements, performance reports and annual reports

23. The financial statements submitted for auditing were not prepared in accordance with the MCS and were not supported by full and proper records as required by section 40(1) (a) and 40(1)(b) of the PFMA.
24. Material misstatements of disclosure items and lease payments identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

25. Effective and appropriate steps were not taken to prevent fruitless and wasteful expenditure amounting to R36m as disclosed on note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by substandard work performed on the legacy infrastructure projects and overpricing on those projects in prior years.

26. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1.9m as disclosed on note 23 to annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by deviating from the normal procurement processes where the reasons for such deviations were not justifiable.
27. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

OTHER INFORMATION

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the findings on compliance with legislation included in this report.
33. There was no adequate monitoring on the contract entered into by the department on government owned properties leased on behalf of its entities, management could not identify amounts to be paid by the department that arise from this arrangement.
34. There was inadequate oversight on compliance with legislation, which resulted in irregular and fruitless and wasteful expenditure relating to prior periods being reported by the department.
35. Management did not reconcile and keep some financial records to ensure that payments are only made for transactions that pertain to the department and that all transactions that should be recorded are recorded.
36. Management did not adequately review supporting evidence of achieved targets for the year, which resulted in material adjustments in the reported performance information.
37. Management does not have effective controls on receiving and recording invoices, which has resulted in some invoices not being paid within 30 days and interest charged for late payments, that resulted in fruitless and wasteful expenditure.

OTHER REPORTS

38. I draw attention to the following engagements conducted by various parties that have or could potentially have an impact on the department's financial statements, reported performance information and compliance with applicable legislation and other related matters. The reports noted do not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
39. Several investigations into allegations of financial misconduct and improper conduct against various parties were being conducted by the internal audit unit during the period under review at the request of the accounting officer.

Auditor-General

Pretoria

29 October 2020



ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.

- conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Arts and Culture to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

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

5.3 ANNUAL FINANCIAL STATEMENTS ANNUAL FINANCIAL STATEMENTS FOR THE NATIONAL DEPARTMENT OF ARTS AND CULTURE for the year ended 31 March 2020

Appropriation per programme									
Voted funds and direct charges Programme	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. ADMINISTRATION	302 874	1 725	24 000	328 599	304 250	24 349	92,6%	315 312	308 865
2. INSTITUTIONAL GOVERNANCE	150 393	(1 527)	-	148 866	141 107	7 759	94,8%	148 379	142 314
3. ARTS AND CULTURE PROMOTION AND DEVELOPMENT	1 132 238	(368)	-	1 131 870	1 068 750	63 120	94,4%	1 080 097	1 049 132
4. HERITAGE PROMOTION AND PRESERVATION	2 986 580	170	(24 000)	2 962 750	2 830 460	132 290	95,5%	2 794 949	2 737 674
TOTAL	4 572 085	-	-	4 572 085	4 344 567	227 518	95,0%	4 338 737	4 237 985
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				871				966	
Actual amounts per Statement of Financial Performance (total revenue)				4 572 956				4 339 703	
Actual amounts per Statement of Financial Performance Expenditure					4 344 567				4 237 985

The final appropriation and actual expenditure for 2018/19 were adjusted for programme 2, 3 and 4 as follows: a budget amount of R112 012 was moved from programme 2 to programme 4 and R91 503 was moved from programme 3 to programme 4. Collectively, a budget amount of R203 515 was moved to programme 4 from programme 2 and 3. An actual expenditure amount of R83 765 was moved from programme 2 to programme 4 and R83 339 was moved from programme 3 to programme 4. Collectively, an actual expenditure amount of R167 104 was moved to programme 4 from programme 2 and 3. This was due to movement of functions between the programmes. National Treasury approved shifting of the Capital Works subprogramme and the Directorate: Infrastructure Development and Maintenance from programme 2 to programme 4. All capital works budget and expenditure in programme 2, including its portion from programme 3, were therefore centralised to programme 4. This movement was implemented historically and through the MTEF period.

Appropriation per economic classification	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	670 170	(753)	78 235	747 652	673 522	74 130	90,1%	641 545	623 299
Compensation of employees	267 458	-	-	267 458	248 828	18 630	93,0%	253 530	238 841
Salaries and wages	236 307	(3 190)	-	233 117	219 020	14 097	94,0%	220 287	210 329
Social contributions	31 151	3 190	-	34 341	29 808	4 533	86,8%	33 243	28 512
Goods and services	402 712	(754)	78 235	480 193	424 693	55 500	88,4%	379 127	375 570
Administrative fees	2 161	(1 530)	-	631	631	-	100,0%	3 529	3 529
Advertising	14 937	2 444	-	17 381	17 224	157	99,1%	12 799	12 799
Minor assets	375	(120)	-	255	255	-	100,0%	2 721	2 721
Audit costs: External	11 161	(413)	-	10 748	10 748	-	100,0%	9 573	9 573
Bursaries: Employees	865	(146)	-	719	719	-	100,0%	386	386
Catering: Departmental activities	3 154	(338)	-	2 816	2 790	26	99,1%	3 325	3 325
Communication (G&S)	10 520	1 350	-	11 870	11 399	471	96,0%	7 002	6 902
Computer services	17 073	4 952	-	22 025	19 833	2 192	90,0%	13 031	13 031
Consultants: Business and advisory services	31 763	7 147	13 736	52 646	35 413	17 233	67,3%	21 762	19 484
Legal services	6 394	1 956	-	8 350	5 843	2 507	70,0%	5 206	5 206
Contractors	105 003	(10 418)	40 499	135 084	121 137	13 947	89,7%	100 417	100 417
Agency and support/outsourced services	5 844	(152)	-	5 692	4 389	1 303	77,1%	2 506	2 506
Entertainment	289	(182)	-	107	107	-	100,0%	145	145
Fleet services (including government motor transport)	3 225	(930)	-	2 295	2 295	-	100,0%	3 467	3 467
Inventory: Other supplies	4 705	(3 253)	-	1 452	1 452	-	100,0%	2 923	2 923
Consumable supplies	2 293	(1 397)	-	896	896	-	100,0%	507	507
Consumable: Stationery, printing and office supplies	2 391	(1 139)	-	1 252	751	501	60,0%	1 090	1 090
Operating leases	89 390	(6 575)	24 000	106 815	95 207	11 608	89,1%	81 330	81 330

Appropriation per economic classification	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	30 776	(4 271)	-	26 505	26 505	-	100,0%	24 352	24 352
Travel and subsistence	52 327	11 737	-	64 064	58 872	5 192	91,9%	69 505	68 326
Training and development	2 739	(193)	-	2 546	2 546	-	100%	2 911	2 911
Operating payments	2 952	87	-	3 039	2 935	104	96,6%	3 949	3 949
Venues and facilities	2 245	120	-	2 365	2 106	259	89,0%	6 397	6 397
Rental and hiring	130	510	-	640	640	-	100%	294	294
Interest and rent on land	-	1	-	1	1	-	100,0%	8 888	8 888
Interest (incl. interest on unitary payments (PPP))	-	1	-	1	1	-	100,0%	8 887	8 887
Rent on land	-	-	-	-	-	-	-	1	1
Transfers and subsidies	3 686 643	4	11 221	3 697 868	3 624 490	73 378	98,0%	3 563 026	3 526 649
Provinces and municipalities	1 501 199	4	-	1 501 203	1 501 203	-	100,0%	1 423 685	1 423 685
Provinces	1 501 199	-	-	1 501 199	1 501 199	-	100,0%	1 423 685	1 423 685
Provincial Revenue Funds	1 501 199	-	-	1 501 199	1 501 199	-	100,0%	1 423 685	1 423 685
Municipalities	-	4	-	4	4	-	100,0%	-	-
Municipal agencies and funds	-	4	-	4	4	-	100,0%	-	-
Departmental agencies and accounts	1 850 753	-	(13 687)	1 837 066	1 827 606	9 460	99,5%	1 779 016	1 760 575
Departmental agencies	1 850 753	-	(13 687)	1 837 066	1 827 606	9 460	99,5%	1 779 016	1 760 575
Higher education institutions	8 818	-	-	8 818	4 445	4 373	50,4%	6 941	5 440
Foreign governments and international organisations	5 050	-	-	5 050	4 372	678	86,6%	4 809	4 265
Public corporations and private enterprises	101 827	-	24 443	126 270	109 161	17 109	86,5%	124 814	120 134
Public corporations	5 660	-	-	5 660	5 660	-	100,0%	12 915	10 620
Other transfers to public corporations	5 660	-	-	5 660	5 660	-	100,0%	12 915	10 620
Private enterprises	96 167	-	24 443	120 610	103 501	17 109	85,8%	111 899	109 514

Appropriation per economic classification	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other transfers to private enterprises	96 167	-	24 443	120 610	103 501	17 109	85,8%	111 899	109 514
Non-profit institutions	196 484	-	897	197 381	159 913	37 468	81,0%	199 202	188 353
Households	22 512	-	(432)	22 080	17 790	4 290	80,6%	24 559	24 197
Social benefits	-	733	-	733	733	-	100,0%	708	708
Other transfers to households	22 512	(733)	(432)	21 347	17 057	4 290	79,9%	23 851	23 489
Payments for capital assets	215 272	-	(89 456)	125 816	45 806	80 010	36,4%	133 945	87 816
Buildings and other fixed structures	-	-	1 300	1 300	1 222	78	94,0%	56 500	35 800
Buildings	-	-	1 300	1 300	1 222	78	94,0%	20 700	-
Other fixed structures	-	-	-	-	-	-	-	35 800	35 800
Machinery and equipment	8 635	(3 117)	-	5 518	1 820	3 698	33,0%	18 195	18 195
Other machinery and equipment	8 635	(3 117)	-	5 518	1 820	3 698	33,0%	18 195	18 195
Heritage assets	206 637	-	(90 756)	115 881	39 647	76 234	34,2%	58 256	32 827
Software and other intangible assets	-	3 117	-	3 117	3 117	-	100,0%	994	994
Payment for financial assets	-	749	-	749	749	-	100,0%	221	221
	4 572 085	-	-	4 572 085	4 344 567	227 518	95,0%	4 338 737	4 237 985

Programme 1: ADMINISTRATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. MINISTRY	2 831	-	-	2 831	2 731	100	96,5%	4 865	4 379
2. MANAGEMENT	47 800	1 990	-	49 790	48 698	1 092	97,8%	68 174	65 094
3. CORPORATE SERVICES	113 319	14 398	-	127 717	117 534	10 183	92,0%	122 175	119 892
4. OFFICE OF THE CHIEF FINANCIAL OFFICER	34 603	1 637	-	36 240	34 551	1 689	95,3%	30 871	30 273
5. OFFICE ACCOMMODATION	104 321	(16 300)	24 000	112 021	100 736	11 285	89,9%	89 227	89 227
TOTAL	302 874	1 725	24 000	328 599	304 250	24 349	92,6%	315 312	308 865
Economic classification									
Current payments	294 239	942	24 000	319 181	298 530	20 651	93,5%	294 507	288 060
Compensation of employees	108 985	-	-	108 985	99 619	9 366	91,4%	107 118	100 671
Salaries and wages	94 878	(41)	-	94 837	88 294	6 543	93,1%	93 404	89 234
Social contributions	14 107	41	-	14 148	11 325	2 823	80,0%	13 714	11 437
Goods and services	185 254	941	24 000	210 195	198 910	11 285	94,6%	187 388	187 388
Administrative fees	731	(488)	-	243	243	-	100,0%	1 105	1 105
Advertising	10 509	2 239	-	12 748	12 748	-	100,0%	7 752	7 752
Minor assets	145	76	-	221	221	-	100,0%	2 676	2 676
Audit costs: External	8 911	606	-	9 517	9 517	-	100,0%	8 861	8 861
Bursaries: Employees	865	(146)	-	719	719	-	100,0%	386	386
Catering: Departmental activities	678	(415)	-	263	263	-	100,0%	363	363
Communication (G&S)	4 605	1 238	-	5 843	5 843	-	100,0%	3 892	3 892
Computer services	12 695	6 638	-	19 333	19 333	-	100,0%	13 031	13 031
Consultants: Business and advisory services	4 254	1 305	-	5 559	5 559	-	100,0%	4 141	4 141
Legal services	630	(285)	-	345	345	-	100,0%	513	513
Contractors	2 235	225	-	2 460	2 460	-	100,0%	4 234	4 234

Programme 1: ADMINISTRATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Agency and support / outsourced services	152	(152)	-	-	-	-	-	356	356
Entertainment	230	(163)	-	67	67	-	100,0%	102	102
Fleet services (including government motor transport)	2 925	(867)	-	2 058	2 058	-	100,0%	3 238	3 238
Consumable supplies	204	104	-	308	308	-	100,0%	313	313
Consumable: Stationery, printing and office supplies	663	(164)	-	499	499	-	100,0%	808	808
Operating leases	87 350	(4 910)	24 000	106 440	95 155	11 285	89,4%	81 290	81 290
Property payments	29 856	(5 250)	-	24 606	24 606	-	100,0%	23 311	23 311
Travel and subsistence	13 746	2 240	-	15 986	15 986	-	100,0%	27 148	27 148
Training and development	2 739	(193)	-	2 546	2 546	-	100,0%	2 776	2 776
Operating payments	733	(338)	-	395	395	-	100,0%	912	912
Venues and facilities	268	(229)	-	39	39	-	100,0%	180	180
Rental and hiring	130	(130)	-	-	-	-	-	-	-
Interest and rent on land	-	1	-	1	1	-	100,0%	1	1
Interest (incl. interest on unitary payments (PPP))	-	1	-	1	1	-	100,0%	-	-
Rent on land	-	-	-	-	-	-	-	1	1
Transfers and subsidies	-	379	-	379	379	-	100,0%	1 770	1 770
Provinces and municipalities	-	4	-	4	4	-	100,0%	1	1
Provinces	-	-	-	-	-	-	-	1	1
Provincial agencies and funds	-	-	-	-	-	-	-	1	1
Municipalities	-	4	-	4	4	-	100,0%	-	-
Municipal agencies and funds	-	4	-	4	4	-	100,0%	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	1	1

Programme 1: ADMINISTRATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social security funds	-	-	-	-	-	-	-	1	1
Households	-	375	-	375	375	-	100,0%	1 768	1 768
Social benefits	-	375	-	375	375	-	100,0%	516	516
Other transfers to households	-	-	-	-	-	-	-	1 252	1 252
Payments for capital assets	8 635	(200)	-	8 435	4 737	3,698	56,2%	18 985	18 985
Machinery and equipment	8 635	(3 166)	-	5 469	1 771	3,698	32,4%	17 991	17 991
Other machinery and equipment	8 635	(3 166)	-	5 469	1 771	3,698	32,4%	17 991	17 991
Software and other intangible assets	-	2 966	-	2 966	2 966	-	100,0%	994	994
Payment for financial assets	-	604	-	604	604	-	100,0%	50	50
	302 874	1 725	24 000	328 599	304 250	24 349	92,6%	315 312	308 865

Programme 2: INSTITUTIONAL GOVERNANCE	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. INTERNATIONAL COOPERATION	36 845	(1 324)	-	35 521	33 492	2 029	94,3%	49 195	47 054
2. SOCIAL COHESION AND NATION BUILDING	89 168	(778)	-	88 390	84 295	4 095	95,4%	80 898	77 234
3. COORDINATION, MONITORING, EVALUATION AND GOOD GOVERNANCE	24 380	575	-	24 955	23 320	1 635	93,4%	18 286	18 026
	150 393	(1 527)	-	148 866	141 107	7 759	94,8%	148 379	142 314
Economic classification									
Current payments	115 390	(1 595)	-	113 795	110 525	3 270	97,1%	114 952	111 687
Compensation of employees	41 573	-	-	41 573	39 109	2 464	94,1%	37 742	34 477
Salaries and wages	37 559	(109)	-	37 450	35 064	2 386	93,6%	32 995	30 659
Social contributions	4 014	109	-	4 123	4 045	78	98,1%	4 747	3 818
Goods and services	73 817	(1 595)	-	72 222	71 416	806	98,9%	77 210	77 210
Administrative fees	467	(353)	-	114	114	-	100,0%	908	908
Advertising	1 219	1 184	-	2 403	2 403	-	100,0%	2 398	2 398
Minor assets	13	-	-	13	13	-	100,0%	36	36
Audit costs: External	685	(685)	-	-	-	-	-	535	535
Catering: Departmental activities	1 378	2	-	1 380	1 380	-	100,0%	1 518	1 518
Communication (G&S)	2 104	(100)	-	2 004	2 004	-	100,0%	1 088	1 088
Consultants: Business and advisory services	1 673	425	-	2 098	2 098	-	100,0%	195	195
Legal services	1 306	1 216	-	2 522	2 522	-	100,0%	120	120
Contractors	46 718	(3 452)	-	43 266	43 096	170	99,6%	52 071	52 071
Agency and support / outsourced services	-	-	-	-	-	-	-	71	71
Entertainment	24	(9)	-	15	15	-	100,0%	14	14
Inventory: Other supplies	5	(2)	-	3	3	-	100,0%	365	365

Programme 2: INSTITUTIONAL GOVERNANCE	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	15	(5)	-	10	10	-	100,0%	10	10
Consumable: Stationery, printing and office supplies	220	(119)	-	101	101	-	100,0%	77	77
Operating leases	377	(377)	-	-	-	-	-	-	-
Travel and subsistence	16 499	560	-	17 009	16 373	636	96,3%	15 971	15 971
Training and development	-	-	-	-	-	-	-	122	122
Operating payments	752	(249)	-	503	503	-	-	784	784
Venues and facilities	412	301	-	713	713	-	-	778	778
Rental and hiring	-	68	-	68	68	-	-	149	149
Transfers and subsidies	35 003	10	-	35 013	30 524	4 489	87,2%	33 393	30 593
Departmental agencies and accounts	9 504	-	700	10 204	9 254	950	90,7%	9 610	9 600
Departmental agencies	9 504	-	700	10 204	9 254	950	90,7%	9 610	9 600
Foreign governments and international organizations	3 025	-	-	3 025	2 347	678	77,6%	2 865	2 321
Non-profit institutions	22 474	-	(700)	21 774	18 913	2 861	86,9%	20 699	18 453
Households	-	10	-	10	10	-	100,0%	219	219
Social benefits	-	10	-	10	10	-	100,0%	72	72
Other transfers to households	-	-	-	-	-	-	-	147	147
Payments for capital assets	-	13	-	13	13	-	100,0%	-	-
Machinery and equipment	-	13	-	13	13	-	100,0%	-	-
Other machinery and equipment	-	13	-	13	13	-	100,0%	-	-
Payment for financial assets	-	45	-	45	45	-	100,0%	34	34
	150 393	(1 527)	-	148 866	141 107	7 759	94,8%	148 379	142 314

Programme 3: ARTS AND CULTURE PROMOTION AND DEVELOPMENT	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. NATIONAL LANGUAGE SERVICE	56 547	56	-	56 603	50 740	5 863	89,6%	50 713	47 503
2. PAN SOUTH AFRICAN LANGUAGE BOARD	120 857	-	-	120 857	120 857	-	100,0%	113 587	113 587
3. CULTURAL AND CREATIVE INDUSTRIES DEVELOPMENT	417 611	(424)	(3 000)	414 187	356 930	57 257	86,2%	405 080	377 325
4. PERFORMING ARTS INSTITUTIONS	281 059	-	3 000	284 059	284 059	-	100,0%	267 568	267 568
5. NATIONAL FILM AND VIDEO FOUNDATION	140 403	-	-	140 403	140 403	-	100,0%	133 472	133 472
6. NATIONAL ARTS COUNCIL	115 761	-	-	115 761	115 761	-	100,0%	109 677	109 677
	1 132 238	(368)	-	1 131 870	1 068 750	63 120	94,4%	1 080 097	1 049 132
Economic classification									
Current payments	134 390	(65)	40 499	174 824	158 948	15 876	90,9%	127 673	123 470
Compensation of employees	56 770	-	-	56 770	50 881	5 889	89,6%	51 801	47 598
Salaries and wages	53 342	(3 946)	-	49 396	44 375	5 021	89,8%	44 796	41 451
Social contributions	3 428	3 946	-	7 374	6 506	868	88,2%	7 005	6 147
Goods and services	77 620	(65)	40 499	118 054	108 067	9 987	91,5%	66 985	66 985
Administrative fees	397	(228)	-	169	169	-	100,0%	767	767
Advertising	1 843	(641)	-	1 202	1 202	-	100,0%	1 286	1 286
Minor assets	116	(114)	-	2	2	-	100,0%	-	-
Audit costs: External	415	(100)	-	315	315	-	100,0%	177	177
Catering: Departmental activities	270	161	-	431	431	-	100,0%	297	297
Communication (G&S)	1 629	(200)	-	1 429	1 295	134	90,6%	672	672
Computer services	186	-	-	186	-	186	-	-	-
Consultants: Business and advisory services	16 240	2 420	-	18 660	18 660	-	100,0%	11 299	11 299
Legal services	1 360	791	-	2 151	1 242	909	57,7%	3 923	3 923

Programme 3: ARTS AND CULTURE PROMOTION AND DEVELOPMENT	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	45 267	(6 649)	40 499	79 117	70 359	8 758	88,9%	34 709	34 709
Agency and support / outsourced services	-	-	-	-	-	-	-	1 796	1 796
Entertainment	19	(9)	-	10	10	-	100,0%	14	14
Fleet services (including government motor transport)	-	1	-	1	1	-	100,0%	-	-
Consumable supplies	10	(7)	-	3	3	-	100,0%	1	1
Consumable: Stationery, printing and office supplies	175	(102)	-	73	73	-	100,0%	83	83
Operating leases	551	(551)	-	-	-	-	-	-	-
Property payments	500	(95)	-	405	405	-	100,0%	408	408
Travel and subsistence	7 549	4 758	-	12 307	12 307	-	100,0%	9 477	9 477
Operating payments	319	107	-	426	426	-	100,0%	853	853
Venues and facilities	774	379	-	1 153	1 153	-	100,0%	1 187	1 187
Rental and hiring	-	14	-	14	14	-	100,0%	36	36
Interest and rent on land	-	-	-	-	-	-	-	8 887	8 887
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	8 887	8 887
Transfers and subsidies	997 848	(385)	(40 999)	956 964	909 720	47 244	95,1%	931 662	925 600
Departmental agencies and accounts	736 241	-	(70 604)	665 637	663 573	2 064	99,7%	656 291	651 611
Departmental agencies	736 241	-	(70 604)	665 637	663 573	2 064	99,7%	656 291	651 611
Higher education institutions	4 445	-	-	4 445	4 445	-	100,0%	5 441	5 440
Public corporations and private enterprises	100 927	-	24 443	125 370	108 761	16 609	86,8%	112 213	110 998
Public corporations	5 660	-	-	5 660	5 660	-	100,0%	3 764	3 329
Other transfers to public corporations	5 660	-	-	5 660	5 660	-	100,0%	3 764	3 329
Private enterprises	95 267	-	24 443	119 710	103 101	16 609	86,1%	108 449	107 669

Programme 3: ARTS AND CULTURE PROMOTION AND DEVELOPMENT	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other transfers to private enterprises	95 267	-	24 443	119 710	103 101	16 609	86,1%	108 449	107 669
Non-profit institutions	139 978	-	6 094	146 072	120 760	25 312	82,7%	138 945	138 779
Households	16 257	(385)	(432)	15 440	12 181	3 259	78,9%	18 772	18 772
Social benefits	-	142	-	142	142	-	100,0%	38	38
Other transfers to households	16 257	(527)	(432)	15 298	12,039	3 259	78,7%	18 734	18 734
Payments for capital assets	-	17	-	17	17	-	100,0%	20 700	-
Buildings and other fixed structures	-	-	-	-	-	-	-	20 700	-
Buildings	-	-	-	-	-	-	-	20 700	-
Machinery and equipment	-	17	-	17	17	-	100,0%	-	-
Other machinery and equipment	-	17	-	17	17	-	100,0%	-	-
Payment for financial assets	-	65	-	65	65	-	100,0%	62	62
	1 132 238	(368)	-	1 131 870	1 068 750	63 120	94,4%	1 080 097	1 049 132

PROGRAMME 4: HERITAGE PROMOTION AND PRESERVATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Subprogramme									
1. HERITAGE PROMOTION	60 486	(629)	-	59 857	54 529	5 328	91,1%	55 271	52 513
2. NATIONAL ARCHIVE SERVICES	48 770	(1 101)	-	47 669	45 663	2 006	95,8%	41 810	41 211
3. HERITAGE INSTITUTIONS	571 813	-	-	571 813	571 813	-	100,0%	545 914	545 915
4. NATIONAL LIBRARY SERVICES	137 183	-	-	137 183	137 183	-	100,0%	129 966	129 966
5. PUBLIC LIBRARY SERVICES	1 531 667	-	-	1 531 667	1 527 860	3 807	99,8%	1 452 536	1 448 779
6. INFRASTRUCTURE MANAGEMENT OFFICE	501 932	1 900	(24 000)	479 832	362 267	117 565	75,5%	441 507	391 345
7. SOUTH AFRICAN HERITAGE RESOURCES AGENCY	58 315	-	-	58 315	58 315	-	100,0%	55 650	55 650
8. SOUTH AFRICAN GEOGRAPHICAL NAMES COUNCIL	5 061	-	-	5 061	1 477	3 584	29,2%	3 802	3 802
9. NATIONAL HERITAGE COUNCIL	71 353	-	-	71 353	71 353	-	100,0%	68 493	68 493
	2 986 580	170	(24 000)	2 962 750	2 830 460	132 290	95,5%	2 794 949	2 737 674
Economic classification									
Current payments	126 151	(35)	13 736	139 852	105 519	34 333	75,5%	104 413	100 082
Compensation of employees	60 130	-	-	60 130	59 219	911	98,5%	56 869	56 095
Salaries and wages	50 528	906	-	51 434	51 287	147	99,7%	49 092	48 985
Social contributions	9 602	(906)	-	8 696	7 932	764	91,2%	7 777	7 110
Goods and services	66 021	(35)	13 736	79 722	46 300	33 422	58,1%	47 544	43 987
Administrative fees	566	(461)	-	105	105	-	100,0%	749	749
Advertising	1 366	(338)	-	1 028	871	157	84,7%	1 363	1 363
Minor assets	101	(82)	-	19	19	-	100,0%	9	9
Audit costs: External	1 150	(234)	-	916	916	-	100,0%	-	-
Catering: Departmental activities	828	(86)	-	742	716	26	96,5%	1 147	1 147
Communication (G&S)	2 182	412	-	2 594	2 257	337	87,0%	1 350	1 250

PROGRAMME 4: HERITAGE PROMOTION AND PRESERVATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	4 192	(1 686)	-	2 506	500	2 006	20,0%	-	-
Consultants: Business and advisory services	9 596	2 997	13 736	26 329	9 096	17 233	34,5%	6 127	3 849
Legal services	3 098	234	-	3 332	1 734	1 598	52,0%	650	650
Contractors	10 783	(542)	-	10 241	5 222	5 019	51,0%	9 403	9 403
Agency and support / outsourced services	5 692	-	-	5 692	4 389	1 303	77,1%	283	283
Entertainment	16	(1)	-	15	15	-	100,0%	15	15
Fleet services (including government motor transport)	300	(64)	-	236	236	-	100,0%	229	229
Inventory: Other supplies	4 700	(3 251)	-	1 449	1 449	-	100,0%	2 558	2 558
Consumable supplies	2 064	(1 489)	-	575	575	-	100,0%	183	183
Consumable: Stationery, printing and office supplies	1 333	(754)	-	579	78	501	13,5%	122	122
Operating leases	1 112	(737)	-	375	52	323	13,9%	40	40
Property payments	420	1 074	-	1 494	1 494	-	100,0%	633	633
Travel and subsistence	14 583	4 179	-	18 762	14 206	4 556	75,7%	16 909	15 730
Training and development	-	-	-	-	-	-	-	13	13
Operating payments	1 148	567	-	1 715	1 611	104	93,9%	1 400	1 400
Venues and facilities	791	(331)	-	460	201	259	43,7%	4 252	4 252
Rental and hiring	-	558	-	558	558	-	100,0%	109	109
Transfers and subsidies	2 653 792	-	51 720	2 705 512	2 683 867	21 645	99,2%	2 596 201	2 568 686
Provinces and municipalities	1 501 199	-	-	1 501 199	1 501 199	-	100,0%	1 423 684	1 423 684
Provinces	1 501 199	-	-	1 501 199	1 501 199	-	100,0%	1 423 684	1 423 684
Provincial Revenue Funds	1 501 199	-	-	1 501 199	1 501 199	-	100,0%	1 423 684	1 423 684
Departmental agencies and accounts	1 105 008	-	56 217	1 161 225	1 154 779	6 446	99,4%	1 113 114	1 099 363
Departmental agencies	1 105 008	-	56 217	1 161 225	1 154 779	6 446	99,4%	1 113 114	1 099 363

PROGRAMME 4: HERITAGE PROMOTION AND PRESERVATION	2019/20							2018/19	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Higher education institutions	4 373	-	-	4 373	-	4 373	-	1 500	-
Foreign governments and international organisations	2 025	-	-	2 025	2 025	-	100,0%	1 944	1 944
Public corporations and private enterprises	900	-	-	900	400	500	44,4%	12 601	9 136
Public corporations	-	-	-	-	-	-	-	9 151	7 291
Other transfers to public corporations	-	-	-	-	-	-	-	9 151	7 291
Private enterprises	900	-	-	900	400	500	44,4%	3 450	1 845
Other transfers to private enterprises	900	-	-	900	400	500	44,4%	3 450	1 845
Non-profit institutions	34 032	-	(4 497)	29 535	20 240	9 295	68,5%	39 558	31 121
Households	6 255	-	-	6 255	5 224	1 031	83,5%	3 800	3 438
Social benefits	-	206	-	206	206	-	100,0%	82	82
Other transfers to households	6 255	(206)	-	6 049	5 018	1 031	83,0%	3 718	3 356
Payments for capital assets	206 637	170	(89 456)	117 351	41 039	76 312	35,0%	94 260	68 831
Buildings and other fixed structures	-	-	1 300	1 300	1 222	78	94,0%	35 800	35 800
Buildings	-	-	1 300	1 300	1 222	78	94,0%	-	-
Other fixed structures	-	-	-	-	-	-	-	35 800	35 800
Machinery and equipment	-	19	-	19	19	-	100,0%	204	204
Other machinery and equipment	-	19	-	19	19	-	100,0%	204	204
Heritage assets	206 637	-	(90 756)	115 881	39 647	76 234	34,2%	58 256	32 827
Software and other intangible assets	-	151	-	151	151	-	100,0%	-	-
Payment for financial assets	-	35	-	35	35	-	100,0%	75	75
	2 986 580	170	(24 000)	2 962 750	2 830 460	132 290	95,5%	2 794 949	2 737 674

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme:

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
ADMINISTRATION	328 599	304 250	24 349	7,41
INSTITUTIONAL GOVERNANCE	148 866	141 107	7 759	5,21

The variance is caused by vacant posts in the process of being filled, and the halting of delivery of the procured storage system from abroad due to the COVID-19 lockdown.

The variance is due to delays experienced in getting compliance documents from partners in the arts and youth development projects.

ARTS AND CULTURE
PROMOTION AND
DEVELOPMENT

1 131 870	1 068 750	63 120	5,58
-----------	-----------	--------	------

Late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures, resulted in non-payment of final tranches to beneficiaries by the end of the financial year.

HERITAGE
PROMOTION AND
PRESERVATION

2 962 750	2 830 460	132 290	4,47
-----------	-----------	---------	------

The variance is mainly due to the following:

- Delays in the appointment of transaction advisers to conduct a feasibility study for the National Archives new purpose building.
- Funding for the upgrading of community arts centres was dictated by the provincial governments, as they identify the beneficiaries. Over the years there was under-expenditure due to a lack of necessary compliance documentation from the identified beneficiaries. To mitigate this reality, the Department resolved to fund a business plan per province for community arts centres. As a result, funds were not transferred until finalisation of the approved business plan process.
- DPW not being able to account for the invoices submitted to the Department for the National Archives (HVAC) project and the Sarah Baartman Centre of Remembrance. Processing of invoices were held back as the Department was awaiting confirmation from the DPW that no payments were made to the new contractor for work performed by the previous contractor to avoid fruitless and wasteful expenditure.

4.2 Per economic classification:**Current expenditure**

Compensation of employees

Goods and services

Interest and rent on land

Transfers and subsidies

Provinces and municipalities

Departmental agencies and accounts

Higher education institutions

Public corporations and private enterprises

Foreign governments and international organisations

Non-profit institutions

Households

Payments for capital assets

Buildings and other fixed structures

Machinery and equipment

Heritage assets

Software and other intangible assets

Payments for financial assets

Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
R'000	R'000	R'000	%

267 458	248 828	18 630	6,97
480 193	424 693	55 500	11,56
1	1	-	0,00

1 501 203	1 501 203	-	0,00
1 837 066	1 827 606	9 460	0,51
8 818	4 445	4 373	49,59
126 270	109 161	17 109	13,55
5 050	4 372	678	13,43
197 381	159 913	37 468	18,98
22 080	17 790	4 290	19,43

1 300	1 222	78	6,00
5 518	1 820	3 698	67,02
115 881	39 647	76 234	65,79
3 117	3 117	-	0,00
749	749	-	0,00

Compensation of employees

The variance is caused by vacant posts in the process of being filled.

Goods and services

The variance is due to delays in the appointment of transaction advisers to conduct a feasibility study for the National Archives new purpose building. Due to the COVID-19 pandemic, flagship events were cancelled and/or postponed and provinces could therefore not submit claims.

Departmental agencies and accounts (Cur/Cap)

The variance is mainly due to the following:

- Invoices from DPW for work performed at public entities are done on a recovery basis; therefore, invoices received were for work performed.
- The final report from the NYDA regarding the Young Patriots programme was delayed due to the end of the term of the Board of the NYDA, who has to endorse the report. Final tranche could therefore not be made to the entity.
- As a result of the late submission of close-out reports by performing arts institutions, the Department paid the 1st tranches of the 2019/20 financial year late. This, therefore, had an impact on subsequent transfers of tranches.

Foreign government organisations

The variance is as a result of the rand to pound exchange rate and the Commonwealth Foundation's reassessment of its contribution.

Households

The variance is due to late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures.

Public corporations (Cur/Cap)

The variance is mainly due to late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures.

Non-profit institutions (Cur/Cap)

The variance is due to the following:

- Late receipt of close-out reports from MGE beneficiaries via courier services, as a result of COVID-19 measures.
- Funding for community arts centres was dictated by the provincial governments, as they identify the beneficiaries. Over the years there was under-expenditure due to a lack of necessary compliance documentation from the identified beneficiaries. To mitigate this reality, the Department resolved to fund a business plan per province for community arts centres. Therefore, funds were not transferred until finalisation of the approved business plan process.

Higher education institutions

The variance relates to the construction of the Chief Tyali monument, which is administered by the University of Fort Hare. The University did not submit the revised project proposal in line with the approved funds by the Department.

Heritage assets

The variance is due to the DPW not being able to account for the invoices submitted to the Department for the National Archives (HVAC) project and Sarah Baartman Centre of Remembrance. Processing of invoices was held back as the Department was awaiting confirmation from the DPW that no payments were made to the new contractor for work performed by the previous contractor to avoid fruitless and wasteful expenditure.

Machinery and equipment

The variance is due to the halting of delivery of the procured storage system from abroad due to the COVID-19 lockdown.

4.3 Per conditional grant**COMMUNITY CONDITIONAL LIBRARY GRANTS**

Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
R'000	R'000	R'000	%
1 501 199	1 501 199	-	0,00

STATEMENT OF FINANCIAL PERFORMANCE		2019/20	2018/19
	NOTE	R'000	R'000
REVENUE			
Annual appropriation	1	4 572 085	4 338 737
Statutory appropriation		-	-
Departmental revenue	2	871	966
TOTAL REVENUE		4 572 956	4 339 703
EXPENDITURE			
Current expenditure			
Compensation of employees	3	248 827	238 841
Goods and services	4	424 695	375 907
Interest and rent on land	5	1	8,887
Aid assistance		-	-
Total current expenditure		673 523	623 635
Transfers and subsidies			
Transfers and subsidies	7	3 624 491	3 526 650
Aid assistance		-	-
Total transfers and subsidies		3 624 491	3 526 650
Expenditure for capital assets			
Tangible assets	8	42 688	86 485
Intangible assets	8	3 116	994
Total expenditure for capital assets		45 804	87 479
Payments for financial assets	6	749	221

STATEMENT OF FINANCIAL PERFORMANCE		2019/20	2018/19
	NOTE	R'000	R'000
TOTAL EXPENDITURE		4 344 567	4 237 985
SURPLUS/(DEFICIT) FOR THE YEAR		228 389	101 718
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		227 518	100 752
Annual appropriation		227 518	100 752
Conditional grants		-	-
Departmental revenue and NRF receipts	13	871	966
Aid assistance		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		228 389	101 718

STATEMENT OF FINANCIAL POSITION		2019/20	2018/19
	NOTE	R'000	R'000
ASSETS			
Current Assets		228 989	103 190
Cash and cash equivalents	9	200 364	87 325
Prepayments and advances	10	15 586	13 380
Receivables	11	13 039	2 485
TOTAL ASSETS		228 989	103 190
LIABILITIES			
Current Liabilities		228 722	102 236
Voted funds to be surrendered to the Revenue Fund	12	227 518	100 752
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	13	26	25
Payables	14	1 178	1 459
TOTAL LIABILITIES		228 722	102 236
NET ASSETS		267	954
Represented by:			
Recoverable revenue		267	954
TOTAL		267	954

STATEMENT OF CHANGES IN NET ASSETS

2019/20

2018/19

NOTE

R'000

R'000

NET ASSETS

Recoverable revenue

Opening balance

954

177

Transfers

-687**777**

Irrecoverable amounts written off

-

-

Debts revised

-774

19

Debts recovered (included in departmental receipts)

-378

-123

Debts raised

465

881

Closing balance

267**954**

TOTAL

267**954**

CASH FLOW STATEMENT		2019/20	2018/19
	NOTE	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES		4 572 735	4 339 703
Receipts	1.1	4 572 085	4 338 737
Annual appropriated funds received	2	603	952
Departmental revenue received	2.2	47	14
Interest received			
		-13 041	-2 357
Net (increase)/decrease in working capital		-101 622	-230 698
Surrendered to Revenue Fund		-673 522	-614 748
Current payments	5	-1	-8 887
Interest paid		-749	-221
Payments for financial assets		-3 624 491	-3 526 650
Transfers and subsidies paid	15	159 309	-43 858
Net cash flow available from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES	8	-45 804	-87 479
Payments for capital assets	2.3	221	-
Proceeds from sale of capital assets		-45 583	-87 479
Net cash flows from investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES		-687	777
Increase/(decrease) in net assets		-687	777
Net cash flows from financing activities			
		113 039	-130 560
Net increase/(decrease) in cash and cash equivalents		87 325	217 885
Cash and cash equivalents at beginning of period	9	200 364	87 325
Cash and cash equivalents at end of period			

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the Department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis. The unfolding COVID-19 pandemic is having undeniable human and economic impacts. It has caused many deaths worldwide, millions of job losses and stock markets to dive. The Department received an allocation of R250 million from National Treasury in the financial year 2020/21 to respond to the COVID-19 pandemic. This allocation does not have an impact on the 2019/20 accounts as the amount will form part of financial year 2020/21 appropriation statement.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the Department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment/receipt.</p>

6	Comparative information
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	Revenue
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprise departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the Statement of Financial Performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the Statement of Financial Performance on the date the adjustments become effective. The net amount of any appropriated funds due to or from the relevant revenue fund at the reporting date is recognised as a payable or receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when–</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and/or penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the Department's debt write-off policy</p>

8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the Statement of Financial Performance on the date of payment.
8.1.2	Social contributions Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the Department in respect of ex-employees are classified as transfers to households in the Statement of Financial Performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies, and payments for capital assets) is recognised in the Statement of Financial Performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the Statement of Financial Performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the Statement of Financial Performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of– <ul style="list-style-type: none"> • cost, being the fair value of the asset; or

	<ul style="list-style-type: none"> the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the Statement of Financial Performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose, and any unutilised funds from aid assistance that are required to be refunded to the donor, are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the Statement of Financial Performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the Department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off. Write-offs are made according to the Department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>

14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital assets
16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the Department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value, and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p>

	<p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the Department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value, and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p>Project Costs: Work in progress</p> <p>Expenditure of a capital nature is initially recognised in the Statement of Financial Performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the Department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	<p>Provisions and contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and 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 of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there 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 within the control of the Department, or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot</p>

	be measured reliably.
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities, thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either–</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the Statement of Financial Performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and/or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the notes. Irregular expenditure is removed from the notes when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.</p>

21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances, the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred, in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases, the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-agent arrangements</p> <p>The Department is party to a principal-agent arrangement for goods and/or service. In terms of the arrangement, the Department is the principal and is responsible for payments of such goods and/or service. All related revenues, expenditures, assets and liabilities will be recognized and recorded in terms of the relevant policies. Where necessary an additional disclosures will be provided in the notes to the financial statements.</p>
24	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed of and the related funds are received.</p>
25	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered or are transferred to the Statement of Financial Performance when written off.</p>
26	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p>

	<p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
27	<p>Public-private partnerships</p> <p>Public-private partnerships (PPPs) are accounted for based on the nature and/or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the Department are recorded in the notes to the financial statements.</p>
28	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the employee benefits note.</p>
29	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the Statement of Financial Performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.</p>

PART B: EXPLANATORY NOTES

1. ANNUAL APPROPRIATION

Programmes	2019/20			2018/19		
	Final appropriation	Actual funds received	Funds not requested/ not received	Final appropriation	Appropriation received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
1.1 Annual appropriation						
Administration	328 599	328 599	-	315 312	310 317	4 995
Institutional Governance	148 866	148 866	-	260 391	287 823	-27 432
Arts and Culture Promotion and Development	1 131 870	1 131 870	-	1 171 600	1 167 540	4 060
Heritage Promotion and Preservation	2 962 750	2 962 750	-	2 591 434	2 573 057	18 377
Total	4 572 085	4 572 085	-	4 338 737	4 338 737	-

Included in annual appropriation are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (voted funds). There are no funds that were requested and not received.

2. DEPARTMENTAL REVENUE

	NOTE	2019/20 R'000	2018/19 R'000
Sales of goods and services other than capital assets	2.1	235	260
Interest, dividends and rent on land	2.2	47	14
Sales of capital assets	2.3	221	-
Transactions in financial assets and liabilities	2.4	368	692
Departmental revenue collected		871	966

The general reduction in the revenue collected is due to the following reasons:

- Sales of goods and services were negatively affected due to the decline in the market for services relating to coats of arms, which is a service rendered to the public by National Archives.
- Transactions in financial assets and liabilities dropped due to the recovery of R511 130,86, which was due to be received by the Department. The amount was eventually received by the state attorney after the case was finalised. The state attorney surrendered the money to the National Revenue Fund on behalf of the Department.
- Sales of capital assets are in relation to the auction of office furniture for R31 000,00 and motor vehicles for R185 266,50. The auction of office furniture was held in March 2019; however, the revenue was deposited into the departmental bank account in the current financial year (April 2019). See accrued departmental revenue note.

	NOTE	2019/20 R'000	2018/19 R'000
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		234	260
Sales by market establishment		73	73
Administrative fees		2	2
Other sales		159	185
Sales of scrap, waste and other used current goods		1	-
Total		235	260
Included in Other sales is the following:			
Transport fees		7	
Coat of arms		6	
Commission insurance and garnishee		97	
Photocopies and faxes		25	
Sale of minor assets		22	
Departmental publications and production		1	
Replacement of lost office property		1	
2.2 Interest, dividends and rent on land	2		
Interest		47	14
Total		47	14

	NOTE	2019/20 R'000	2018/19 R'000
2.3 Sales of capital assets	2		
Tangible assets		221	-
Machinery and equipment	39	221	-
Total		221	-
2.4 Transactions in financial assets and liabilities	2		
Receivables		32	121
Other receipts, including recoverable revenue		336	571
Total		368	692

Included in Other receipts, including recoverable revenue, is the revenue received from debtors.

3. COMPENSATION OF EMPLOYEES

	NOTE	2019/20 R'000	2018/19 R'000
3.1 Salaries and wages		172 214	165 585
Basic salary		943	400
Performance award		311	274
Service-based		5 783	4 752
Compensative/circumstantial		39 768	39 317
Other non-pensionable allowances		219 019	210 328
Total			

Included in Other non-pensionable allowances is the following:

Housing allowance	5 285
Non-pensionable allowance	22 392
Service bonus	12 089

	2019/20	2018/19
NOTE	R'000	R'000
3.2 Social contributions		
Employer contributions		
Pension	21 013	20 479
Medical	8 757	7 999
Bargaining council	38	35
Total	<u>29 808</u>	<u>28 513</u>
Total compensation of employees	<u>248 827</u>	<u>238 841</u>
Average number of employees	<u>423</u>	<u>401</u>

The total compensation of employees expenditure increased by 4,18%, while the average number of employees increased by 5,48%. The increase in total compensation of employees' expenditure is attributable to the increase in general salary levels (cost-of-living salary adjustment effected on 1 April 2019). The increase in average number of employees did not contribute significantly, as the majority of the new employees were on lower levels.

4. GOODS AND SERVICES

	NOTE	2019/20 R'000	2018/19 R'000
Administrative fees		631	3 529
Advertising		17 225	12 799
Minor assets	4.1	255	2 721
Bursaries (employees)		719	386
Catering		2 790	3 324
Communication		11 400	7 239
Computer services	4.2	19 832	13 031
Consultants: Business and advisory services		35 413	19 484
Legal services		5 843	5 206
Contractors		121 137	100 416
Agency and support/outsourced services		4 389	2 507
Entertainment		107	145
Audit cost – external	4.3	10 748	9 574
Fleet services		2 295	3 466
Inventory	4.4	1 452	2 923
Consumables	4.5	1 647	1 597
Operating leases		95 206	81 331
Property payments	4.6	26 505	24 352
Rental and hiring		640	294
Travel and subsistence	4.7	58 873	68 326
Venues and facilities		2 107	6 397
Training and development		2 546	2 911
Other operating expenditure	4.8	2 935	3 949
Total		424 695	375 907

Administrative fees: the rise in administrative fees expenditure in the previous financial year was due to after-hours charges by the travel agency for its services.

Advertising: the high spending in the current financial year is as a result of claims from the GCIS for the advertisement of marketing and buildup activities, and the celebration of national days and other departmental programmes.

Bursaries (employees): the increase in expenditure is as a result of the number of bursaries awarded to officials and the non-alignment of the financial year with the academic year.

Catering: the high spending in the previous financial year was due to expenditure to cater for a once off ministerial engagement on transformation of the heritage landscape.

Communication: the high spending is as a result of the allocation of official cellphones to new employees and new applications from qualifying existing employees, who previously did not have official cellphones, as well as landline charges from Telkom, which became active only in the current financial year.

Consultants (Business and advisory services): the spike in spending in the current financial year is due to the following payments:

- payment made to Nelson Mandela University for research and advisory services on Cultural Observatory based on deliverables; and
- payment made to the service provider for conducting a feasibility study for the amalgamation of DAC entities in the previous financial year. The services were only completed in the current financial year.

Contractors: the spike in expenditure in the current financial year is due to the following:

- payment made to the service provider for the implementation of the SA/Kenya Cultural Seasons hosted in Kenya in the previous financial year and processed in the year under review;
- payment made to the service provider for the implementation of the Cultural and Creative Industries Federation of South Africa (CCIFSA) regional meetings in nine provinces;
- presidential inauguration that took place in May 2019;
- payment towards the curatorship and management of South Africa's participation in the 58th International Art exhibition in Venice taking place between May and November 2019; and
- payment made to the service provider for the implementation of the social compact conversion.

Legal services: increase in expenditure is as a result of disciplinary hearing cases against entities' officials as well as forensic audits on behalf of entities.

Agency and support/outsourced services: the spike in spending is due to the successful appointment of a service provider to conduct the Condition Assessment and compile the User Asset Management (UAMP) through a tender, whereas in the previous financial year the revised UAMP was done through quotations.

Fleet services: the high spending in the previous financial year was due to nominal growth and repairs made to the Deputy Minister's VIP vehicle.

Operating leases: the spike in expenditure in the current financial year is owing to the escalation of leases on state-owned buildings and itemised billing tariffs by the DPW as approved by National Treasury.

Rental and hiring: the cleaning of water tanks by a company appointed by the DPW resulted in the National Archives office having to hire executive mobile toilets with running water temporarily, as there was a supply of water, hence an increase in expenditure.

Venues and facilities: the high spending in the previous financial year was attributed to a payment for the venue for hosting the South African ministerial roundtable on the “Roads to independence: African Liberation Heritage Programme”.

Training and development: in the current financial year, training was conducted in group sessions rather than individually, hence a reduction in expenditure.

	NOTE	2019/20 R'000	2018/19 R'000
4.1 Minor assets	4		
Tangible assets		255	2 721
Machinery and equipment		255	2 721
Total		<u>255</u>	<u>2 721</u>

Minor assets: the high spending in the previous financial year was as a result of the procurement of office furniture for DAC staff as part of the relocation project to Sechaba Building.

4.2 Computer services

SITA computer services
External computer service providers

Computer services: the spike in spending in the current financial year is as a result of the license renewal for Microsoft Enterprise Agreement based on the exchange rate, security software as well as SITA advisory services and charges for internet usage and data lines. The DAC had to move its internet connection from Liquid Telecom to SITA, and SITA's internet charges are high.

		9 595	6 389
		10 237	6 642
Total		<u>19 832</u>	<u>13 031</u>

	NOTE	2019/20 R'000	2018/19 R'000
4.3 Audit cost – external	4		
Regularity audits		7 711	6 338
Performance audits		222	-
Investigations		2 484	2 941
Computer audits		331	295
Total		10 748	9 574

Audit cost – external: the higher expenditure in the current financial year is due to invoices made to the AGSA for auditing services. The 2018/19 audit was extended until August instead of July.

4.4 Inventory	4		
Materials and supplies		1 452	2 923
Total		1 452	2 923

Inventory: the high spending in the previous financial year was due to the installation of flags in schools. In the current financial year, funds for the procurement of flags were reprioritised to be used for the monumental flag project feasibility study. The other contributing factor is the procurement of handheld flags for the national “I AM THE FLAG” campaign.

4.5 Consumables	4		
Consumable supplies		896	506
Uniform and clothing		39	36
Household supplies		790	383
Building material and supplies		26	24
IT consumables		12	36
Other consumables		29	27
Stationery, printing and office supplies		751	1 091
Total		1 647	1 597

	NOTE	2019/20 R'000	2018/19 R'000
4.6 Property payments	4		
Municipal services		7 147	10 218
Property management fees		357	186
Property maintenance and repairs		562	794
Other		18 439	13 154
Total		26 505	24 352

Property payments: the high spending in the current financial year is due to the mandatory annual increase for the Private Security Sector as per the sectorial determinations in line with the Government Notice published in the Gazette.

Included in Other is the following:

Gardening services	754
Cleaning services	484
Pest control/Fumigation services	99
Safeguard and security	17 102

4.7 Travel and subsistence

Local	44 643	55 663
Foreign	14 230	12 663
Total	58 873	68 326

Travel and subsistence: the decrease in expenditure in the current financial year is due to the strict implementation of the cost curtailment measures by the Department.

	NOTE	2019/20 R'000	2018/19 R'000
4.8 Other operating expenditure	4		
Professional bodies, membership and subscription fees		310	921
Resettlement costs		-	4
Other		2 625	3 024
Total		2 935	3 949

Other operating expenditure: the high spending in the previous financial year was due to courier services, professional bodies and membership fees.

Included in Other is the following:

Achievements and awards	3
Courier and delivery services	879
Freight services/Transportation of goods	56
Honoraria (voluntary workers)	170
Laundry services	9
Non-life insurance premium TR 12.1.2	25
Printing and publications services	1 483

5. INTEREST AND RENT ON LAND

Interest paid	1	8 887
Total	1	8 887

On 31 March 2018 the DAC raised the provision amounting to R25,3 million due to the arbitration award against the Department for staging of premiere campaign pertaining to the documentary film by the beneficiary. The award ordered the DAC to settle the account of R17 million, with interest. The interest was calculated as R8,8 million, which was settled in the first quarter and disclosed as fruitless expenditure. The amount disclosed in interest paid in the current financial year is in relation to an invoice of R879,79 for an account that was handed over for non-payment. The disclosed amount of R1000,00 is a rounded figure of the actual invoice amount of R879,79.

6. PAYMENTS FOR FINANCIAL ASSETS

	NOTE	2019/20 R'000	2018/19 R'000
Other material losses written off	6.1	749	221
Total		749	221
6.1 Other material losses written off	6		
Nature of losses			
Damages and losses written off		749	221
Total		749	221

7. TRANSFERS AND SUBSIDIES

Provinces and municipalities	48, 49	1 501 203	1 423 686
Departmental agencies and accounts	ANNEX 1B	1 827 607	1 760 575
Higher education institutions	ANNEX 1C	4 445	5 440
Foreign governments and international organisations	ANNEX 1E	4 371	4 265
Public corporations and private enterprises	ANNEX 1D	109 161	120 134
Non-profit institutions	ANNEX 1F	159 914	188 353
Households	ANNEX 1G	17 790	24 197
Total		3 624 491	3 526 650

Provinces and municipalities: the increase in expenditure is owing to the nominal growth of the appropriated budget.

Departmental agencies and accounts: the increase in expenditure is as a result of the approval granted to shift funds to increase the KwaZulu-Natal Museum allocation for the upgrading and conversion of the Saint Anne's Hospital Building to the New KZN Museum.

Higher education institutions: the decrease in expenditure relates to HLT projects based on project plans.

Foreign governments and international organisations: the variance is immaterial.

Public corporations and private enterprises: the decrease in expenditure is due to late receipt of close-out reports from MGE beneficiaries via courier services as a result of COVID-19 measures.

Non-profit institutions: the decrease in expenditure is due to the following:

- Late receipt of close-out reports from MGE beneficiaries via courier services as a result of COVID-19 measures.
- Funding for the upgrading of community arts centres was dictated by the provincial governments, as they identify the beneficiaries. Over the years there was under-expenditure due to a lack of necessary compliance documentation from the identified beneficiaries. To mitigate this reality, the Department resolved to fund a business plan per province for community arts centres. As a result, funds were not transferred until finalisation of the approved business plan process.
- Capital works projects that ended in the previous financial year and funds under this classification were, therefore, redirected to other projects.

Households: the decrease in expenditure is due to late receipt of close-out reports from MGE beneficiaries via courier services as a result of COVID-19 measures

8. EXPENDITURE FOR CAPITAL ASSETS

	NOTE	2019/20 R'000	2018/19 R'000
Tangible assets		42 688	86 485
Buildings and other fixed structures	31	1 222	35 800
Heritage assets	31	39 647	32 827
Machinery and equipment	29	1 819	17 858
Intangible assets	30	3 116	994
Software		3 116	994
Total		45 804	87 479

Buildings and other fixed structures: buildings and other fixed structures include the HVAC fixed structures project and Sara House Building Project. The entire amount of R1,222 million disclosed here is in relation to the SARA House Building Project. The DAC has not effected payment in relation to the HVAC fixed structures project due to a dispute. All the invoices relating to this project are disclosed under accruals and amount to R62,2 million.

Heritage assets: the total amount of R39,647 million spent under the heritage assets category is in relation to immovable heritage assets projects such as the Sarah Baartman Centre, Ingquza Hill Massacre Museum, OR Tambo Memorial Centre and the Winnie Madikizela-Mandela Brandfort House Museum.

Machinery and equipment: the machinery and equipment expenditure for the financial year 2018/19 was high due to the payments for the accruals from the relocation project for financial year 2017/18. More assets were purchased in the financial year 2017/18 and some of the invoices were finally paid in the financial year 2018/19.

Intangible assets: the amount spent under this category is in relation to payments made to SITA for software development, such as replacement of NAAIRS project and payments made to Cedar Tower Services for Heritage Service Software development.

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
--	----------------------	-------------------------	----------------

8.1 Analysis of funds utilised to acquire capital assets - 2019/20

Tangible assets

Buildings and other fixed structures
Heritage assets
Machinery and equipment

42 688

-

42 688

1 222

-

1 222

39 647

-

39 647

1 819

-

1 819

Intangible assets

Software

3 116

-

3 116

3 116

-

3 116

Total

45 804

-

45 804

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
8.2 Analysis of funds utilised to acquire capital assets - 2018/19			
Tangible assets	86 485	-	86 485
Buildings and other fixed structures	35 800	-	35 800
Heritage assets	32 827	-	32 827
Machinery and equipment	17 858	-	17 858
Intangible assets	994	-	994
Software	994	-	994
Total	87 479	-	87 479

9. CASH AND CASH EQUIVALENTS

	NOTE	2019/20 R'000	2018/19 R'000
Consolidated Paymaster General Account		200 364	87 200
Disbursements		-	125
Total		200 364	87 325

At the end of the financial year the DAC had received R4,572,085 billion of its annual appropriation. Of this amount, R4,355,852 billion was spent (see Statement of Financial Performance) and R216,233 million was not spent. This amount remained in the Department's PMG account as cash and cash equivalent for future expenditure plans. The total Cash and Cash Equivalents reflect R200 364 million as the DAC processed more advances from the money that was available in the PMG account.

10. PREPAYMENTS AND ADVANCES

	NOTE	2019/20 R'000	2018/19 R'000
Travel and subsistence			
Advances paid (not expensed)	10.1	72	54
Prepayments (not expensed)	10.2	15 514	13 326
Total		-	-
		15 586	13 380

The balance of R15,514 million is made of R7,254 million advance issued to DIRCO, R4,209 million advance issued to GCIS, R2,850 million advance issued to the State Theatre and R1,200 million advance issued to the William Humphreys Art Gallery. During the year the Department managed to settle advances amounting to R16,2 million from the advance issued to DIRCO and GCIS. However, the new advances issued to DIRCO and GCIS amount to R14,373 million. The closing balance for DIRCO and GCIS is R11,464 million, which is lower than the 2018/19 closing balance.

	NOTE	Balance as at 1 April 2019 R'000	Less: amount expensed in current year R'000	Add/Less: other R'000	Add: current year advances R'000	Balance as at 31 March 2020 R'000
10.1 Advances paid (not expensed)	10					
National departments		13 326	-16 235	-	14 373	11 464
Public entities		-	-	-	4 050	4 050
Total		13 326	-16 235	-	18 423	15 514

	Balance as at 1 April 2018 R'000	Less: amount expensed in current year R'000	Add/Less: other R'000	Add: current year advances R'000	Balance as at 31 March 2020 R'000
NOTE					
					10
Advances paid (not expensed)					
National departments	10 504	-13 336	-	16 158	13 326
Public entities	-	-	-	-	-
Total	10 504	-13 336	-	16 158	13 326

	Balance as at 1 April 2019 R'000	Less: amount expensed in current year R'000	Add/Less: other R'000	Add: current year advances R'000	Balance as at 31 March 2020 R'000
NOTE					
10.2 Prepayments (not expensed)					
Capital assets	-	-	-	-	-
Total	-	-	-	-	-

	Balance as at 1 April 2018 R'000	Less: amount expensed in current year R'000	Add/Less: other R'000	Add: current year advances R'000	Balance as at 31 March 2020 R'000
NOTE					
Prepayments (not expensed)					
Capital assets	877	-877	-	-	-
Total	877	-877	-	-	-

11. RECEIVABLES

	NOTE	2019/20 Current R'000	Non-current R'000	Total R'000	2019/20 Current R'000	Non-current R'000	Total R'000
Claims recoverable	11.1	-	-	-	95	-	95
Recoverable expenditure	11.2	12 583	-	12 583	1 237	-	1 237
Staff debt	11.3	456	-	456	389	-	389
Other receivables	11.4	-	-	-	764	-	764
Total		13 039	-	13 039	2 485	-	2 485

	NOTE	2019/20 R'000	2018/19 R'000
11.1 Claims recoverable	11		
National departments		-	95
Total		-	95
11.2 Recoverable expenditure	11		
Damages and losses		1 273	1 234
Salaries disallowances account		2	2
Tax debt		23	1
Overpayment on State-Own Lease		11 285	-
Total		12 583	1 237
11.3 Staff debt	11		
Staff debt		456	389
Total		456	389

	NOTE	2019/20 R'000	2018/19 R'000
11.4 Other receivables	11		
Litigation cases recovery		-	764
Total		-	764

There is no recoverable capital amount expected to be recovered from the litigation cases. The Department of Justice will surrender all legal costs recoverable to the National Revenue Fund on behalf of the Department. Only the capital recoverable amount will be re-routed to the Department.

12. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

Opening balance	100 752	229 742
Transfer from statement of financial performance (as restated)	227 518	100 752
Paid during the year	-100 752	-229 742
Closing balance	227 518	100 752

At the end of the financial year the DAC had received R4,572,085 billion of its annual appropriation. Of this amount, R4,344,567 billion was spent (see Statement of Financial Performance) and R227,518 million was not spent. The breakdown of this amount is as follows:

- Administration (R24 349 000)
- Institutional Governance (R7 759 000)
- Arts And Culture Promotion And Development (R63 120 000)
- Heritage Promotion And Preservation (R132 290 000)

13. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

Opening balance	25	15
Transfer from statement of financial performance (as restated)	871	966
Paid during the year	-870	-956
Closing balance	26	25

14. PAYABLES - CURRENT

	NOTE	2019/20 R'000	2018/19 R'000
Amounts owing to other entities		1 079	1079
Clearing accounts	14.1	97	86
Other payables	14.2	2	294
Total		1 178	1 439
14.1 Clearing accounts	14		
GEHS control account		26	18
Salaries income tax		70	60
Salary reversal control		-	4
Government Employee Pension Fund		1	4
Total		97	86
14.2 Other payables	14		
Exchequer grant account		-	74
National Film and Video Foundation		-	220
Litigation payable case		2	-
Total		2	294

An amount of R73 928,84 was received by the Department with regard to the Mali Project. It was a surplus from the Timbuktu Trust windup operation. This amount was subsequently surrendered to the National Revenue Fund. The National Film and Video Foundation amount was reconciled to settle DIRCO travelling claims for the executives of the National Film and Video Foundation.

15. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	NOTE	2019/20 R'000	2018/19 R'000
Net surplus/(deficit) as per Statement of Financial Performance		228 389	101 718
Add back non cash/cash movements not deemed operating activities		-69 080	-145 576
(Increase)/decrease in receivables		-10 554	-990
(Increase)/decrease in prepayments and advances		-2 206	-1 537
Increase/(decrease) in payables – current		-281	170
Proceeds from sale of capital assets		-221	-
Expenditure on capital assets		45 804	87 479
Surrenders to Revenue Fund		-101 622	-230 698
Net cash flow generated by operating activities		159 309	-43 858

16. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

Consolidated Paymaster General account		200 364	87 200
Disbursements		-	125
Total		200 364	87 325

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**17.1 Contingent liabilities**

Liable to Nature

Housing loan guarantees Employees

Claims against the Department

Intergovernmental payables (unconfirmed balances)

Total

Annex 3A

Annex 3B

Annex 5

	42	42
	113 967	57 024
	26 295	15 996
Total	140 304	73 062

The possible obligation has risen as a result of housing loan guarantees issued by the Department, which are not recognised as a liability because it is not probable that an outflow of resource will be required to settle the obligation.

The possible obligation has risen from past events and the existence of obligation will be confirmed only by finalisation of court cases. The majority of the court cases emanate from contract disputes and civil claims of damages. The estimates of these amounts were confirmed by the departmental internal legal expert and/or external legal expert; however, such estimates do not include the legal fees because these fees cannot be reliably estimated.

The unconfirmed intergovernmental claims possible obligation has risen as a result of claims which are not recognised/confirmed by the Department because the amount cannot be measured with sufficient reliability. The existence of these claims will be confirmed by investigation or submission of complete reports.

	NOTE	2019/20 R'000	2018/19 R'000
17.2 Contingent assets	11		
Nature of contingent asset			
Litigation recoverable		12 142	10 939
Total		12 142	10 939

A contingent asset rose from unplanned and unexpected events not under the control of the Department. An inflow of resources will become virtually certain when their existence are confirmed and finalised by courts involved and then the related asset will be recorded as a receivable for departmental revenue in the notes.

18. CAPITAL COMMITMENTS

Buildings and other fixed structures	120 527	133 955
Heritage assets	19 325	48 870
Machinery and equipment	6 019	797
Intangible assets	316	1 232
Total	146 187	184 854

The Department restated prior commitments as disclosed under previous year error disclosure note. A total amount of R339,134,000.00 million was disclosed under commitments in 2018/19 financial year. The commitments for 2018/19 financial year are restated in the current year to an amount of R184,854,000.00 due to changes in the Modified Cash Standard. The changes in the Modified Cash Standard require the Department to disclose capital commitments only. In the financial year 2018/19 the capital commitments were disclosed as an amount of R168,991,000.00 million which is now restated as R184,854,000.00 million due to intangible assets commitments amounting to R1,232 million and buildings and other fixed structures commitments amounting to R14 million which were misclassified under current commitments in 2018/19 financial year.

The Department entered into a multiyear contract for upgrading of the fire protection system and refurbishment of the HVAC system for the National Archives building with the DPW and with Risimati Consulting Engineers for legacy building construction projects.

The total capital commitment to the DPW is included under buildings and other fixed structures while the commitment for legacy building construction projects is included under heritage assets.

19. ACCRUALS AND PAYABLES NOT RECOGNISED

	2019/20 R'000			2018/19 R'000
19.1 Accruals				
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	9 818	27 293	37 111	36 786
Capital assets	-	-	-	44
Total	9 818	27 293	37 111	36 830
Listed by programme level				
Programme 1: Administration			34 487	17 315
Programme 2: Institutional Governance			90	6 591
Programme 3: Arts and Culture Promotion and Development			2 162	12 010
Programme 4: Heritage Promotion and Preservation			372	914
Total			37 111	36 830

The material accruals amount of R26 080 250,00 is an invoice due to DPW for state-owned rental. This was not paid at year-end due to budget constrain which was experienced after the DPW received approval to increase the quarterly rental tariffs by 95% from R13 358 753,00 to R26 080 250,00. This means an increase from R53,4 million to R104 million per annum. The Department managed to pay three quarters after the budget was reprioritised but one invoice could not be defrayed from the available budget.

	2019/20			2018/19	
	R'000			R'000	
19.2 Payables not recognised					
Listed by economic classification	30 days	30+ days	Total	Total	
Goods and services	820	958	1 778	15 561	
Transfers and subsidies	1 250	296	1 546	-	
Capital assets	-	117 646	117 646	76 515	
Total	2 070	118 900	120 970	92 076	
Listed by programme level					
Programme 1: Administration			966	7 627	
Programme 2: Institutional Governance			117 646	77 328	
Programme 3: Arts and Culture Promotion and Development			1 607	6 015	
Programme 4: Heritage Promotion and Preservation			751	1 106	
Total			120 970	92 076	

Included in the total payables of R125 million is material invoices which were partly paid in relation to DPW HVAC Archives Building project, Sarah Baartman Centre of Remembrance and other infrastructure capital projects. These invoices amount to R117 646 000,00

	NOTE	2019/20 R'000	2018/19 R'000
Included in the above totals are the following:			
Confirmed balances with departments	Annex 5	2 147	13 476
Confirmed balances with other government entities	Annex 5	147 674	77 286
Total		149 821	90 762

20. EMPLOYEE BENEFITS

Leave entitlement		11 964	12 063
Service bonus		6 382	5 919
Performance awards		2 006	4 093
Capped leave		5 513	5 217
Other		497	250
Total		26 362	27 542

The drastic decrease in performance awards benefits was as result of decremental adjustment of the percentage that can be allocated from the remuneration budget for the payment of performance bonuses from 1,5% to 0,75%, which was approved by the DPSA.

The amount disclosed under Other is in relation to long service awards and other basic salary-related payments made after the reporting date.

The leave entitlement with negative/credit balance amounted to R125 176,97.

21. LEASE COMMITMENTS

21.1 Operating leases

2019/20

Not later than one year
 Later than one year and not later than five years
 Later than five years

Total lease commitments

Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000
22 349	1 701	24 050
87 091	-	87 090
-	-	-
109 440	1 701	111 141

2018/19

Not later than one year
 Later than one year and not later than five years
 Later than five years

Total lease commitments

Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000
20 790	2 879	23 669
109 440	1 042	110 482
-	-	-
130 230	3 921	134 151

The Department entered into an operating lease arrangement for the services such as provision of vehicles, office accommodation and others. The lease arrangements are for a period not more three years with no renewal and purchase option.

Under buildings and other fixed structures is a lease agreement for office accommodation of the DAC with the inception date of 1 July 2017, namely the VWL Building. The building was occupied through a lease agreement for a period of seven years.

The decrease in this note as compared to the previous year is due to the passage of time and payments processed as and when the asset is being used and paid for. The expiration of the photocopiers equipment lease also contributed to the decreases in the lease commitments as the Department is in the process of entering into a new lease for the photocopiers equipment.

There was no new lease agreement entered into during the current financial year.

	NOTE	2019/20 R'000	2018/19 R'000
22. ACCRUED DEPARTMENTAL REVENUE			
Interest, dividends and rent on land		122 380	17 764
Sale of capital assets		-	74
Total		22 380	17 838

The accrued departmental revenue is the interest earned in the IDT bank account on the money which was paid to them in advance. The money accumulated interest while awaiting the implementation of project. Also included in this note is interest earned in the NEF bank account while awaiting the implementation of projects

22.1 Analysis of accrued departmental revenue

Opening balance		17 838	14 640
Less: amounts received		74	-
Add: amounts recognised		4 616	3 198
Closing balance		22 380	17 838

23 IRREGULAR EXPENDITURE

23.1 Reconciliation of irregular expenditure

Opening balance	23.1	436 768	428 349
Add: irregular expenditure - relating to prior year	23.1	-	469
Add: irregular expenditure - relating to current year		1 895	17 121
Less: current year amounts condoned		-	-9 171
Closing balance		438 663	436 768

NOTE	2019/20 R'000	2018/19 R'000
Analysis of closing balance		
Current year	1 895	17 121
Prior years	436 768	419 647
Total	438 663	436 768

23.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	
Did not obtain prior approval for deviation from National Treasury.	Recently reported	1 357
SCM process was not followed in the appointment of a service provider.	Recently reported	472
Shortfall VAT paid for bid awarded to a service provider who was not in the register.	Recently reported	5
Three quotations not obtained and deviation not attached. No proof of sole provider attached.	Recently reported	23
No evidence the service provider was appointed through BAC.	Recently reported	38
Total		1 895

23.3 Details of irregular expenditure under assessment (not included in the main note)

Incident	
Incorrect classification of goods and services as transfer payments	3 000
Indirectly funded an entity without tax clearance	13 265
No/inadequate evidence (supporting invoices) submitted to ensure funds transferred were used for the intended purposes	30 642
Total	46 907

The irregular expenditure under assessment is the alleged irregular expenditure awaiting confirmation from National Treasury.

	NOTE	2019/20 R'000	2018/19 R'000
24. FRUITLESS AND WASTEFUL EXPENDITURE			
24.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		53 526	44 610
Fruitless and wasteful expenditure – relating to prior year	24.2	36 042	
Fruitless and wasteful expenditure – relating to current year	24.2	15	8 916
Closing balance		89 583	53 526

24.1 Details of current and prior year's fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	
Interest paid on overdue accounts	Recently reported	515
Substandard work on infrastructure development	Recently reported	36 042
Total		36 057

The DAC's intervention led to the appointment of a quantity surveyor to assess substandard work on infrastructure development projects implemented by the implementing agent. The Enyokeni Cultural Precinct, Winnie Madikizela-Mandela Brandfort House Museum, Dr JL Dube House, OR Tambo Memorial and Khananda Hill are some of the projects that were investigated.

- Enyokeni Cultural Precinct

The quantity surveyor's report revealed that there was fruitless and wasteful expenditure of about R28,6 million. However, the implementing agent has disputed the findings of the quantity surveyor. The matter is currently subjected to dispute resolution.

- Winnie Madikizela-Mandela House project**
 The report revealed fruitless and wasteful expenditure amounting to R587 357,41. However, the implementing agent has disputed the findings of the quantity surveyor.
- Dr JL Dube House**
 The quantity surveyor’s report reflected that no fruitless and wasteful expenditure was incurred. The site was exposed to the elements and in disuse from 2015 to 2018. A new contractor was appointed to complete the project and a structural assessment was undertaken in 2019 to assess the structural integrity. The report identified some weaknesses in parts of the structure that will require reinforcing or demolishing and rebuilding the elements identified, which will be fruitless when the payments are made. The Department is in the process of appointing a service provider for this work and the estimated cost for this work is a possible fruitless and wasteful expenditure of R2 300 000,00.
- Sarah Baartman Centre of Remembrance**
 There is a possibility of incurring potential fruitless and wasteful expenditure of R824 252,87 for remedial work and R3 711 953,11 for discoverable construction work, based on the implementing agent having paid for substandard work done by the first/ceding contractor, which was redone by the contractor to whom the contract was ceded. The final amount, if any, will be determined through the current mediation process. The DAC has not paid any invoices from the implementing agent. Payment of invoices will be subject to the implementing agent confirming in writing that the invoices do not include remedial work.
- The quantity surveyor’s report reflected that no fruitless and wasteful expenditure was incurred in any of the other heritage legacy projects handled by the implementing agent.

NOTE	2019/20 R'000	2018/19 R'000
------	------------------	------------------

25. RELATED PARTY TRANSACTIONS

Payments made

Transfers and subsidies

Total

-	25 000
-	25 000

On 16 May 2016, the DAC entered into a related party relationship agreement with the National Empowerment Fund (NEF). The related party relationship between the DAC and the NEF is noted against the background of the CEO of the NEF being the spouse of the Minister of Arts and Culture. This related party relationship agreement requires the NEF to pilot the concept where the NEF will issue loans to businesses that are in the arts, culture and heritage sectors by using funds contributed by the DAC and NEF

The agreement entails the establishment of a venture capital facility that will be 40% funded by the DAC and 60% funded by the NEF on a transaction-by-transaction basis. This agreement will see the two entities forming a strong partnership dedicated to providing financial and non-financial support to black people, as defined, participating in the arts and culture space. The objectives of the fund, among others, are to facilitate the creation of sustainable jobs within this sector and to support black people participating in this space who would not ordinarily qualify for funding through traditional commercial banking and other funding platforms.

For this purpose, a total amount of R75 million has been transferred to the NEF from the DAC. The DAC contributed an amount of R20 million during the 2016/17 financial year; R30 million during the 2017/2018 financial year; and R25 million during the 2018/19 financial year to the NEF. From the total amount of R75 000 000,00 received, the NEF managed to disburse R11 382 531,60. The fund earned interest on the unspent balance amounting to R9 730 383,31. The interest earned on the unspent balance is also disclosed under the Accrued departmental revenue notes to these financial statements. An admin fee of 5%, which amounted to R3 750 000,00, was charged by the NEF. This amount was deducted from the fund. The remaining balance at the end of the financial year was R69 597 851,71.

At the end of the agreement period, the DAC will evaluate the venture capital fund (VCF) pilot programme and make a determination on the future of the VCF programme. The credit balance reflecting in the NEF ED Fund will then be reinvested by the NEF into a fund with similar characteristics and investment profiles. This will either be the NEF ED Fund or any other vehicle that advances the purpose of the Fund. Alternatively, the Department will direct that the pro rata credit balance in the Fund be paid to identified public entities of the Department or into the Revenue Fund, as the case may be.

The end date of the agreement between the DAC and NEF is 31 May 2020, as amended by the addendum agreement.

Related party relationships

No	Name of the entity	Relationship	No	Name of the entity	Relationship
1	National Film Video and Foundation	Department's public entity	11	Ditsong Museums of South Africa	Department's public entity
2	National Heritage Council	Department's public entity	12	Robben Island Museum	Department's public entity
3	National Arts Council	Department's public entity	13	Afrikaans Taalmuseum en -monument	Department's public entity
4	South African Heritage Resources Agency	Department's public entity	14	Nelson Mandela Museum	Department's public entity
5	Market Theatre Foundation	Department's public entity	15	Amazwi - South African Museum of Literature	Department's public entity
6	Playhouse Company	Department's public entity	16	War Museum of the Boer Republics	Department's public entity
7	Artscape	Department's public entity	17	National Museum	Department's public entity
8	Performing Arts Centre of the Free State	Department's public entity	18	William Humphreys Art Gallery	Department's public entity
9	South African State Theatre	Department's public entity	19	Luthuli Museum	Department's public entity
10	Iziko Museums of South Africa	Department's public entity	20	KwaZulu-Natal Museum	Department's public entity

No	Name of the entity	Relationship
21	Msunduzi Museum	Department's public entity
22	South African Library for the Blind	Department's public entity
23	National Library of South Africa	Department's public entity
24	Pan South African Language Board (PanSALB)	Constitutional entity
25	Freedom Park	Department's public entity

No	Name of the entity	Relationship
26	Business and Arts South Africa	Department's public entity
27	Blind SA	Department's public entity
28	Engelenburg House Art Collection	Department's public entity
29	National Empowerment Fund	Public entity

	No. of Individuals	2019/20 R'000	2018/19 R'000
26. KEY MANAGEMENT PERSONNEL			
Political office bearers	2	2 896	4 381
Officials:			
Officials at level 15	6	7 481	8 057
Officials at level 14	15	15 513	18 581
Total		25 890	31 019
Key management personnel			
Chief Financial Officer	1	1 591	1 490
Legal Advisor	2	1 524	1 599
Total		3 115	3 089
Political office bearers:			
The Minister	1	2 401	
The Deputy Minister	1	494	
Total	2	2 896	

The amount of R494 448,72 was paid to the Deputy Minister, Ms MM Soty, for her time in office (two months). The new Deputy Minister for the Department was remunerated through the payroll of the Department of Sports and Recreation South Africa.

	NOTE	2019/20 R'000	2018/19 R'000
27. PROVISIONS			
Provisions	27.1	-	-
Total		<u>-</u>	<u>-</u>

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
27.1 Reconciliation of movement in provisions - 2019/20					
Opening balance	-	-	-	-	-
Increase in provision	-	-	-	-	-
Settlement of provision	-	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Opening balance	381	25 344	-	-	25 725
Increase in provision	-	1 009	-	-	1 009
Settlement of provision	-	-26 353	-	-	-26 353
Unused amount reversed	-381	-	-	-	-381
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	NOTE	2019/20 R'000
COVID-19 pandemic allocation		250 000
NEF Receivable		69 598
Total		319 598

COVID-19 pandemic allocation

The COVID-19 pandemic in South Africa is part of an ongoing pandemic of the coronavirus disease 2019 (COVID-19) caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). On 5 March 2020 the Minister of Health confirmed the spread of the virus to South Africa. The President of South Africa declared a national state of disaster on 15 March 2020, and on 17 March 2020 the National Coronavirus Command Council was established to lead the nation's plan to contain the spread and mitigate the negative impact of the coronavirus. On 23 March 2020 a national lockdown was announced, which started on 26 March 2020. In response to the pandemic, a R500 billion economic stimulus package was announced on 21 April 2020. The unfolding COVID-19 pandemic is having undeniable human and economic impacts. It has caused many deaths worldwide, millions of job losses and stock markets to dive.

An allocation of R250 million was received in the financial year 2020/21 from National Treasury for the Department to respond to the COVID-19 pandemic. The received allocation does not have an effect on the 2019/20 accounts as the amount will form part of financial year 2020/21 appropriation statement.

The COVID-19 pandemic in South Africa is part of an ongoing pandemic of the coronavirus disease 2019 (COVID-19) caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). On 5 March 2020 the Minister of Health confirmed the spread of the virus to South Africa. The President of South Africa declared a national state of disaster on 15 March 2020, and on 17 March 2020 the National Coronavirus Command Council was established to lead the nation's plan to contain the spread and mitigate the negative impact of the coronavirus. On 23 March 2020 a national lockdown was announced, which started on 26 March 2020. In response to the pandemic, a R500 billion economic stimulus package was announced on 21 April 2020. The unfolding COVID-19 pandemic is having undeniable human and economic impacts. It has caused many deaths worldwide, millions of job losses and stock markets to dive.

An allocation of R250 million was received in the financial year 2020/21 from National Treasury for the Department to respond to the COVID-19 pandemic. The received allocation does not have an effect on the 2019/20 accounts as the amount will form part of financial year 2020/21 appropriation statement.

The allocation breakdown is as follows:

Administration	5 000
Recreation Development and Sport Promotion	130 000
Arts and Culture Promotion and Development	105 000
Heritage Promotion and Preservation	10 000
Total	250 000

The following is a detailed description of the breakdown above:

Administration: procurement of infrared thermometers and hand sanitisers. Cloth masks to be provided to every employee. Decontamination/sanitisation of Sechaba House and Regent Place.

Recreation Development and Sport Promotion: disbursement of relief funds to beneficiaries in the sports sector.

Arts and Culture Promotion and Development: COVID-19 panel members' adjudicators. Digital solutions and disbursement of relief funds to beneficiaries in the arts and culture sector.

Heritage Promotion and Preservation: to provide for COVID-19-related expenditure such as the decontamination of libraries in the provinces, personal protective equipment (PPE) and sanitiser for libraries.

NEF receivable

The original contract between the DAC and NEF ended on 31 August 2019. In a meeting between the Department and the NEF, held on 20 February 2020, both parties agreed that the contract had to be renewed, restated and amended to end on 31 May 2020. This was reduced to writing and signed by the NEF on 24 February 2020. The DAC only signed on 24 April 2020. Therefore, at the reporting date, this was reported as a subsequent event, i.e. an event that occurs before the financial statements are authorised for issue. For more details on this matter see the Related party transactions disclosure note.

Without the subsequent event the following disclosure would have been required:

Statement of Financial Position

Non-current assets	
Receivables	69 598
Net Assets	
Recoverable revenue	69 598

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
29. Movable Tangible Capital Assets					
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
HERITAGE ASSETS	2 818	-	350	-	3 168
Heritage assets	2 818	-	350	-	3 168
MACHINERY AND EQUIPMENT	89 491	-	1 469	9 498	81 462
Transport assets	3 179	-	-	2 434	745
Computer equipment	47 357	-	580	6 702	41 235
Furniture and office equipment	28 224	-	30	26	27 985
Other machinery and equipment	10 731	-	859	93	11 497
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	92 309	-	1 819	9 498	84 630

Movable tangible capital assets under investigation

Machinery and equipment

Number

**Value
R'000**

41

678

All assets under investigation are reported as lost and an investigation is in progress to determine liability. Some cases were referred to the Office of the State Attorney while others are handled by the committed established internally by the Department.

	Cash R'000	Non-cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Received cur- rent, not paid (paid current year, received prior year) R'000	Total R'000
Additions					
29.1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
HERITAGE ASSETS					
Heritage assets	350	-	-	-	350
	350	-	-	-	350
MACHINERY AND EQUIPMENT					
Computer equipment	1 469	-	-	-	1 469
Furniture and office equipment	580	-	-	-	580
Other machinery and equipment	30	-	-	-	30
	859	-	-	-	859
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	1,819	-	-	-	1,819

Disposals**29.2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020**

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received Actual R'000
MACHINERY AND EQUIPMENT				
Transport assets	7 289	2 209	9 498	221
Computer equipment	1 840	594	2,434	185
Furniture and office equipment	5 354	1 348	6 702	4
Other machinery and equipment	95	174	269	32
	-	93	93	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	7 289	2 209	9 498	221

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Movement for 2018/19					
29.3 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
HERITAGE ASSETS	2 818	-	-	-	2 818
Heritage assets	2 818	-	-	-	2 818
MACHINERY AND EQUIPMENT	73 753	-	17 858	2 120	89 491
Transport assets	3 314	-	-	135	3 179
Computer equipment	41 240	-	7 068	951	47 357
Furniture and office equipment	28 246	-	451	473	28 224
Other machinery and equipment	953	-	10 339	561	10 731
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	76 571	-	17 858	2 120	92 309

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets					
29.4 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
Opening balance	15	220	18 577	-	18 812
Additions	-	-	168	-	168
Disposals	-	-	837	-	837
TOTAL MINOR ASSETS	15	220	17 908	-	18 143

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets					
29.4 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
Number of R1 minor assets	-	84	211	-	295
Number of minor assets at cost	2	167	11 698	-	11 867
TOTAL NUMBER OF MINOR ASSETS	2	251	11 909	-	12 162

Movable tangible capital assets under investigation

Heritage assets

Number**Value
R'000**

10

20

All assets under investigation are reported as lost and an investigation is in progress to determine liability. Some cases were referred to the Office of the State Attorney while others are handled by the committed established internally by the Department.

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets					
29.5 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
Opening balance	15	220	17 025	-	17 260
Additions	-	-	2 837	-	2 837
Disposals	-	-	1 285	-	1 285
TOTAL MINOR ASSETS	15	220	18 577	-	18 812
Number of R1 minor assets	-	84	314	-	398
Number of minor assets at cost	2	201	13 926	-	14 129
TOTAL NUMBER OF MINOR ASSETS	2	285	14 240	-	14 527

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Intangible capital assets					
30. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
SOFTWARE	32 201	-	3 116	-	35 317
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	496	-	-	-	496
SERVICES AND OPERATING RIGHTS	382	-	-	-	382
TOTAL INTANGIBLE CAPITAL ASSETS	33 079	-	3 116	-	36 195

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (paid current year, received prior year) R'000	Total R'000
--	---------------	-------------------	--	--	----------------

30.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

SOFTWARE	3 116	-	-	-	3 116
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	3 116	-	-	-	3 116

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Movement for 2018/19					
30.2 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
SOFTWARE	31 911	-	498	208	32 201
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	1 534	-	496	1,534	496
SERVICES AND OPERATING RIGHTS	435	-	-	53	382
TOTAL INTANGIBLE CAPITAL ASSETS	33 880	-	994	1 795	33 079

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
31. Immovable tangible capital assets					
MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020					
BUILDINGS AND OTHER FIXED STRUCTURES	302	-	-	-	302
Other fixed structures	302	-	-	-	302
HERITAGE ASSETS	160 252	-	3 375	-	163 627
Heritage assets	160 252	-	3 375	-	163 627
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	160 554	-	3 375	-	163 929

The total amount of R163 429 000 includes the following projects:

1. JS Moroko Rev. Mahasane House amounting to R1 388 000;
2. Inqiza Hills amounting to R22 796 000;
3. Fence for statues in Groenkloof amounting to R303 000;
4. Bhambatha sculpture and plaque amounting to R268 000;
5. Nelson Mandela statue in New York amounting to R1 173 000;
6. Khananda building amounting to R265 000;
7. Winnie Mandela House amounting to R2 772 000;
8. Winnie Mandela House fence amounting to R137 000;
9. Old National Library amounting to R108 175 000; and
10. Muyexe Community Library amounting to R26 662 000.

	Cash R'000	Non-cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Received cur- rent, not paid (paid current year, received prior year) R'000	Total R'000
--	---------------	-------------------	--	--	----------------

31.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

BUILDINGS AND OTHER FIXED STRUCTURES

Dwellings

Non-residential buildings

Other fixed structures

HERITAGE ASSETS

Heritage assets

TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL

ASSETS

	1 222	-	-1,222	-	-
Dwellings	-	-	-	-	-
Non-residential buildings	1 222	-	-1,222	-	-
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	39 647	3 175	-39 447	-	3 375
Heritage assets	39 647	3 175	-39 447	-	3 375
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL	40 869	3 175	-40 669	-	3 375
ASSETS	40 869	3 175	-40 669	-	3 375

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Movement for 2018/19					
31.2 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019					
BUILDINGS AND OTHER FIXED STRUCTURES	302	-	-	-	302
Dwellings	-	-	-	-	-
Other fixed structures	302	-	-	-	302
HERITAGE ASSETS	24 242	26 662	109 348	-	160,252
Heritage assets	24 242	26 662	109 348	-	160,252
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	24 544	26 662	109 348	-	160,554

31.2.1 Prior period error**Prior period error**

Nature of prior period error

Relating to 2015/16 (affecting the opening balance)

Immovable asset project completed and not capitalized

26 662

26 662

TOTAL**26 662**

	Note	Opening balance 1 April 2019 R'000	Current year WIP R'000	Ready for use (assets to the AR)/Contracts terminated R'000	Closing balance 31 March 2020 R'000
Capital work-in-progress					
31.3 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020					
	Annexure 7				
Heritage assets		289 037	39 447	3 175	325 309
Buildings and other fixed structures		92 862	1 222	-	94 084
TOTAL		381 899	40 669	3 175	419 393

Age analysis on ongoing projects	Number of projects		2019/20
	Planned, construction not started	Planned, construction started	Total R'000
0 to 1 year	-	1	1 222
1 to 3 year(s)	-	-	-
3 to 5 years	-	-	-
Longer than 5 years	-	6	418 171
Total	-	7	419 393

The Department has seven work-in-progress projects, of which seven are longer than five years and one is less than a year. The total work-in-progress expenditure amounts to R419 million, which is made up of the following projects:

- National Archives Building: HVAC**

This project currently has a total expenditure of R92,8 million. Upgrading of fire protection installation and refurbishment of the HVAC system and related installations.

- **Heritage Precinct: JL Dube House**

The project currently has a total expenditure of R22,5 million. This project entails the construction of a memorial site with different facilities: library with exhibition space, larger-than-life statue, wall of remembrance, amphitheatre, fencing, paving and parking space.

- **Heritage Precinct: OR Tambo Memorial**

The project currently has a total expenditure of R27,1 million. This project entails the construction of a memorial site with different facilities: library with exhibition space, larger-than-life statue, wall of remembrance, amphitheatre, fencing, paving and parking space.

- **Construction of the Sarah Baartman Centre of Remembrance**

The project currently has a total expenditure of R156,3 million. The construction of the Sarah Baartman Centre of Remembrance comprises an administration section, the Sarah Baartman Museum and the Khoi-San Museum.

- **Wesleyan Church**

The project currently has a total expenditure of R1,7 million. The Wesleyan Church in the Free State is the birthplace of the African National Congress. The Department was in the process of renovating the building.

- **Enyokeni Cultural Precinct**

The project currently has a total expenditure of R117,5 million.

- **SARA House**

The refurbishment of SARA House, which include replacement of the roof, reconfiguration of internal space, HVAC system replacement, isolated structural repairs to floor slab, and electrical reticulation replacement.

	2019/20 R'000	2018/19 R'000
Payables not recognised relating to capital WIP		
Infrastructure capital asset payable not recognised	108 709	76 515
Total	108 709	76 515

CAPITAL WORK IN PROGRESS AS AT 31 MARCH 2019	Note	Opening balance R'000	Prior period error R'000	Current year WIP R'000	Ready for use Asset to the AR R'000	Closing balance 31 March 2019 R'000
	Annexure 7					
Heritage assets		392 220	(26 662)	31 654	108 175	289 037
Buildings and other fixed structures		57 062	-	35 800	-	92 862
TOTAL		449 282	(26 662)	67 454	108 175	381 899

Age analysis on ongoing projects	Number of projects		2018/19
	Planned, construction not started	Planned, construction started	Total R'000
0 to 1 year	-	-	-
1 to 3 year(s)	-	2	403
3 to 5 years	-	1	117 479
Longer than 5 years	-	6	264 017
Total	-	9	381 899

The Department has 9 work-in-progress projects, of which seven are longer than five years, one is between 3 to 5 years, and two are between one to three years. The total work-in-progress expenditure amounts to R381.8 million, which is made up of the following projects:

- **National Archives Building: HVAC**

This project currently has a total expenditure of R92,8 million. Upgrading of fire protection installation and refurbishment of the HVAC system and related installations.

- **Heritage Precinct: JL Dube House**

The project currently has a total expenditure of R22,5 million. This project entails the construction of a memorial site with different facilities: library with exhibition space, larger-than-life statue, wall of remembrance, amphitheatre, fencing, paving and parking space.

- **Heritage Precinct: OR Tambo Memorial**

The project has a total expenditure of R16,7 million. This project entails the construction of a memorial site with different facilities: library with exhibition space, larger-than-life statue, wall of remembrance, amphitheatre, fencing, paving and parking space.

- **Construction of the Sarah Baartman Centre of Remembrance**

The project currently has a total expenditure of R129,3 million. The construction of the Sarah Baartman Centre of Remembrance comprises an administration section, the Sarah Baartman Museum and the Khoi-San Museum.

- **Wesleyan Church**

The project currently has a total expenditure of R1,7 million. The Wesleyan Church in the Free State is the birthplace of the African National Congress. The Department was in the process of renovating the building.

- **Restoration and construction of the Winnie Mandela House and clinic**

The project currently has a total expenditure of R776 373,60. It entails the construction of a memorial centre with an interpretative centre at the house in the Free State in which Mrs Madikizela Mandela was incarcerated.

- **Khananda**

Remove and rebuild: masonry, roof covering, roof structure, metalwork, plastering and paintwork.

- **Winnie Mandela House fence**

The project currently amounts to R137 922,75.

- **Enyokeni Cultural Precinct**

The project currently has a total expenditure of R117,5 million.

	2019/20 R'000	2018/19 R'000
S42 Immovable assets		
31.4 Assets to be transferred in terms of S42 of the PFMA - 2019/20		
BUILDINGS AND OTHER FIXED STRUCTURES	2	440
Other fixed structures	2	440
HERITAGE ASSETS	8	163 490
Heritage assets	8	163 490
TOTAL	10	163 930
Assets to be transferred in terms of S42 of the PFMA - 2018/19		
BUILDINGS AND OTHER FIXED STRUCTURES	1	302
Other fixed structures	1	302
HERITAGE ASSETS	6	160 253
Heritage assets	6	160 253
TOTAL	7	160 555
32 PRINCIPAL-AGENT ARRANGEMENTS		
32.1 Department acting as the principal		
Management fee	982	-
Total	982	-

The department appointed an implementing agent to appoint and manage relevant professionals and contractors to complete the outstanding elements for the legacy projects. The scope of work includes the development of working drawings and construction of the walkways with screen walls, parking areas, library with interpretative space, memorial pavilion, electricity and water reticulation, fencing, paving and landscaping.

	2018/19		
	Amount before error correction	Prior period error	Restated amount
33. PRIOR PERIOD ERRORS			
Other: (e.g. Irregular expenditure, fruitless and wasteful expenditure, etc.)			
Commitments	339 134	-154 280	184 854
Accrual	35 797	1 033	36 830
Payables not recognised	87 991	4 085	92 076
Net effect	462 922	-149 162	313 760

Commitments

The commitments for the financial year 2018/19 were restated due to changes in the Modified Cash Standard. The changes in the Modified Cash Standard require the implementation to be applied retrospectively. Departments are now required to disclose only capital commitments, while in the past they were required to disclose the commitments, including those of a current nature.

Accrual

The accruals for the financial year 2018/19 were restated as some invoices that relate to the previous financial year were delivered during the year, after the Department had approved and submitted the Annual Financial Statement for the previous financial year.

Payables not recognised

The payables not recognised for the financial year 2018/19 were restated as some invoices that relate to the previous financial year, which were received by 31 March 2019, were misplaced.

34. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2018/19
	Division of Revenue Act	Roll Adjustments	Adjustments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or national department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by Department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Summary by province												
Eastern Cape	169 824	-	-	169 824	169 824	-	-	-	-	-	-	160 584
Free State	168 691	-	-	168 691	168 691	-	-	-	-	-	-	159 504
Gauteng	167 784	-	-	167 784	167 784	-	-	-	-	-	-	168 530
KwaZulu-Natal	184 417	-	-	184 417	184 417	-	-	-	-	-	-	174 397
Limpopo	144 314	-	-	144 314	144 314	-	-	-	-	-	-	125 643
	166 389	-	-	166 389	166 389	-	-	-	-	-	-	162 479
Northern Cape	168 750	-	-	168 750	168 750	-	-	-	-	-	-	159 554
North West	144 267	-	-	144 267	144 267	-	-	-	-	-	-	136 369
Western Cape	186 763	-	-	186 763	186 763	-	-	-	-	-	-	176 624
	1 501 199	-	-	1 501 199	1 501 199	-	-	-	-	-	-	1 423 684
Summary by grant												
COMMUNITY CONDITIONAL LIBRARY GRANTS	1 501 199	-	-	1 501 199	1 501 199	-	-	-	-	-	-	1 423 684
GAUTENG LICENCING DEPARTMENT	-	-	-	-	4	-	-	-	-	-	-	-
	1 501 199	-	-	1 501 199	1 501 203	-	-	-	-	-	-	1 423 684
COMMUNITY CONDITIONAL LIBRARY GRANTS												
Eastern Cape	169 824			169 824	169 824	-	-	-	-	-	-	160 584
Free State	168 691			168 691	168 691	-	-	-	-	-	-	159 504
Gauteng	167 784			167 784	167 784	-	-	-	-	-	-	168 530

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2018/19
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or national department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by Department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
KwaZulu-Natal	184 417			184 417	184 417	-	-	-	-	-		174 397
Limpopo	144 314			144 314	144 314	-	-	-	-	-		125 643
Mpumalanga	166 389			166 389	166 389	-	-	-	-	-		162 479
Northern Cape	168 750			168 750	168 750	-	-	-	-	-		159 554
North West	144 267			144 267	144 267	-	-	-	-	-		136 369
Western Cape	186 763			186 763	186 763	-	-	-	-	-		176 624
	1 501 199	-	-	1 501 199	1 501 199	-	-	-	-	-		1 423 684
GAUTENG LICENCING DEPARTMENT												
Gauteng				-	4	-	-	-	-	-		
	-	-	-	-	4	-	-	-	-	-		-

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/AC-COUNT	GRANT ALLOCATION				TRANSFER		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Performing Arts Institutions:							
Artscape	63 915	-	-	63 915	63 915	100%	60 912
State Theatre	59 443	-	-	59 443	59 443	100%	55 453
Playhouse Company	52 127	-	-	52 127	52 127	100%	49 632
Performing Arts Centre of the Free State	47 418	-	-	47 418	47 418	100%	45 322
Market Theatre Foundation	48 709	-	-	48 709	48 709	100%	46 303
National Arts Council	115 761	-	-	115 761	115 761	100%	109 677
National Film and Video Foundation	140 403	-	-	140 403	140 403	100%	133 472
Capital Transfer - Performing Arts Institutions	85 103	-	2,000	87 103	84 603	97%	65 290
Executive, Accounting Authority, Administration and Mzansi Golden Economy Projects	87 608	-	(70 604)	17 004	14 941	88%	41 933
	700 487	-	(68 604)	631 883	627 320	99%	607 994
Heritage Institutions:							
Northern Flagship Institution (Ditsong)	92 045	-	-	92 045	92 045	100%	87 212
Iziko Museums of Cape Town	91 557	-	-	91 557	91 557	100%	86 886
War Museum of the Boer Republics	15 427	-	-	15 427	15 427	100%	12 710

DEPARTMENT/AGENCY/AC-COUNT	GRANT ALLOCATION				TRANSFER		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Kwazulu Natal Museum	36 151	-	-	36 151	36 151	100%	35 224
National Museum	57 294	-	-	57 294	57 294	100%	54 281
Die Afrikaanse Taalmuseum	10 395	-	-	10 395	10 395	100%	9 419
The National English Literary Museum	13 136	-	-	13 136	13 136	100%	11 493
Voortrekker Museum (Umsunduzi)	19 794	-	-	19 794	19 794	100%	18 296
Robben Island Museum	84 495	-	-	84 495	84 495	100%	80 451
Willam Humphreys Arts Gallery	10 967	-	-	10 967	10 967	100%	10 383
Nelson Mandela Museum	28 561	-	-	28 561	28 561	100%	27 103
Freedom Park	96 056	-	-	96 056	96 056	100%	97 275
Luthuli Museum	15 562	-	-	15 562	15 562	100%	14 828
South African Heritage Resources Agency	58 315	-	-	58 315	58 315	100%	55 650
National Heritage Council	71 353	-	-	71 353	71 353	100%	68 493
Capital Transfer - Heritage Institutions	160 984	-	52 570	213 554	213 554	98%	200 654
	862 092	-	52 570	914 662	914 662	100%	870 358
Libraries:							
National Library of South Africa	104 869	-	-	104 869	104 869	100%	99 328
South African Library for the Blind	23 533	-	-	23 533	23 533	100%	22 323
National Library of SA (Community Libraries)	19 512	-	-	19 512	19 512	100%	18 477

DEPARTMENT/AGENCY/AC-COUNT	TRANSFER ALLOCATION				TRANSFER		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Capital Transfer - Libraries	19 899		(8 353)	11 546	11 956	104%	37 338
	167 813	-	(8 353)	159 460	159 870	100%	177 466
Other:							
Pan South African Language Board	120 857	-	-	120 857	120 857	100%	113 587
National Youth Development Agency (Young Patriots)	9 504	-	-	9 504	8 554	90%	9 000
TV licences	-	-	-	-	-		1
Constitutional Hill development	-	-	700	700	700	100%	610
	130 361	-	700	131 061	130 111	99%	123 198
Total	1 860 753	-	(23 687)	1 837 066	1 827 606	99%	1 779 016

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

INSTITUTION NAME	TRANSFER ALLOCATION				TRANSFER		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Higher Education Institution	4 445	-	-	4 445	4445	0%	5 441
University of Fort Hare	4 373	-	-	4 373	-		-
Capital Works of Heritage Legacy Projects	-	-	-	-	-		1 500
Total	8 818	-	-	8 818	4 445		6 941

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2018/19
	Adjusted appropriation Act	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	Current	Final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Public corporations									
Mburisano (CSIR)	4 789	-	-	4 789	4 789	100,0%	-	4 789	-
Ebook Augmentation System	871	-	-	871	871		-	871	-
Human Language Technology (CSIR)	-	-	-	-	-	100,0%	-	-	3 764
MPU Economic Growth Agency	-	-	-	-	-		-	-	8 101
Subtotal: Public corporations	5 660	-	-	5 660	5 660	100,0%	-	5 660	11 865
Private enterprises									
Speech Analytics	1 017	-	-	1 017	1 017	100,0%	-	1 017	-
Mzansi Golden Economy Projects	79 118	-	22 898	102 016	89 452	87,7%	-	89 452	99 874
Capital Works of Performing Arts Projects	-	-	-	-	-		-	-	4 000
Cultural and Creative Industries	15 132	-	1 545	16 677	12 632	75,7%	-	12 632	7 566
Upgrading of public space	900	-	-	900	400	44,4%	400	-	-
Human Language Technology	-	-	-	-	-		-	-	1 009
Heritage Projects	-	-	-	-	-		-	-	500
Subtotal: Private enterprises	96 167	-	24 443	120 610	103 501	85,8%	400	103 101	112 949
TOTAL	101 827	-	24 443	126 270	109 161	86,5%	400	108 761	124 814

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT/INTERNATIONAL ORGANISATION	GRANT ALLOCATION				TRANSFER		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
African World Heritage Fund	2 025	-	-	2 025	2 025	100%	1 944
Commonwealth Foundation	3 025	-	(300)	2 725	2 216	81%	2 265
UNESCO	-	-	300	300	131	44%	600
Total	5 050	-	-	5 050	4 372		4 809

ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Arts and social development	5 893	-	-	5 893	5 368	91%	14 202
Arts and youth development	8 550	-	(700)	7 850	6 245	80%	-
Community Arts and development	930	-	-	930	837	90%	-
!Kauru African Contemporary Art	637	-	-	637	-	0%	497
Gcwala Ngamasiko Cultural Festival	2 000	-	-	2 000	2 000	100%	2 000
Cultural and Creative Industries	21 851	-	5 800	27 651	15 833	57%	27 047
Mzansi Golden Economy Projects	108 680	-	(2 706)	105 974	92 480	87%	101 952
Steve Biko Foundation	464	-	-	464	463	100%	-
Steve Biko Foundation	4 000	-	-	4 000	4 000	100%	3 410
Library and Information Association of South Africa	2 112	-	-	2 112	2 112	100%	2 000
Caiphus Katse Semanya Foundation	2 000	-	-	2 000	-	0%	2 000
Upgrading of Community Arts Centres	6 285	-	-	6 285	1 700	27%	-
Upgrading of public spaces	709	-	-	709	-	0%	-
Moral Regeneration Movement	4 000	-	-	4 000	4 000	100%	4 000
Heritage projects (various institutions)	1 532	-	-	1 532	-	0%	11 368
Albany Museum	600	-	-	600	600	100%	-
Intsika Heritage Foundation	400	-	-	400	400	100%	-
Adams College	-	-	238	238	-	0%	-

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2018/19
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African National Council for the Blind	-	-	1 264	1 264	1 035	82%	-
Kwa Culture (current)	1 240	-	-	1 240	1 240	100%	-
Kwa Culture (capital)	6 000	-	(6 000)	-	-		-
Capital works of performing arts projects	-	-	-	-	-		12 112
	177 883	-	(2 104)	175 779	138 313		180 588
Subsidies							
Business Arts South Africa	9 447	-	3 000	12 447	12 447	100%	9 946
Engelenburg House Art Collect: PTA	373	-	-	373	373	100%	353
Blind SA	8 781	-	-	8 781	8 781	100%	8 315
Blind SA - Capital	-	-	-	-	-		
	18 601	-	3 000	21 601	21 601		18 614
Total	196 484	-	896	197 380	159 914		199 202

ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2018/19
	Adjusted appropriation Act	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee social benefits	-	-	-	-	734		-
Claim against the State	92	-	-	92	-	0%	-
Language development projects	6 000	-	-	6 000	6 000	100%	6 000
Cultural and Creative Industries	1 885	-	3 013	4 898	2 672	55%	4 726
Mzansi Golden Economy Projects	8 372	-	(3 445)	4 927	3 366	68%	7 910
Heritage Promotion (professional bursaries)	6 163	-	-	6 163	5 018	81%	5 923
Total	22 512	-	(432)	22 080	17 790		24 559

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2019/20	2018/19
		R'000	R'000
Received in kind			
Tsogo Sun and Europe Car	Accommodation and car hire vouchers to the value of R4000,00	4	-
Plum Accommodation (hotel)	Accommodation voucher	3	-
War Museum (Bloemfontein)	2x videos: The Culture - Historical Heritage; and 1x museum catalogue	1	-
Garden Court Hotel	1 night stay at the Garden Court Hatfield Hotel	1	-
Manhattan Hotel	5 star treatment at the Manhattan Hotel and Spa, and bottle of wine	1	-
Intelligence Transfer Centre	Gift voucher	1	-
Intelligence Transfer Centre	Gift voucher	1	-
Intelligence Transfer Centre	Gift voucher	1	-
Intelligence Transfer Centre	Gift voucher	1	-
HSRC Conference	Flights, accommodation and shuttle services	6	-
HSRC Conference	Flights, accommodation and shuttle services	6	-
SA Rugby	South African rugby jersey	1	-
SA Rugby	South African rugby jersey	1	-
Belgium Embassy	Belgian cookbook and candles	1	-
GovTech and SITA	Digital Leadership Award, GovTech and SITA Award	30	-
TOTAL		59	-

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2019/20	2018/19
	R'000	R'000
Made in kind		
UNESCO Memory of the world programme	-	17
Dutch Culture Institution	-	29
National Museum of Botswana (official visit)	-	5
Beaded bracelet and x1 whisky (12 years old)	-	1
Palestinian scarf (Shemagh) and painting	-	1
Duffle bag	-	1
Grocery hamper for King Sigcawu	2	-
Donations towards funerals as an act of grace	1 160	-
TOTAL	1 162	54

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2020 - LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2019	Guarantees drawdowns during the year	Guaranteed repayments/cancelled/reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2020	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2020
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
Standard Bank		139	23	-	-	-	23	-	-
ABSA		290	19	-	-	-	19	-	-
Total		429	42	-	-	-	42	-	-

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020

NATURE OF LIABILITY	Opening balance 1 April 2019	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2020
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Legal (arbitration and litigation cases)	57 024	41 930	-	-	98 954
				-	
TOTAL	57 024	41 930	-	-	98 954

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020

NATURE OF LIABILITIES RECOVERABLE	Opening balance 1 April 2019	DETAILS OF LIABILITY AND RECOVERABILITY	Movement during the year	Closing balance 31 March 2020
	R'000		R'000	R'000
Breach of contract	1 660	Breach of contract	1 203	2 863
Double payment	81	Double payment	-	81
Fraud	8	Fraud	-	8
Funding, poor work	5 729	Funding, poor work	-	5 729
Funding, work not done	3 000	Funding, work not done	-	3 000
No services	335	No services	-	335
Poor service	126	Poor service	-	126
Total	10 939		1 203	12 142

ANNEXURE 4
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Department of Cultural Affairs Western Cape	-	95	-	-	-	95
Total	-	95	-	-	-	95

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Limpopo Provincial Government	-	4 000	-	-	-	4 000
KZN Department of Arts and Culture	500	500	4 984	8 984	5 484	9 484
Gauteng Department of Arts and Culture	-	1 500	-	-	-	1 500
Department of Justice and Constitutional Development	661	2 917	-	-	661	2 917
Department of International Relations	246	-	-	-	246	-
North West Department of Arts and Culture	-	2 500	2 579	-	2 579	2 500
Government Communication and Information System (GCIS)	740	-	-	-	740	-
Eastern Cape Department of Arts and Culture	-	2 000	2 000	-	2 000	2 000
Mpumalanga Department of Arts and Culture	-	-	-	2 000	-	2 000
Free State Department of Arts and Culture	-	-	5 000	5 000	5 000	5 000
South African Police Service (SAPS)	-	59	-	-	-	59
Total Departments	2 147	13 476	14 484	15 984	16 710	29 460
OTHER GOVERNMENT ENTITY						
Current						
G Fleet	287	220	-	-	287	220
Government printers	-	33	-	12	-	45
DPW Property Management Trading Entity	117 646	76 515	11 732	-	129 378	76 515
DPW Property Management Trading Entity	26 080	-	-	-	26 080	-
State Information Technology Agency	2 446	-	-	-	2 446	-
Government Technical Advisory Centre (GTAC)	-	518	-	-	-	518
Telkom	133	-	-	-	133	-

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	R'000	R'000	R'000	R'000	R'000	R'000
Auditor-General of South Africa	1 082	-	-	-	1 082	-
Total Other Government Entities	147 674	77 286	11 732	12	159 406	77 298
TOTAL INTERGOVERNMENTAL PAYABLES	149 821	90 762	26 295	15 996	176 116	106 758

**ANNEXURE 6
INVENTORIES**

	NOTE	2019/20 R'000	2018/19 R'000
INVENTORIES FOR THE YEAR ENDED 31 MARCH 2019			
Opening balance		823	823
Add/(Less): Adjustments to prior year balances		-	-
Add: Additions/Purchases - cash		12 631	12 631
Add: Additions - non-cash		-	-
(Less): Disposals		-	-
(Less): Issues		(12 631)	(12 631)
Add/(Less): Received current, not paid (paid current year, received prior year)		-	-
Add/(Less): Adjustments		-	-
Closing balance		<u>823</u>	<u>823</u>
		Consumables	TOTAL
		R'000	R'000
INVENTORIES FOR THE YEAR ENDED 31 MARCH 2019			
Opening balance		833	833
Add/(Less): Adjustments to prior year balances		(10)	(10)
Add: Additions/Purchases - cash		2 315	2 315
Add: Additions - non-cash		-	-
(Less): Disposals		-	-
(Less): Issues		(2 315)	(2 315)
Add/(Less): Received current, not paid (paid current year, received prior year)		-	-
Add/(Less): Adjustments		-	-
Closing balance		<u>823</u>	<u>823</u>

ANNEXURE 7

Movement in capital work-in-progress

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Current year capital WIP R'000	Ready for use (asset register) R'000	Closing balance R'000
HERITAGE ASSETS	289 037	39 449	3 175	325 309
Heritage assets	289 037	39 449	3 175	325 309
BUILDINGS AND OTHER FIXED STRUCTURES	92 862	1 222	-	94 084
Other fixed structures	92 862	-	-	92 868
Non-Residential Building	-	1 222	-	1 222
TOTAL	381 899	40 669	3 175	419 393

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period errors R'000	Current year capital WIP R'000	Ready for use (asset register) R'000	Closing balance R'000
HERITAGE ASSETS	392 220	(26 662)	31 654	(108 175)	289 037
Heritage assets	392 220	(26 662)	31 654	(108 175)	289 037
BUILDINGS AND OTHER FIXED STRUCTURES	57 062	-	35 800	-	92 862
Other fixed structures	57 062	-	35 800	-	92 862
TOTAL	449 282	(26 662)	67 454	(108 175)	381 899

ANNEXURE 8A**INTER-ENTITY ADVANCES PAID (note 14)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Government Communication and Information System	4 209	5 655	-	-	4 209	5 655
Department of International Relations and Cooperation	-	-	7 255	7 671	7 255	7 671
Subtotal	4 209	5 655	7 255	7 671	11 464	13 326
PUBLIC ENTITIES						
State Theatre	2 850	-	-	-	2 850	-
William Humphreys Art Gallery	1 200	-	-	-	1 200	-
Subtotal	4 050	-	-	-	4 050	-
TOTAL	8 259	5 655	7 255	7 671	15 514	13 326

Private Bag X897
Pretoria
0001
South Africa

Tel +27 12 441 3000
Fax +27 12 441 3699
www.dac.gov.za



@ArtsCultureSA

