

# ANNUAL REPORT **2009-2010**



arts & culture

Department:  
Arts and Culture  
**REPUBLIC OF SOUTH AFRICA**

**Published by the Department of Arts and Culture**

Private Bag X 897  
Pretoria  
0001  
South Africa

Tel: +27 12 441 3000

The Annual Report for the Department of Arts and Culture is available on

[www.dac.gov.za](http://www.dac.gov.za)

ISBN: 978-1-919965-18-5

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# LIST OF ACRONYMS AND ABBREVIATIONS

Item	Description
ACE	Arts and Culture Education
ACF	Arts and Culture Festivals
AET	Arts Education and Training
AIRCO	Association of Independent Records of South Africa
ASDY	Arts, Social Development and Youth
ASGISA	Accelerated Shared Growth Initiative for South Africa
AU	African Union
B&P	Books and Publishing
BASA	Business and Arts South Africa
BBBEE	Broad-Based Black Economic Empowerment
BBPSP	Bontle-Beautification of Public Spaces Programme
BEE	Black Economic Empowerment
CAC	Community Art Centres
CAR	Children at Risk
CD	Cultural Development
CG	Corporate Governance
CFO	Chief Financial Officer
CGIS	Cultural Growth Industries Strategy
CM	Cultural Mapping
COMM	Communications
COO	Chief Operating Officer
COORD	Coordination
CRO	Chief Risk Officer
CWF	Commonwealth Foundation
DAC	Department of Arts and Culture
DBC	Departmental Bargaining Council
DBE	Department of Basic Education
DCS	Department of Correctional Services
DHE	Department of Higher Education
DPISA	Department of Public Service and Administration
E&TS	Events and Technical Service
EAP	Employee Assistance Programme
ECM	Electronic Content Management
EE	Employment Equity
ENE	Estimates of National Expenditure
EPWP	Expanded Public Works Programme
EU	European Union
EXPO	Exposition
FAM	Families
FB	Funding Bodies
FBCF	Funding Bodies and Cultural Facilities
FCM	Facilities Management
FEPAC	Federation of African Filmmakers
FIFA	Federation of International Football Associations
FM	Financial Management
FoC	Framework of Collaboration
FOSAD	Forum of South African Directors-General
FOSS	Free Open Source Software
FPP	Fraud Prevention Plan
GDP	Gross Domestic Product
GEN	Gender
GIAMA	Government Immovable Asset Management Act
GIS	Geographic Information System
GPOA	Government Programme of Action
GPSSBC	General Public Service Sectoral Bargaining Council
GWM&E	Government-Wide Monitoring and Evaluation
HID	Heritage Institutional Development
HLT	Human Language Technologies
HOD	Head of Department
HPRD	Heritage Policy, Research and Development
HRM	Human Resource Management
HSEMS	Human, Social, Economic and Management Sciences
IA	Internal Audit
IBSA	India, Brazil, South Africa

IC	International Cooperation	OD	Organisational Development
ICH	Intangible Cultural Heritage	ODA	Overseas Development Assistance
ICT	Information Communication Technology	PA	Performing Arts
IFFACCA	International Federation for Arts, Culture and Cultural Agencies	PACC	Provincial Arts and Culture Councils
IIC	Investing in Culture	PFMA	Public Finance Management Act
IKS	Indigenous Knowledge Systems	PH	Playhouse
ISRD	Integrated Sustainable Rural Development	PMDS	Performance Management and Development System
ICT	Information Communication Technology	PPP	Public Private Partnership
ITE	Integrated Translation Environment	PRR	Policy Review Report
JICA	Japan International Cooperation Agency	PSETA	Public Sector Education and Training Authority
LH	Living Heritage	RDP	Reconstructive and Development Programme
LOC	Local Organising Committee	SABDC	South African Book Development Council
LS	Legal Services	SADC	Southern African Development Community
M&E	Monitoring and Evaluation	SAHRA	South African Heritage Resource Agency
MAPPP	Media, Advertising, Print, Packaging and Publishing	SALIWA	South African Literature Writers Association
MISS	Minimum Information Security Standard	SALPC	South African Language Practitioners' Council
MM	Multimedia	SAN	Storage Area Network
MoU	Memorandum of Understanding	SASCE	South African School Choral Eisteddfod
MTEF	Medium-Term Expenditure Framework	SATI	Southern African Theatre Initiatives
MTSF	Medium-Term Strategic Framework	SC	Social Cohesion
NA	National Archives	SCM	Supply Chain Management
NAAIRS	National Automated Archival Information Retrieval System	SETA	Sector Education and Training Authority
NAC	National Arts Council	SITA	State Information Technology Agency
NDP	National Digitisation Policy	SMME	Small, Medium and Micro Enterprise
NEPAD	New Partnership for Africa's Development	SOHSS	Security Office, Health and Safety and Security
NFVF	National Film and Video Foundation	SoNA	State of the Nation Address
NFVSA	National Film, Video and Sound Archives	TIC	Technical Inter-Governmental Committee
NHC	National Heritage Council	UNESCO	United Nations Educational, Scientific and Cultural Organisation
NHIS	National Heritage Information System	URP	Urban Renewal Programme
NLS	National Language Service	USAID	United States Agency for International Development
NLSA	National Library of South Africa	VoIP	Voice-Over Internet Protocol
NMC	National Monuments Council	VPN	Virtual Private Network
NMP	National Museums Policy		
NPICH	National Policy on Intangible Cultural Heritage		
NS	National Symbols		
NYDA	National Youth Development Agency		

# PART I: GENERAL INFORMATION



## 1.1 Submission of the Annual Report to the Executive Authority

I have the honour of submitting the 2009/2010 Annual Report of the Department of Arts and Culture in terms of the Public Finance Management Act, 1999.

A handwritten signature in black ink, appearing to read 'Thembinkosi P. Wakashe'.

MR THEMBINKOSI P WAKASHE  
Director-General  
Department of Arts and Culture

## 1.2 Foreword by the Minister of Arts and Culture

South Africa is a country that strives for inclusive citizenship, and the Department of Arts and Culture (DAC) will continue to lead the implementation of programmes on social cohesion. In October 2009, we reached a milestone by holding the National Social Cohesion Colloquium, "Building a Caring Society", in Durban on 29 and 30 October 2009. The aim of the Colloquium was to start dialogues on issues of social cohesion. The gathering was attended by academics, members of civil society, government officials and other stakeholders to lay the ground for the National Conference in 2010/11.

In keeping up with DAC's mandate to develop and promote the 11 official languages and implement the National Language Policy Framework (NLPF), the National Language Service (NLS) continued to facilitate government communication with the public through the translation and editing of more than 1 000 official documents. This included

a major increase (more than 300%) in letters written to the President by ordinary citizens in the official languages and submitted for translation into English. More than 500 documents on a range of topics were also translated into or from numerous foreign languages to enhance South Africa's international relations with various countries, including the DRC, India, France and Brazil. The multilingual soccer terminology project initiated for the 2010 Soccer World Cup was completed and the list was disseminated electronically to soccer commentators for SABC Radio and TV, soccer fans and linguists.

The South African Language Practitioners' Council Draft Bill was finalised for tabling in Parliament, and one hundred and two (102) bursaries were awarded to students to assist to build capacity in the language field. In addition, the first phase of the development of a multilingual telephone-based information system to support

service delivery was completed and contracts for speech resource development and text resource development were awarded as part of the establishment of a virtual Centre for Human Language Technologies.

Skills development is critical in economic development. To address skills challenges, DAC completed a skills audit in the Heritage Sector. A Human Resources Development Strategy for the Sector is in its final stage. The Strategy will address critical and scarce skills. In order to safeguard our heritage sector we need to continue to provide skills for practitioners.

DAC completed a National Policy on South African Living Heritage, which will be presented to Parliament for approval in the 2010/11 financial year. The implementation of the Policy will present an opportunity for government to redress the colonial and apartheid legacy of neglecting the living heritage of South Africa.

DAC will, in the course of this year, submit numerous draft Bills as part of its legislative programme. These will help us not only to implement recommendations of the policy review process but also to give effect to constitutional imperatives.

On 18 July 2009, the international community united in celebration of the remarkable life of one of the icons of our time, Tata Nelson Rolihlahla Mandela. On this historic day, citizens of the world were encouraged to dedicate 67 minutes of their time to doing community work. July 18 marked Mandela's 91st birthday and the 67 minutes reflected 67 years of uninterrupted and selfless service to the people of South Africa and the world in the course of his extraordinary life. Celebrations marking Nelson Mandela Day were held in various capitals and cities of the world, including Johannesburg.

South Africa hosted the 4th World Summit on Arts and Culture in Newtown, Johannesburg, from 22nd to 25th of September 2009. It was hosted by the National Arts Council of South Africa, supported by DAC. The fact that this Summit took place on African soil afforded a large delegation from the continent the chance to attend and participate in this world event.







South Africa was chosen as Country of Honour at MIDEM, the annual music market, in Cannes, France, in January 2010. DAC supported the participation of many musicians and emerging independent music producers in this event.

The recovery of the Freedom Charter, signed by Chief Albert Luthuli and other Congress Alliance leaders, was a victory for the recovery of heritage items. Another victory was the recovery of our first flag, signed by our first President and Deputy Presidents. These recoveries were made possible only by the generosity, patriotism and public-spiritedness of individuals and organisations.

The biggest sporting event in the world was proudly hosted on African soil in South Africa from 11 June to 11 July 2010. We have been planning for this great event since South Africa won the bid in 2004. We intend to use this period to showcase our arts, culture, heritage, cuisine, fashion, natural beauty and Africa's humanity. Host cities and partners in different parts of the country and beyond will put their best feet forward through exhibitions, performances and general cultural displays, exposing our visitors to a truly African experience. Both the National Anthem and the National Flag will play a prominent role during the 2010 FIFA World Cup™ to depict national identity and for nation building. The public's great show of patriotism was expressed through proudly flying the flag and through the proper and emotional rendering of the National Anthem.

I would like to thank both the Deputy Minister Mashatile for his unflinching commitment and support in this portfolio, and my Director-General, Mr Themba Wakashe, and also all DAC officials for their hard work.

**MS LULAMA XINGWANA, MP**  
Minister of Arts and Culture

## 1.3 Foreword by the Deputy Minister of Arts and Culture

In November 2009, President Jacob Zuma, together with a number of Cabinet Ministers and MECs of Arts and Culture, met with artists from across the country.

This meeting followed a series of engagements we had as the Department of Arts and Culture (DAC) with various practitioners in the arts, culture and heritage sector to understand more clearly the challenges they face and to develop an approach towards addressing these challenges together. The meeting sought to give local artists an opportunity to interact with government at the highest level and to enable them to indicate in which areas they would like government to assist them. This meeting marked renewed efforts by our government to reposition the creative industries with a view to acknowledging and enhancing their contribution to the broader objectives of government, key among which is to grow the economy and create jobs.

In order to give practical meaning to some of the key outcomes of this meeting, DAC is currently engaged in the important task of mapping cultural industries and researching their economic impact. It is expected that the outcome of this process will be to confirm that, consistent with the trend in other parts of the world, the creative industries in South Africa contribute significantly to the Gross Domestic Product and, most importantly, to job creation and the building of sustainable livelihoods.

Linked to the mapping of cultural industries and the researching of their economic impact is the need to build the necessary skills base required to grow and develop the creative industries. It is for this reason that DAC has begun a process of consultation with all stakeholders with a view to establishing a National Skills Academy for the Arts. It is envisaged that the Academy will become a 'Centre of Excellence', providing a platform for our artists to perfect their skills and

thus become the best in the world. The Academy will therefore contribute significantly towards ensuring that our artists are able to make a decent living from their artistic work. To further support our artists in their quest to make a decent living from their trade, DAC will continue to support efforts by artists to organise themselves.

It is our view that in acting together in an organised fashion, our artists will be more effective when raising issues such as the protection of intellectual property, pensions and retirement, tax issues and the illegal sale of music and other challenges, all of which impact on the ability of artists to make a decent living from their trade.

As part of building social cohesion and promoting a common nationhood DAC, working together with the Presidency, will continue to ensure that celebrations and commemorations of National Days are inclusive of all South Africans.

We continue to encourage our young people to know and appreciate their national symbols. This we do through campaigns such as the 'My 2010 School Adventure' competition and the 'Flag in Every School' campaign.

Furthermore, in order to instil in our young people the values that we as South Africans hold dearly – the values of dignity for all, mutual respect, discipline, reconciliation and most of all the values of Ubuntu – we are making progress towards establishing a National Youth Band.

As a build-up to the establishment of the National Youth Band, we supported the Field Band Foundation's 12th Annual National Championships in 2009. More than 50 youth bands from across the country participated in the event.





Our participation in the South African School Choral Eisteddfod, together with the Department of Basic Education, is also aimed at encouraging mass participation in the arts by young people and instilling in them positive values. In 2009, this event drew participation from about 5 000 learners from all provinces.

Speaking at his inauguration in May 2009, President Jacob Zuma indicated that our country found itself in a moment of renewal.

Central to the task of the renewal of our country and society is the need to pay attention to the moral regeneration of our society. Indeed, moral regeneration is central to the objective of promoting positive behaviour and entrenching fully the values of Ubuntu within our society. DAC will continue to work with the Moral Regeneration Movement towards the renewal of our society.

We have no doubt that, working together with our stakeholders during the 2009/10 financial year, we have made significant advances in pursuit of our vision to develop and preserve South African culture, and to ensure social cohesion and nation building.

Going forward, we will continue to work with all our partners to do more to build a winning nation founded on the values of equality, unity and dignity for all.

A handwritten signature in black ink, appearing to read 'Paul Mashatile', with a stylized flourish above the name.

**MR PAUL MASHATILE, MP**  
Deputy Minister of Arts and Culture

## 1.4 Introduction by the Director-General

The DAC Organisational Development exercise was approved by the Minister of Public Service and Administration in February 2010. The process of implementation of the new structure will start during a transitional period in the next financial year.

The DAC will continue to implement the 'Outcome Approach' set up by President Jacob Zuma's administration. An Immovable Asset Register was developed, with basic information from the data that was collected during the verification process of approximately 181 buildings that are occupied by DAC and its public entities. A condition assessment of DAC buildings is still under way and is envisaged to be completed by the end of July 2010. So far, 100 buildings throughout the country have been assessed on security, health and safety, disability access, fire systems, etc. On completion, a comprehensive immovable asset register will be developed.

Monitoring and evaluation tools are in place and DAC has implemented the Quarterly Report Feedback system, which provides a snapshot of performance information. The management of the performance information system will be strengthened further by the implementation of the planned electronic monitoring system. The monthly reporting tool will be effected in the next financial year to assist managers to take corrective actions on time. The DAC budget grew at an average annual rate of 25,6 per cent, from R1,3 billion in 2006/07 to R2,6 billion 2009/10. This growth was due mainly to the additional expenditure required for capital projects such as developing Freedom Park, upgrading and maintaining museums, and improving public and community library services.

Over the medium term, expenditure is expected to decrease at an average annual rate of 0,9 per cent. This marginal decrease is due to the conclusion of construction projects such as Freedom Park, which ends in 2010/11, and projects related to the 2010 FIFA World Cup, for which funding ended in 2009/10.

DAC was presented with a number of platforms to showcase what visitors can expect when

they descend on our shores during the FIFA final draw in December 2009. The serious business of football was positioned between a number of events designed to profile the country, and to provide information to prospective visitors. There were several 2010 FIFA World Cup mobilisation campaigns to distribute and popularise the flag. DAC is looking forward to showcasing the arts, culture and heritage of South Africa.

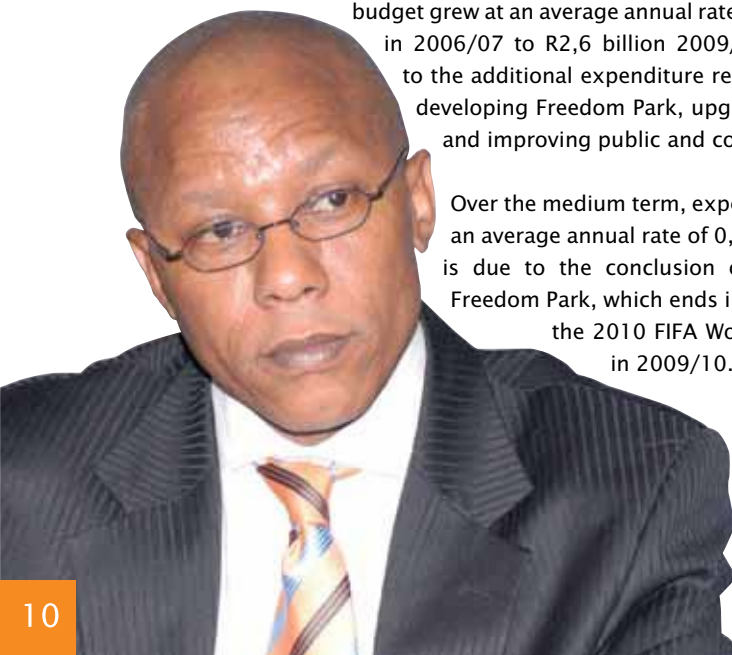
The Department of Arts and Culture practices a zero-tolerance approach to corruption and will continue to do so. During the reporting period, several officials were suspended in an effort to curb corruption and some were eventually dismissed.

DAC, like all the government departments, was not spared the effects of the recession. It could not deliver on some of its plans owing to reprioritisation of funds. A moratorium was instituted on the Investing in Culture Programme because of forensic investigations.

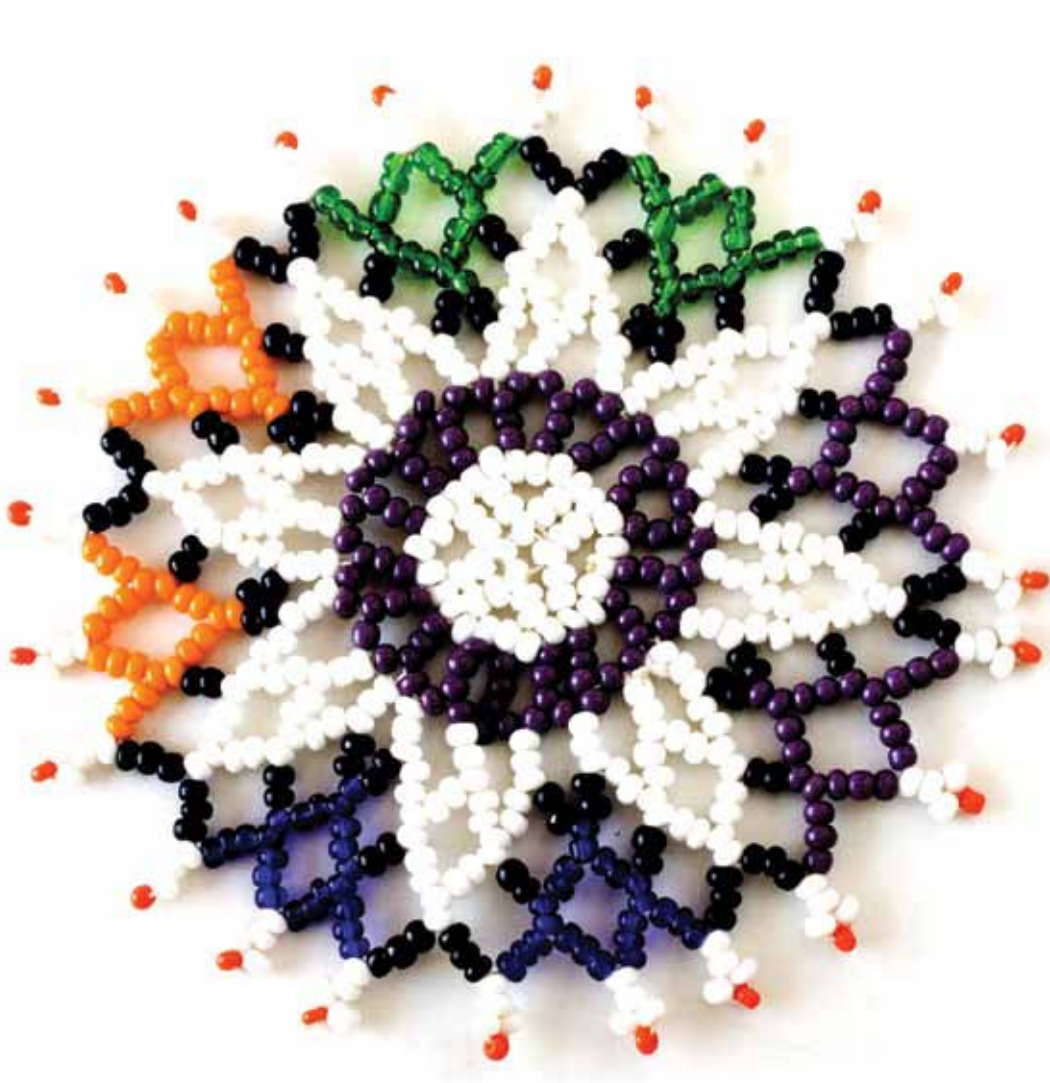
I would like to thank all DAC officials for their commitment to the Department. Ke Nako.



**MR THEMBINKOSI P WAKASHE**  
Director-General  
Department of Arts and Culture



## 1.5 Departmental Vision and Mission Statement



### **VISION:**

The vision of the Department of Arts and Culture is to develop and preserve South African culture to ensure social cohesion and nation building.

### **MISSION:**

The mission of DAC is to -

- develop and promote arts and culture in South Africa and mainstream its role in social development.
- develop and promote the official languages of South Africa and enhance the linguistic diversity of the country.
- improve economic and other development opportunities for South African arts and culture nationally and globally through mutually beneficial partnerships, thereby ensuring the sustainability of the sector.
- develop and monitor the implementation of policy, legislation and strategic direction for the identification, conservation and promotion of cultural heritage.
- guide, sustain and develop the archival, heraldic and information resources of the nation to empower citizens through full and open access to these resources.

## 1.6 Legislative Mandate

The mandate of the department is derived from the Constitution of the Republic of South Africa, including from the Preamble and Founding Provisions, in particular:

### Section 16 (1)

Everyone has the right to freedom of expression, which includes.

- a) freedom of the press and other media;
- b) freedom to receive or impart information or ideas;
- c) freedom of artistic creativity; and
- d) academic freedom and freedom of scientific research

### Section 30

Everyone has the right to use the language and to participate in the cultural life of their choice, but no one exercising these rights may do so in a manner inconsistent with any provision of the Bill of Rights.

### Section 32 (1)

Everyone has the right of access to.

- a) any information held by the state; and
- b) any information that is held by another person and that is required for the exercise or protection of any rights

The primary legislative of the Department emanates from the following Acts:

- Promotion of Access to Information Act, 2000 (No. 2 of 2000)
- National Heritage Resources Act, 1999 (Act No. 25 of 1999)
- National Heritage Council Act, 1999 (Act No. 11 of 1999)
- Cultural Institutions Act, 1998 (Act No. 119 of 1998)
- South African Geographical Names Council Act, 1998 (Act No. 118 of 1998)
- National Library of South Africa Act, 1998 (Act No. 92 of 1998)
- South African Library for the Blind Act, 1998 (Act No. 91 of 1998)
- National Film and Video Foundation Act, 1997 (Act No. 73 of 1997)
- National Arts Council Act, 1997 (Act No. 56 of 1997)
- Legal Deposit Act, 1997 (Act No. 54 of 1997)
- National Archives and Record Service of South Africa Act, 1996 (Act No. 43 of 1996)
- Pan South African Language Board Act, 1995 (Act No. 59 of 1995)
- Culture Promotion Act, 1983 (Act No. 35 of 1983)
- Heraldry Act, 1962 (Act No. 18 of 1962)

# PART II: PROGRAMME PERFORMANCE



## 2.1 Voted Funds

<b>Programmes</b>	<b>Main Appropriation R'000</b>	<b>Adjusted Appropriation R'000</b>	<b>Actual Amount Spent R'000</b>	<b>Over/Under Expenditure R'000</b>
1. Administration	129 459	144 059	162 850	546
2. Arts and Culture in Society	375 578	393 788	380 615	13 039
3. National Language Service	105 980	93 319	85 918	844
4. Cultural Development and International Cooperation	224 065	214 083	158 571	41 066
5. Heritage Promotion	1 214 158	1 218 850	874 282	351 682
6. National Archives, Records, Libraries and Heraldic Services	574 211	568 011	562 695	2
<b>Total</b>	<b>2 623 451</b>	<b>2 632 110</b>	<b>2 224 931</b>	<b>407 179</b>
<b>Responsible Minister</b>	<b>Minister of Arts and Culture</b>			
<b>Administrating Department</b>	<b>Department of Arts and Culture</b>			
<b>Accounting Officer</b>	<b>Director-General of Arts and Culture</b>			



## 2.2 Aim of Vote

The aim of the Department of Arts and Culture is to develop and preserve South African culture to ensure social cohesion and nation building.

## 2.3 Key Measurable Objectives, Programmes and Achievements

### 2.3.1 KEY MEASURABLE OBJECTIVES

In an effort to attain the departmental Vision, the following measurable objectives were pursued and are aligned to the legislative mandate of the Department:

- a) Coordinate and support the national strategic programmes by developing and reviewing policy and legislation and developing systems for monitoring and evaluation.
- b) Increase and facilitate access to and broaden participation in arts and culture through policy formulation, legislation and equitable funding.
- c) Develop, promote and protect the 11 official languages through policy formulation, legislation and the implementation of the language policy in order to allow South Africans to realise their language rights.
- d) Increase the access and participation of grassroots arts practitioners in cultural industries' economic activities through training, legislation and international opportunities.
- e) Ensure the transformation of the heritage landscape as a vehicle for nation-building and social cohesion, through the implementation of heritage policies and legislation.
- f) Enable transparency and evidence-based good governance of archives, records, published information, and the heraldic and symbolic inheritance of the nation through institutional management, regulation and development.

### 2.3.2 PROGRAMMES

The Department's activities are divided into six programmes and their respective descriptions are as follows:

#### **Programme 1: Administration**

Conduct the overall management of the Department, and provide centralised support services.

#### **Programme 2: Arts and Culture in Society**

Develop and promote arts and culture in South Africa, and mainstream its role in social development.

#### **Programme 3: National Language Service**

Develop and promote the official languages of South Africa and enhance the linguistic diversity of the country.

#### **Programme 4: Cultural Development and International Cooperation**

Improve economic and other development opportunities for South African arts, culture and heritage, nationally and globally, through mutually beneficial partnerships, thereby ensuring the sustainability of the sector.

#### **Programme 5: Heritage Promotion**

Develop and monitor the implementation of policy, legislation and strategic direction for identifying, conserving and promoting cultural heritage.

#### **Programme 6: National Archives, Records, Libraries and Heraldic Services**

Guide, sustain and develop the archival, heraldic and information resources of South Africa to empower citizens through full and open access to these resources.

### 2.3.3 ACHIEVEMENTS

The Department of Arts and Culture achieved most of its planned objectives in the period under review. It should be noted, however, that this Department also was not free from the effects of the global recession. This was confirmed by the budget reprioritisation process that the Department had to undertake to enable execution of the strategy. During this period, the Department also noted the following reasons for the delay in the implementation of the strategic objectives:

- Insufficient resources
- Unrealistic time frames
- Lack of specific measurable indicators and targets
- Lack of review of data integrity
- Poor budgeting

In addressing the above, the Department has decentralised its budget to enable Branch Managers to allocate sufficient resources (human, finance) to the respective projects. Means to improve planning, proper costing and verification of data reported are currently being attended to.

#### PROGRAMME 1: ADMINISTRATION (CORPORATE SERVICES)

##### Office of the Accounting Officer (OAO)

The Office of the Accounting Officer (OAO) within an organisation must set up effective and efficient systems and procedures that will enable the entire organisational environment to work diligently in the execution of its strategies. This calls for the utilisation of internal strengths to exploit the external changing environment to minimise issues that hinder the implementation of its organisational strategy during the course of the financial year. The Office coordinated internal strategic meetings such as Top and Broad Management to promote the culture of working together in the implementation of strategies, reaching

collective agreement on the decision-making process, enhancing communication between management and employees, and providing immediate constructive responses to challenges.

At the highest level, the OAO participated in the FOSAD Clusters such as the Social Protection and Community Development Cluster and the Human Development Cluster for the implementation of the Programme of Action. In addition, the OAO regularly convened Technical Inter-Governmental Committee (TIC) meetings with the provincial Heads of Department (HODs) of the nine provinces, focusing on the alignment and streamlining of the Department's work as well as identifying areas of collaboration with provinces.

Among other issues for discussion during the period under review were arts and culture programmes for the 2010 FIFA World Cup, which were successfully completed.

The OAO deals with all Parliament and Cabinet related issues, including parliamentary questions referred to DAC, Cabinet memoranda to and from DAC, and meetings with both the Portfolio and the Select Committees on Arts and Culture.

The cordial and positive relationship established with the committee secretariat and meetings with these committees were respected. Most parliamentary questions referred to DAC were responded to positively and in good time. Very few could not be tabled on time owing to the late submission of draft responses. Most of the questions (80%) were approved by the Minister and tabled at Cabinet meetings. This can be attributed to the positive cooperation between the OAO and the different branches, the Ministry and the Parliamentary Office in Cape Town.

##### Coordination, Monitoring and Evaluation

The Chief Directorate: Coordination, Monitoring and Evaluation successfully implemented the Framework for Managing Programme Performance Information and the Monitoring and

Evaluation Policy Framework. The Quarterly Reporting System (QRS) for monitoring and reporting on organisational performance information is the standing agenda in some of the departmental forums and executive meetings such as the Audit Committee and the M&E Steering Committee, and these reports were communicated to the executive authority for evidence-based decision-making.

In collaboration with internal and external stakeholders such as Arts, Culture and Tourism in KwaZulu-Natal Province (KZN), the Department convened a successful Social Cohesion Colloquium on 29 and 30 October 2009. The Colloquium was attended by a range of government officials from various departments at national and provincial levels as well as civil society, including academics and researchers, representatives from civil society as well as representatives from small businesses and NGOs. The recommendations of the Colloquium are being implemented.

#### **Human Resource Management**

Personnel within any given organisation remain critical to the execution of its strategy. Throughout the reporting period, the Department prioritised approval of and workshops on human resources strategies and policies such as the Performance Development Management System (PDMS). Workshops were held with employees at regular intervals to ensure that they were familiar with the application of the system. The Organisational Development (OD) exercise was completed, and the new structure informed by the exercise was approved by the Minister of Public Service and Administration in February 2010.

The Department awarded bursaries to 100% of employees who applied for assistance with the aim of strengthening internal skills and capabilities across the organisation. Such strategic initiatives have boosted the level of service delivery in arts, culture, and heritage-related projects as more and more projects were completed as scheduled and within their scope.

#### **Information Technology**

The Department of Arts and Culture will always strive to remain abreast of technology in order to provide an effective and efficient service. In the period under review, the Department installed 80% of its Information Communication Technology (ICT) solution, to enhance the efficient processing of both the receiving and the disseminating of information. Furthermore, the Department continued to provide support and assistance to its public institutions on technological advancements such as that to the South African Heritage Resources Agency (SAHRA) with the development of the South African Heritage Human Resources Information System (SAHRIS). These initiatives are intended to acknowledge the role played by technology in the Department and in public institutions towards the achievement of their strategic goals.

#### **Financial Management**

The Medium-Term Strategic Framework for 2009/10 -2012/2013, which is aligned with the Estimates of National Expenditure (ENE), would not have been successfully executed without transparent and proper management of financial management systems, with policies and procedures in place. The Department, through the Departmental Bargaining Council (DBC) reviewed financial management policies such as the Debt Management Policy, the Management of Losses and Claims Policy, etc. These policies and procedures were approved by the Accounting Officer and are controls and mechanisms that guide the Department on a daily basis. The Department is working towards decentralisation of its budget.

#### **Supply Chain Management**

The Directorate Supply Chain Management promotes Black Economic Empowerment (BEE) by implementing transparent and cost-effective procurement systems. The SCM policies and procurement manual were reviewed to ensure the implementation of supply chain management processes and procedures. In order to ensure proper administration and management of departmental physical assets, verification was conducted in Kingsley

Centre and at the National Archives of South Africa and completed by 31 March 2010. The establishment of the Asset Disposal Committee is in progress to attend to issues of redundant and unserviceable assets and will be effective from April 2010.

### **Communication**

To promote a positive image and the role played by the Department of Arts and Culture in the creative industries towards making a significant contribution to job creation and economic development, the Department held consultations with the Film Sector on 2 October 2009. In addition, a meeting was held with the Music Industry as part of the Creative Industry conversations with President Jacob Zuma on 17 November 2009.

Izimbizo were conducted between October and December 2009, as follows:

- Free State, 9 November 2009
- North West, 20 November 2009
- Mpumalanga, 13 November 2009
- Eastern Cape, 7 December 2009

### **Corporate Governance**

The DAC public entities are striving to comply with the Public Finance Management Act (PFMA) and good corporate governance and improvement was shown by their receiving more unqualified audit reports in the 2009/2010 financial year. Eighty-four percent (84%) of these public entities received unqualified audit reports.

### **Legal Services**

The Directorate fast-tracked Bills concerned with consultation and approval processes; for example the Cultural Laws Third Amendment Bill was redrafted following the 1st round of consultations with stakeholders, and the Community Libraries Bill and the South African Language Practitioners' Council Bill were finalised for submission to Cabinet. Various litigation matters are at different stages and are being monitored.

### **Internal Audit**

The Department has a fully functional Audit Committee, which assists in the development and implementation of internal controls and systems. The internal audit exercise was conducted throughout the year, as informed by Audit Plan, which was approved by the Audit Committee on 25 May 2009.

### **Office and Security Services**

The Department received a Certificate of Compliance with Electrical Installation. First-aid boxes were strategically placed on all floors.

### **Facilities Management**

The Department ensures compliance with the Government Immovable Asset Management Act (GIAMA) through the CSIR, physical assessment, data consolidation and analysis of all DAC buildings. Out of 154 immovable assets, 76 were assessed.

## **PROGRAMME 2: ARTS AND CULTURE IN SOCIETY**

The completion of the National Policy Framework for Community Arts Centres is one of the milestones towards realisation of cultural development and contribution to economic development as well as minimising socio-economic related issues hindering social cohesion and inclusiveness in society. The Ministry of Arts and Culture hosted the 2009 National Women's Day Celebrations jointly with the Ministry of Women, Children and Persons Living with Disabilities and the KwaZulu-Natal Provincial Government. The celebrations marked the 53rd Anniversary of the historic 1956 Women's Anti-Pass March, and was an opportunity to pay tribute to the ordinary women who contributed to our liberation and to the building of a united, non-racial, non-sexist and democratic South Africa. The National Youth Strategy on Arts and Culture was developed in alliance with the National Youth Development Agency (NYDA). Monitoring of the playhouses is continuing in order to promote effective corporate governance. Owing to the reprioritisation of funds, most of the programming could not take place within the Community Art Centres.

As part of the promotion of social cohesion and nation building programme, successful Social Dialogues were held. In raising the awareness of the 2010 FIFA World Cup among young citizens, My 2010 Schools Adventure, was successfully run in schools throughout South Africa.

### **PROGRAMME 3: NATIONAL LANGUAGE SERVICE**

The National Treasury is finalising the approval process for the establishment of the South African Language Practitioners' Council (SALPC). The draft SALPC Bill was submitted to Cabinet and Parliament. The Bill aims to raise the status of the language profession and safeguard the quality of products. It will also protect members of the public who make use of language services. The NLS launched a language awareness campaign in February 2010, setting the tone for provinces to create awareness of the benefits of living in a multilingual society.

### **PROGRAMME 4: CULTURAL DEVELOPMENT AND INTERNATIONAL COOPERATION**

The Minister, Deputy Minister and Director-General undertook a number of high-level visits to strategic partner countries on the Continent and beyond, to strengthen bilateral cultural relations, including Algeria, Cuba, France, Italy and China. In Cuba, the Minister donated a collection of craft and a rock art replica to the Africa House Museum. New cultural agreements were signed with Jamaica, Qatar, Ghana and the Republic of Congo. A seminar on rock art cooperation between South Africa, Mexico, Botswana and Mozambique was co-hosted and co-funded with Wits University.

In terms of implementing existing cultural agreements, craft exhibitions were hosted in a number of countries including Argentina, and the Department hosted a seminar with experts in film and music from France. A three-year programme of cooperation was agreed with the DRC.

The Minister signed a Memorandum of Understanding with UNESCO to include the African World Heritage Fund, based in South Africa, as a Category 2 Centre of that UN body. SA also

made a voluntary contribution to the UNESCO Cultural Diversity Fund.

South Africa participated in the 2nd Pan African Cultural Festival, which was held in Algeria for the first time in 40 years, and which was also attended by the Minister, who took the opportunity to hold bilateral discussions with her counterpart on priority cultural issues on the Continent. In support of SADC Cultural programmes, an SADC Women in Theatre initiatives hosted in South Africa was co-funded.

The Department contributed R1 million to the South African humanitarian assistance donation to Cuba to alleviate the suffering and devastation of Hurricane Katrina. The Department initiated broad consultations to host a Cultural Diplomacy Conference.

### **PROGRAMME 5: HERITAGE PROMOTION**

Deepening social cohesion and contributing to a South African national identity remain some of the government's key objectives. To this end, the DAC continues to identify, document, preserve and promote South African heritage in its diversity. Redress and transformation are the guiding principles. The DAC finalized a national policy on intangible cultural heritage. This policy is at the centre of transforming and affirming the previously neglected South African heritage. It will ensure that instruments and means are found to document and promote the intangible cultural heritage.

Heritage month remains an anchor of heritage promotion. DAC and the Limpopo provincial government successfully hosted National Heritage day on 24 September 2009 in the greater Sekhukhune municipality. The main theme for the month was "Celebrating and Promoting South African Crafts". The department continues to transform the colonial and apartheid heritage through a host of legacy projects. Progress was made in the development of the architectural design of Sarah Bartmann Centre of Remembrance. Construction of the centre will commence in the next financial period. These commemorate and celebrate the contributions and sacrifices made by Khoi and San in the evolution and development of South African society.

Freedom Park is gradually beginning to claim its space as one of the country's important heritage sites. In the area of corporate governance, the Minister inaugurated the Freedom Park Council. Our heritage institutions are critical drivers of both heritage preservation and promotion. The contributions made by our museums to research and the South African Heritage Resource Agency's efforts in heritage protection and preservation demonstrate the sector's capacity to contribute to the nation-building project.

#### PROGRAMME 6: NATIONAL ARCHIVES, RECORDS, LIBRARIES AND HERALDIC SERVICES

The Department supported the 6<sup>th</sup> Annual Oral History Conference, in collaboration with the Oral History Association of South Africa. The conference was held in Cape Town in October 2009. About 35 local and international speakers presented papers at the Conference, which was a platform for solid participation from academics and community historians as well as ordinary members of the public, and men and women who wished to tell their own stories. Efforts to promote awareness of the National Symbols in the reporting period included various partnerships and collaborations with NGOs and government departments, including the distribution of National Flags to schools and the 'Flag in Every Taxi' project.

The Bill of Rights states that everyone has the right to access to information. In keeping with this DAC, in collaboration with the provinces, has built and upgraded 50 community libraries, upgraded 43 libraries in the Eastern Cape, 30 in the Free State, one in Gauteng, four in Limpopo, six in Mpumalanga and one in North West. Seven new libraries were built; two in Gauteng, four in Mpumalanga and one in the Northern Cape.

The inauguration of the new library building for the Ahmed Baba Institute in Timbuktu, Mali, as a cultural project of the New Partnership for Africa's Development (NEPAD), was a great success.

## 2.4 Overview of the service delivery environment for 2009/2010

The vision of the Department of Arts and Culture is "*to develop and preserve South African culture to ensure social cohesion and nation building*". It is clear from this statement that DAC's primary role is promoting national identity, unity and a cohesive society.

It is indisputable that language is an important vehicle for promoting social cohesion. The DAC launched the multilingualism campaign at Freedom Park in February 2010 and will facilitate the rollout of campaigns in the provinces. The Department is in strategic alliances with institutions of higher learning to promote the language professions and 102 post-graduate students have been awarded bursaries to enrol in language studies. The National Language Policy Framework and Implementation Plan were made available on the DAC website to assist provinces in developing their own policies and action plans.

The promotion of the creative industry locally and internationally is a cornerstone of a country's economy as measured in the Gross Domestic Product (GDP). This year the Minister led a delegation of key music industry players and various musicians to MIDEM 2010 in France, where South Africa was chosen as Country of Honour. MIDEM is an annual music market where role-players in the music business from around the world showcase their products. The event is further designed to provide opportunities for business networking and information exchange. The DAC supported South Africa's participation at MIDEM as part of the strategy of Taking South African Music to the World, which was initiated in 2005 with the aim of marketing and promoting South African music abroad as an export incentive, and to enhance the competitiveness of the sector at the global level. The event honoured legendary South African singer and civil rights activist, the late Mama Miriam Makeba, for her contribution to the business of music and for having been one of the most exported South African music products.

Furthermore, in the 2008-2009 period the DAC purchased Downtown Studio, in order to develop it into a Music Hub, which will be a music heritage centre as well as a state-of-the-

art local content music production hub that will produce high-quality content for the market place. The Hub will be central in supporting independent music creators and producers in terms of business investment. The plan is also to include consideration of empowerment policy, thus inviting strategic Black Economic Investors. Special attention will be given to addressing issues of the second economy in the music business. The business model will be driven by Public Private Partnership (PPP) with music industry investment held by the State Public Entities (SPE) through which broad-based, inclusive music sector organisations will be key beneficiaries. Other stakeholders in the Music Hub will include BEE investors and Strategic Equity Investment from the Private Sector.

Heritage institutions are the delivery agents of the department's strategic objectives. Museums in particular, will be central to the department's achievement of outcome one, which is the improved quality of basic education. Most of the department's museums have outreach programmes that directly contribute to life-long learning. For example, the Natal Museum participated in the promotion of the back to school project for street children as part of project CAR (Children at Risk).

The Nelson Mandela Museum used Nelson Mandela day to get books donated to surrounding villages. DAC, through the Public Works department, is currently restoring the Transvaal Museum to the amount of R42 million. This investment will have multiple effects on the general well-being of the museum and contribute to job creation. Security has also been improved at seven IZIKO museums of Cape Town. This includes the installation of appropriate access routes for the physically challenged. Generally, museums host hundreds of pupils on learning and research missions.

In terms of the South African Geographical Names Council Act, 75 names were approved in the financial year. The DAC also concluded the social cohesion hearings that Cabinet requested. The national hearings on name changes were aimed at addressing acrimony and resentment engendered by the implementation of the Act.

#### **Explanation of the virement between main appropriation allocations**

The virement implemented in the financial year was done in terms of section 43 of the

PFMA. The virements were introduced to utilise savings appropriated under some main divisions towards the defrayment of excess expenditure under other main divisions. The main reason for this was to fund the escalation in the cost of international projects.

## **2.5 Overview of the organisational environment for 2009/2010**

The Department contracted a service provider to conduct an organisational development exercise of the Department. The report on the requested Organisational Development (OD) intervention was received in April 2009 and discussions between the Minister, Top Management and the Service Provider regarding the proposed organisational dispensation were concluded on 24 August 2009. In terms of the requirements contained in the Public Service Regulations, 2001, the Department submitted the proposed organisational structure and post establishment that resulted from the above-mentioned OD intervention to the MPSA in January 2010. The proposed organisational structure as well as the proposed post establishment was approved by the MPSA on 24 February 2010.

The proposed organisational structure is based on and aligned to the vision and mission, the strategic objectives and the value chain of the Department. The envisaged impact of the OD intervention focused on the development of an effective and efficient organisational structure and a competent personnel establishment in order to reach the strategic objectives and the execution of the mandate of the Department.

The scope and size of each of the recommended functional components is based on the actual quantum and unique nature and requirement of each of the primary functions. This resulted from in-depth analysis of the activities and responsibilities linked to the function(s) concerned. The Department is satisfied that the proposed structure reflects an equal distribution of the workload and responsibilities and also reflects an effective span of control to establish effective supervision, coordination and management for the execution of functions.

The financial as well as staffing and accommodation implications linked to the proposed organisational structure have been considered carefully. The Department has already conducted a skills audit simultaneously with the OD intervention with the view to assisting with person to post matching as well as the training and development of employees. In view of a relatively high vacancy rate, the Department will not be confronted with problems linked to excess staff. The target to reduce the high vacancy rate by 50% was not reached owing to caution on the side of the Department to fill vacancies that may be affected by the outcome of the OD report.

The tight personnel budget added to the increase of the already high vacancy rate (26.08% as at 31 March 2010). Employees left the Department without being replaced. It was therefore almost impossible for the Department to reach its strategic objectives as envisaged in the MTSF. The current vacancies exist at all levels and resulted in a number of employees acting in higher positions, while they were also expected to perform their own jobs. The remaining employees experienced a ripple effect in terms of the added responsibilities as a result of the increasing vacancy rate.

#### **Cases of corruption, significant system failures**

The Department has not experienced any significant system failures during the period under review. However, a number of employees were investigated for mismanagement or fraud during this period. The outcome of some of these cases is included in Part V, Tables 10.2 and 10.3 of this report.

## 2.6 Strategic overview and key policy developments for 2009/2010

To enhance service delivery to the Arts and Culture sector and the optimal contribution of the arts and culture sector to the economy, the Cultural Laws Third Amendment Bill 2010 was revised following the Minister's pronouncement for final consultations. On 7 May 2008, Cabinet approved the submission of the Bill to Parliament and it was submitted in April 2010. This Bill will enable the DAC and its statutory institutions to achieve their

strategic plans. It will also permit DAC and its institutions to optimise efficiency, use scarce resources efficiently and achieve the overall alignment of their priorities with the national priorities and the Programme of Action, as well as enabling the DAC to improve compliance with its constitutional and legislative mandate.

The objective of the Community Libraries Bill is to promote access to community libraries, to provide national policy, principles, guidelines and minimum norms and standards, to promote measures to rectify imbalances in provision of services. The South African Language Practitioners' Council Bill will establish the Council as a juristic person with the core functions of regulating the training of language practitioners, providing for control over the accreditation and registration of language practitioners, and providing for matters incidental thereto. It is envisaged that the Bill will regulate the language professions and enhance the policy of multilingualism.

In addition to promoting multilingualism and protecting all the official languages, and thereby enhancing nation-building and social cohesion, the DAC is working on the South African Languages Bill, which is expected to be sent to both Cabinet and Parliament in the 2010/2011 financial period. The strategic focus of the Bill will be to enable national government to regulate and monitor their use of the official languages to ensure compliance with section 6(2) and (3) of the Constitution and to advance the constitutional imperative of multilingualism.

## 2.7 Departmental revenue, expenditure and transfers

#### **Collection of departmental revenue**

Departmental receipts include mainly miscellaneous items such as debt repayments and private telephone calls. Some revenue is generated through service fees charged by the National Archives for copying documents and registering coats of arms. Sales of goods and services are projected to increase somewhat faster than inflation, while debt repayments are expected to decline over the medium term. All receipts are deposited into the National Revenue Fund.



**Table 1: Departmental revenue**

	2006/07 Actual R'000	2007/08 Actual R'000	2008/09 Actual R'000	2009/10 Actual R'000
Sales of goods and services other than capital assets	172	374	238	249
Fines penalties and forfeits	-	-	1	-
Interest dividends and rent on land	-	-	25	12
Financial transactions (recovery of loans and advances)	3 000	-	3 290	836
<b>Departmental revenue</b>	<b>3 172</b>	<b>374</b>	<b>3 554</b>	<b>1 097</b>

**Departmental expenditure****Table 2: Departmental expenditure by programme**

Programme	Voted for 2009/10 R'000	Rollovers and adjustment R'000	Virement R'000	Total voted R'000	Actual expenditure R'000	Variance R'000
1. Administration	129 459	14 600	19 337	144 059	162 850	546
2. Arts and Culture in Society	375 578	18 210	(134)	393 788	380 615	13 039
3. National Language Service	105 980	(12 661)	(6 557)	93 319	85 918	844
4. Cultural Development and International Cooperation	224 065	(9 982)	(14 446)	214 083	158 571	41 066
5. Heritage Promotion	1 214 158	4 692	7 114	1 218 850	874 282	351 682
6. National Archives, Records, Libraries and Heraldic Services	574 211	(6 200)	(5 314)	568 011	562 695	2
<b>Total</b>	<b>2 623 451</b>	<b>8 659</b>	<b>-</b>	<b>2 632 110</b>	<b>2 224 931</b>	<b>407 179</b>

## Transfers to public entities

### a) Declared cultural institutions

The Minister of Arts and Culture declared fifteen institutions to be cultural institutions, in terms of the Cultural Institutions Act, 1998. The institutions must formulate policy on receiving and preserving all property in their care, of whatever kind, including specimens, collections or other movable property. They must also manage movable property that belongs to the government.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
Ditsong Museum	49 015	49 015
Iziko Museums of Cape Town	48 392	48 392
Natal Museum	12 905	12 905
National Museum	23 401	23 401
Die Afrikaanse Taalmuseum	3 506	3 506
The National English Literary Museum	6 395	6 395
Voortrekker Museum	8 834	8 834
War Museum of the Boer Republics	6 052	6 052
Robben Island Museum	49 925	49 925
William Humphreys Art Gallery	4 422	4 422
Engelenburg House Collection	216	216
Nelson Mandela Museum	14 758	14 758
Freedom Park	50 984	50 984
Luthuli Museum	5 900	5 900

### b) South African Heritage Resources Agency (SAHRA)

SAHRA was established by the National Heritage Resources Act, 1999, as the national administrative management body for the protection of South Africa's cultural heritage. SAHRA coordinates the identification, conservation, assessment and management of the National Estate. It aims to encourage partnerships with other bodies to promote an integrated heritage resources management system.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
South African Heritage Resources Agency	33 845	33 845

### c) Performing arts institutions

The arts institutions assist in establishing principles of access, excellence, diversity and redress. The institutions receive annual transfers from DAC, but also generate their own revenue through ticket sales, donor assistance, sponsorships and rental income.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
Artscape	37 704	37 704
State Theatre	33 300	33 300
Playhouse Company	32 268	32 268
Performing Arts Centre	27 884	27 884
Market Theatre	20 634	20 634
Windybrow Theatre	7 940	7 940
Business Arts South Africa	5 453	5 453

**d) National Film and Video Foundation (NFVF)**

The NFVF was established in terms of the National Film and Video Foundation Act, 1997, to develop and promote the film and video industry in South Africa. It provides for and encourages the creation of opportunities for people 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.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
National Film and Video Foundation	39 136	39 136

**e) National Arts Council (NAC)**

In terms of the National Arts Council Act, 1997, the NAC facilitates opportunities for people to practice and appreciate the arts. The Council also promotes the general application of the arts in communities, fosters the expression of national identity through 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 opportunities for artists nationally and internationally.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
National Arts Council	78 522	78 522

**(f) National Heritage Council (NHC)**

The NHC is constituted in terms of the National Heritage Council Act, 1999. Its core mandate is the protection, preservation and promotion of the South African heritage, in particular the living heritage. In the course of the legislative review, the mandate of the NHC is recommended to include a greater focus on the identification, documentation and

promotion of the living heritage, as well as research and knowledge generation in the sector.

Name of Institution	Amount transferred R'000	Estimated expenditure R'000
National Heritage Council	48 435	48 435

**g) Libraries**

The National Library of South Africa was established in November 1999 and aims to revitalise and transform the institution in alignment with the goals of the new democracy. The DAC also oversees smaller libraries serving sectors of society that have special needs in terms of accessing public information, including the South African Library for the Blind and BLINDSA.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
National Library	42 254	42 254
South African Library for the Blind	11 345	11 345
BLINDSA	4 849	4 849

**Transfers to Constitutional Institutions**

**a) Pan South African Language Board (PanSALB)**

The PanSALB is a constitutional institution that actively promotes awareness of multilingualism as a national resource and supports previously marginalised languages. It is mandated to investigate complaints about language rights violations from any individual, organisation or institution. It received an annual transfer of R50 156 million.

Name of institution	Amount transferred R'000	Estimated expenditure R'000
Pan South African Language Board	50 156	50 156

#### Conditional Grants and Earmarked Funds

Conditional grants were transferred to provinces to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at national, provincial and local government level.

PROVINCE	TRANSFERRED 2009/10 R'000
Eastern Cape	55 515
Free State	40 315
Gauteng	46 043
KwaZulu-Natal	34 147
Limpopo	55 956
Mpumalanga	55 956
Northern Cape	58 820
North West	52 872
Western Cape	40 976
<b>Total</b>	<b>440 600</b>

#### Capital Investment Maintenance

##### Major projects

Phase 1 of Freedom Park (construction of the garden of remembrance) was completed at the end of 2003/04. The intermediate phase was completed in 2006/07. The first part of Phase 2, which will make Freedom Park operational, is projected to be completed in 2009/10. Construction of the final elements of the Park will be completed over the medium term.

The sod-turning ceremony for the new National Library building in Pretoria (built at an estimated cost of R374 million) took place in December 2004. Construction was completed in 2008/09 and the library has been operating at full capacity since the beginning of 2009.

##### Other projects

Capital funds were awarded based on entities' business plans for upgrading, repairs and essential maintenance work for the institutions' infrastructure.

Capital project	2007/08 R'000	2008/09 R'000	2009/1 R'000
Infrastructure projects upgrading repairs and essential maintenance work	281 248	488 550	249 686

## 2.8 Programme performance: Information reported

### **PROGRAMME 1: ADMINISTRATION (CORPORATE SERVICES)**

#### **Purpose**

Corporate Services provides overall management and centralised support services to departmental core programmes in order to create an enabling environment for the achievement of departmental objectives.

#### **Measurable objectives**

Coordinate and support the national strategic programmes by developing and reviewing policy and legislation, and developing systems for monitoring and evaluation.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes:**

- Coordination, Monitoring and Evaluation
- Human Resource Management
- Information Communication Technology
- Financial Management
- Supply Chain Management
- Communication
- Corporate Governance
- Legal Service
- Internal Audit
- Office and Security Services
- Facilities Management

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
COORDINATION, MONITORING AND EVALUATION	SC 1	National Dialogue on various aspects of Social Cohesion conducted and intensified.	Percentage (%) of National dialogues programmes on Social Cohesion conducted and intensified.	50% of the National dialogues programme on Social Cohesion conducted and intensified.	DAC convened a Social Cohesion Colloquium in Durban on 29 and 30 October 2009. A post Colloquium consultation was done with the private sector and the NGOs. Interdepartmental consultation was done to include all departments in order to mainstream social cohesion activities.
		Social mobilisation campaigns strengthened and implemented.	Percentage (%) of Social Mobilisation Campaigns implemented.	50 % of social mobilisation campaigns implemented.	A survey promotion of identity and social cohesion was undertaken in KZN, the findings were presented at the Social Cohesion Colloquium. Consultations continue with relevant role players for collaboration and partnership.
	PRR 1	Arts, Culture and Heritage Policy Review Report developed.	Approved Arts, Culture and Heritage Policy Review Report.	Arts, Culture and Heritage Policy Review Report published by June 2009.	The Arts, Culture and Heritage Policy Review Report completed.
	Coord 1	Departmental Strategic Plan developed.	Approved Departmental Strategic Plan.	Submission of the Strategic Plan ten days before the budget vote.	The Strategic Plan was successfully tabled in Parliament as required by the National Treasury Regulations.
		Departmental Quarterly Reports developed.	Number of approved Departmental Quarterly Reports.	Four approved departmental quarterly reports	Four departmental Quarterly Reports developed and approved by the Executive Authority as required by National Treasury Regulations.
		Departmental Annual report developed.	Approved Departmental Annual Report.	Departmental Annual Report submitted for tabling by September 2009.	The 2008/09 Annual Report was successfully tabled in Parliament as required by the National Treasury Regulations.
	Coord 2	Inputs of SoNA submitted.	Approved SoNA Report.	Submission of approved inputs for the State of the Nation Address (SoNA) to the Presidency by November 2009.	The inputs for SoNA were drafted and submitted to the Presidency in December 2009.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
COORDINATION, MONITORING AND EVALUATION	M&E 1	Monitoring and Evaluation Plan implemented.	Approved Monitoring and Evaluation Plan.	50% of the Monitoring and Evaluation plan implemented.	The policies and frameworks governing the monitoring and evaluation of DAC strategy were implemented. The Steering Committee meetings were held as scheduled.
		DAC Managers trained in Monitoring and Evaluation.	Number of managers trained in Basic Monitoring and Evaluation.	80% of DAC managers trained in Basic Monitoring and Evaluation.	7% of managers attended the training (one 3 day course) on basic concept of M&E. Training was put on hold owing to reprioritisation of funds.
HUMAN RESOURCE MANAGEMENT	HRM 1	Human Resource Plan and organisational structure developed.	Human Resource Plan and structure developed in accordance with the Department of Public Service and Administration (DPSA) guidelines.	DAC structure and Human Resource Plan approved.	The DAC organisational structure was approved by the Minister of Public Service and Administration in February 2010. The Human Resource Plan is 85% completed.
	HRM 2	Vacant positions filled.	Number of vacant positions filled.	Vacancy rate reduced by 50%.	Owing to the OD intervention the Department was cautious in filling vacancies that may be affected by the outcome of the OD report, therefore the vacancy rate was not reduced during the reporting period.
	HRM 3	DAC employees trained.	DAC employees trained according to their personal development plan and skills audit report.	75% of employees trained in accordance with identified skills gap.	40% of employees were trained according to their performance development plans and skills gaps.
	HRM 4	Performance Management and Development System (PDMS) Policy developed.	Approved PDMS Policy.  % of improvement in the quality of performance agreements	100% submission of all performance agreements.  75% improvement in the quality of performance agreements.	84% of performance agreements submitted during the reporting period.  75% improvement in the quality of the performance agreements.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
HUMAN RESOURCE MANAGEMENT	HRM 5	Approved Performance Agreements of DAC employees.	Percentage (%) of approved performance agreements submitted to Human Resource Management.	100% of Performance Agreements submitted to HRM by May 2009.	84% of performance agreements submitted to HRM by May 2009.
	HRM 6	Performance Reviews for DAC employees conducted.	Number of Performance Reviews conducted and submitted to Human resources.	Four Quarterly Performance Reviews for DAC employees submitted to HR.	44% of employees submitted their performance reviews to HR.
	HRM 7	Employment Equity (EE) report and plan developed and submitted.	Approved Employment Equity (EE) and implemented EE Plan.	DAC EE Report submitted to the Department of Labour in October 2009.	DAC EE Report submitted to the Department of Labour in December 2009.
				50% achievement of set EE targets.	There was an increase of 2% in women in senior management positions compared to the previous period. In terms of people with disabilities, the Department is still on 1,8%.
	HRM 8	Work Place Skills Plan developed.	Approved Work Place Skills Plan.	DAC Work Place Skills Plan submitted to the Public Sector Education And Training Authority (PSETA) by June 2009.	The Work Place Skills Plan was approved on 22 February 2010 by the Accounting Officer and submitted to the PSETA.
	HRM 9	Approved and implemented HR policies.	Number of approved policies and procedures.	50% of identified HR policies developed and or reviewed.	73,06% of identified HR policies were developed and/or reviewed.



SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
HUMAN RESOURCE MANAGEMENT	HRM 10	Resolved grievances and finalised disciplinary cases.	Percentage (%) of disciplinary cases handled in compliance with the disciplinary codes.	100% of grievance reporting in accordance with the time frames specified by the Public Service Commission.	88,23% of grievances were resolved.  41% of disciplinary cases were resolved.
		Effective functioning of Departmental Bargaining Council.	Number of Departmental Bargaining Council (DBC) meetings.	100% of Departmental Bargaining Council (DBC) meetings held in accordance with the governance rules issued by the General Public Service Sectoral Bargaining Council. (GPSSBC).	100% was achieved, a regular/normal DBC meeting was held on 26 February 2010 and a special DBC on 9 March 2010.
	HRM 11	Employee Assistance Programme implemented.	Increased access to Employee Assistance Programme (EAP) implemented.	100% of EAP programmes implemented.	90% of the EAP programmes were implemented in the reporting period. Challenges were experienced with Internal Disability and Gender Mainstreaming.
		Occupational Health and Safety programmes implemented.	Percentage (%) of DAC compliance with Occupational Health and Safety Act 85 of 1993.	50% of Occupational Health and Safety programmes implemented.	Occupational Health and Safety programmes implemented such as evacuation from the building as well as installation of first-aid boxes on all floors.
	HRM 12	Learnership and Internship programmes implemented.	Number of learnerships implemented.	Implement 20 learnerships in IT, HR, Project Management.	18 DAC associated institutions accepted the invitation to host interns for 2009/2010 and visits were conducted. Owing to financial constraints, the learnerships and internships were not implemented.
			Number of Internships placed by the Department	100 interns placed within the DAC and its associated institutions.	
INFORMATION COMMUNICATION TECHNOLOGY	IT 1	Information Communication Technology (ICT) security solutions	Percentage (%) of DAC ICT security fully secured.	80% security systems put in place.	80% of DAC ICT security system was fully installed as planned. Refurbishment and upgrading of the National Archives Server Room to ensure information security and to comply with NIA standards was also completed.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INFORMATION COMMUNICATION TECHNOLOGY	IT 2	Wireless Network Installed.	Percentage (%) of wireless network installed on all the DAC floors.	50% wireless network installed	30% of wireless network installed in the building (first, second and third floors).
	IT 3	Migration to Free Open Source Software (FOSS).	Percentage (%) of migration of the DAC ICT environment to Free Open Source Software.	30% desktop and server migration completed	20% desktop and server migration was completed.
	IT 4	Comprehensive Portfolio Management system implemented.	Percentage (%) of installation of the approved Comprehensive Portfolio Management system.	50% installation of comprehensive portfolio mechanism.	No installation as the project cancelled.
	IT 5	Electronic Content Management (ECM) system implemented.	Approved comprehensive Electronic Content Management (ECM).	Pilot implementation of the ECM solution.	The first phase of the project was completed for User Requirements Specification (URS) for the ECM solution.
	IT 6	Geographic User Information (GIS) System installed.	Percentage (%) of deployment of functional Geographic User Information (GIS).	50% of GIS deployment.	The project is 95 % complete, viz. the pilot implementation in the Investing in Culture programme. However, use of the system was put on hold.
	IT 7	IT policies and procedures developed.	Approved IT policies and procedures.	Comprehensive manual developed.	Development of new policies and reviewing and approval of some IT policies and procedures occurred. For example, Change Control Policy approved, Draft Internet and Email Policy reviewed, Draft User ID and Password Policy developed.
	IT 8	Business continuity plan and disaster recovery plan developed.	Approved business continuity plan and disaster plan.	50% of business continuity plan and disaster plan implemented	45% of business continuity plan and disaster plan implemented.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
<b>INFORMATION COMMUNICATION TECHNOLOGY</b>	IT 9	Integrated Information systems and infrastructure for arts, culture and heritage developed.	Integrated information systems and infrastructure developed and implemented.	100% of the master system for the integrated system and infrastructure developed.	The master system plan (MSP) for integrated system and infrastructure was 100% achieved.
<b>FINANCIAL MANAGEMENT</b>	FM 1	Financial Management policies and procedures developed and reviewed.	% of approved Financial Management policies and procedures developed and implemented.	90% of financial management policies and procedures developed and implemented	90% of all the policies and procedures in financial management developed and implemented.
		% of Financial Management policies reviewed.	90 % of Financial Management policies reviewed annually.	90% of financial management policies reviewed annually.	50% of financial management policies reviewed, i.e. 7 out of the 14 policies.
	FM 2	Strategic Plan and Estimates of National Expenditure aligned.	Improved alignment between Strategic Plan and Estimates of National Expenditure.	DAC Programme Performance Information submitted to the National Treasury and the Auditor General quarterly.	Inputs on development of Estimates of National Expenditure were submitted to National Treasury and the Auditor-General.
	FM 3	Compliance Management plan on policies, procedures and legislation developed.	Approved compliance management plan on policies, procedures and legislation.	90% of compliance management plan on policies, procedures and legislation developed.	80% of compliance management plan on policies, procedures and legislation developed.
	FM 4	Effective Implementation of PFMA.	Unqualified Audit Report received from the Office of Auditor General.	Unqualified Audit report	The Department received an Unqualified Audit Report.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
SUPPLY CHAIN MANAGEMENT	SCM 1	Fair, equitable, transparent and cost effective procurement system in place.	Approved acquisition and supply chain policy which includes processes for demand management, acquisition management, logistical management, risk management and delegated authorities	Unqualified Audit Report.	The Department received an Unqualified Audit Report.
	SCM 2	Asset Register developed and updated.	Approved Asset Management Policy which includes processes for acquisition of assets, recording of assets, maintenance of assets, safeguarding of assets, utilisation of assets, disposal management and assessment of supply chain performance	Balanced Asset Register.	Year-end physical verification of assets was conducted by 31 March 2010.
COMMUNICATION	Comm 1	Communications and marketing framework and strategy developed.	An approved communications and marketing framework and strategy.	Communication and marketing framework revised.	Communication strategy revised in line with the departmental MTSF.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
COMMUNICATION	Comm 2	Maximum participation by communities and stakeholders.	Reports on izimbizo and engagements convened.	Two izimbizo and two other dialogues convened.	Four izimbizo were conducted as follows : <ul style="list-style-type: none"> <li>● North West, 20 November 2009.</li> <li>● Free State, 09 November 2009.</li> <li>● Eastern Cape, 07 December 2009.</li> <li>● Mpumalanga, 13 November 2009.</li> </ul> The theme of the izimbizo was <b>“Working together we can do more”</b> . One dialogue convened (Minister’s consultations with Film Sector on 12 October 2009.)
	Comm 3	Collaboration on national communication priorities/projects identified.	% of national communication priorities/projects identified.	50% of collaboration on national projects identified and a communication strategy developed.	100% collaboration on national projects occurred, as follows: <ul style="list-style-type: none"> <li>● The 6th Annual National Oral History Conference</li> <li>● The Underwater Cultural Heritage educational launch.</li> <li>● Social Cohesion Colloquium in Durban on 29 and 30 November 2010.</li> <li>● Stakeholder Function: World Heritage Fund held on 12 November 2009.</li> <li>● President’s meeting with the Creative Industry on 17 November 2009.</li> </ul> The communication plan for each project was developed and implemented.
CORPORATE GOVERNANCE	CG 1	Public Entities Quarterly Report received.	Number of Public Entities Quarterly Reports received and acted on.	Four Quarterly Reports from Public Entities submitted.	All four quarterly reports were submitted by 24 out of 25 public entities.
	CG 2	Unqualified Audit Report	Number of unqualified audit reports received by Public Entities.	80 % of Unqualified Audit Reports by Public Entities by March 2010.	84% of PE’s audit reports were unqualified (i.e. 21/25)

SERVICE DELIVERY ACHIEVEMENTS						
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS		
				TARGETS	ACTUAL ACHIEVEMENTS	
LEGAL SERVICES	LS 1	Compliance manual on DAC laws and other legislation.	Approved compliance manual on the DAC laws and other legislation.	Approved compliance manual on DAC laws and other legislation.	The compliance manual framework on DAC laws and other legislation is at draft stage.	
	LS 2	Quarterly reports on new Bills drafted.	Number of quarterly reports on new Bills drafted.	Four quarterly reports on new Bills drafted.	The Cultural Laws Third Amendment Bill was revised following final consultations. The Community Libraries Bill was finalised for submission to Cabinet.	
	LS 3	DAC employees trained in legal issues.	Number of DAC employees trained in legal issues.	80% of training conducted.	20% of training conducted.	
	<b>ADDENDUM</b>					
	LS 4	Effectively managing all litigation and ensuring that the legal costs are minimised.	Number of quarterly reports on litigation.	Four quarterly reports on litigation matters.	During the reporting period there was ongoing monitoring of litigation matters – some finalised and others awaiting out of court settlements or court dates.	
LS 5	Effectively managing all contracts to minimise legal risks.	Number of quarterly reports on contract management.	Four quarterly reports on contracts management as per contracts register.	A large number of ad-hoc transfer payments, MoAs and SLAs were drafted and vetted including DAC/LOC for FIFA World Cup 2010.  Drafting and vetting of further ad-hoc transfer payments, MoAs and SLAs are ongoing, including the Shanghai Expo SLA.		
INTERNAL AUDIT	IA 1	Quality Audit Reports issued to management.	Number of quality audit reports issued to management.	27 planned audits exercise executed.	27 planned audits were executed.	
			Percentage (%) of forensic audits exercise reported and resolved	75 % forensic audits exercise reported and resolved.	71,04% of forensic audit exercises reported and resolved. (10 out of 14).	

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INTERNAL AUDIT	IA 2	Approved Fraud Prevention Plan (FPP).	Annual Review and approved Fraud Prevention Plan (FPP).	Review FPP	The processes of reviewing the FPP were completed in the period under review.
	IA 3	Directorates Implementation plan developed and implemented.	Percentage (%) of implementation of the Directorates implementation plan developed and implemented.	75 % of directorate's implementation plan developed and implemented.	Owing to late completion of the FPP, the implementation could not be done during the year under review.
		Risk Management Strategy developed.	Approved Risk Management Strategy.	100 % implementation of strategy reviewed and updated.	The development and implementation of the Risk Management Strategy did not occur.
OFFICE AND SECURITY SERVICES	SOHSS 1	Building inspection and evaluation conducted.	Positive reports from Metro Fire and Safety.	Quarterly reports on building inspection.	Request for building inspection was done and Certificate of Compliance with Electrical Installation was received.
FACILITIES MANAGEMENT	FCM 1	Immovable Asset Register Developed.	Approved Immovable Asset Register.	Immovable Asset Register developed.	A comprehensive immovable asset register will be developed as soon as all the immovable assets are assessed. At this stage, 76 immovable assets out of 154 have been assessed.
	FCM 2	State-owned buildings vetted and valued.	% of state-owned buildings vetted and valued.	60% of state owned buildings valued.	49% of the buildings have been valued.
	FCM 3	DAC Public Entities buildings assessed on general condition including accessibility, health and safety and security.	% of DAC Public Entities buildings assessed on general condition including safety and security issues.	60% of DAC Public Entities buildings assessed on general condition including accessibility, health, safety and security.	Project Execution Plans were revised and signed by both the DAC and the CSIR. 49% of the buildings have been assessed on general condition, including access, health, safety and security.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
FACILITIES MANAGEMENT	FCM 4	User asset management plan developed.	Approved User Asset Management Plan (UAMP).	Conduct the workshop on Government Immovable Asset Management Act (GIAMA) with Public Entities	Workshop with all the Public Entities was not held and will be conducted on UAMP once condition assessment of all buildings is finalised.
	FCM 5	Disability access, safety environment and effective security systems in all the Public Entities Buildings.	% of DAC Public Entities buildings upgraded on access, health and safety and security.	20% of DAC Public Entities buildings upgraded on access, health safety and security.	Capital Works Projects are at different stages and they include improving access, safety and security.
	FCM 6	DAC Property Management policy developed.	Approved DAC management policy.	Approved DAC property management policy developed.	First draft of DAC property management policy has been developed, however not approved and implemented.
Brief summary of major reason for variance					
Training of managers in basic monitoring and evaluation was put on hold owing to the reprioritisation of funds. The learnership and internship programmes were not implemented owing to financial constraints. The departmental budget reprioritization process resulted in a delay in the implementation of some of the objectives.					



## 2.8 Programme performance: Information reported

### **PROGRAMME 2: ARTS AND CULTURE IN SOCIETY**

#### **Purpose**

Develop and promote arts and culture in South Africa and mainstream its role in social development.

#### **Measurable Objectives**

Increase and facilitate access to and broaden participation in arts and culture through policy formulation, legislation and equitable funding.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes**

- Arts and Culture in Society
- Arts, Social Development and Youth

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS AND CULTURE IN SOCIETY	PA 1	Database for Performing Arts Practitioners developed to ensure transformation in the sector.	Functional database for Performing Arts for improved service delivery.	<p>Publish the Booklet on Performing Arts by March 2010.</p> <p>Develop a webpage on Performing Arts, for data to be accessible electronically.</p>	A concept document was developed, however, owing to budget reprioritization the project was postponed until the next financial year.
	PA 2	National Strategy on Performing Arts developed (Social Cohesion).	Approved Choral Music Strategy.	<p>Choral Indabas and National Choral Conference.</p> <p>Appointment of National Choral Task Team.</p>	<p>The draft strategic framework document for Choral Indabas was developed.</p> <p>The interim Task Team was appointed by the former Minister, Dr Pallo Jordan. The coordination and planning of Provincial Choral Music Indabas were finalized. DAC is currently looking at a new Choral Music Strategy proposed by the Interim Task Team.</p>
	PA 3	Monitoring and Evaluation of the Performing Arts sector.	Completed Memorandum of Understanding (MoU) between DAC and State-funded Institutions.	Develop Monitoring and Evaluation tools.	The monitoring and evaluation tools have not been developed, however, the monitoring visits for three Orchestras were done, namely KwaZulu-Natal Philharmonic - 15 October 2009, Cape Town Jazz Orchestra - 15 October 2009, Cape Town Philharmonic - 16 October 2009.
	PA 4	Ministerial projects implemented.	100% of ministerial projects implemented.	100% of ministerial projects implemented.	<p>Within the period under review, the following ministerial projects were implemented.</p> <ul style="list-style-type: none"> <li>● President's consultations with the Creative Arts Sector on the 17 November 2010.</li> <li>● National Freedom Day</li> <li>● National Heritage Day</li> <li>● National Womens' Day</li> <li>● Cape Town International Jazz Festival</li> <li>● Buyel Ekhaya Annual Beach Festival</li> <li>● Mapungubwe Arts Festival</li> </ul>

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS AND CULTURE IN SOCIETY	CAC 1	Community Art Centre Awards programme implemented.	Number of CACs that participated in the various categories' Awards programme.	Nine Provincial Assessment Reports on participating CACs.  Establishment of National Adjudication Panel.	Owing to budgetary reprioritization, the project was postponed to the next financial year.
	CAC 2	CAC grants in Aid supported. Creation of decent jobs and rural development.	Number of CACs receiving Grants in Aid for projects/ programmes.	15 sustainable Community Arts Centres supported.	Owing to budgetary reprioritisation, the project was postponed to the next financial year.
	CAC 3	Policy framework for CACs developed and implemented (Governance)	Approved National Policy Framework for the development of CACs.	Implement 9 Centres of Excellence in line with the Policy Framework and Expanded Public Works Programme (EPWP) Strategy.	The Draft National Policy Framework for Community Arts Centres was approved, however not yet implemented.
	CAC 4	Federation of Community Art Centres. (Social Cohesion and Governance).	Number of programmes administered by federation of CACs in each province.	Over 10 projects administered by Federation of CAC in each province.	A National Interim Forum of Community Arts Centres was established by September 2009. However, owing to budget reprioritisation the project was postponed to the next financial year.
	CAC 5	Arts, Culture and Heritage Training programmes implemented (Human Capital).	Number of managers receiving training.	Implement the Arts and Culture Management Training 50% of CACs	Owing to budgetary reprioritisation, the project was postponed to the next financial year.
	FB 1	Functional National Arts Council (Governance).	Compliance with the NAC Act.	Functional NAC Council	The NAC board/council in place and operational.
	FB 2	Business and Arts South Africa (BASA) supported (Governance).	Ensure compliance with corporate governance.	Appointment of management leadership and adherence to PFMA regulations.	Appointment of Management in BASA was done.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS AND CULTURE IN SOCIETY	FB 3	International Federation of Arts Councils and Cultural Agencies hosted (International Relations).	Successful World Summit on Arts and Culture hosted.	International Federation of Arts Councils and Cultural Agencies conducted.	International Federation of Arts Councils and Cultural Agencies (IFACCA) successfully hosted from 21-25 September 2009.
	PH 1	Management and governance structures developed (Governance).	Adherence and compliance by playhouses, quality reporting on programmes and appointment of boards/ councils.	100% compliance in accordance with legislation and policies.	There is 85% compliance in Playhouses. Only one Playhouse has challenges.
2010	FIFA 1	Vision 2010 Framework implemented.	Number of cultural programmes implemented.	Fulfil the Confederations Cup cultural programmes.	Cultural programmes for the Confederations Cup were successfully implemented and the Confederations Cup was a success.
ARTS, SOCIAL DEVELOPMENT AND YOUTH	Youth 1	National Youth Band established.	Fully functional National Youth Band and its Steering Committee.	National Youth Band established.	Field Band Foundation (FBF) was supported as part of the National Youth Band campaign. However, the National Youth Band was not established owing to budgetary reprioritisation.
	Youth 2	National Youth Choir established.	Fully functional National Youth Choir.	National Youth Choir established.	Owing to budgetary reprioritisation, the project was not implemented.
	Youth 3	National Youth Strategy on Arts and Culture developed.	National Consultations on Youth Strategy.	National Consultations on Youth strategy.	National Youth Strategy on Arts and Culture developed, however not yet workshopped or implemented.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS, SOCIAL DEVELOPMENT AND YOUTH	Youth 4	Programmes in support of service volunteers for the country.	Number of National Youth Service Projects.	3 Bontle Beautification of Public Spaces Project (BBPSP) implemented in the URP Nodal areas.  Draft Discussion Policy on BBPSP developed.	2 BBPSPs implemented in the URP Nodal areas, as follows: Collaboration with Gauteng Arts and Culture Department in National Youth Service programme at Ibhongo High School and Lepono High School in Hammanskraal and Soshanguve police station. BBPSP was linked to Flying the Flag in Every School Campaign in June 2009.
	Youth 5	Re- integration of young offenders into society.	Number of programmes conducted in Juvenile/ Correctional facilities in collaboration with Correctional Services.	Two Arts Access programmes established in two Juvenile / Correctional Facilities.	Funds were reprioritised during the year resulting in non-delivery of project.
	Youth 6	National Youth Dialogues towards nation building.	Number of National and Provincial seminars and summits convened.	Successful Provincial seminar convened by September 2009.	Funds were reprioritised during the year resulting in non-delivery of project.
	AET 1	Framework of Collaboration (FoC) with National Department of Education (DoE).	Number of Arts and Culture projects implemented through FoC and partnerships created.	Six Joint projects implemented in collaboration with DoE.	The SASCE National Competition took place on 2-5 July 2009. Approximately 5 000 learners and educators took part in this schools musical extravaganza. However owing to budgetary reprioritisation some projects were not implemented.
	AET 2	Artists in Schools towards audience development.	Number of artists placed in schools.	50 arts practitioners placed in schools.	30 arts practitioners were contracted and placed in eight schools in the Ehlabeni district, Mpumalanga.
		Strengthening of the arts, culture and heritage sector through Jazz for Juniors.	Pilot implementation of Jazz for Juniors, production and distribution of learning materials.	Pilot of Jazz for Juniors in Gauteng province.	The Jazz for Juniors show was presented at the annual BASA Awards in September 2009 and at the International Federation for Arts, Culture and Cultural Agencies (IFFACCA) conference in Johannesburg.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS, SOCIAL DEVELOPMENT AND YOUTH	AET 3	Train the Trainer Advanced Certificate in Education (Arts and Culture) implemented towards decent work.	Number of participants of subject advisors on Arts and Culture of Local/Provincial bodies.	40 Arts and Culture educators register and complete the training.	The Council for Higher Education (CHE) accredited and approved the programme. The music department at UNIVEN was given the go ahead to roll out the training in 2011 academic year.
	ASD 1	Arts access programme implemented in the Department of Correctional Services (DCS).	Number of offenders using arts for rehabilitation and social integration.	Piloting of related programme in selected Department of Correctional Services' facilities.	The Department donated paint to Department of Correctional services (DCS) to distribute among arts programmes in Correctional Centres; owing to budgetary reprioritisation, the project was cancelled.
	ASD 2	Integrated, sustainable and humane human settlements with a distinct South African character.	Number of pilot projects initiated and completed.	Inter-departmental task team established.	There are two inter-departmental Task Teams; one led by the Department of Human Settlements and one led by DAC. The latter is an inter-departmental and multidisciplinary task team, while the Human Settlements Think-Tank, which was established in 2007, is currently dormant.
	ASD 3	Provincial Intergenerational dialogues conducted	Number of pilot projects initiated and completed.	4 Social Dialogues held.	Six intergenerational male dialogues and one women's dialogue were held. The six male dialogues were held in: Free State Northern Cape Mpumalanga Limpopo North West KwaZulu-Natal

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
ARTS, SOCIAL DEVELOPMENT AND YOUTH	FAM 1	Programmes for Arts Access for families in distress established.	Number of programmes implemented in support of all vulnerable people.	20 Comprehensive programmes for vulnerable families implemented.  Ten Arts Counsellors trained in Art Therapy to work in Communities and CACs.	Training of 25 arts counsellors by the Art Therapy Centre is under way.  Training for first 10 arts counsellors done in September 2009.
	FAM 2	Access to the arts, culture and heritage sector for artists with disabilities.	Number of programmes supported for people living with disability	Two (2) programmes supported for people with disabilities.	DTV drama & poetry competition started in March 2009 and ended in September 2009. It culminated with a gala dinner sponsored by DAC on 30 October 2009.
	FAM 3	Early childhood development of children at risk enhanced.	Number of children's programmes implemented.	Two programmes supported for people with disabilities.	Participated in National Children's Conference event held in Port Elizabeth, in the Eastern Cape on 7 November 2009.
	FAM 4	Programmes emancipating women implemented.	Number of programmes emancipating women.	Six programmes emancipating women implemented.	National Women's Day was successfully hosted as a joint initiative between the Ministry for Women, Children and People with Disabilities, and the Kwa Zulu-Natal Premier's Office. An intergenerational Women's Dialogue was hosted in KwaZulu-Natal as a partnership with the Durban Playhouse Company and DAC. International Women's Day promoted women's empowerment and gender equality at the SADC Women in Theatre and Dance Festival hosted by the Southern Africa Theatre Initiative from 9-13 March 2010.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
	FAM 5	National Gender Policy on Arts and Culture inputs developed.	Approved DAC National Gender Policy on Arts and Culture inputs.	Establishment of DAC reference group on draft National Gender Policy on Arts and Culture.	Consultative meetings have taken place with civil society organisations to inform the approach for the development of an Arts, Culture and Heritage (ACH) Gender Policy as well as strengthening the Arts Advocacy and Gender Enrichment Strategy. These were: (a) Southern Africa Theatre Initiatives, 3 February 2010 b) Dinokeng Arts and Crafts Gallery, 12 February 2010
<b>Brief summary of major reason for variance</b>					
Owing to departmental budgetary reprioritisation process, several of the projects were deferred to 2010-2011 financial period.					



## 2.8 Programme performance: Information reported

### **PROGRAMME 3: NATIONAL LANGUAGE SERVICE**

#### **Purpose**

Develop and promote the official languages of South Africa and enhance the linguistic diversity of the country.

#### **Measurable objectives**

Develop, promote and protect the 11 official languages through policy formulation, legislation and the implementation of the language policy in order to allow South Africans to realise their language rights.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes**

- Translation and Editing
- Language Planning
- Human Language Technologies
- Terminology Coordination Section

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL LANGUAGE SERVICE	NLS 1	Translation and editing of official documents from and into official and foreign languages as requested by clients.	Functional translation and editing service.	Quarterly reports on documents translated and edited.	Quarterly Reports (statistics) on documents translated and edited were submitted. 165 African languages, 93 Afrikaans, 372 English and 514 foreign languages documents were translated or edited.
	NLS 2	Database of freelance translators and editors expanded (job creation).	Number of freelance translators and editors captured on database.	80 freelance translators and editors captured on database.	The project was not implemented as result of budgetary reprioritisation in the period under review.
	NLS 3	Provision of enabling resources (dictionaries, CD-ROM and network editions, internet sources).	Identification of new and upgraded resources.	80% of new and upgraded resources provided.	Dictionaries (for African languages, Afrikaans and foreign languages) were acquired and distributed to language practitioners. The e-resources are still outstanding.
	NLS 4	South African Language Practitioners' Council established (institutional development).	Functional South African Language Practitioners' Council.	Approved business case for the establishment of the South African Language Practitioners' Council (SALPC).	National Treasury is finalising approval process of both business case and draft Bill. Tabling has been scheduled for Cabinet in August 2010 and for Parliament in November 2010.
NATIONAL LANGUAGE SERVICE	NLS 5	Language Units developed in government departments.	Number of Language Units developed in government departments.	At least seven of the ten identified government departments to have established language units.	Consultative meetings were held with the Departments of Rural Development and Land Affairs, Correctional Services, Defence, and Sports and Recreation South Africa to guide them on establishing language units.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL LANGUAGE SERVICE	NLS 6	Language Bursary Scheme provided.	Number of bursaries offered to postgraduate students.	200 postgraduate bursaries offered.	102 bursaries given for period under review. Intake for 2010 has been reported to stand at 62 for Rhodes and 40 for Free State University.
	NLS 7	Language Policy development and implementation.	Number of provinces with approved language policies.	Minimum of three provinces with approved language policies.	Mpumalanga concluded provincial consultations on language policy with the Cluster. Northern Cape finalised their draft Provincial Language Policy. A web page was developed to guide provinces on how to develop language policy frameworks.
	NLS 8	Developed Literature and Promotion Strategy.	Approved Literature and Development Strategy.	A strategic workshop convened and strategy developed by September 2009.	Literature Development and Promotion Conference took place from 9-11 September 2009 to craft the action plan, and draft of Literature and Promotion Strategy was developed. They have not been approved owing to ongoing discussions between the Department of Higher Education and the South African Book Development Council (SABDC).
	NLS 9	Soccer Terminology, Human Social, Economic, Management Sciences, HIV/Aids developed.	Production and coordination of terminologies in nine official African languages.	Supplying term equivalents in nine official African languages.	Except for Soccer Terminology, the projects were not implemented owing to budgetary reprioritisation.
	NLS 10	A National Centre for Human Language Technologies (HLT) established.	Functional National Centre for Human Language Technologies (HLT) accommodating all the official languages.	National Centre for Human Language Technologies (HLT) established.	The process of establishment of the virtual National Centre for Human Languages Technologies is at an advanced stage. The implementation plan and budget for the Centre, as conceptualised in collaboration with the HLT Expert Panel, were approved and contracts for Speech Resource Development and Text Resource Development were awarded to start on 1 April 2010. Planning for the third component, Resource Management, and the subsequent process of awarding a contract to an agency were started.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL LANGUAGE SERVICE	NLS 11	Developed spellcheckers, machine-aided translation tools, multilingual telephone based information systems, etc.	Functional Human Language Technologies (HLT) tools.	Monitoring and evaluation of projects. Projects progressing according to the contracts.	Monitoring and evaluation: Projects Steering Committee meeting was held on 11 February 2010. Progress by project implementation agencies: <ul style="list-style-type: none"> <li>● Spellchecker Project: The deployment has been concluded.</li> <li>● Machine-aided Translation Tools (Autshumato Project): Integrated Translation Environment (ITE) delivered and installed.</li> <li>● Terminology Management System (TMS) and Machine Translation Systems: Development ongoing.</li> <li>● Multilingual telephone-based information system (Lwazi Project): Phase I was completed on 30 September 2009 and the contract for Phase II was signed on 22 February 2010.</li> </ul>
Brief summary of major reason for variance					
No major variances were noted; if the event/project was not undertaken it was as a result of budgetary reprioritisation.					

## 2.8 Programme performance: Information reported

### **PROGRAMME 4: CULTURAL DEVELOPMENT AND INTERNATIONAL COOPERATION**

#### **Purpose**

Improve economic and other development opportunities for South African arts, culture and heritage, nationally and globally, through mutually beneficial partnerships, thereby ensuring the sustainability of the sector.

#### **Measurable objectives**

Increase the access and participation of grassroots arts practitioners in cultural industries' economic activities through legislation and national and international opportunities.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes**

- Multimedia
- Multidisciplinary
- Africa and Middle East
- Bilateral Cooperation
- Multilaterals and Resourcing
- Investing In Culture

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
CULTURAL DEVELOPMENT	CD 1	The development of policy in creative industry sectors.	Civil Society/Arts practitioners participate in the draft development.	Approval of draft policies in creative industry sectors.	A draft internal discussion document was produced for the development of a policy framework on the creative industry. A draft discussion document for Events and Technical Services was and is undergoing review prior to further input by the Executive Authority.
	CD 2	Develop skills development plan within sectors of creative industries.	Skills development plans drafted, consultations completed with practitioners.	Approved and signed off plans by the accounting officer.	A Vhutsila A Vhu Tibiwi Arts and Craft Centre plan to implement a skills development programme at the Centre is underway.  A draft internal discussion document on a skills academy for the Events and Technical Sector was developed, initially with a focus on the South African Roadies Association (SARA). However, following a number of proposals from other parts of the performing arts sector and a fact-finding mission in the UK in February, the concept is undergoing review to develop an academy inclusive of the broader cultural industries sectors (Events and Technical, Music, Crafts, Books and Publishing, Design, Visual Arts, Fashion and Design, Audio Visual)
	CD 3	Development of national representative bodies and strengthening of existing institutions.	Consultative process on establishment of national representative bodies completed and legislative review process of existing bodies undertaken.	Presentation of draft proposals and reports on the process to establish music, crafts, design and visual arts bodies.	A draft internal discussion document was developed for implementation of Events and Technical Services Task Team's (E&TSTT) recommendations. The latter is interdependent with the policy framework development and Cabinet approval of Cabinet Memorandum, which is being updated to acknowledge the latest developments. The appointment of Craft Sector experts is undergoing approval process.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
CULTURAL DEVELOPMENT	CD 4	Financial support in development of employment strategies for creative industry sectors.	Number of job opportunities created within creative industry sectors.	10% increase in job opportunities and jobs created.	<p>Nine (9) part-time job opportunities were created for the administrators for the preparations of MIDEM 2010 in France, January 2010.</p> <p>DAC/SA Fashion Week Partnership programme: nine exit opportunities created.</p>
	CD 5	<p>Development of strategies within the creative industry sectors for local market development.</p> <p>Strategy for participation in regional and international markets.</p>	<p>Number of sector specific consultations and strengthening of existing local markets.</p> <p>Identification of markets.</p> <p>Comprehensive strategy developed across international regions.</p>	<p>Three local markets developed</p> <p>Research conducted and target market identified</p>	<p>Supported Moshito Music Conference and Exhibition, which was held from 2-5 September 2009.</p> <p>In contributing to the NEPAD agenda, Moshito 2009 expanded its activities to include the following: Information sharing and business networking with Indian Ocean Music Network – live music producers from SADC region in particular the Indian Ocean, live performances of two bands from SADC region, Equation Musique Professional Programme – participation of 16 professionals from West Africa, East Africa, and Europe, SMME Development – with focus on West Africa and United Kingdom (UK) participants. About 500 participants attended Moshito 2009.</p> <p>The Events and Technical unit has an ongoing relationship with four independent community events identified in the festival sector – ranging from urban to rural location. These are earmarked for mentorship and empowerment on events management and technical production skills, equipment, and enterprise development of the event.</p>

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
CULTURAL DEVELOPMENT	CD 6	Mapping of the Creative Industries.	Implementation of KZN mapping and finalisation of Gauteng process.	Consolidating mapping process for KZN	Terms of reference (ToR) for Western Cape and KZN were done.  Formation of Coordinating Committees for Western Cape and KZN and appointment of service providers completed.  Identification of stakeholders and establishment of management was done.
		Development of Cultural Observatory	Cultural Observatory established.	Allocation of both human and financial resources and opening of the Office.	The appointment of the webmaster for Cultural Observatory is under way.
INTERNATIONAL COOPERATION	IC 1	Strengthened reconstruction and development programmes (RDP) in culture on the Continent.	Number of RDP Programmes agreed and implemented.	Developing a Continental strategy on Reconstruction and Development Programme (RDP) plan.	Three-year implementation plan of DAC's intervention in the Reconstruction and Development Programme (RDP) in the DRC was finalised.
	IC 2	Approved AU and SADC common policies and directives on Arts and Culture.	Policy directives on continental and regional cooperation adopted.	Participation in African Union fora and contribution to policy formulation.  SADC Ministers of Culture meetings held.	Co-funded the Southern African Theatre Initiative to host a series of events celebrating SADC women's creativity in theatre and dance.



SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INTERNATIONAL COOPERATION	IC 3	Existing cultural agreements serviced and new agreements negotiated.	Expansion of number of global partnerships.  Number of MoUs and POCs with identified countries serviced and renewed.	Audit of existing bilateral agreements.  Renewal of expired agreements.	SA and Algeria signed a Cultural Agreement and a Programme of Cooperation in the areas of Arts and Culture.  A Cultural Agreement with Ethiopia was finalised and is ready for signature.  A Cultural Agreement with Argentina was finalised.  Cultural Agreements with Ghana, the DRC and Congo-Brazzaville to formalise relations were signed.
		Participation in continental and international festivals.	RSA arts and culture presence on the Continent and globally strengthened.  Increased market for South African goods and services, and enhanced profile of South Africa.	Participation in the Pan African Film Festival (FESPACO) in Burkina Faso, the Second Pan African Cultural Festival in Algeria and Third World Festival of Black Art, in Senegal.	SA successfully participated in the African Union's 2nd Pan African Cultural Festival, held in Algeria for the first time in 40 years. This was in line with the AU's endeavour to harmonize and coordinate cultural programmes and activities of AU countries as per the Algiers declaration agreed to during the 2nd Session of the Conference of AU Ministers of Culture. Discussions are under way for South Africa to participate in the World Festival on Black Art (FESMAN) scheduled for December 2010 in Dakar, Senegal.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INTERNATIONAL COOPERATION	IC 4	India, Brazil, South Africa partnership (IBSA) relations consolidated.	SA participation in IBSA partner events.	<p>Conference on common socio-economic challenges hosted by South Africa.</p> <p>South African participation in Brazil heritage training programme.</p> <p>Review Arts and Culture contribution to IBSA programme.</p>	DAC made inputs on the IBSA programmes for 2009/2010 and took part in IBSA Focal Point Sectoral meetings. However, the IBSA Summit and seminar was postponed by Brazil.
	IC 5	Strengthened protection for arts, culture and heritage nationally.	Ratification of international multilateral culture and heritage treaties.	Consultations on finalisation of national positions.	<p>The Minister signed an MoU in Paris with the DG of UNESCO on the acceptance of the African World Heritage Fund as a category-2 institution of UNESCO in South Africa.</p> <p>The SA National Commission for UNESCO's Constitution was reviewed in order to strengthen institutional structures nationally for the benefit of the sector.</p>
	IC 6	International law (treaty) obligations complied with.	National reports on compliance with international treaties approved and submitted in good time.	National consultations on treaty obligations held and national reports drafted.	SA's annual membership fees to the Commonwealth Foundation were paid. Civil Society met during the Commonwealth Heads of Government meeting in Trinidad and Tobago in November 2009. SA made a voluntary contribution to the International Fund on Cultural Diversity to the amount of R87 000.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INTERNATIONAL COOPERATION	IC 7	Development of international law on protection of arts, culture and heritage.	Expanded international legal protection for arts, culture and heritage.  Finalised guidelines of the Convention on Cultural Diversity.	Consultation and formulation of South African position on treaty protection.  Finalise the operational guidelines.	The operational guidelines on the Convention on Cultural Diversity were adopted and are being promoted and implemented by Member States at national, regional and international levels.
	IC 8	Overseas Development Assistance (ODA) and resourcing model and policy developed in consultation with associated institutions.	Approved Overseas Development Assistance (ODA) and Resourcing Model and Policy.  Identification of projects to be funded by ODA.	Adoption of Overseas Development Assistance (ODA) and Resourcing Model Policy and Strategy.	Draft Overseas Development Assistance (ODA) Policy is being developed.
	IC 9	Structured relationship with development partners established.	Number of new donors established.	Agreements with two new donors added.	Meetings between DAC, United Nations Development Programme (UNDP) and United States Agency for International Development (USAID) were held with the aim of discussing funding opportunities for the arts and culture sector. Two new project proposals were submitted to UNESCO under the Participation Programme.
INVESTING IN CULTURE	IIC 1	Comprehensive DAC EPWP log frame.	DAC EPWP framework implemented.	75% implementation of the framework	*
			Number of job opportunities afforded to beneficiaries.	4184 job opportunities afforded to beneficiaries.	*
			Number of job days opportunities afforded to beneficiaries.	557 739 job days afforded to beneficiaries.	*

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
INVESTING IN CULTURE	IIC 2	Marketing Plan developed.	Marketing Plan approved.	25% implementation of market plan of market plan.	*
	IIC 3	Strategic Partnership Framework Developed and Implemented.	Approved Partnership Framework.	Partnership framework developed by second quarter and published in the March 2010.	*
	IIC 4	DAC/MAPPP Seta training partnership maintained.	Approved Training Partnership.	Implement approved training partnership programme between DAC and MAPPP seta.	*
	IIC 5	Monitoring and Evaluation Plan Implemented.	Percentage (%) of Monitoring and Evaluation Plan implemented.	50% of the Monitoring and Evaluation plan targets implemented.	*
		Automated data management system established.	Functional automated data management system.	Automated data management system established.	*
	IIC 6	Impact Assessment study conducted.	Approved Impact Assessment report.	Impact assessment study undertaken and completed.	*
Brief summary of major reason for variance					
*The programme performance of the Investing in Culture programme was excluded from the 2009-2010 annual report owing to a forensic audit process.					

## 2.8 Programme performance: Information reported

### **PROGRAMME 5: HERITAGE PROMOTION**

#### **Purpose**

Develop and monitor the implementation of policy, legislation and strategic direction for the identification, conservation and promotion of cultural heritage.

#### **Measurable Objective**

Ensure the transformation of the heritage landscape as a vehicle for nation building and social cohesion through the implementation of heritage policies and legislation.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes**

- Heritage Policy Research and Development
- Living Heritage
- Heritage Institutional Development

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
HERITAGE POLICY, RESEARCH AND DEVELOPMENT	HPRD 1	A Heritage Human Resources Development Strategy developed.	Approved Heritage Human Resources Development Strategy.  Allocation of resources to Heritage Human Resources Strategy.	Heritage Human Resources development strategy approved by September 2009.	A study on the headcount (census) of heritage professionals was completed. The study is intended to inform the development of a Human Resource Development Strategy for the Heritage Sector.
	HPRD 2	Ratified conventions for the preservation and protection of South African heritage.	Approval of memorandum on the ratification of the conventions by Cabinet and Parliament.  Deposit of ratification instruments at relevant multilateral institutions.	Strengthen existing institutional mechanism for effective implementation of the conventions	An SADC workshop on underwater cultural heritage was hosted to popularise the UNESCO Convention on Underwater Cultural Heritage.
	HPRD 3	National Policy on Intangible Cultural Heritage developed.	Approved National Policy on Intangible Cultural Heritage.	National Policy on Intangible Cultural Heritage developed	A national consultative workshop was successfully held. The Policy was unanimously endorsed by the workshop. The Department is in the process of costing the Policy before it is sent to Cabinet.
	HPRD 4	Heritage policy and legislation amended.	Approval of the General Laws Amendment Bill by Cabinet and Parliament.	Draft regulations after passing the Act.	Final draft of Cultural Laws Third Amendment Bill finalised. Awaiting approval from Parliament.
	HPRD 5	National Museums Policy developed.	Approval by Cabinet and Parliament.	Draft National Museum Policy developed.	The project was stopped and deferred to the 2010/11 financial period.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
HERITAGE POLICY, RESEARCH AND DEVELOPMENT	HPRD 6	National Digitisation Policy developed.	Approval by Cabinet and Parliament.	Draft National Digitisation Policy.	Data was collected and analysed, and a draft report on National Digitisation Policy was completed.
LIVING HERITAGE	LH 1	Host the Indigenous Knowledge System (IKS) EXPO.	Approved concept document of the EXPO including approval for participation.	Concept document of EXPO completed.	Owing to financial constraints, DAC did not participate in the EXPO.
	LH 2	National Heritage Day Celebrations hosted.	Approval of host provinces.	National Heritage Day celebrated by September 2009.	The annual celebration of Heritage Day was held on 24 September 2009 in Sekhukhune District, Limpopo.
	LH 3	A book published on the histories of the 2010 World Cup host cities.	Conceptual framework approved.	A book published on social histories of 2010 World Cup host cities.	Project cancelled owing to financial constraints.
	LH 4	South African Geographical Names Council in place and standardisation of geographical names.	Appointment of the South African Geographical Names Council.  Functional Provincial Geographical Names Committees.  Functional District Geographical Names Committees.	Implementation of South African Geographical Names Council Policies in all three spheres of government.	Policy on South African Geographical Names Changes is being implemented and as a result some names were changed in Mpumalanga and KZN; e.g. eMakhondo from Piet Retief, King Shaka International Airport from La Mercy Airport, eMakhazeni from Belfast, and Mbombela from Nelspruit.  75 names were approved in the financial year. The list of names is available on the Departmental website.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
LIVING HERITAGE	LH 5	National Geo-Reference Database on Geographical Names.	Sourcing of relevant databases to be used as a reference.  Service Level Agreement with SITA.	Appointment of Database Manager.  Geo-reference database.	The database manager was appointed and 28 new approved names were updated on the Geo-reference database.
	LH 6	National Public Hearings held.	Meetings with relevant stakeholders and provinces.	Holding of national public hearings.  Compilation of the report.  Presentation of the report to relevant authorities	Hearings were held in all nine provinces. The Department is finalising the report on the hearings. The report will be discussed at the National dialogue on name changes planned for the next financial year.
HERITAGE INSTITUTIONAL DEVELOPMENT	HID 1	Improved performance management system in National Heritage Institution.	Appointment of the Councils	Workshop on Governance and Performance Management	Induction workshops completed for all institutions in March, April and June 2009.  The induction workshops were divided into sets of two sessions, for the Councils and individual institutions. The current Councils' terms were extended to March 2010.
	HID 2	Security and access at national heritage institutions Improved.	Functional security systems installed and more accessible national heritage institutions.	Risk assessment exercise completed.	Risk assessment exercise is currently under way, CSIR was appointed to do the needs assessment at all the heritage institutions.



SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
HERITAGE INSTITUTIONAL DEVELOPMENT	HID 3	New Heritage infrastructure developed.	Completion of the conceptual framework for heritage infrastructure.	Finalisation of conceptual framework.	The conceptual framework for heritage infrastructure of various legacy projects was done and the projects are at different stages. The following are examples: Sarah Bartmann Project: Appointment of architect; site clearance under way; final design concluded and awaiting approval; confirmation of land donation under way; and SBCR content development is in planning stage. OR Tambo Project: Awaiting approval of the budget for the sculpture. Meetings held with the provincial government regarding the landscaping of the homestead and the establishment of a service centre in Mbizana.
	HID 4	National Inventory of heritage objects.  Efficient systems in place to fight theft of heritage objects.  Broad public awareness of significant SA heritage objects.	Audit national and international state-owned heritage resources.	Audit of cultural property.	Audits of cultural property of priority collections are progressing. The first phase was completed and SAHRA has appointed a service provider who will do phase two of the audit.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
<b>HERITAGE INSTITUTIONAL DEVELOPMENT</b>	HID 5	African World Heritage Fund consolidated.	Growth in the resources and programmes of the Fund.	Approval of the UNESCO associated status.	Bilateral meetings were held between the DEA and DAC on coordinating the heritage of South Africa and the Continent. The Cabinet Memorandum was drafted to inform the Cabinet about the intention to host the AWHF as a category-2 status project. Letters were sent to other Ministers requesting their support for the category-2 status.
Brief summary of major reasons for variance					
<p>The finalisation of the Strategy on Human Resources was delayed owing to the fact that it had to wait for the findings of the headcount (census) of Heritage Professionals' study, which was completed in March 2010. The target was not met because the service provider had problems in producing a quality product. The contract with the service provider was terminated and a new service provider was appointed to complete the task. The strategy will be finalised in the next financial year. The Department had planned to develop a National Museums Policy, however, owing to budgetary reprioritisation the project was deferred to the next financial period. The Department has noted a delay in terms of completing the Risk Assessment for Heritage Institutions. As the way forward, Facilities Management has been made responsible for the management of the capital works budget; therefore risk assessment will be done for all DAC public entities. Programme 5 is now playing only a supportive role in this indicator. Under code HID 5, UNESCO awarded the African World Heritage Fund category-2 status at its General Conference in October 2009. The Minister and the UNESCO Director-General signed the agreement governing the relationship between South Africa as host country of the African World Heritage Fund as a category-2 centre in January 2010.</p>					

## 2.8 Programme performance: Information reported

### **PROGRAMME 6: NATIONAL ARCHIVES, RECORDS, LIBRARIES AND HERALDIC SERVICES**

#### **Purpose**

Guide, sustain and develop the archival, heraldic and information resources of South Africa to empower citizens through full and open access to these resources.

#### **Measurable Objective**

Enable transparency and evidence-based good governance of archives, records, published information, and the heraldic and symbolic inheritance of the nation through institutional management, regulation and development.

#### **In pursuit of the strategic objectives, the programme has the following subprogrammes**

- National Archives
- Literary Policy and Coordination
- Bureau of Heraldry

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL ARCHIVES OF SOUTH AFRICA	NA 1	Access to Archival Resources, Information System and Heraldic Representation improved.	Number of records retrieved.	40 000 records retrieved by March 2010.	45 194 records retrieved by March 2010.
			Arranged and described archival records received.	200 linear metres of received records.	Linear metres of received records were 716, 90 by March 2010.
			Number of records to be registered in the NAAIRS.	24 000 forms of data coded and registered in NAAIRS.	35 860 forms of data coded and registered in NAAIRS.
			Percentage (%) of photographs scanned on request.	100% scanning of all requests received.	100% of requests received were dealt with successfully.
			Functional Inter-departmental De-classification Committee established.	Inter-departmental De-classification Committee established.	The establishment of the inter-departmental De-classification Committee was not finalised by the end of the financial year.
			Access to Information training and framework.	Canadian/South African Human Rights Council (SAHRC) Partnership training.	Partnership training between Canadian and South African Human Rights Councils (SAHRC) was established. Two officials were sent to Canada in October 2009. Contact was made with the University of Alberta with the intention of enrolling four officials in their Information Access and Protection of Privacy Certificate Programme during 2010.
			Percentage (%) of Promotion of Access to Information Act (PAIA) requests processed.	80% of requests received and processed within 30 days	86% of requests received were dealt with successfully (36 out of 42).

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL ARCHIVES OF SOUTH AFRICA	NA 1		Approved filing plan.	File tracking drafted by March 2010.	Owing to a lack of funds and the imperative that this project should be in line with and included in the ICT strategic plan this project was not successful this year
			Sound collections inventoried.	20000 items inventoried.	1 642 recordings were inventoried.
			Number of video collections inventoried.	8000 video collections items inventoried	6 228 videos of various formats were inventoried.
	NA 2	Archival resources in other countries (including audio visual) repatriated.	Number of film collection Inventoried.	1000 film collection items inventoried.	682 films were inventoried.
			Number of National Film, Video and Sound Archives (NFVSA) museum collection inventoried and researched.	100 objects researched and inventoried.	250 objects were inventoried and four objects were researched.
			Improved access to legal deposit material.	Improved coordination and awareness-raising campaigns conducted.  One provincial Official Publications Depository (OPD) designated	The legal deposit backlog was reduced, two more cataloguers were appointed, and 1 869 titles were catalogued after the employment of the officials.
			Publication and reading in indigenous language material.	Re-printing of African Classics. 25 titles re-published.	18 titles were reprinted – two titles for each of the nine African languages.  The target of 25 was not reached because of budgetary constraints.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
	NA 3	National Automated Archival Information Retrieval System (NAAIRS) Developed.  Archival Services promoted.	Process input for NAAIRS database and link to National Digital Repository.	90% of records received, captured, and processed.	92% of records were captured.
			Public use of web-enabled NAAIRS databases.	Increase of 2% on previous annual average of queries and hits per month.	The number of queries increased by 21,6% and the number of hits by 21,4%.
			Annual Archives Week to include private archives organised.	20 schools to be invited within the 2009/10 financial period	The Archives and Heraldry Week took place from 18-22 May 2009 and was attended by 22 schools.
			Internal and external outreach activities conducted.	Two provinces and 30 schools to be visited in North West and Northern Cape Provinces.	Five provinces were visited, i.e. Mpumalanga (15 schools), Limpopo (12 schools), Gauteng (2 schools), Northern Cape (15 schools) and North West (1 school). In total, 45 schools were visited.
	NA 4	Promotion of Oral History.	Successful Annual Oral History Conference Organised.	Western Cape Provincial Archives to co-host 2009 Annual Oral History Conference with NARSA	The 6th National Oral History Conference was held in Cape Town on 13 October 2009.

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL ARCHIVES OF SOUTH AFRICA	NA 5	Design and register heraldic representations.	Outreach, exhibitions and informative publications on National Symbols developed and widely distributed.	Popularise the understanding and appreciation of National Symbols and their role on social cohesion.	21 050 flags were distributed for the Fly the Flag campaign.
			Number of quality designs and registered heraldic representations made in a year.	At least 40 designs and registered heraldic representations by March 2010.	43 designs and registered heraldic representations were completed by March 2010.
		National Order Award ceremonies conducted.	Number of National Order Award ceremonies conducted.	Two National Order Award Ceremonies conducted.	Two National Order Awards ceremonies were executed successfully. One ceremony was rescheduled to an earlier date, which falls under the 2008/09 year (25 March 2009 at the Union Buildings) owing to the national elections and the presidential inauguration. The other ceremony took place on 11 December 2009 at the Presidential Guest House. Both ceremonies were executed successfully.
	NA 6	Services points for visually impaired readers in community libraries increased.	Number of service points established.	Nine service points established.	10 new mini-libraries established were in external organisations.
	NA 7(i)	Improved infrastructure for Archives including Presidential Archives.	Development, upgrading and refurbishing of buildings.	Develop strategy for the digitisation of national documentary heritage.	A draft report on the National Digitisation Policy was completed and will inform the strategy on national documentary heritage.
NA 7(ii)	Preservation, promotion, protection and making accessible Africa's Documentary Heritage.	Memory of the World programme implemented.	National and regional Registers of the Memory of the World developed.	National and regional registers were developed and role-players were requested through inter alia the National Archives website to contribute to the registers.	

SERVICE DELIVERY ACHIEVEMENTS					
SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL ARCHIVES OF SOUTH AFRICA	NA 7(ii)		Timbuktu Manuscripts Project Implemented	Library fully operational by December 2009	Building was handed over for occupation in November 2009. The Institute is going through the process of getting approval from their government to relocate to the new building.
	NA 7 (iii)	Building a Sustainable Archival and Preservation Programme for the National Archives and NFVSA (Support Heritage Digitisation Policy).	Establishment of a Reformatting and Digital Conversion Strategy Paper and Audio Visual Records.	Drafting of policies, guidelines and procedures.	Draft Preservation Policy and Preservation Policy Statements were produced and are ready to be taken further so that they can be finalised and approved.
			Preservation Policy and Disaster Plan Developed.	Preservation Needs Assessment and Risk Analysis conducted	Initial Risk Assessment was conducted and a report is being drafted. Lack of capacity and funds are a challenge.
	NA 8	Improved records management practices.	Percentage (%) of evaluation and approval of draft file plans.	60% of draft file plans submitted for evaluation and completed	86,4% of the submissions were completed.
			Percentage (%) of Archival appraisal of public records and issuing of disposal authority.	20% of total applications completed (including backlog).	26,8% of total applications completed.
			Development of partnerships with regulatory and stakeholders agencies to strengthen monitoring of compliance in organs of state.	Complete development of instrument for partnership with Auditor General.	The target of achieving agreement on an audit instrument was not met. The development work done accumulatively constitutes 25% of the target.
	NA 9	Library Transformation Charter concluded.	Approved Library Transformation Charter.	Approval of Library Transformation Charter	The draft Charter has not yet been approved by Parliament. The consultative process at higher level is still taking place.



**SERVICE DELIVERY ACHIEVEMENTS**

SUB-PROGRAMME	CODE	OUTPUT(S)	SERVICE DELIVERY INDICATOR(S)	ACTUAL PERFORMANCE AGAINST TARGETS	
				TARGETS	ACTUAL ACHIEVEMENTS
NATIONAL ARCHIVES OF SOUTH AFRICA	NA 10	Norms and standards legislation for public/ community libraries drafted.	Norms and standards legislation drafted and approved.	Drafting of Bill.	The submission of the South African Community Library and Information Service Bill, 2010, to the Minister with the draft Cabinet memorandum was completed.
		Improved institutional governance.	Regulations drafted and approved.	Quarterly reports on drafting of regulations.	Quarterly reports on drafting of regulations were not done, however the NCLIS members recommended that the Act be amended to make provision for the two new Departments of Education.
	NA 11	Improved Community Library infrastructure and services.	Number of new library structures established nationally.	Eight new community library buildings.	Seven new libraries were completed and the other two established libraries will be completed in the new financial year.
			Community libraries upgraded.	53 Community libraries upgraded.	43 libraries were upgraded nationally.
			Library materials provided.	450 000 materials provided.	254 114 materials provided.
		Monitoring and evaluation systems implemented.	Number of visits to provinces.	Quarterly reports on provincial visits conducted.	12 quarterly reports were produced and 129 visits to provinces were conducted.
	NA 12	Compliance with Minimum Information Security Standards (MISS).	Approved security rules and procedures.	Security rules and procedures developed by December 2009.	Security rules and procedures approved on 9 December 2009.
	Brief summary of major reasons for variance				
No major reasons for variance noted					

# PART III: REPORT OF THE AUDIT COMMITTEE



# Audit Committee report for the year ended 31 March 2010

## REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2010

### AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Audit Committee consists of the members listed hereunder and meets at least four times annually, as per the approved terms of reference. During the current year six meetings were held.

Member	Meetings attended					
	25 May 09	07 Jul 09	28 Jul 09	22 Oct 09	08 Dec 09	25 Feb 10
K Buthelezi	√	√	√	√	√	√
T Mageza	√	√	√	√	√	√
E Heyns	√	√	√	R	R	R
M Mokoka	NA	NA	NA	√	A	√

Legends:

A – Apology

R – Resigned

NA – Not yet appointed

## AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1

The Audit Committee further reports that it has adopted appropriate formal terms of reference as its charter, has regulated its affairs in compliance with its charter and has discharged all its responsibilities as contained therein.

## THE EFFECTIVENESS OF INTERNAL CONTROLS

The system of internal control applied by the Department over financial risk and risk management is effective, efficient and transparent.

In line with the PFMA and the King Code on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to controls and processes. From the various reports of the Internal Auditors, the audit report on the Annual Financial Statements and the management report of the Auditor-General, it was noted that certain matters were reported indicating deficiencies in the system of internal control and deviations therefrom. In certain instances the matters reported in prior years have not been fully and satisfactorily addressed.

Matters for specific focus by the Audit Committee (2010/2011):

It is of crucial importance that the following most significant issues within the financial domain of the Department should receive ongoing attentive focus in order to effect qualitative administration and financial management within the Department:

Supply Chain Management  
Pre-determined Performance Objectives  
Asset Maintenance

**THE QUALITY OF MANAGEMENT AND QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT.**

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review. However, a concern was raised regarding auditing of predetermined objectives; and management was urged to develop a comprehensive plan that should clearly indicate the monitoring and review processes.

**EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS**

The Audit Committee has

- reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's management report and management's responses thereto;
- reviewed changes in accounting policies and practices;
- reviewed the Department's compliance with legal and regulatory provisions; and

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

**INTERNAL AUDIT**

The Audit Committee considers the internal audit function to be under-resourced and unable to operate optimally, given its current resources and budget, in order to address the risks pertinent to the Department in its audit.

**AUDITOR-GENERAL SOUTH AFRICA**

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



**K Buthelezi – Chairman of the Audit Committee**

Date 30 July 2010

# PART IV: ANNUAL FINANCIAL STATEMENTS



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# Report of the Accounting Officer for the year ended 31 March 2010

## 1. GENERAL REVIEW OF THE STATE OF AFFAIRS

### 1.1 Spending trends

	2009/10 R	2008/09 R
Amount voted	2 632 110 000.00	2 160 317 000.00
Actual expenditure	2 224 931 047.26	2 114 495 786.64
<b>Surplus</b>	<b>407 178 952.74</b>	<b>45 821 213.36</b>

The unspent amount relates to 15.47% of actual expenditure against the voted funds for the 2009/2010 financial year.

The detail of the unspent amount is as follows:

	R'000	
Operating expenditure of the Department:		
Compensation of employees, Goods and Services and Machinery and equipment	1 553	
<b>Subtotal</b>	<b>1 553</b>	<b>(0,06%)</b>
Other projects:		
Capital Works Projects	351 679	
Transfer payments: Ad-hoc transfer – second payments	53 947	
<b>Subtotal</b>	<b>405 626</b>	<b>(15,41%)</b>
<b>Total</b>	<b>407 179</b>	<b>(15,47%)</b>

## Report of the Accounting Officer for the year ended 31 March 2010

## 1.2 Virement and roll-overs:

## 1.2.1 Per Programme

Programmes	Main Appropriation 2009/10	Roll-overs and adjustments	Virement	Final Appropriation 2009/10
	R'000	R'000	R'000	R'000
1. Administration	129 459	14 600	19 337	163 396
2. Arts and Culture in Society	375 578	18 210	(134)	393 654
3. National Language Service	105 980	(12 661)	(6 557)	86 762
4. Cultural Development and International Cooperation	224 065	(9 982)	(14 446)	199 637
5. Heritage Promotion	1 214 158	4 692	7 114	1 225 964
6. National Archives, Records, Libraries and Heraldic Services	574 211	(6 200)	(5 314)	562 697
<b>Total</b>	<b>2 623 451</b>	<b>8 659</b>	<b>-</b>	<b>2 632 110</b>

## 1.2.2 Per Economic Classification

Economic Classification	Main Appropriation 2009/10	Roll-overs and adjustments	Virement	Final Appropriation 2009/10
	R'000	R'000	R'000	R'000
<b>Current payments</b>	<b>308 386</b>	<b>6 987</b>	<b>60 247</b>	<b>375 584</b>
Compensation of employees	146 278	-	-	146 278
Goods and services	162 108	6 987	59 569	228 664
Financial transactions in assets and liabilities	-	-	678	678
<b>Transfers and subsidies</b>	<b>2 309 031</b>	<b>1 672</b>	<b>(60 211)</b>	<b>2 250 492</b>
Provinces and municipalities	440 600	-	-	440 600
Departmental agencies and accounts	1 566 857	10 547	433	1 577 837
Households	301 574	(8 875)	(60 644)	232 055
<b>Payment for capital assets</b>	<b>6 034</b>	<b>-</b>	<b>(36)</b>	<b>5 998</b>
Machinery and equipment	6 034	-	(36)	5 998
<b>Total</b>	<b>2 623 451</b>	<b>8 659</b>	<b>-</b>	<b>2 632 110</b>



## Report of the Accounting Officer for the year ended 31 March 2010

### 1.3 Any other material matter

#### 1.3.1 Soccer World Cup clothing and tickets

The Department did not purchase any clothing or tickets in the 2008/2009 or 2009/2010 financial years.

## 2. SERVICES RENDERED BY THE DEPARTMENT

### 2.1 National Archives

#### 2.1.1 Type of service

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

#### 2.1.2 Tariff policy

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

### 2.2 National Film, Video and Sound Archives

#### 2.2.1 Type of service

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

- To preserve public and non-public audio-visual records or documents, with enduring value, for use by the public and the State.
- To make such records accessible and promote their use by the public.
- To ensure the proper management and care of all public audio-visual records.
- To collect non-public audio-visual 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 co-operation and coordination between institutions having custody of such records.
- Generally, to promote the preservation and use of our national archival heritage.

#### 2.2.2 Tariff policy

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

### 2.3 Bureau for Heraldry

#### 2.3.1 Type of service

The Bureau for 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.

#### 2.3.2 Tariff policy

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

### 2.4 Inventories

The total of Inventories (stores on hand) as at 31 March 2010 was R1,908,332.35.

## 3. CAPACITY CONSTRAINTS

The Department has made some inroads in building capacity, however, the exit of personnel has been quite high, having a negative impact on capacity building. The Department is in the process of adopting a new structure, which will address capacity building and assist in the realisation of full capacity.

## Report of the Accounting Officer for the year ended 31 March 2010

The Department managed to a large extent to reprioritise its activities within the Medium-Term Expenditure Framework (MTEF) baseline allocation, but some short-term priorities such as funds for Nation building and Social Cohesion could not be accommodated within these guidelines. To accommodate this capacity constraint, the Department will approach the Medium-Term Expenditure Committee, tabling options for increasing the Department's overall MTEF baseline allocation.

#### 4. UTILISATION OF DONOR FUNDS

	Opening balance R'000	Revenue R'000	Expen- diture R'000	Closing balance R'000
<b>Donor funds utilised</b>				
UNESCO: Underwater Cultural Heritage workshop	-	161	161	-
<b>Total</b>	-	<b>161</b>	<b>161</b>	-

#### 5. PUBLIC ENTITIES (RELATED PARTIES)

The Department funded the public entities below. Their allocations for the 2009/2010 financial year are indicated.

##### 5.1 Declared cultural institutions

Fifteen institutions were declared cultural institutions by the Minister of Arts and Culture in terms of the Cultural Institutions Act, 1998. The institutions must formulate policy on receiving and preserving all property, of whatever kind, in their care, including specimens, collections or other movable property. They must also manage movable property that belongs to the Government.

<b>Voted</b>	<b>Voted</b>
<b>2009/10</b>	<b>2008/09</b>

Institution	R'000	R'000
Ditsong Museum	49 015	44 977
Iziko Museums of Cape Town	48 392	44 639
Natal Museum	12 905	11 418
National Museum	23 401	21 475
Die Afrikaanse Taalmuseum	3 506	3 195
The National English Literary Museum	6 395	5 821
Voortrekker Museum	8 834	8 169
War Museum of the Boer Republics	6 052	5 557
Robben Island Museum	49 925	69 072
William Humphreys Art Gallery	4 422	4 059
Engelenburg House Collection	216	205
Nelson Mandela Museum	14 758	13 964
Freedom Park	250 984	194 000
Transformation of Heritage Institutions	-	3 515
Luthuli Museum	5 900	5 375
National Heritage Council	48 435	46 165
<b>Total</b>	<b>533 140</b>	<b>481 606</b>

##### 5.2 South African Heritage Resources Agency

<b>Voted</b>	<b>Voted</b>
<b>2009/10</b>	<b>2008/09</b>
<b>R'000</b>	<b>R'000</b>
<b>33 845</b>	<b>31 382</b>

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 the national

## Report of the Accounting Officer for the year ended 31 March 2010

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;
- provide for the protection and management of conservation-worthy places and areas by local authorities.

### 5.3 Performing arts institutions

The 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	Voted 2009/10 R'000	Voted 2008/09 R'000
-------------	---------------------------	---------------------------

Artscape	37 704	35 501
State Theatre	33 300	30 942
Playhouse Company	32 268	30 182
Performing Arts Centre	27 884	25 828
Market Theatre	20 634	19 343
Windybrow Theatre	7 940	7 438
<b>Total</b>	<b>159 730</b>	<b>149 234</b>

### 5.4 Business Arts South Africa

Voted 2009/10 R'000	Voted 2008/09 R'000
5 453	5 180

Business Arts South Africa is a Section 21 Company aimed at encouraging sponsorship of the arts by the business and private sector through the introduction of a matching grant scheme.

## Report of the Accounting Officer for the year ended 31 March 2010

### 5.5 National Film and Video Foundation

Voted 2009/10 R'000	Voted 2008/09 R'000
39 136	37 895

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.

### 5.6 National Arts Council

Voted 2009/10 R'000	Voted 2008/09 R'000
76 634	72 853

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 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.

### 5.7 Pan South African Language Board

Voted 2009/10 R'000	Voted 2008/09 R'000
50 156	47 451

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.

### 5.8 Libraries

Institution	Voted 2009/10 R'000	Voted 2008/09 R'000
National Library	54 254	50 647
South African Library for the Blind	11 345	10 616
BLINDSA	4 849	4 652
<b>Total</b>	<b>70 448</b>	<b>65 915</b>

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.

## Report of the Accounting Officer for the year ended 31 March 2010

### 6. OTHER ORGANISATIONS TO WHICH TRANSFER PAYMENTS WERE MADE (HOUSEHOLDS)

The Department supports and promotes projects that aim to promote arts and culture, the functional objectives of the National Archives and language. To this end, the Department makes grant-in-aid payments to institutions, boards, committees and other public bodies or persons. Various funding committees in the Department evaluate project proposals received from the various role players and enter into memorandums of agreements with the parties once decisions have been made to fund particular projects. During the 2009/2010 financial year, the various programmes in the Department paid out the following amounts:

Programme	Division	Votes 2009/10 R'000	Voted 2008/09 R'000
2: Arts and Culture in Society	Promoting arts and culture in SA	110 685	44 881
3: National Language Service	Translation and editing, language planning, terminology, and human language technologies	9 690	23 572
4: Cultural Development and International Cooperation	Promoting arts and culture internationally	11 036	10 166
	Investing in culture	52 496	45 498
	Cultural industries	29 064	30 351
5: Heritage Promotion	Promoting heritage	14 806	24 214
	Capital works (Infrastructure development)	601 365	344 655
6: National Archives, Records, Libraries and Heraldic Services	National Archives of South Africa	1 897	6 974
<b>Total</b>		<b>831 039</b>	<b>530 311</b>

## Report of the Accounting Officer for the year ended 31 March 2010

### 7. CORPORATE GOVERNANCE ARRANGEMENTS

Although the Department did not have a dedicated Risk Management Officer, the Department did implement financial policies and procedures that had an effect on negating fruitless and unauthorised expenditure and a positive effect on fraud prevention. The Department had an effective internal audit and audit committee.

### 8. ASSET MANAGEMENT

The Department implemented the Asset Pro system in 2008-2009, which included a complete verification of all the assets of the Department, bar coding as well as the capturing thereof on the new system. The Department had Asset Register as at 31 March 2010, though errors were noted, the Department strives to adhere to the requirements of the National Treasury with regards to the Asset Register.

### 9. PERFORMANCE INFORMATION

A Strategic Plan has been developed for the Department of Arts and Culture for the period 1 April 2009 to 31 March 2011, which articulates the strategic priorities of the Department. The plan included all statutory requirements as defined in Chapter 5 of the Treasury Instructions. Although some challenges were experienced, quarterly reporting was done to the Minister to facilitate effective performance information monitoring, evaluation and corrective actions were applicable.

As required by the PFMA, accurate financial reporting was submitted timeously to various role players. Apart from the statutory requirements, the Department also

has an effective in-house reporting and cash flow management system. This is evident from the small saving realised in the current reporting period (excluding capital projects over which the Department has no control of owing to construction and contractor influences).

### 10. APPROVAL

The annual financial statements as set out on pages 77 to 138 have been approved by the Accounting Officer.



MR THEMBINKOSI P. WAKASHE  
Director-General

## Report of the Auditor-General to Parliament on the financial statements of Vote 12 “Department of Arts and Culture” for the year ended 31 March 2010

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the accompanying financial statements of the Department of Arts and Culture, which comprise the appropriation statement, statement of financial position as at 31 March 2010, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 77 to 138.

#### Accounting Officer’s responsibility for the financial statements

2. The Accounting Officer is responsible for the preparation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor-General’s responsibility

3. As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the department’s preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

7. In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department of Arts and Culture as at 31 March 2010, and its financial performance and its cash flows for the year then ended in accordance with the modified cash basis of accounting determined by the National Treasury as set out in accounting policy note 1.1 and in the manner required by the PFMA.

#### Emphasis of matters

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

#### Basis of accounting

9. The department’s policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury as set out in accounting policy note 1.1.

**Irregular expenditure**

10. As disclosed in note 35.1 to the financial statements, irregular expenditure to the amount of R60 771 000 was incurred during the previous years and thus transferred to the year under review. An investigation being conducted by the Special Investigation Unit representing the bulk of this irregular expenditure has not been finalised as yet.

**Additional matters**

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

**Unaudited supplementary schedules**

12. The supplementary information set out in annexures 1 to 6 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 thereon.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

13. In terms of the PAA and General Notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 I include below my findings on the report on predetermined objectives, compliance with the PFMA, Public Service Act, 1994 (Act No. 103 of 1994) (PSA), Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPFA) and financial management (internal control).

**Predetermined objectives**

**Non-compliance with regulatory requirements**

14. The Accounting Officer did not ensure that the department has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent on a program level how the entity's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

**Presentation of reported performance information**

**Reasons for major variances between planned and actual reported targets were not supported by adequate and reliable corroborating evidence**

15. Corroborating evidence provided as a basis for the explanations for major variances between the planned and the actual reported targets for Program 2 did not agree in 52 % of the indicators with the reasons for variances reported.

Indicator reference	Related target description	Reason for variance	Budget as per MTEF 09/10 R'000
Functional database for Performing Arts for improved service delivery	Publish a booklet on performing arts	Budget reprioritisation	No amount linked to the specific indicator.



**Reasons for major variances between planned and actual reported targets were not explained**

16. Adequate explanations for major variances between the planned and the actual reported targets for Program 5 were not reported as required in terms of the relevant reporting guidance. In total 33% of the reported targets with major variances had no explanations for those variances:

Indicator reference	Related target description	Actual reported	Reasons for variance
Approved heritage human resources development strategy. Allocation of the resources to heritage human resources strategy	Heritage Human Resources development strategy approved by September 2009	The department successfully completed a study on the headcount (census) of Heritage professionals.	None

**Usefulness of reported performance information**

17. The following criteria were used to assess the usefulness of the planned and reported performance:

- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?

The following audit findings relate to the above criteria:

**Planned and reported performance targets not specific or time bound**

18. For the selected program 2 it was note that 97% of targets were not time bound in specifying the time period or deadline for delivery. The following serves as an example:

Indicator reference	Related target description
Number of artists placed in schools	50 Arts Practitioners placed in schools

19. For selected program 5 the following was noted:

- 32% of the targets were not specific in clearly identifying the nature and the required level of performance. The following serves as an example:

Indicator reference	Related target description
Approval of memorandum on the ratification of the conventions by Cabinet and Parliament. The deposit of ratification instruments at relevant multilateral institutions.	Strengthen existing institutional mechanism for effective implementation of the conventions

- 89% of the targets were not time bound in specifying the time period or deadline for delivery. The following serves as an example:

Indicator reference	Related target description
Approved concept document of the EXPO including approval for participation.	Concept document of EXPO completed

**Compliance with laws and regulations**

**Public Finance Management Act No 1 of 1999, Treasury Regulations of 2005 and other legislation**

**Non-adherence to legislation**

20. Contrary to the requirements of Treasury Regulation 3.2.1 the department did not ensure that a Risk Assessment was performed and that a Risk Management Strategy and Fraud Prevention Plan was approved and implemented.

21. Contrary to the requirements of Public Service Regulation 1/III/B2(d) the department did not ensure that a human resource plan was in place for the year under review.
22. In terms of section 2(1)(a)(i) of the Culture Promotion Act, 1983 (Act No. 35 of 1983), the department transferred an amount of R7,5 million during the 2008/9 financial year to the National Arts Council to acquire a recording studio. This transfer was done without the Minister's written approval. A section 21 company was also established to manage the recording studio, without National Treasury being informed in writing of the action.

#### INTERNAL CONTROL

23. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and PPPFA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

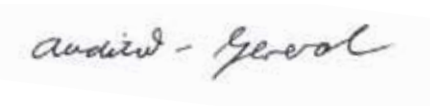
#### Leadership

24. The Accounting Officer failed to ensure that the department has and maintains an effective and efficient system to ensure that predetermined objectives, which describe and represent how the department's process of performance planning, monitoring, measurement, review and reporting will be conducted, are organised and managed. This is also evidenced by instances of non-compliance with the applicable laws and regulations.

#### OTHER REPORTS

##### Investigations

25. During the year under review several forensic investigations were conducted at request of the Minister and Accounting Officer on irregular activities performed by staff members within the department.



Pretoria  
29 July 2010



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Accounting policies for the year ended 31 March 2010

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2006.

### 1. PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS

#### 1.1 Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

#### 1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the department.

#### 1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

#### 1.4 Comparative figures

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.

A comparison between actual and budgeted amounts per major classification of expenditure is included in the appropriation statement.

### 2. REVENUE

#### 2.1 Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund, unless approval has been given by the National/Provincial Treasury to rollover the funds to the subsequent financial year. Amounts owed to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

#### 2.2 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position.

##### 2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties and forfeits).

Tax receipts are recognised in the statement of financial performance when received.

## Accounting policies for the year ended 31 March 2010

### 2.2.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

### 2.2.3 Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory unrequited amounts, which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

### 2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

### 2.2.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the statement of financial performance when the cash is received.

### 2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds. Amounts receivable on the reporting date are disclosed as part of the disclosure notes to the annual financial statements.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheques becomes stale. When the cheques are reissued, payments are made from Revenue.

### 2.2.7 Gifts, donations and sponsorships

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable on the reporting date are disclosed as part of the

disclosure notes to the annual financial statements. All in-kind gifts, donations and sponsorships are disclosed at fair value in the annexures to the annual financial statements.

### 2.3 Local and foreign aid assistance

Local and foreign aid assistance is recognised in the financial records when the Department directly receives the cash from the donor(s). The total cash amount received during the year is reflected in the statement of financial performance as revenue.

In-kind local and foreign aid assistance is disclosed at fair value in the annexures to the annual financial statements

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the statement of financial performance. A receivable is recognised in the statement of financial position to the value of amounts expensed prior to the receipt of the funds.

A payable is raised in the statement of financial position where an amount has been inappropriately expensed using local and foreign aid assistance. Unutilised amounts are recognised in the statement of financial position.

## 3. EXPENDITURE

### 3.1 Compensation of employees

Salaries and wages comprise of payments to employees. Salaries and wages are recognised as expenses in the statement of financial performance when the final authorisations for payments are effected on the system (by no later than 31 March of each year). The expenditure is classified as capital where employees on a full time basis, were involved, on capital projects during the financial year. Capitalised compensation forms part of the expenditure for capital assets categories in the statement of financial performance.

## Accounting policies for the year ended 31 March 2010

All other payments are classified as current expenses.

Social contributions include entities' contributions to social insurance schemes paid on behalf of employees. Social contributions are recognised as expenses in the Statement of Financial Performance when payments are effected on the system.

### 3.1.1 Short-term employee benefits

Short-term employee benefits comprise of leave entitlements, thirteenth cheques and performance bonuses. The cost of short-term employee benefits is expensed as salaries and wages in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Short-term employee benefits that give rise to present legal or constructive obligations are disclosed in the notes to the financial statements. These amounts are not recognised in the statement of financial performance.

### 3.1.2 Long-term employee benefits

#### 3.1.2.1 Termination benefits

Termination benefits such as severance packages are recognised as expenses in the statement of financial performance as transfers when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

#### 3.1.2.2 Post employment retirement benefits

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

### 3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expenses are classified as capital if the goods and services were used on a capital project.

### 3.3 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under-spending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

### 3.4 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority, it is treated as a current asset until it is recovered or written off as irrecoverable.

The amount recovered from the responsible person is recorded as revenue in the statement of financial performance when the funds are received.

### 3.5 Transfers and subsidies

Transfers and subsidies are recognised as expenses when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

## Accounting policies for the year ended 31 March 2010

### 3.6 Expenditure for capital assets

Payments made for capital assets are recognised as expenses in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

## 4. ASSETS

### 4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise of cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### 4.2 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

### 4.3 Receivables

Receivables included in the statement of financial position arise from cash payments that are recoverable from another party, when the payments are made.

Revenue receivable not yet collected is included in the disclosure notes. Amounts that are potentially irrecoverable are disclosed as part of the disclosure notes to the annual financial statements.

### 4.4 Inventory

Inventories on hand at the reporting date are disclosed at cost in the disclosure notes to the annual financial statements.

## 5. LIABILITIES

### 5.1 Payables

Recognised payables mainly comprise of amounts being owed to other governmental entities. These payables are recognised at their nominal amounts in the statement of financial position.

### 5.2 Lease commitments

Lease commitments represent amounts being owed from the reporting date to the end of the lease contract. These commitments are not recognised in the statement of financial position as liabilities or as expenditures in the statement of financial performance but are however disclosed as part of the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed as part of the annexures to the annual financial statements.

### 5.3 Accruals

Accruals represent goods/services that have been received, but either the invoices involved are still awaited from the suppliers or final authorisations for payments have not been effected.

Accruals are not recognised in the statement of financial position as liabilities or as expenditures in the statement of financial performance but are however disclosed as part of the disclosure notes.

## Accounting policies for the year ended 31 March 2010

### 5.4 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and which the existence of will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

A contingent liability is a present obligation that arises from past events but is not recognised because:

- It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed as part of the disclosure notes to the annual financial statements.

## 6. NET ASSETS

### 6.1 Capitalisation reserve

The capitalisation reserve comprises of 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 transferred to the National Revenue Fund on disposal, repayment or recovery of such amounts.

### 6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when payments are made and recognised in a previous financial year becomes recoverable from a debtor.

## 7. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. Senior management includes the Minister and Deputy Ministers responsible for the department, the Director-General, the Deputy Director-General(s) and the Chief Financial Officer.

Compensation paid to key management personnel, including their family members, where relevant, are disclosed as part of the disclosure notes to the annual financial statements.

## Appropriation Statement for the year ended 31 March 2010

	Appropriation per programme							2008/09	
	2009/10			2009/10				Final appropriation	Actual Expenditure
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	%		
<b>1. ADMINISTRATION</b>									
Current payment	140 839	(433)	17 494	157 900	157 893	7	100.0	175 394	175 382
Transfers and subsidies	-	433	2 277	2 710	2 708	2	99.9	2 925	2 923
Payment for capital assets	3 220	-	(434)	2 786	2 249	537	80.7	4 066	4 066
<b>2. ARTS AND CULTURE IN SOCIETY</b>									
Current payment	25 092	13 969	(134)	38 927	38 912	15	100.0	53 454	53 452
Transfers and subsidies	368 446	(13 969)	-	354 477	341 608	12 869	96.4	272 148	272 051
Payment for capital assets	250	-	-	250	95	155	38.0	235	234
<b>3. NATIONAL LANGUAGE SERVICE</b>									
Current payment	38 263	(5 690)	(6 557)	26 016	26 015	1	100.0	22 619	20 728
Transfers and subsidies	54 156	5 690	-	59 846	59 845	1	100.0	71 082	71 081
Payment for capital assets	900	-	-	900	58	842	6.4	894	894
<b>4. CULTURAL DEVELOPMENT AND INTERNATIONAL CO-OPERATION</b>									
Current payment	35 483	31 459	457	67 399	67 394	5	100.0	66 086	66 063
Transfers and subsidies	178 130	(31 459)	(14 939)	131 732	90 672	41 060	68.8	124 393	121 849
Payment for capital assets	470	-	36	506	505	1	99.8	459	459



## Appropriation Statement for the year ended 31 March 2010

## Appropriation per programme (continued)

	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>5. HERITAGE PROMOTION</b>									
Current payment	24 219	5 472	7 420	37 111	37 110	1	100.0	23 319	23 319
Transfers and subsidies	1 194 237	(5 472)	-	1 188 765	837 085	351 680	70.4	887 098	845 856
Payment for capital assets	394	-	(306)	88	87	1	98.9	189	188
<b>6. NATIONAL ARCHIVES, RECORDS, LIBRARIES AND HERALDIC SERVICE</b>									
Current payment	51 477	-	(3 203)	48 274	48 274	-	100.0	38 070	38 065
Transfers and subsidies	515 734	-	(2 779)	512 955	512 953	2	100.0	417 755	417 755
Payment for capital assets	800	-	668	1 468	1 468	-	100.0	131	131
<b>Total</b>	<b>2 632 110</b>	<b>-</b>	<b>-</b>	<b>2 632 110</b>	<b>2 224 931</b>	<b>407 179</b>	<b>84.5</b>	<b>2 160 317</b>	<b>2 114 496</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b>									
Departmental receipts				1 097				3 554	
Aid assistance				161				882	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>2 633 368</b>				<b>2 164 753</b>	
<b>Add:</b>									
Aid assistance					161				882
<b>Actual amounts per Statement of Financial Performance Expenditure</b>					<b>2 225 092</b>				<b>2 115 378</b>

## Appropriation Statement for the year ended 31 March 2010

## Appropriation per Economic classification

	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>									
Compensation of employees	146 278	-	-	146 278	146 271	7	100.0	128 770	126 848
Goods and services	169 095	44 498	15 071	228 664	228 665	(1)	100.0	249 704	249 697
Financial transactions in assets and liabilities	-	272	406	678	674	4	99.4	468	465
<b>Transfers and subsidies</b>									
Provinces and municipalities	440 600	-	-	440 600	440 600	-	100.0	344 646	344 646
Departmental agencies and accounts	1 577 404	433	-	1 577 837	1 220 548	357 289	77.4	1 236 171	1 195 033
Households	292 699	(45 203)	(15 441)	232 055	183 710	48 345	79.2	194 584	191 836
<b>Payment for capital assets</b>									
Machinery and equipment	6 034	-	(36)	5 998	4 463	1 535	74.4	5 974	5 971
<b>Total</b>	<b>2 632 110</b>	<b>-</b>	<b>-</b>	<b>2 632 110</b>	<b>2 224 931</b>	<b>407 179</b>	<b>84.5</b>	<b>2 160 317</b>	<b>2 114 496</b>

## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 1- ADMINISTRATION

Details per Subprogramme	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>1.1 MINISTER</b>									
Current payment	1 709	-	(74)	1 635	1 634	1	99.9	1 315	1 315
<b>1.2 DEPUTY MINISTER</b>									
Current payment	1 407	-	(15)	1 392	1 391	1	99.9	1 178	1 178
<b>1.3 MANAGEMENT</b>									
Current payment	53 262	(11 227)	(2 339)	39 696	39 695	1	100.0	102 262	102 262
<b>1.4 CORPORATE SERVICES</b>									
Current payment	37 679	10 794	15 464	63 937	63 935	2	100.0	24 422	24 411
Transfers and subsidies		433	2 277	2 710	2 708	2	99.9	2 925	2 923
Payment for capital assets	3 220	-	(434)	2 786	2 249	537	80.7	4 066	4 066
<b>1.5 PROPERTY MANAGEMENT</b>									
Current payment	46 782	-	4 458	51 240	51 238	2	100.0	46 217	46 216
<b>Total</b>	<b>144 059</b>	<b>-</b>	<b>19 337</b>	<b>163 396</b>	<b>162 850</b>	<b>546</b>	<b>99.7</b>	<b>182 385</b>	<b>182 371</b>

## Appropriation Statement for the year ended 31 March 2010

## Detail per programme 1- ADMINISTRATION

Programme 1 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>									
Compensation of employees	61 564		(2 904)	58 660	58 656	4	100.0	52 131	52 120
Goods and services	79 275	(597)	20 398	99 076	99 073	3	100.0	123 194	123 194
Financial transactions in assets and liabilities	-	164	-	164	164	-	100.0	69	69
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	-	433	-	433	432	1	99.8	-	-
Households	-	-	2 277	2 277	2 276	1	100.0	2 925	2 923
<b>Payment for capital assets</b>									
Machinery and equipment	3 220	-	(434)	2 786	2 249	537	80.7	4 066	4 065
<b>Total</b>	<b>144 059</b>	<b>-</b>	<b>19 337</b>	<b>163 396</b>	<b>162 850</b>	<b>546</b>	<b>99.7</b>	<b>182 385</b>	<b>182 371</b>

## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 2 – ARTS AND CULTURE IN SOCIETY

Details per Sub-Programme	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>2.1 PROMOTION OF ARTS AND CULTURE IN SA</b>									
Current payment	25 092	13 969	(134)	38 927	38 912	15	100.0	53 454	53 452
Transfers and subsidies	289 924	(13 969)	-	275 955	263 086	12 869	95.3	199 295	199 198
Payment for capital assets	250	-	-	250	95	155	38.0	235	234
<b>2.2 NATIONAL ARTS COUNCIL</b>									
Transfers and subsidies	78 522	-	-	78 522	78 522	-	100.0	72 853	72 853
<b>Total</b>	<b>393 788</b>	<b>-</b>	<b>(134)</b>	<b>393 654</b>	<b>380 615</b>	<b>13 039</b>	<b>96.7</b>	<b>325 837</b>	<b>325 737</b>

## Detail per Programme 2 – ARTS AND CULTURE IN SOCIETY

Programme 2 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>									
Compensation of employees	10 627		(134)	10 493	10 492	1	100.0	8 192	8 191
Goods and services	14 465	13 954	-	28 419	28 419	-	100.0	45 108	45 108
Interest and rent on land	-	-	-	-	-	-	0.0	-	-
Financial transactions in assets and liabilities	-	8	-	8	-	-	87.5	154	153
<b>Transfers and subsidies</b>									
Provinces & municipalities	-	-	-	-	-	-	0.0	-	-
Departmental agencies and accounts	243 705	-	-	243 705	243 705	-	100.0	227 267	227 267
Universities & technikons	-	-	-	-	-	-	0.0	-	-
Foreign governments & international organisations	-	-	-	-	-	-	0.0	-	-
Public corporations & private enterprises	-	-	-	-	-	-	0.0	-	-
Non-profit institutions	-	-	-	-	-	-	0.0	-	-
Households	124 741	(13 962)	-	110 779	97 897	12 882	88.4	44 881	44 784
<b>Payment for capital assets</b>									
Buildings & other fixed structures	-	-	-	-	-	-	0.0	-	-
Machinery & equipment	250	-	-	250	95	155	38.0	235	234
Biological assets	-	-	-	-	-	-	0.0	-	-
Software & other intangible assets	-	-	-	-	-	-	0.0	-	-
Land & subsoil assets	-	-	-	-	-	-	0.0	-	-
<b>Total</b>	<b>393 788</b>	<b>-</b>	<b>(134)</b>	<b>393 654</b>	<b>380 615</b>	<b>13 039</b>	<b>96.7</b>	<b>325 837</b>	<b>325 737</b>

## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 3 – NATIONAL LANGUAGE SERVICE

Details per Sub-Programme	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>3.1 NATIONAL LANGUAGE SERVICE</b>									
Current payment	38 263	(5 690)	(6 557)	26 016	26 015	1	100.0	22 619	20 728
Transfers and subsidies	4 000	5 690	-	9 690	9 689	1	100.0	23 631	23 630
Payment for capital assets	900	-	-	900	58	842	6.4	894	894
<b>3.2 PAN SA LANGUAGE BOARD</b>									
Transfers and subsidies	50 156	-	-	50 156	50 156	-	100.0	47 451	47 451
<b>Total</b>	<b>93 319</b>	<b>-</b>	<b>(6 557)</b>	<b>86 762</b>	<b>85 918</b>	<b>844</b>	<b>99.0</b>	<b>94 595</b>	<b>92 703</b>

## Appropriation Statement for the year ended 31 March 2010

## Detail per programme 3 – NATIONAL LANGUAGE SERVICE

Programme 3 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>									
Compensation of employees	16 570		731	17 301	17 301	-	100.0	16 600	14 712
Goods and services	21 693	(5 694)	(7 288)	8 711	8 709	2	100.0	6 014	6 011
Financial transactions in assets and liabilities	-	4	-	4	4	-	100.0	5	5
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	50 156	-	-	50 156	50 156	-	100.0	47 451	47 451
Households	4 000	5 690	-	9 690	9 689	1	100.0	23 631	23 630
<b>Payment for capital assets</b>									
Machinery and equipment	900	-	-	900	59	841	6.6	894	894
<b>Total</b>	<b>93 319</b>	<b>-</b>	<b>(6 557)</b>	<b>86 762</b>	<b>85 918</b>	<b>844</b>	<b>99.0</b>	<b>94 595</b>	<b>92 703</b>



## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 4- CULTURAL DEVELOPMENT AND INTERNATIONAL CO-OPERATION

Details per Sub-Programme	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>4.1 CULTURAL DEVELOPMENT</b>									
Current payment	6 627	8 264	457	15 348	15 348	-	100.0	8 526	8 509
Transfers and subsidies	27 011	2 053		29 064	29 054	10	100.0	30 351	30 350
Payment for capital assets	-	68	36	104	104	-	100.0		
<b>4.2 INVESTING IN CULTURE</b>									
Current payment	12 855	14 350	-	27 205	27 203	2	100.0	12 637	12 634
Transfers and subsidies	93 094	(25 659)	(14 939)	52 496	11 750	40 746	22.4	45 498	42 956
Payment for capital assets	-	118	-	118	118	-	100.0	-	-
<b>4.3 INTERNATIONAL CO-OPERATION</b>									
Current payment	16 001	8 845	-	24 846	24 843	3	100.0	44 923	44 920
Transfers and subsidies	18 889	(7 853)	-	11 036	10 732	304	97.2	10 649	10 648
Payment for capital assets	470	(186)	-	284	283	1	99.6	459	459
<b>4.4 NATIONAL FILM AND VIDEO FOUNDATION</b>									
Transfers and subsidies	39 136	-	-	39 136	39 136	-	100.0	37 895	37 895
<b>Total</b>	<b>214 083</b>	<b>-</b>	<b>(14 446)</b>	<b>199 637</b>	<b>158 571</b>	<b>41 066</b>	<b>79.4</b>	<b>190 938</b>	<b>188 371</b>

## Appropriation Statement for the year ended 31 March 2010

## Detail per programme 4- CULTURAL DEVELOPMENT AND INTERNATIONAL CO-OPERATION

Programme 4 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>Current payments</b>									
Compensation of employees	21 947	-	457	22 404	22 402	2	100.0	19 355	19 335
Goods and services	13 536	31 366		44 902	44 901	1	100.0	46 529	46 527
Financial transactions in assets and liabilities	-	93	-	93	91	2	97.8	202	201
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	39 136	-	-	39 136	39 136	-	100.0	37 895	37 895
Households	138 994	(31 459)	(14 939)	92 596	51 536	41 060	55.7	86 498	83 954
<b>Payment for capital assets</b>									
Machinery and equipment	470	-	36	506	505	1	99.8	459	459
<b>Total</b>	<b>214 083</b>	<b>-</b>	<b>(14 446)</b>	<b>199 637</b>	<b>158 571</b>	<b>41 066</b>	<b>79.4</b>	<b>190 938</b>	<b>188 371</b>

## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 5- HERITAGE PROMOTION

Details per Sub-Programme	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
<b>5.1 HERITAGE INSTITUTIONS</b>									
Transfers and subsidies	533 140	-	-	533 140	533 140	-	100.0	481 606	480 573
<b>5.2 SA HERITAGE RESOURCES AGENCY</b>									
Transfers and subsidies	33 845	-	-	33 845	33 845	-	100.0	31 382	31 382
<b>5.3 PROMOTION OF HERITAGE</b>									
Current payment	24 219	5 472	7 420	37 111	37 110	1	100.0	23 319	23 319
Transfers and subsidies	20 278	(5 472)		14 806	14 805	1	100.0	24 214	24 213
Payment for capital assets	394		(306)	88	87	1	98.9	189	188
<b>5.4 SA GEOGRAPHICAL NAMES COUNCIL</b>				-					
Transfers and subsidies	5 609	-	-	5 609	5 609	-	100.0	5 241	5 138
<b>5.5 CAPITAL WORKS</b>									
Transfers and subsidies	601 365	-	-	601 365	249 686	351 679	41.5	344 655	304 550
<b>Total</b>	<b>1 218 850</b>	<b>-</b>	<b>7 114</b>	<b>1 225 964</b>	<b>874 282</b>	<b>351 682</b>	<b>71.3</b>	<b>910 606</b>	<b>869 363</b>

## Appropriation Statement for the year ended 31 March 2010

## Detail per programme 5- HERITAGE PROMOTION

Programme 5 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	9 606		214	9 820	9 820	-	100.0	9 894	9 894
Goods and services	14 613	5 469	7 206	27 288	27 288	-	100.0	13 415	13 415
Financial transactions in assets and liabilities	-	3	-	3	2	1	66.7	10	10
Transfers and subsidies									
Departmental agencies and accounts	1 173 959	-	-	1 173 959	822 280	351 679	70.0	857 643	816 505
Households	20 278	(5 472)	-	14 806	14 805	1	100.0	29 455	29 351
Payment for capital assets									
Machinery and equipment	394	-	(306)	88	87	1	98.9	189	188
<b>Total</b>	<b>1 218 850</b>	<b>-</b>	<b>7 114</b>	<b>1 225 964</b>	<b>874 282</b>	<b>351 682</b>	<b>71.3</b>	<b>910 606</b>	<b>869 363</b>

## Appropriation Statement for the year ended 31 March 2010

### Detail per programme 6- NATIONAL ARCHIVES, RECORDS, LIBRARIES AND HERALDIC SERVICES

Details per Sub-Programme	2009/10							2008/09	
	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
<b>6.1 NATIONAL ARCHIVES OF SA</b>									
Current payment	51 477		(3 203)	48 274	48 274	-	100.0	38 070	38 065
Transfers and subsidies	445 286	-	(2 779)	442 507	442 505	2	100.0	351 840	351 840
Payment for capital assets	800	-	668	1 468	1 468	-	100.0	131	131
<b>6.2 NATIONAL LIBRARY SERVICES</b>									
Transfers and subsidies	70 448	-	-	70 448	70 448	-	100.0	65 915	65 915
<b>Total</b>	<b>568 011</b>	<b>-</b>	<b>(5 314)</b>	<b>562 697</b>	<b>562 695</b>	<b>2</b>	<b>100.0</b>	<b>455 956</b>	<b>455 951</b>

## Appropriation Statement for the year ended 31 March 2010

## Detail per programme 6- NATIONAL ARCHIVES, RECORDS, LIBRARIES AND HERALDIC SERVICES

Programme 6 Per Economic classification	2009/10							2008/09	
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	25 964	-	1 636	27 600	27 600	-	100.0	22 598	22 596
Goods and services	25 513	-	(5 245)	20 268	20 268	-	100.0	15 444	15 442
Financial transactions in assets and liabilities	-	-	406	406	406	-	100.0	28	27
Transfers and subsidies									
Provinces and municipalities	440 600	-	-	440 600	440 600	-	100.0	344 646	344 646
Departmental agencies and accounts	70 448	-	-	70 448	70 448	-	100.0	65 915	65 915
Households	4 686	-	(2 779)	1 907	1 905	2	99.9	7 194	7 194
Payment for capital assets				-					
Machinery and equipment	800	-	668	1 468	1 468	-	100.0	131	131
<b>Total</b>	<b>568 011</b>	<b>-</b>	<b>(5 314)</b>	<b>562 697</b>	<b>562 695</b>	<b>2</b>	<b>100.0</b>	<b>455 956</b>	<b>455 951</b>

## Notes to the Appropriation Statement for the year ended 31 March 2010

### 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-D) 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 financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in the note to Financial transactions in assets and liabilities to the Annual Financial Statements.

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

#### 4.1 Per programme:

	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Variance as a % of final appropriation %
Programme 2: Arts and Culture in Society Ongoing 2010 Soccer World Cup projects	393 654	380 615	13 039	3.31
Programme 4: Cultural Development and International Co-operation Ongoing financial assistance (second payments) projects	199 637	158 571	41 066	20.57
Programme 5: Heritage Promotion Ongoing Capital Works projects	1 225 964	874 282	351 682	28.69

#### 4.2 Per economic classification:

##### Current expenditure

Compensation of employees	146 278	146 271	7	0.005
Goods and services	228 664	228 658	6	0.003
Financial transactions in assets and liabilities	678	674	4	0.59

##### Transfers and subsidies

Provinces and municipalities	440 600	440 600	-	0.00
Departmental agencies and accounts	1 577 837	1 226 157	351 680	22.29
Households	232 055	178 108	53 947	23.25

##### Payments for capital assets

Machinery and equipment	5 998	4 463	1 535	25.59
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## Statement of Financial Performance for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>REVENUE</b>			
Annual appropriation	1	2 632 110	2 160 317
Departmental revenue	2	1 097	3 554
Aid assistance	3	161	882
<b>TOTAL REVENUE</b>		<b>2 633 368</b>	<b>2 164 753</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	146 271	126 848
Goods and services	5	228 658	249 697
Financial transactions in assets and liabilities	6	674	465
Aid assistance	3	161	882
<b>Total current expenditure</b>		<b>375 764</b>	<b>377 892</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	1 844 865	1 731 515
<b>Expenditure for capital assets</b>			
Tangible capital assets	8	4 463	5 971
<b>Total expenditure for capital assets</b>		<b>4 463</b>	<b>5 971</b>
<b>TOTAL EXPENDITURE</b>		<b>2 225 092</b>	<b>2 115 378</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>408 276</b>	<b>49 375</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds	12	407 179	45 821
Departmental revenue	13	1 097	3 554
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>408 276</b>	<b>49 375</b>



## Statement of Financial Position as at 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	9	406 592	44 257
Prepayments and advances	10	457	1 086
Receivables	11	213	520
<b>TOTAL ASSETS</b>		<b>407 262</b>	<b>45 863</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	12	407 179	45 821
Departmental revenue to be surrendered to the Revenue Fund	13	34	9
Payables	14	49	33
<b>TOTAL LIABILITIES</b>		<b>407 262</b>	<b>45 863</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>

## Cash Flow Statement for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
		<b>2 633 368</b>	<b>2 164 753</b>
Annual appropriated funds received	1.1	2 632 110	2 160 317
Departmental revenue received	2	1 097	3 554
Aid assistance received	3	161	882
Net (increase)/ decrease in working capital		952	(1 224)
Surrendered to Revenue Fund		(46 893)	(25 487)
Current payments		(375 764)	(377 892)
Transfers and subsidies paid		(1 844 865)	(1 731 515)
Net cash flow available from operating activities	15	366 798	28 635
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(4 463)	(5 971)
Net cash flows from investing activities		(4 463)	(5 971)
Net increase/ (decrease) in cash and cash equivalents		362 335	22 664
Cash and cash equivalents at beginning of period		44 257	21 593
<b>Cash and cash equivalents at end of period</b>	<b>16</b>	<b>406 592</b>	<b>44 257</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Final appropriation	Actual funds received	Funds not requested/ not received	Appropriation received 2008/2009
<b>1 ANNUAL APPROPRIATION</b>				
<b>1.1 Annual appropriation</b>				
<b>Programmes</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Administration	163 396	144 059	19 337	122 095
Arts and Culture in Society	393 654	393 788	(134)	340 488
National Language Service	86 762	93 319	(6 557)	102 757
Cultural Development and International Co-operation	199 637	214 083	(14 446)	213 970
Heritage Promotion	1 225 964	1 218 850	7 114	912 378
National Archives, Records, Libraries And Heraldic Services	562 697	568 011	(5 314)	468 629
<b>Total</b>	<b>2 632 110</b>	<b>2 632 110</b>	<b>-</b>	<b>2 160 317</b>
<b>2 DEPARTMENTAL REVENUE</b>				
		<b>Note</b>	<b>2009/10 R'000</b>	<b>2008/09 R'000</b>
Tax revenue			-	-
Sales of goods and services other than capital assets		2.1	249	238
Fines, penalties and forfeits		2.2	-	1
Interest, dividends and rent on land		2.3	12	25
Financial transactions in assets and liabilities		2.4	836	3 290
<b>Departmental revenue collected</b>			<b>1 097</b>	<b>3 554</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>2 DEPARTMENTAL REVENUE (continued)</b>			
<b>2.1 Sales of goods and services other than capital assets</b>	<b>2</b>		
Sales of goods and services produced by the department		248	237
Sales by market establishment		12	9
Administrative fees		6	1
Other sales		230	227
Sales of scrap, waste and other used current goods		1	1
<b>Total</b>		<b>249</b>	<b>238</b>
<b>2.2 Fines, penalties and forfeits</b>	<b>2</b>		
Fines		-	1
<b>Total</b>		<b>-</b>	<b>1</b>
<b>2.3 Interest, dividends and rent on land</b>	<b>2</b>		
Interest		12	25
<b>Total</b>		<b>12</b>	<b>25</b>
<b>2.4 Financial transactions in assets and liabilities</b>	<b>2</b>		
Receivables		51	96
Other Receipts including Recoverable Revenue		785	3,194
<b>Total</b>		<b>836</b>	<b>3,290</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>3 AID ASSISTANCE</b>			
<b>3.1 Aid assistance received in cash from RDP</b>			
<b>Foreign</b>			
Opening balance		-	-
Revenue		161	882
Expenditure		(161)	(882)
Current		(161)	(882)
Surrendered to the RDP		-	-
<b>Closing Balance</b>		-	-
<b>4 COMPENSATION OF EMPLOYEES</b>			
<b>4.1 Salaries and wages</b>			
Basic salary		97 434	85 007
Performance award		5 384	4 366
Service based		535	297
Compensative/circumstantial		3 283	3 433
Other non-pensionable allowances		21 977	19 313
<b>Total</b>		<b>128 613</b>	<b>112 416</b>
<b>4.2 Social Contributions</b>			
<b>Employer contributions</b>			
Pension		12 535	10 263
Medical		5 108	4 059
Bargaining council		15	110
<b>Total</b>		<b>17 658</b>	<b>14 432</b>
<b>Total compensation of employees</b>		<b>146 271</b>	<b>126 848</b>
<b>Average number of employees</b>		<b>486</b>	<b>462</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>5 GOODS AND SERVICES</b>			
Goods and services			
Administrative fees		264	340
Advertising		11 392	6 052
Assets less than R5 000	5.1	1 095	2 495
Bursaries (employees)		747	453
Catering		3 742	3 807
Communication		8 803	8 586
Computer services	5.2	5 042	9 886
Consultants, contractors and agency/outsourced services	5.3	59 216	52 475
Entertainment		499	617
Audit cost - external	5.4	7 737	4 457
Inventory	5.5	9 053	10 081
Operating leases		32 391	35 030
Owned and leasehold property expenditure	5.6	18 918	11 735
Travel and subsistence	5.7	58 276	81 624
Venues and facilities		7 697	17 133
Training and staff development		3 251	4 533
Other operating expenditure	5.8	542	393
<b>Total</b>		<b>228 665</b>	<b>249 697</b>
<b>5.1 Assets less than R5 000</b>			
<b>Tangible assets</b>		<b>1 095</b>	<b>2 495</b>
Machinery and equipment		1 095	2 495
<b>Total</b>		<b>1 095</b>	<b>2 495</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>5 GOODS AND SERVICES (continued)</b>			
<b>5.2 Computer services</b>	<b>5</b>		
SITA computer services		5 042	9 886
<b>Total</b>		<b>5 042</b>	<b>9 886</b>
<b>5.3 Consultants, contractors and agency/outsourced services</b>	<b>5</b>		
Business and advisory services		394	1 746
Legal costs		2 980	1 110
Agency and support/outsourced services		55 842	49 619
<b>Total</b>		<b>59 216</b>	<b>52 475</b>
<b>5.4 Audit cost – external</b>	<b>5</b>		
Regularity audi		4 465	3 513
Forensic Investigations		3 272	944
<b>Total</b>		<b>7 737</b>	<b>4 457</b>
<b>5.5 Inventory</b>	<b>5</b>		
Fuel, oil and gas		127	186
Other consumable materials		3 238	1 419
Stationery and printing		5 688	8 476
<b>Total</b>		<b>9 053</b>	<b>10 081</b>
<b>5.6 Owned and leasehold property expenditure</b>	<b>5</b>		
Municipal services		18 918	11 735
<b>Total</b>		<b>18 918</b>	<b>11 735</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>5.7 Travel and subsistence</b>			
Local		38 792	41 167
Foreign		19 484	40 457
<b>Total</b>		<b>58 276</b>	<b>81 624</b>
<b>5.8 Other operating expenditure</b>	<b>5</b>		
Resettlement costs		295	277
Other		247	116
<b>Total</b>		<b>542</b>	<b>393</b>
<b>6 FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES</b>			
Other material losses written off	6.1	674	465
<b>Total</b>		<b>674</b>	<b>465</b>
<b>6.1 Other material losses written off</b>	<b>6</b>		
<b>Nature of losses</b>			
Damage to hired vehicles		674	465
<b>Total</b>		<b>674</b>	<b>465</b>
An amount of R134 850 that was included in the 2009/10 financial year was approved to be written-off in the 2008/09 financial year			
<b>7 TRANSFERS AND SUBSIDIES</b>			
Provinces and municipalities	ANNEXURE 1A	440 600	344 646
Departmental agencies and accounts	ANNEXURE 1B	1 220 116	1 195 033
Households	ANNEXURE 1C	183 710	191 735
Gifts, donations and sponsorships made	ANNEXURE 1D	432	101
<b>Total</b>		<b>1 844 858</b>	<b>1 731 515</b>



## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>8 EXPENDITURE FOR CAPITAL ASSETS</b>			
Tangible assets		4 463	5 971
Machinery and equipment	26	4 463	5 971
<b>Total</b>		<b>4 463</b>	<b>5 971</b>
	<b>Voted funds R'000</b>	<b>Aid assistance R'000</b>	<b>Total R'000</b>
<b>8.1 Analysis of funds utilised to acquire capital assets- 2009/10</b>			
Tangible assets	4 463	-	4 463
Machinery and equipment	4 463	-	4 463
<b>Total</b>	<b>4 463</b>	<b>-</b>	<b>4 463</b>
	<b>Voted funds R'000</b>	<b>Aid assistance R'000</b>	<b>Total R'000</b>
<b>8.2 Analysis of funds utilised to acquire capital assets- 2008/09</b>			
Tangible assets	5 971	-	5 971
Machinery and equipment	5 971	-	5 971
<b>Total</b>	<b>5 971</b>	<b>-</b>	<b>5 971</b>
	Note	2009/10 R'000	2008/09 R'000
<b>9 CASH AND CASH EQUIVALENTS</b>			
Consolidated Paymaster General Account		406 592	44 257
<b>Total</b>		<b>406 592</b>	<b>44 257</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>10 PREPAYMENTS AND ADVANCES</b>			
Travel and subsistence		457	1,086
<b>Total</b>		<b>457</b>	<b>1,086</b>

	Note	2009/10			Total R'000	2008/09 R'000
		Less than one year R'000	One to three years R'000	Older than three years R'000		
<b>11 RECEIVABLES</b>						
Claims recoverable	11.1					
	Annex 3	17	-	-	17	70
Recoverable expenditure	11.2	114	-	-	114	393
Staff debt	11.3	82	-	-	82	57
<b>Total</b>		<b>213</b>	<b>-</b>	<b>-</b>	<b>213</b>	<b>520</b>

	Note	2009/10 R'000	2008/09 R'000
<b>11.1 Claims recoverable</b>			
National departments	11	17	70
<b>Total</b>		<b>17</b>	<b>70</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>11.2 Recoverable expenditure (disallowance accounts)</b>	<b>11</b>		
Possible amounts recoverable in terms of losses incurred		95	499
Salary Deduction Disallowance Account		18	(107)
Other		1	1
<b>Total</b>		<b>114</b>	<b>393</b>
<b>11.3 Staff debt</b>	<b>11</b>		
Bursary debts		17	-
Other		-	57
Salary and Leave debts		65	-
<b>Total</b>		<b>82</b>	<b>57</b>
<b>12 VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND</b>			
Opening balance		45 821	21 920
Transfer from statement of financial performance		407 179	45 821
Paid during the year		(45 821)	(21 920)
<b>Closing balance</b>		<b>407 179</b>	<b>45 821</b>
<b>13 DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND</b>			
Opening balance		9	22
Transfer from Statement of Financial Performance		1 097	3 554
Paid during the year		(1 072)	(3 567)
<b>Closing balance</b>		<b>34</b>	<b>9</b>

## Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>14 PAYABLES-CURRENT</b>			
Other payables	14.1	49	33
<b>Total</b>		<b>49</b>	<b>33</b>
<b>14.1 Other payables</b>	<b>14</b>		
(Identify major categories but list material amounts)			
Tax RSA		49	30
Pension deduction		-	3
<b>Total</b>		<b>49</b>	<b>33</b>
<b>15 NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES</b>			
Net surplus/(deficit) as per Statement of Financial Performance		408 276	49 375
Add back non cash/cash movements not deemed operating activities		(41 478)	(20 740)
(Increase)/decrease in receivables - current		307	(272)
(Increase)/decrease in prepayments and advances		629	(954)
Increase/(decrease) in payables - current		16	2
Expenditure on capital assets		4 463	5 971
Surrenders to Revenue Fund		(46 893)	(25 487)
<b>Net cash flow generated by operating activities</b>		<b>366 798</b>	<b>28 635</b>
<b>16 RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES</b>			
Consolidated Paymaster General account		406 592	44 257
<b>Total</b>		<b>406 592</b>	<b>44 257</b>

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

		Note	2009/10 R'000	2008/09 R'000
<b>17</b>	<b>CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
<b>17.1</b>	<b>Contingent liabilities</b>			
	Liable to			
	Nature			
	Motor vehicle guarantees	Annex 2	17	360
	Housing loan guarantees	Annex 2	479	766
	<b>Total</b>		<b>496</b>	<b>1 126</b>
<b>18</b>	<b>COMMITMENTS</b>			
	Current expenditure			
	Approved and contracted		36 809	16 895
	<b>Total Commitments</b>		<b>36 809</b>	<b>16 895</b>
<b>19</b>	<b>ACCRUALS</b>			
	Listed by economic classification			
	Goods and services			
		30 days	30+ days	Total
		6 558	15 897	22 455
	<b>Total</b>	<b>6 558</b>	<b>15 897</b>	<b>22 455</b>
		Note	2009/10 R'000	2008/09 R'000
	<b>Listed by programme level</b>			
	Administration		18 254	-
	Arts and Culture in Society		113	-
	National Language Service		99	-
	Cultural Development and International Co-operation		1 397	-
	Heritage Promotion		1 313	-
	National Archives, Records, Libraries and Heraldic		1 279	9 035
	<b>Total</b>		<b>22 455</b>	<b>9 035</b>

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
<b>20 EMPLOYEE BENEFITS</b>			
Leave entitlement		10 057	8 336
Service bonus (Thirteenth cheque)		3 659	3 161
Performance awards		2 194	3 570
<b>Total</b>		<b>15 910</b>	<b>15 067</b>

	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>21 LEASE COMMITMENTS</b>				
<b>21.1 Operating leases expenditure 2009/10</b>				
Not later than 1 year	–	6 518	4 051	10 569
Later than 1 year and not later than 5 years	–	160	7 427	7 587
<b>Total present value of lease liabilities</b>	<b>–</b>	<b>6 678</b>	<b>11 478</b>	<b>18 156</b>

	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>2008/09</b>				
Not later than 1 year	–	7 935	6 830	14 765
Later than 1 year and not later than 5 years	–	6 303	8 102	14 405
<b>Total present value of lease liabilities</b>	<b>–</b>	<b>14 238</b>	<b>14 932</b>	<b>29 170</b>

The 2008/2009 financial figures was adjusted to include Building Leases

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	Land	Buildings and other fixed structures	Machinery and equipment	Total
<b>21 LEASE COMMITMENTS</b>				
<b>21.2 Finance leases expenditure</b>				
<b>2009/10</b>				
Not later than 1 year	-	-	473	473
Later than 1 year and not later than 5 years	-	-	755	755
<b>Total present value of lease liabilities</b>	-	-	<b>1 228</b>	<b>1 228</b>
<b>2008/09</b>				
Not later than 1 year	-	-	381	381
Later than 1 year and not later than 5 years	-	-	342	342
<b>Total present value of lease liabilities</b>	-	-	<b>723</b>	<b>723</b>

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	2009/10 R'000	2008/09 R'000
<b>22 IRREGULAR EXPENDITURE</b>		
<b>22.1 Reconciliation of irregular expenditure</b>		
Opening balance	60 771	54 503
Add: Irregular expenditure-relating to current year	-	6 268
<b>Irregular expenditure awaiting condonation</b>	<b>60 771</b>	<b>60 771</b>
<b>Analysis of awaiting condonation per age classification</b>		
Current year	-	6 268
Prior years	60 771	54 503
<b>Total</b>	<b>60 771</b>	<b>60 771</b>
The Special Investigation Unit (SIU) was requested to investigate the possible irregular expenditure.		
<b>23 FRUITLESS AND WASTEFUL EXPENDITURE</b>		
<b>23.1 Reconciliation of fruitless and wasteful expenditure</b>		
Opening balance	496	
Fruitless and wasteful expenditure - relating to current year	-	496
<b>Fruitless and wasteful expenditure awaiting condonement</b>	<b>496</b>	<b>496</b>
<b>Analysis of awaiting condonement per economic classification</b>		
Current	496	496
<b>Total</b>	<b>496</b>	<b>496</b>
Possible under recovery of cell phone costs still under investigation.		
<b>24 RELATED PARTY TRANSACTIONS</b>		
<b>Payments made</b>		
Transfers	958 430	879 483
<b>Total</b>	<b>958 430</b>	<b>879 483</b>



## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	No. of Individuals	2009/10 R'000	2008/09 R'000
<b>25 KEY MANAGEMENT PERSONNEL</b>			
Political office bearers (provide detail below)	2	3 991	1 981
Officials:			
Level 15 to 16	3	2 161	2 184
Level 14	15	9 451	8 921
<b>Total</b>		<b>15 603</b>	<b>13 086</b>

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>26 MOVABLE TANGIBLE CAPITAL ASSETS</b>					
<b>MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010</b>					
<b>HERITAGE ASSETS</b>	2 269	-	-	-	2 269
Heritage assets	2 269	-	-	-	2 269
<b>MACHINERY AND EQUIPMENT</b>	30 400	1 679	4 463	-	36 542
Transport assets	394	746	-	-	1 140
Computer equipment	10 210	686	3 103	-	13 999
Furniture and office equipment	19 315	267	1 290	-	20 872
Other machinery and equipment	481	(20)	70	-	531
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>32 669</b>	<b>1 679</b>	<b>4 463</b>	<b>-</b>	<b>38 811</b>

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	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
<b>Additions</b>					
<b>ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010</b>					
<b>MACHINERY AND EQUIPMENT</b>	<b>4 463</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 463</b>
Computer equipment	3 103	-	-	-	3 103
Furniture and office equipment	1 290	-	-	-	1 290
Other machinery and equipment	70	-	-	-	70
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>4 463</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 463</b>

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>Movement for 2008/09</b>				
<b>MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009</b>				
<b>HERITAGE ASSETS</b>	-	2 269	-	2 269
Heritage assets	-	2 269	-	2 269
<b>MACHINERY AND EQUIPMENT</b>	24 429	5 971	-	30 400
Transport assets	394	-	-	394
Computer equipment	5 172	5 038	-	10 210
Furniture and office equipment	18 401	914	-	19 315
Other machinery and equipment	462	19	-	481
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	24 429	8 240	-	32 669

## Disclosure Notes to the Annual Financial Statements for the year ended 31 March 2010

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
<b>Minor assets</b>					
<b>MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010</b>					
Minor assets	-	-	1 095	-	1 095
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>1 095</b>	<b>-</b>	<b>1 095</b>
Number of minor assets at cost		-	594		594
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>594</b>		<b>594</b>
<b>MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2009</b>					
Minor Assets	-	-	2 495	-	2 495
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>2 495</b>	<b>-</b>	<b>2 495</b>
Number of minor assets		1 250			1 250
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>1 250</b>	<b>-</b>	<b>1 250</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 1A											
STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES											
NAME OF PROVINCE/ GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2008/2009
	Division of Revenue Act	Roll Overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	% 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
Eastern Cape	55 515	-	-	55 515	55 515	-	-	55 515	50 592	91	42 588
Free State	40 315	-	-	40 315	40 315	-	-	40 315	40 191	100	31 126
Gauteng	46 043	-	-	46 043	46 043	-	-	46 043	46 043	100	35 321
KwaZulu-Natal	34 147	-	-	34 147	34 147	-	-	34 147	30 597	90	26 195
Limpopo	55 956	-	-	55 956	55 956	-	-	55 956	53 445	96	48 404
Mpumalanga	55 956	-	-	55 956	55 956	-	-	55 956	57 154	102	43 212
Northern Cape	58 820	-	-	58 820	58 820	-	-	58 820	57 575	98	45 806
North West	52 872	-	-	52 872	52 872	-	-	52 872	41 406	78	40 560
Western Cape	40 976	-	-	40 976	40 976	-	-	40 976	41 072	100	31 434
	<b>440 600</b>	-	-	<b>440 600</b>	<b>440 600</b>	-	-	<b>440 600</b>	<b>418 075</b>		<b>344 646</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 1B							
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS							
DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2008/2009
	Adjusted appropriation R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available fund transferred %	Appropriation Act R'000
<b>Performing Arts Institutions:</b>							
Artscape	37 704	-	-	37 704	37 704	100	35 501
State Theatre	33 300	-	-	33 300	33 300	100	30 942
Playhouse Company	32 268	-	-	32 268	32 268	100	30 182
Performing Arts Centre of the Free State	27 884	-	-	27 884	27 884	100	25 828
Market Theatre Foundation	20 634	-	-	20 634	20 634	100	19 343
Windybrow Theatre	7 940	-	-	7 940	7 940	100	7 438
Business Arts South Africa	5 453	-	-	5 453	5 453	100	5 180
National Arts Council	78 522	-	-	78 522	78 522	100	72 853
<b>Arts, Culture and Heritage Insitutions:</b>							
Ditsong Museum	49 015	-	-	49 015	49 015	100	44 977
Iziko Museum of Cape Town	48 392	-	-	48 392	48 392	100	44 639
Natal Museum	12 905	-	-	12 905	12 905	100	11 418
National Museum	23 401	-	-	23 401	23 401	100	21 475
Die Afrikaanse Taalmuseum	3 506	-	-	3 506	3 506	100	3 195
The National English Literature Museum	6 395	-	-	6 395	6 395	100	5 821
Voortrekker Museum	8 834	-	-	8 834	8 834	100	8 169
War of the Boer Republics	6 052	-	-	6 052	6 052	100	5 557
Robben Island Museum	49 925	-	-	49 925	49 925	100	69 072
William Humphreys Art Gallery	4 422	-	-	4 422	4 422	100	4 059

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 1B							
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS							
DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2008/2009
	Adjusted appropriation R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available fund transferred %	Appropriation Act R'000
<b>Arts, Culture and Heritage Insitutions (continued)</b>							
Engelenburg House Art Collection,	216	-	-	216	216	100	205
Nelson Mandela Museum,	14 758	-	-	14 758	14 758	100	13 964
Freedom Park,	250 984	-	-	250 984	250 984	100	194 000
Luthuli Museum	5 900	-	-	5 900	5 900	100	5 375
South African Heritage Resource Agency	33 845	-	-	33 845	33 845	100	31 382
National Film and Video Foundation	39 136	-	-	39 136	39 136	100	37 895
National Heritage Council	48 435	-	-	48 435	48 435	100	46 165
Transformation of Heritage Institutions	-	-	-	-	-		3 515
<b>Libraries:</b>							
SA Library for the blind	42 254	-	-	42 254	42 254	100	39 647
Literature for the visually handicapped	11 345	-	-	11 345	11 345	100	10 616
Pan SA Language Board	4 849	-	-	4 849	4 849	100	4 652
National Library of South Africa:	50 156	-	-	50 156	50 156	100	47 451
Community Libraries	12 000	-	-	12 000	12 000	100	11 000
Other:							
Capital Works	601 365	-	-	601 365	249 686	42	304 550
	<b>1 571 795</b>	-	-	<b>1 571 795</b>	<b>1 220 116</b>		<b>1 195 033</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 1C							
STATEMENT OF TRANSFERS TO HOUSEHOLDS							
DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				EXPENDITURE		2008/2009
	Adjusted appropriation R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available fund transferred %	Appropriation Act R'000
<b>Transfers</b>							
<b>Transfers Financial Assistance:</b>							
Promote Arts and Culture in SA	117 734	-	(7 049)	110 685	97 796	88%	44 784
Promote Arts and Culture Internationally	25 198	-	(14 162)	11 036	10 732	97%	10 166
Promote Heritage in South Africa	20 278	-	(5 472)	14 806	14 805	100%	24 213
National Language Service	5 000	-	4 690	9 690	9 689	100%	23 571
National Archives	4 686	-	(2 789)	1 897	1 896	100%	6 974
Cultural Industries	35 584	-	(6 520)	29 064	29 054	100%	30 350
Investing in Culture	93 094	-	(40 598)	52 496	11 750	22%	42 956
SA Geographical Names	5 609	-	-	5 609	5 609	100%	5 138
Severance Packages	-	-	2 381	2 381	2 379	100%	1 083
Social Cohesion Campaigns	-	-	-	-	-		2 500
<b>Total</b>	<b>307 183</b>	<b>-</b>	<b>(69 519)</b>	<b>237 664</b>	<b>183 710</b>		<b>191 735</b>



## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 1D		
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE		
NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10 R'000	2008/09 R'000
<b>Paid in cash</b>		
Donations	158	
Sponsorships	151	
Promotional items	65	
Farewell gifts	31	101
Other	27	
<b>TOTAL</b>	<b>432</b>	<b>101</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 2									
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 –LOCAL									
GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2009 R'000	Guarantees draw downs during the year R'000	Guaranteed repayments/ cancelled/ reduced/ released during the year R'000	Revaluations R'000	Closing balance 31 March 2010 R'000	Guaranteed interest for year ended 31 March 2010 R'000	Realised losses not recoverable i.e. claims paid out R'000
<b>Stannic</b>	<b>Motor vehicles</b>								
	Motor vehicles	934	17	-	-	-	17	-	-
	Subtotal	934	17	-	-	-	17	-	-
	<b>Housing</b>								
ABSA Bank	Housing Loans	290	141	-	-	-	141	-	-
First National Bank	Housing Loans	120	43	-	-	-	43	-	-
Future Bank	Housing Loans	25	25	-	-	-	25	-	-
Nedbank	Housing Loans	237	189	-	-	-	189	-	-
Standard Bank	Housing Loans	139	81	-	-	-	81	-	-
	Subtotal	811	479	-	-	-	479	-	-
	<b>Other</b>	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1 745</b>	<b>496</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>496</b>	<b>-</b>	<b>-</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 3						
CLAIMS RECOVERABLE						
Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000
<b>Department</b>						
Department of Correctional Services	3	7	-	-	3	7
Department of Community Safety	-	-	-	27	-	27
Department: KZN Arts and Culture	-	-	-	18	-	18
Department of Public Transport (Gauteng)	-	18	-	-	-	18
Department of Education (Gauteng)	-	-	1	-	1	-
Government Employers Pension Fund	-	-	13	-	13	-
<b>Total</b>	<b>3</b>	<b>25</b>	<b>14</b>	<b>45</b>	<b>17</b>	<b>70</b>

## Annexures to the Annual Financial Statements for the year ended 31 March 2010

ANNEXURE 4			
INVENTORY			
	Note	Quantity	2009/10 R'000
<b>Inventory</b>			
Opening balance		53 235	1 692
Add/(Less): Adjustments to prior year balances		-	563
Add: Additions/Purchases - Cash		1 027	111
Add: Additions - Non-cash		420	10
(Less): Disposals		-	-
(Less): Issues		(292)	(468)
Add/(Less): Adjustments		-	-
<b>Closing balance</b>		<b>54 390</b>	<b>1 908</b>

# PART V: HUMAN RESOURCE MANAGEMENT



TABLE 1.1 - PERSONNEL COSTS BY PROGRAMME, 2009/10							
Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Employment
Administration	162 865	58 656	0	0	36	119	494
Arts and Culture in Society	380 531	10 493	0	0	2.8	21	494
National Language Service	85 918	17 301	0	0	20.1	35	494
Cultural Development and International Cooperation	158 732	22 402	0	0	14.1	45	494
Heritage Promotion	874 253	9 820	0	0	1.1	20	494
National Archives, Records, Libraries and Heraldic services	562 793	27 600	0	0	4.9	56	494
<b>Z=Total as on Financial Systems (BAS)</b>	<b>2 225 092</b>	<b>146 271</b>	<b>0</b>	<b>0</b>	<b>6.6</b>	<b>296</b>	<b>494</b>

TABLE 1.2 - PERSONNEL COSTS BY SALARY BANDS, 2009/10					
Salary bands	Personnel expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total personnel cost (R'000)	Number of employees
Lower skilled (levels 1-2)	2 024	1.3	106 526	154 557	19
Skilled (levels 3-5)	5 749	3.7	112 725	154 557	51
Highly skilled production (levels 6-8)	34 406	22.3	191 144	154 557	180
Highly skilled supervision (levels 9-12)	65 322	42.3	349 316	154 557	187
Senior management (levels 13-16)	34 080	22.1	792 558	154 557	43
<b>Other:</b>					
Contract (levels 1-2)	253	0.2	126 500	154 557	2
Contract (levels 3-5)	94	0.1	94 000	154 557	1
Contract (levels 6-8)	350	0.2	175 000	154 557	2
Contract (levels 9-12)	1 251	0.8	417 000	154 557	3
Contract (levels 13-16)	2 865	1.9	477 500	154 557	6
Periodical remuneration	1 539	1	11 485	154 557	134
Abnormal Appointment	0	0	0	0	0
<b>Total</b>	<b>147 933</b>	<b>95.7</b>	<b>235 562</b>	<b>154 557</b>	<b>628</b>

The following tables provide a summary per programme (Table 1.3) and salary bands (Table 1.4), of expenditure incurred as a result of salaries, overtime, homeowners' allowances and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 1.3 – SALARIES, OVERTIME, HOMEOWNERS' ALLOWANCES AND MEDICAL ASSISTANCE BY PROGRAMME, 2009/10									
Programme	Salaries		Overtime		Homeowners' Allowances		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Administration	43 970	70.4	773	1.2	1 462	2.3	1 878	3	62 442
Arts and Culture in Society	8 270	72.3	76	0.7	229	2	250	2.2	11 440
National Language Service	12 973	74.6	191	1.1	200	1.2	793	4.6	17 383
Cultural Development and International Cooperation	16 527	68.6	52	0.2	654	2.7	622	2.6	24 078
Heritage Promotion	7 317	66.7	52	0.5	122	1.1	297	2.7	10 966
National Archives, Records, Libraries and Heraldic services	19 977	70.7	153	0.5	939	3.3	1 260	4.5	28 249
<b>Total</b>	<b>109 034</b>	<b>70.5</b>	<b>1 297</b>	<b>0.8</b>	<b>3 606</b>	<b>2.3</b>	<b>5 100</b>	<b>3.3</b>	<b>154 558</b>



TABLE 1.4 – SALARIES, OVERTIME, HOMEOWNERS' ALLOWANCES AND MEDICAL ASSISTANCE BY SALARY BANDS, 2009/10									
Salary Bands	Salaries		Overtime		Homeowners' Allowances		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost	
Lower skilled (levels 1-2)	1 279	63.2	17	0.8	126	6.2	235	11.6	2 024
Skilled (levels 3-5)	3 943	66.9	77	1.3	195	3.3	399	6.8	5 895
Highly skilled production (levels 6-8)	24 448	70.3	656	1.9	781	2.2	1 961	5.6	34 781
Highly skilled supervision (levels 9-12)	483 38	71.2	518	0.8	1571	2.3	1 958	2.9	67 851
Senior management (levels 13-16)	26 486	70.5	0	0	929	2.5	543	1.4	37 580
<b>Other:</b>									
Contract (levels 1-2)	210	83	25	9.9	0	0	0	0	253
Contract (levels 3-5)	90	95.7	0	0	0	0	0	0	94
Contract (levels 6-8)	333	94.9	3	0.9	0	0	0	0	351
Contract (levels 9-12)	1 048	79.6	0	0	0	0	5	0.4	1 316
Contract (levels 13-16)	2 860	99.5	0	0	5	0.2	0	0	2 874
Periodical Remuneration	0	0	0	0	0	0	0	0	1 539
Abnormal Appointment	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>109 035</b>	<b>70.5</b>	<b>1 296</b>	<b>0.8</b>	<b>3 607</b>	<b>2.3</b>	<b>5 101</b>	<b>3.3</b>	<b>154 558</b>

## 2. 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 (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 2.1 - EMPLOYMENT AND VACANCIES BY PROGRAMME, 31 MARCH 2010				
Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration, Permanent	241	190	21.2	0
Arts and Culture in Society, Permanent	38	28	26.3	0
Cult Devel Internat Cooper, Permanent	70	52	25.7	0
Heritage Promotion, Permanent	47	25	46.8	0
National Archives, Records, Libraries and Heraldic services	193	136	29.5	0
National Language Service, Permanent	86	63	26.7	0
<b>Total</b>	<b>675</b>	<b>494</b>	<b>26.8</b>	<b>0</b>

TABLE 2.2 – EMPLOYMENT AND VACANCIES BY SALARY BANDS, 31 MARCH 2010				
Salary band	Number of posts	Number of posts filled	% of Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2) Permanent	45	19	57.8	0
Skilled (Levels 3-5) Permanent	63	51	19	0
Highly skilled production (Levels 6-8), Permanent	246	180	26.8	0
Highly skilled supervision (Levels 9-12), Permanent	255	187	26.7	0
Senior management (Levels 13-16), Permanent	52	43	17.3	0
Contract (levels 1-2) Permanent	2	2	0	0
Contract (levels 3-5) Permanent	1	1	0	0
Contract (levels 6-8) Permanent	2	2	0	0
Contract (levels 9-12) Permanent	3	3	0	0
Contract (levels 13-16) Permanent	6	6	0	0
<b>Total</b>	<b>675</b>	<b>494</b>	<b>26.8</b>	<b>0</b>

TABLE 2.3 - EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATION, 31 MARCH 2010

Critical occupation	Number of posts	Number of posts filled	% of Vacancy Rate	Number of posts filled additional to the establishment
Administrative Related, Permanent	37	24	35.1	0
Archivists curators and related professionals, Permanent	82	58	29.3	0
Auxiliary and related workers, Permanent	24	13	45.8	0
Building and other property caretakers, Permanent	8	4	50	0
Cleaners in offices workshops hospitals etc, Permanent	31	21	32.3	0
Client inform clerks (switchb, recept, inform clerks)	5	4	20	0
Communication and Information relate, Permanent	145	113	22.1	0
Finance and economics related, Permanent	17	12	29.4	0
Financial and related professionals, Permanent	5	3	40	0
Financial clerks and credit controller, Permanent	8	8	0	0
Food services aids and waiters, Permanent	8	7	12.5	0
General legal administration & rel professions, Permanent	2	2	0	0
Head of Department/chief executive officer, Permanent	1	1	0	0
Household food and laundry services related, Permanent	0	0	0	0
Human resources& organisat developm & related, Permanent	15	11	26.7	0
Human Resources clerks, Permanent	4	3	25	0
Human Resources related, Permanent	32	24	25	0
Language practitioners, interpreters & other comm.	33	23	30.3	0
Librarians and related professionals, Permanent	2	1	50	0

TABLE 2.3 - EMPLOYMENT AND VACANCIES BY CRITICAL OCCUPATION, 31 MARCH 2010				
Critical occupation	Number of posts	Number of posts filled	% of Vacancy Rate	Number of posts filled additional to the establishment
Library mail and related clerks, Permanent	11	7	36.4	0
Light vehicle drivers, Permanent	1	1	0	0
Logistical support, permanent	6	6	0	0
Material-recording and transport clerks, Permanent	9	8	11.1	0
Messengers porters and deliverers, Permanent	3	3	0	0
Other administrat & related clerks and organisers	33	18	45.5	0
Other administrative policy and related officers, Permanent	20	16	20	0
Other information technology personnel, Permanent	6	6	0	0
Other occupation permanent	2	2	0	0
Risk Management and Security services, Permanent	4	3	25	0
Secretaries & other keyboard operating clerks, Permanent	65	47	27.7	0
Security Officers, Permanent	18	18	0	0
Senior Managers, Permanent	35	25	28.6	0
Trade labourers, Permanent	3	2	33.3	0
<b>TOTAL</b>	<b>675</b>	<b>494</b>	<b>26.8</b>	<b>0</b>

The information in each case reflects the situation as at 31 March 2010. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

### 3. JOB EVALUATION

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) 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 3.1 - JOB EVALUATION, 1 APRIL 2009 TO 31 MARCH 2010							
Salary band	Number of filled posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1-2)	45	0	0	0	0	0	0
Contract (levels 1-2)	2	0	0	2	0	0	0
Contract (levels 3-5)	1	0	0	0	0	0	0
Contract (levels 6-8)	2	0	0	0	0	0	0
Contract (levels 9-12)	3	0	0	0	0	0	0
Contract (Band A)	2	0	0	0	0	0	0
Contract (Band B)	2	0	0	0	0	0	0
Contract (Band C)	2	0	0	1	0	0	0
Skilled (levels 3-5)	63	6	9.5	2	3.2	0	0
Highly skilled production (levels 6-8)	246	8	3.3	3	1.2	0	0
Highly skilled supervision (levels 9-12)	255	13	5.1	5	2	0	0
Senior Management Service Band A	34	4	11.8	1	3	0	0
Senior Management Service Band B	13	0	0	0	0	0	0
Senior Management Service Band C	2	0	0	0	0	0	0
Senior Management Service Band D	3	0	0	0	0	0	0
<b>Total</b>	<b>675</b>	<b>31</b>	<b>4.6</b>	<b>11</b>	<b>1.6</b>	<b>0</b>	<b>0</b>

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might 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 3.2 – PROFILE OF EMPLOYEES WHOSE SALARY POSITIONS WERE UPGRADED DUE TO THEIR POSTS BEING UPGRADED, 1 APRIL 2009 TO 31 MARCH 2010					
Beneficiaries	African	Asian	Coloured	White	Total
Female	1	0	0	1	2
Male	1	0	0	0	1
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>
<b>Employees with a disability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

TABLE 3.3 – EMPLOYEES WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY JOB EVALUATION, 1 APRIL 2009 TO 31 MARCH 2010 (IN TERMS OF PSR 1.V.C.3)				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2009/10				
Percentage of total employment				

Table 3.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

TABLE 3.4 – PROFILE OF EMPLOYEES WHOSE SALARY LEVEL EXCEED THE GRADE DETERMINED BY JOB EVALUATION, 1 APRIL 2009 TO 31 MARCH 2010 (IN TERMS OF PSR 1.V.C.3) NONE	
Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2009/10	None

#### 4. 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 (Table 5.1) and by critical occupations (Table 5.2). (These “critical occupations” should be the same as those listed in Table 3.3).

TABLE 4.1 – ANNUAL TURNOVER RATES BY SALARY BAND FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010				
Salary band	Number of employees per band as at 1 April 2009	Appointments and transfers into the Department	Terminations and transfers out of the Department	% of Turnover rate
Lower skilled (levels 1-2), Permanent	23	1	1	4.3
Skilled (levels 3-5), Permanent	44	3	0	0
Highly skilled production (levels 6-8), Permanent	174	24	13	7.5
Highly skilled supervision (levels 9-12), Permanent	174	4	10	5.7
Senior Management Service Band A, Permanent	28	1	2	7.1
Senior Management Service Band A, Temporary	0	1	1	0
Senior Management Service Band B, Permanent	11	0	4	36.4
Senior Management Service Band C, Permanent	1	1	0	0
Senior Management Service Band D, Permanent	3	0	2	66.7
Other, Temporary	1	0	0	0
Contract (levels 1-2)	13	4	16	123.1
Contract (level 3-5)	2	0	1	50
Contract (level 6-8)	5	1	4	80
Contract (level 9-12)	6	6	8	133.3
Contract (band A)	0	5	5	0
Contract (band B)	0	3	4	0
Contract (band C)	0	3	1	0
<b>Total</b>	<b>485</b>	<b>57</b>	<b>72</b>	<b>14.8</b>



TABLE 4.2 – ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010				
Occupation: Permanent	Number of employees per occupation as at 1 April 2009	Appointments and transfers into the Department	Terminations and transfers out of the Department	% of Turnover rate
Administrative related	33	0	4	12.1
Archivists curators and related professionals	53	3	4	7.5
Auxiliary and related workers	14	0	1	7.1
Building and other property caretakers	5	0	1	20
Cleaners in office workshops hospitals	21	2	3	14.3
Client inform clerks (switchboard reception clerks)	3	0	0	0
Communication and information related	98	5	4	4.1
Community development workers	1	0	1	100
Custodian personnel	1	0	0	0
Diplomats, Permanent	2	0	0	0
Finance and economics related, Perm	7	1	2	28.6
Finance and economics related, Temp	1	1	1	100
Financial and related professionals	5	1	0	0
Financial Clerks and credit controllers	7	1	0	0
Food Services aids and waiters	6	3	1	16.7
General legal administration & related prof	2	1	0	0
Human Resources & organisational development & related	12	4	4	33.3
Human Resources clerks	7	1	4	57.1
Human Resources Related	17	1	3	17.6
Language practitioners interpreters & other communication	26	6	3	11.5
Librarians and related professionals, Permanent	1	0	0	0
Library mail and related clerks	7	1	2	28.6

TABLE 4.2 – ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010				
Occupation: Permanent	Number of employees per occupation as at 1 April 2009	Appointments and transfers into the Department	Terminations and transfers out of the Department	% of Turnover rate
Logistical support personnel	4	1	0	0
Material recording and transport clerks	11	0	0	0
Medical research and related professionals	1	0	0	0
Messengers, porters and deliverers	4	0	0	0
Other adminitrat & related clerks and orgnisers	25	0	6	24
Other administrative policy related officers	16	0	2	12.5
Other information technology personnel	6	1	1	16.7
Other occupations	5	0	2	40
Psychologists and vocational counsellors	1	0	0	0
Risk management and security services	1	0	0	0
Secretaries & other keyboard operating clerks	46	8	5	10.9
Security Officers	14	6	5	35.7
Senior Managers	18	10	13	72.2
Social sciences related, Permanent	1	0	0	0
Trade labourers	3	0	0	0
<b>Total</b>	<b>485</b>	<b>57</b>	<b>72</b>	<b>14.8</b>

Table 4.3 identifies the major reasons why staff left the Department.

TABLE 4.3 - REASONS WHY STAFF ARE LEAVING THE DEPARTMENT					
Termination Type	Number	% of total	% of total employment	Total	Total employment
Death, Permanent	2	2.8	0.4	72	485
Resignation, Permanent	22	30.6	4.5	72	485
Resignation, Temporary	1	1.4	0.2	72	485
Expiry of contract, Permanent	36	50	7.4	72	485
Transfers to other Public Service Departments	1	1.4	0.2	72	485
Dismissal - misconduct, Permanent	8	11.1	1.6	72	485
Retirement, Permanent	2	2.8	0.4	72	485
<b>Total</b>	<b>72</b>	<b>100</b>	<b>14.8</b>	<b>72</b>	<b>485</b>

TABLE 4.4 - PROMOTIONS BY CRITICAL OCCUPATION					
Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	33	6	18.2	19	57.6
Archivists curators and related professionals	53	3	5.7	25	47.2
Auxiliary and related workers	14	0	0	7	50
Building and other property caretakers	5	0	0	3	60
Cleaners in office workshops hospitals	21	0	0	16	76.2
Client inform clerks	3	0	0	1	33.3
Communication and information related	98	10	10.2	56	57.1
Community development workers	1	0	0	0	0
Custodian personnel	1	0	0	1	100
Diplomats	2	0	0	0	0
Finance and Economics related	8	0	0	2	25
Financial and related professionals	5	1	20	3	60
Financial clerks and credit controllers	7	2	28.6	4	57.1
Food services aids and waiters	6	0	0	4	66.7
General legal administration &rel professionals	2	0	0	1	50
Human resources & organisat developm & related	12	2	16.7	1	8.3

TABLE 4.4 - PROMOTIONS BY CRITICAL OCCUPATION					
Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Human resources Clerks	7	6	85.7	0	0
Human Resources Related	17	2	11.8	5	29.4
Language Practitioners interpreters & other comm	26	0	0	9	34.6
Librarians and related professionals	1	0	0	0	0
Library mail and related clerks	7	5	71.4	3	42.9
Logistical support personnel	4	1	25	1	25
Material-recording and transport clerks	11	0	0	7	63.6
Medical research and related professionals	1	0	0	0	0
Messengers porters and deliverers	4	0	0	2	50
Other administrat & related clerks and organisers	25	0	0	11	44
Other administrative policy and related officers	16	1	6.3	11	68.8
Other information technology personnel	6	1	16.7	2	33.3
Other occupations	5	0	0	3	60
Psychologists and vocational counsellors	1	0	0	1	100
Risk management and security services	1	1	100	0	0
Secretaries & other keyboard operating clerks	46	0	0	22	47.8
Security Officers	14	5	35.7	8	57.1
Senior Managers	18	2	11.1	5	27.8
Social Sciences related	1	0	0	1	100
Trade Labourers	3	0	0	2	66.7
<b>Total</b>	<b>485</b>	<b>48</b>	<b>9.9</b>	<b>236</b>	<b>48.7</b>

TABLE 4.5 – PROMOTIONS BY SALARY BAND					
Salary Band	Employees 1 April 2009	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (levels 1-2), Permanent	23	0	0	0	0
Skilled (levels 3-5), Permanent	44	10	22.7	42	95.5
Highly skilled production (levels 6-8), Permanent	174	10	5.7	78	44.8
Highly skilled supervision (levels 9-12), Permanent	174	24	13.8	96	55.2
Senior management (levels 13-16), Permanent	43	4	9.3	19	44.2
Other, Temporary	1	0	0	0	0
Contract (levels 1-2)	13	0	0	0	0
Contract (levels 3-5)	2	0	0	0	0
Contract (levels 6-8)	5	0	0	1	20
Contract (levels 9-12)	6	0	0	0	0
<b>Total</b>	<b>485</b>	<b>48</b>	<b>9.9</b>	<b>236</b>	<b>48.7</b>

## 5. EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

5.1 – TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL CATEGORIES AS AT 31 MARCH 2010									
Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers, Permanent	11	0	0	0	7	1	1	1	21
Professionals, Permanent	95	3	1	13	97	7	2	24	242
Technicians and associate professionals, Permanent	27	0	1	5	21	4	1	7	66
Clerks, Permanent	23	0	0	1	57	3	1	13	98
Service and sales workers, Permanent	12	1	0	4	3	1	0	0	21
Elementary occupations, Permanent	17	0	0	1	25	1	0	0	44
<b>Total</b>	<b>185</b>	<b>4</b>	<b>2</b>	<b>24</b>	<b>210</b>	<b>17</b>	<b>5</b>	<b>45</b>	<b>492</b>

5.2 - TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS AS AT 31 MARCH 2010									
Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	3	0	0	0	2	0	0	0	5
Senior Management, Permanent	15	1	1	2	15	1	1	2	38
Professionally qualified and experienced specialists	75	1	0	12	64	10	3	21	186
Skilled technical and academically qualified workers	55	2	1	9	90	4	1	17	179
Semi-skilled and discretionary decision making, Permanent	22	0	0	1	22	1	0	5	51
Unskilled and defined decision making, Permanent	8	0	0	0	10	1	0	0	19
Contract (Top management) Permanent	2	0	0	0	0	0	0	0	2
Contract (Senior management) Permanent	3	0	0	0	1	0	0	0	4
Contract (Professionally qualified) Permanent	1	0	0	0	2	0	0	0	3
Contract (Skilled technical) Permanent	0	0	0	0	2	0	0	0	2
Contract (Semi-skilled) Permanent	1	0	0	0	0	0	0	0	1
Contract (Unskilled) Permanent	0	0	0	0	2	0	0	0	2
<b>Total</b>	<b>185</b>	<b>4</b>	<b>2</b>	<b>24</b>	<b>210</b>	<b>17</b>	<b>5</b>	<b>45</b>	<b>492</b>



5.3 - RECRUITMENT FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010									
Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	0	0	0	0	1	0	0	0	1
Senior Management, Permanent	1	0	0	0	0	0	0	0	1
Senior Management, Temporary	0	0	0	1	0	0	0	0	1
Professionally qualified and experienced specialists	0	0	0	1	3	0	0	0	4
Skilled technical and academically qualified workers	15	0	0	0	9	0	0	0	24
Semi-skilled and discretionary decision making, Permanent	1	0	0	0	2	0	0	0	3
Unskilled and defined decision making, Permanent	0	0	0	0	1	0	0	0	1
Contract (Top management) Permanent	3	0	0	0	0	0	0	0	3
Contract (Senior management) Permanent	7	0	0	0	1	0	0	0	8
Contract (Professionally qualified) Permanent	2	0	0	0	4	0	0	0	6
Contract (Skilled technical) Permanent	0	0	0	0	1	0	0	0	1
Contract (Unskilled) Permanent	0	0	0	0	4	0	0	0	4
<b>Total</b>	<b>29</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57</b>

5.4 - PROMOTIONS FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010									
Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	8	1	1	2	10	0	1	0	23
Professionally qualified and experienced specialists	50	1	0	8	41	5	1	13	119
Skilled technical and academically qualified workers	27	2	1	7	43	2	1	5	88
Semi-skilled and discretionary decision making, Permanent	23	0	0	0	23	2	0	4	52
Contract (Skilled technical), Permanent	0	0	0	0	1	0	0	0	1
<b>Total</b>	<b>108</b>	<b>4</b>	<b>2</b>	<b>17</b>	<b>118</b>	<b>9</b>	<b>3</b>	<b>22</b>	<b>283</b>
Employees with disabilities	0	0	0	1	0	0	0	0	1

5.5 - TERMINATIONS FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010									
Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	1	0	0	0	1	0	0	0	2
Senior Management, Permanent	3	0	0	0	3	0	0	0	6
Senior Management, Temporary	0	0	0	1	0	0	0	0	1
Professionally qualified and experienced specialists	3	0	0	0	6	1	0	0	10
Skilled technical and academically qualified workers	7	0	1	1	3	0	0	1	13
Unskilled and defined decision making, Permanent	1	0	0	0	0	0	0	0	1
Contract (Top management) Permanent	1	0	0	0	0	0	0	0	1
Contract (Senior management) Permanent	9	0	0	0	0	0	0	0	9
Contract (Professionally qualified) Permanent	2	0	0	1	5	0	0	0	8
Contract (Skilled technical) Permanent	2	0	0	0	2	0	0	0	4
Contract (Semi-skilled) Permanent	0	0	0	0	1	0	0	0	1
Contract (Unskilled) Permanent	9	0	0	0	7	0	0	0	16
<b>Total</b>	<b>38</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>28</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>72</b>

5.6 - DISCIPLINARY ACTION FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010									
	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	15	0	0	1	9	0	0	0	25

5.7 - SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010									
Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	0	1	3	12	1	1	1	38
Professionals	41	0	1	12	46	2	3	14	119
Technicians and associate professionals	33	0	1	10	30	6	2	15	97
Clerks	29	0	0	9	33	0	0	10	81
Elementary occupations	10	0	0	0	12	0	0	0	22
Employees with disabilities	3	0	0	0	1	0	0	1	5
<b>Total</b>	<b>135</b>	<b>0</b>	<b>3</b>	<b>34</b>	<b>134</b>	<b>9</b>	<b>6</b>	<b>41</b>	<b>362</b>

## 6. PERFORMANCE REWARDS

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (Table 6.2) and critical occupations (Table 6.3).

TABLE 6.1 – PERFORMANCE REWARDS BY RACE, GENDER, AND DISABILITY, 1 APRIL 2009 TO 31 MARCH 2010					
	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African, Unknown	0	2	0	0	0
African Female	116	210	55.2	1 965	16 936
African Male	98	185	53	1 959	19 985
Asian Female	4	5	80	142	35 620
Asian Male	3	2	150	80	26 663
Coloured Female	11	17	64.7	222	20 189
Coloured Male	3	4	75	79	26 374
Total Blacks, Female	131	232	56.5	2 329	17 780
Total Blacks, Male	104	191	54.5	2 118	20 362
White Female	31	44	70.5	492	15 885
White Male	22	23	95.7	563	25 584
Employees with a disability	1	2	50	5	4 716
<b>Total</b>	<b>289</b>	<b>492</b>	<b>58.7</b>	<b>5 507</b>	<b>19 055</b>

TABLE 6.2 - PERFORMANCE REWARDS BY SALARY BAND FOR PERSONNEL BELOW SENIOR MANAGEMENT SERVICE, 1 APRIL 2009 TO 31 MARCH 2010					
Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee
Lower skilled (levels 1-2)	18	19	94.7	81	4 500
Skilled (levels 3-5)	39	51	76.5	246	6 308
Highly skilled production (levels 6-8)	95	180	52.8	1 071	11 274
Highly skilled supervision (levels 9-12)	114	187	61	2 828	24 807
Contract (levels 1-2)	0	2	0	0	0
Contract (levels 3-5)	0	1	0	0	0
Contract (levels 6-8)	0	2	0	0	0
Contract (levels 9-12)	2	3	66.7	45	22 500
Periodical Remuneration	0	134	0	0	0
<b>Total</b>	<b>268</b>	<b>579</b>	<b>46.3</b>	<b>4 271</b>	<b>15 937</b>

TABLE 6.3 - PERFORMANCE REWARDS BY CRITICAL OCCUPATIONS, 1 APRIL 2009 TO 31 MARCH 2010

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administrative related	21	35	60	647	30 810
Archivists curators and related professionals	35	55	63.6	575	16 429
Auxiliary and related workers	11	13	84.6	76	6 909
Building and other property caretakers	5	4	125	24	4 800
Cleaners in offices workshops hospitals	21	21	100	103	4 905
Client inform clerks (switchb recept. inform clerks)	1	3	33.3	5	5 000
Communication and information related	60	105	57.1	1 612	26 867
Community development workers	1	0	0	37	37 000
Custodian personnel	1	1	100	55	55 000
Diplomats	1	1	100	9	9 000
Finance and Economics related	5	6	83.3	98	19 600
Financial and related professionals	4	7	57.1	135	33 750
Financial clerks and credit controllers	5	8	62.5	44	8 800
Food services aids and waiters	5	8	62.5	27	5 400
General legal administration & rel professionals	1	3	33.3	36	36 000
Human resources & organisat developm & related	5	13	38.5	83	16 600
Human resources clerks	2	6	33.3	11	5 500
Human Resources Related	9	18	50	277	30 778
Language Practitioners interpreters & other comm	6	24	25	99	16 500
Librarians and related professionals	1	1	100	7	7 000

TABLE 6.3 – PERFORMANCE REWARDS BY CRITICAL OCCUPATIONS, 1 APRIL 2009 TO 31 MARCH 2010					
Critical occupations	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Library mail and related clerks	5	6	83.3	67	13 400
Logistical support personnel	1	4	25	9	9 000
Material-recording and transport clerks	5	10	50	51	10 200
Medical research and related professionals	0	1	0	0	0
Messengers porters and deliverers	2	6	33.3	14	7 000
Other administrat & related clerks and organisers	10	17	58.8	107	10 700
Other administrative policy and related officers	12	14	85.7	168	14 000
Other information technology personnel	3	8	37.5	36	12 000
Other occupations	3	5	60	175	58 333
Psychologists & vocational counsellors	1	1	100	37	37 000
Risk management & Security Services	1	2	50	10	10 000
Secretaries other keyboard operating clerks	26	47	55.3	280	10 769
Security Officers	8	19	42.1	85	10 625
Senior Managers	8	19	42.1	453	56 625
Social Sciences related	1	1	100	37	37 000
Trade Labourers	3	2	150	18	6 000
<b>Total</b>	<b>289</b>	<b>494</b>	<b>58.5</b>	<b>5 507</b>	<b>19 055</b>



TABLE 6.4 - PERFORMANCE-RELATED REWARDS (CASH BONUS) BY SALARY BAND FOR SENIOR MANAGEMENT SERVICE							
Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee (R'000)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
	Number of beneficiaries	Number of employees	% of total within band				
Band A	17	31	54.8	953	5 606	4.4	21 567
Band B	4	11	36.4	283	7 075	2.6	10 972
Band C	0	4	0	0	0	0	0
Band D	0	3	0	0	0	0	0
<b>Total</b>	<b>21</b>	<b>49</b>	<b>42.9</b>	<b>1 236</b>	<b>12 681</b>	<b>3.8</b>	<b>32 539</b>

## 7. FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**TABLE 7.1 - FOREIGN WORKERS, 1 APRIL 2009 TO 31 MARCH 2010, BY SALARY BAND**

Salary Band	Employment at beginning of period	% of total	Employment at end of period	% of total	Change in Employment	% of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
TOTAL	0	0	0	0	0	0	0	0	0

**TABLE 7.2 - FOREIGN WORKERS, 1 APRIL 2009 TO 31 MARCH 2010, BY MAJOR OCCUPATION**

Salary Band	Employment at beginning of period	% of total	Employment at end of period	% of total	Change in Employment	% of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
TOTAL	0	0	0	0	0	0	0	0	0

## 8. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2009 TO 31 DECEMBER 2010

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 (Table 8.1) and disability leave (Table 8.2). In both cases, the estimated cost of the leave is also provided.

TABLE 8.1 - SICK LEAVE, JANUARY 2009 TO DECEMBER 2009								
Salary Band	Total days	% of days with medical certificates	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total number of employees using sick leave	Total number of days with medical certificates
Lower skilled (levels 1-2)	117	86.3	16	4.5	7	22	358	101
Skilled (levels 3-5)	274	76.6	41	11.5	7	71	358	210
Highly skilled production (levels 6-8)	900	78.4	135	37.7	7	418	358	706
Highly skilled supervision (levels 9-12)	838	79.6	134	37.4	6	881	358	667
Senior management (levels 13-16)	185	82.7	27	7.5	7	475	358	153
Contract (levels 1-2)	5	100	1	0.3	5	1	358	5
Contract (levels 3-5)	3	100	1	0.3	3	1	358	3
Contract (levels 6-8)	10	70	1	0.3	10	6	358	7
Contract (levels 9-12)	8	75	2	0.6	4	10	358	6
<b>Total</b>	<b>2 340</b>	<b>79.4</b>	<b>358</b>	<b>100</b>	<b>7</b>	<b>1 885</b>	<b>358</b>	<b>1 858</b>

TABLE 8.2 - DISABILITY LEAVE (TEMPORARY AND PERMANENT), JANUARY 2009 TO DECEMBER 2009								
Salary Band	Total days taken	% of days with medical certificates	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)	Total number of days with medical certificates	Total number of employees using disability leave
Skilled (levels 3-5)	42	100	2	22.2	21	15	42	9
Highly skilled production (levels 6-8)	50	100	3	33.3	17	22	50	9
Highly skilled supervision (levels 9-12)	132	100	3	33.3	44	162	132	9
Senior management (levels 13-16)	12	100	1	11.1	12	29	12	9
<b>Total</b>	<b>236</b>	<b>100</b>	<b>9</b>	<b>100</b>	<b>26</b>	<b>228</b>	<b>236</b>	<b>9</b>

Table 8.3 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 out at the time of termination of service.

TABLE 8.3 – ANNUAL LEAVE, JANUARY 2009 TO DECEMBER 2009			
Salary Bands	Total days taken	Average per employee	Employment
Lower skilled (levels 1-2)	446	21	21
Skilled (levels 3-5)	1 177	21	56
Highly skilled production (levels 6-8)	3 839 36	20	196
Highly skilled supervision(levels 9-12)	4 188	21	199
Senior management (levels 13-16)	902	20	46
Contract (levels 1-2)	58	7	8
Contract (levels 3-5)	32	11	3
Contract (levels 6-8)	44	15	3
Contract (levels 9-12)	71	9	8
Contract (levels 13-16)	14	5	3
<b>Total</b>	<b>10 771 36</b>	<b>20</b>	<b>543</b>

TABLE 8.4 – CAPPED LEAVE, JANUARY 2009 TO DECEMBER 2009						
Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of employees	Total number of capped leave	Number of employees
Skilled (levels 3-5)	13	4	42	3	883	21
Highly skilled production (levels 6-8)	11	2	34	5	1 436	42
Highly skilled supervision (levels 9-12)	48	4	31	11	2 120	68
Senior management (levels 13-16)	13	3	37	4	879	24
<b>TOTAL</b>	<b>85</b>	<b>4</b>	<b>34</b>	<b>23</b>	<b>5 318</b>	<b>155</b>

TABLE 8.5 - LEAVE PAYOUTS, 1 JANUARY 2009 TO 31 DECEMBER 2009			
Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Capped leave payouts on termination of service	478	49	9 755
Current leave payout on termination of service	314	41	7 659
<b>TOTAL</b>	<b>792</b>	<b>90</b>	<b>8 800</b>

#### 9. HIV/AIDS & HEALTH PROMOTION PROGRAMMES

TABLE 9.1 - 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
n/a	n/a

TABLE 9.2 – 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 Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	*		Chief Director: HRM Ms Mandy Matyila
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.		*	The responsibility for Health and Wellness lies with the Subdirectorate: Special Programmes; which is in HRM. The Subdirectorate is also responsible for Disability, EAP, HIV and Aids, and Gender. It is managed by the Deputy Director: Special Programmes and an Assistant Director: Employee Wellness.
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, the Department has an Employee Assistance Programme. Its key elements are: Addiction Management of HIV and Aids Loss & Trauma Disability Holistic Wellness and Employee Assistance Programme
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	*		Yes. The Committee members are: Mr Francis Moloji (PSA, National Archives) Ms Beauty Makaya (PSA) Ms Winnie Nkuna (Film Archives) Mr Languza Nkwenkwezi (Film Archives) Ms Mmathapelo Mataboge (National Archives) Ms Sylvia Makapan (Kingsley Centre) Mr Seja Rapholo (NEHAWU) Ms Mankidi Mokone (Kingsley Centre)

**TABLE 9.2 - DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES (TICK THE APPLICABLE BOXES AND PROVIDE THE REQUIRED INFORMATION)**

Question	Yes	No	Details, if yes
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.		*	Yes. Participation in the discussion of this policies ensured that they do not discriminate against employees on the basis of the HIV status. The policies are: <ol style="list-style-type: none"> <li>1. HRD</li> <li>2. Management of Sexual Harassment in the Workplace</li> <li>3. Management of HIV and Aids in the Workplace</li> <li>4. Bereavement support</li> <li>5. PMDS</li> </ol>
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.	*		Yes. The measures are: <ul style="list-style-type: none"> <li>Training</li> <li>Information sessions</li> <li>Popularization of the HIV and Aids Policy</li> <li>Continuous provision of information (print and electronic)</li> </ul>
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	*		Yes. The Department conducted twoVCT drives during the 2009/10 financial year. The results of the two VCT drives conducted in the 2009/10 financial year were as follows: <p>Statistics for VCT</p> <ol style="list-style-type: none"> <li>1. Total number of employees tested: 74</li> </ol> Females: 43 Males: 27 Females tested positive: 1 Males tested positive: 3 Referral to the disease management programme: 2 males The VCT campaign was conducted by Careways.



**TABLE 9.2 - DETAILS OF HEALTH PROMOTION AND HIV/AIDS PROGRAMMES (TICK THE APPLICABLE BOXES AND PROVIDE THE REQUIRED INFORMATION)**

Question	Yes	No	Details, if yes
8. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	*		2. Total number of employees tested: 85 Females: 56 Males: 23 Females tested positive: 2 Males tested positive: 1 Counselling only females: 2 Counselling only males: 0 Referral to disease management programme: 1 female The campaign was done by Newstart.
9. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	*		Yes. An impact assessment was done and it indicated that there is a need to continue the: Marketing of EWP services Parental skills and financial life skills training In addition, emphasis on training for Emotional Intelligence and the power of positive communication is needed. These two aspects were picked out of the number and nature of grievances presented.

## 10. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

TABLE 10.1 - COLLECTIVE AGREEMENTS, 1 APRIL 2009 TO 31 MARCH 2010	
Subject Matter	Date
None	None

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

TABLE 10.2 - MISCONDUCT AND DISCIPLINARY HEARINGS FINALISED, 1 APRIL 2009 TO 31 MARCH 2010		
Outcomes of disciplinary hearings	Number	% of total
Final written warning	1	11.11
Dismissal	8	88.88
<b>Total</b>	<b>9</b>	<b>100</b>

TABLE 10.3 - TYPES OF MISCONDUCT ADDRESSED AND DISCIPLINARY HEARINGS		
Type of misconduct	Number	% of total
Misuse/unauthorised use of State rental vehicles	1	11.11
Fraud and corruption	0	0
Financial misconduct	3	33.33
Fraudulent matric and std 8 certificates	3	33.33
Misrepresentation	2	22.22
<b>Total</b>	<b>9</b>	<b>100</b>

TABLE 10.4 - GRIEVANCES LODGED FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010		
Number of grievances addressed	Number	% of total
	6	66.66

TABLE 10.5 - DISPUTES LODGED WITH COUNCILS FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010		
	Number	% of Total
<b>Number of disputes upheld</b>		
Upheld	0	0
Dismissed	1	100
<b>Total</b>	<b>1</b>	<b>100</b>

TABLE 10.6 - STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010	
<b>Total number of person working days lost</b>	<b>none</b>
Total cost (R'000) of working days lost	none
Amount (R'000) recovered as a result of no work no pay	none

TABLE 10.7 - PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2009 TO 31 MARCH 2010	
Number of people suspended	20
Number of people whose suspension exceeded 30 days	18
Average number of days suspended	270 days
Cost of suspensions	R22 58 329.90

## 11. SKILLS DEVELOPMENT

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

TABLE 11.1 - TRAINING PROVIDED 1 APRIL 2009 TO 31 MARCH 2010						
Occupational Categories	Gender	Number of employees as at 1 April 2009	Training needs identified at start of reporting period			
			Learnership/ Internships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	14	0	17	1	18
	Male	23	0	19	0	19
Professionals	Female	65	0	65	0	65
	Male	54	0	54	0	54
Technicians and associated professionals	Female	53	0	62	0	62
	Male	44	0	32	0	32
Clerks	Female	43	0	65	0	65
	Male	38	0	16	0	16
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	12	0	10	0	10
	Male	10	0	12	0	12
Gender Subtotal	Female	187	0	219	1	220
	Male	169	0	133	0	133
<b>Total</b>		<b>356</b>	<b>0</b>	<b>352</b>	<b>1</b>	<b>353</b>

11.2 - TRAINING PROVIDED 1 APRIL 2009 TO 31 MARCH 2010						
Occupational Categories	Gender	Number of employees as at 1 April 2009	Training provided in the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	14	0	17	0	18
	Male	23	0	19	0	19
Professionals	Female	65	0	65	0	65
	Male	54	0	54	0	54
Technicians and associated professionals	Female	53	0	62	0	62
	Male	44	0	32	0	32
Clerks	Female	43	0	10	0	10
	Male	38	0	12	0	12
Elementary occupations	Female	12	0	10	0	10
	Male	10	0	12	0	12
Subtotal	Female	187	0	164	1	165
	Male	169	0	129	0	129
<b>Total</b>		<b>356</b>	<b>0</b>	<b>293</b>	<b>1</b>	<b>294</b>

## 12. INJURY ON DUTY

The following tables provide basic information on injury on duty

TABLE 12.1 - INJURY ON DUTY, 1 APRIL 2009 TO 31 MARCH 2010		
Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>Total</b>	<b>None</b>	<b>None</b>

## F: Accounting Entries

### 1. UNAUTHORISED EXPENDITURE

#### Principle of dealing with unauthorised expenditure

Unauthorised Expenditure is the overspending of a vote or a main division within a vote; or Expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

The rand value of unauthorised expenditure must be disallowed and surrendered to the relevant treasury (i.e. unauthorised expenditure is subtracted from the amount appropriated by Parliament/Legislature and paid back to the relevant Treasury). The remainder of the vote may be utilised for authorised expenditure. To illustrate this principle of accounting for unauthorised expenditure the following figures will be used:

Vote - Amount Appropriated	R1000.00
Unauthorised expenditure (in accordance with definition)	R200.00
Authorised expenditure	R700.00
Savings	R100.00

The total amount payable to the Relevant Treasury is:

Unauthorised expenditure (to be paid when discovered)	R200.00
Vote surplus	R100.00
Total payable to Relevant Treasury	R300.00

(Note: The unauthorised expenditure of R200.00 is financed by a Bank/PMG overdraft.)

#### Accounting for Unauthorised Expenditure

Assuming that the Books are not finally closed for the respective financial year and “arising from other than an overspending on a main division of a vote”.

1. The opening journals with respect to the Vote would be:

Dt	Exchequer Account (B/S)	R1000.00
Cr	General Account of the Vote (B/S)	R1000.00

2. Assume the total vote has been requested:

Dt	Bank/PMG (B/S)	R1000.00
Cr	Exchequer Account (B/S)	R1000.00

3. Expenditure is dealt with as follows (including unauthorised expenditure):

Dt	Expenditure (relevant programme and item) (I/S)	R900.00
Cr	Bank/PMG (B/S)	R900.00

4. The unauthorised expenditure once discovered is dealt with as follows:

Dt	Unauthorised Expenditure (B/S)	R200.00
Cr	Relevant expenditure allocations (I/S)	R200.00

\*Note: Whilst this would reduce the total expenditure on the Income Statement, for disclosure purposes in the Income Statement the Expenditure is shown as gross and the Disallowed portion shown as a reduction of expenditure.

5. At year-end the following journals are transacted:

Dt	General account of the Vote (B/S)	R700.00
Cr	Expenditure accounts (I/S)	R700.00
Dt	General account of the Vote (B/S)	R300.00
Cr	Exchequer Account (B/S)	R300.00

Pay relevant Treasury the Vote surplus and unauthorised expenditure:		
Dt	Exchequer Account (B/S)	R300.00
Cr	Bank (B/S)	R300.00

### Disclosure of unauthorised expenditure

#### To illustrate the effect on the Income Statement and Balance Sheet:

##### Income statement

Vote	R1000.00
Expenditure (R700 auth exp plus R200 unauthorised exp)	R900.00
Surplus	R100.00
Add back Unauthorised expenditure	R200.00
Amount to be surrendered to Relevant Treasury	R300.00

##### Balance Sheet

Current assets	
Unauthorised expenditure	R200.00
Current liabilities	
Bank overdraft	R200.00

##### Notes to the financial statements

Unauthorised expenditure	R200.00
Reconciliation of movement in account balance	
Opening balance	R0.00
Unauthorised expenditure current year	R200.00
Closing balance	R200.00

Ensure that the closing balance of the reconciliation is equal to the note above and the balance sheet.

### Unauthorised expenditure recovery

Unauthorised expenditure must in all cases be authorised by Parliament (before it can become a charge against a Revenue Fund) either by:

- providing additional funds' or
- as a charge against funds allocated for the subsequent financial years.

If not approved by Parliament it must be recovered from a responsible person

#### If the Unauthorised expenditure is **Approved** by Parliament/Legislature **with funding**

(subsequent Financial Year), then the entry would be:

Dt	Relevant expenditure allocations (I/S)	R200.00
Cr	Unauthorised Expenditure (B/S)	R200.00

#### The appropriate disclosure would be in the AFS.

If the appropriate legislation is promulgated and the available budget increased for the current financial year then:

Dt	Exchequer account (B/S)	R200.00
Cr	General Account of the vote (B/S)	R200.00

#### Funds must be requested from the Relevant Treasury and allocated as follows:

Dt	Funds Requisition account (B/S)	R200.00
Cr	Exchequer account (B/S)	R200.00



The appropriate disclosure would be in the AFS.

If the Unauthorised expenditure is **Approved** by Parliament/Legislature **without funding** (subsequent Financial Year), then the entry would be:

Dt	Relevant expenditure allocations (I/S)	R200.00
Cr	Unauthorised Expenditure (B/S)	R200.00

Funded from savings.

The appropriate disclosure would be in the AFS.

If the Unauthorised expenditure is **Not Approved** by Parliament/Legislature it must be **recovered** from a responsible official - the transactions are:

Dt	Debtors (B/S)	R200.00
Cr	Unauthorised expenditure (B/S)	R200.00

The appropriate disclosure would be in the AFS.

When recovered from responsible official

Dt	Bank/PMG (B/S)	R200.00
Cr	Debtors (B/S)	R200.00

The Unauthorised expenditure note would reflect the movement.

If the Amount is irrecoverable then the amount may be written of by the Accounting Officer against savings/surplus:

Dt	Thefts and Losses (I/S)	R200.00
Cr	Debtors (B/S)	R200.00

The appropriate disclosure would be in the AFS.

### Accounting for unauthorised expenditure

#### Assuming that the Books are finally closed for the respective financial year

If you discover prior year unauthorised expenditure in the current year or if the books have already been closed then the following entries made:

Dt	Unauthorised expenditure (B/S)	R200.00
Cr	Exchequer account (B/S)	R200.00

An amount equal to the Unauthorised Expenditure should be surrendered to the relevant Treasury.

Dt	Exchequer account (B/S)	R200.00
Cr	Bank/PMG (B/S)	R200.00

If the Unauthorised expenditure is **Approved** by Parliament/Legislature **with Funds** - the funds surrendered as unauthorised in the prior period, must be requested from the Relevant Treasury and dealt with as follows:-

Dt	Fund requisition (B/S)	R200.00
Cr	Unauthorised expenditure (B/S)	R200.00
Dt	Bank/PMG (B/S)	R200.00
Cr	Fund requisition (B/S)	R200.00

The appropriate disclosure would be in the AFS.

If the Unauthorised expenditure is **Approved** by Parliament/Legislature **without Funds** - the funds surrendered as unauthorised in the prior period, must be requested from the Relevant Treasury and dealt with as follows:-

Dt	Fund requisition (B/S)	R200.00
Cr	Unauthorised expenditure (B/S)	R200.00
Dt	Bank/PMG (B/S)	R200.00
Cr	Fund requisition (B/S)	R200.00

The appropriate disclosure would be in the AFS.

If the appropriate legislation is promulgated and the available budget for the current financial year is reduced, the unauthorised expenditure must be dealt with as follows:

Dt	General Account of the Vote (B/S)	R200.00
Cr	Exchequer Account (B/S)	R200.00

#### Accounting for Unauthorised Expenditure

**Assuming that the Books are not finally closed for the respective financial year and “arising from an overspending on a main division of a vote”.**

**The amount of the Unauthorised Expenditure due to overspending on a main division of a vote should always be disallowed from the relevant expenditure allocation before the books are finally closed.**

The unauthorised expenditure once discovered is dealt with as follows:

Dt	Unauthorised Expenditure (B/S)	R200.00
Cr	Relevant expenditure allocations (I/S)	R200.00

If the Unauthorised expenditure is Approved by Parliament/Legislature with funding. The following should happen during the subsequent Financial Year:-

Dt	Relevant expenditure allocations (I/S)	R200.00
Cr	Unauthorised Expenditure (B/S)	R200.00

The appropriate disclosure would be in the AFS.

If the funds are made available via an increased budget for the current financial year i.e. appropriate legislation has been promulgated then the following entries must be passed:

Dt	Exchequer account (B/S)	R200.00
Cr	General Account of the vote (B/S)	R200.00

The funds are then requested from the Relevant Treasury and allocated as follows:

Dt	Funds Requisition Account (B/S)	R200.00
Cr	Exchequer Account (B/S)	R200.00

The appropriate disclosure would be in the AFS.

If the Unauthorised expenditure is Approved by Parliament/Legislature without funding.

This should happen during the subsequent Financial Year

Dt	Relevant expenditure allocations (I/S)	R200.00
Cr	Unauthorised Expenditure (B/S)	R200.00

The appropriate disclosure would be in the AFS.

If the Unauthorised expenditure is Not Approved by Parliament/Legislature

The amount must be recovered from a responsible official - the transactions are:

This can happen in the same or subsequent financial years.

Dt	Debtors (B/S)	R200.00
Cr	Unauthorised expenditure (B/S)	R200.00

The appropriate disclosure would be in the AFS.

When recovered from responsible official

Dt	Bank/PMG (B/S)	R200.00
Cr	Debtors (B/S)	R200.00

The Unauthorised expenditure note would reflect the movement.

If the Amount is irrecoverable then the amount may be written of by the Accounting Officer against savings/surplus:

Dt	Thefts and Losses(I/S)	R200.00
Cr	Debtors (B/S)	R200.00

## 2. IRREGULAR EXPENDITURE

To illustrate this principle of accounting for irregular expenditure the following will be used: Irregular expenditure R400.00

### Accounting for irregular expenditure

When irregular expenditure is incurred the following transaction is made:

Dt	Expenditure (relevant programme and item)	R1 200.00
Cr	Bank	R1 200.00

Upon discovery of irregular expenditure, it should be recorded as such **but only disallowed** if the relevant Treasury and/or Relevant Tender Board (if the expenditure relates to procurement) **do not condone** the non-compliance to prescripts.

A detailed schedule by year of all irregular expenditure should be made and kept up to date for tracking and Internal/External audit purposes.

If Irregular expenditure is condoned then no further action required, other than ensuring the register is updated.

If Irregular expenditure is not condoned then it is **Disallowed** and the appropriate steps must be taken to recover the amount of irregular expenditure. If recovery is not possible, then the amount may be written off by the Accounting Officer and appropriately disclosed

### Disclosure of irregular expenditure in the notes to the annual financial statements

Irregular expenditure not condoned:

Incident	Disciplinary steps taken/ Criminal proceedings	Value
The department's personnel expenditure was increased without obtaining the necessary Treasury approval, as required by Treasury Regulation 6.3.1(a).	Written reprimand and recovered	R50.00
The accounting officer incurred expenditure related to a public private partnership without obtaining prior written approval of the Treasury, as required by Treasury Regulation 16.3.1	Written reprimand and recovered	R200.00
Expenditure incurred by the department in contravention of tender regulations.	Written reprimand no recovery possible	R150.00

Irregular expenditure condoned by the Relevant Treasury:

Incident	Value
The department's personnel expenditure was increased without obtaining the necessary Treasury approval, as required by Treasury Regulation 6.3.1(a).	R100.00
The accounting officer incurred expenditure related to a public private partnership without obtaining prior written approval of the Treasury, as required by Treasury Regulation 16.3.1	R200.00
Expenditure incurred by the department in contravention of tender regulations.	R100.00

**If Not Condoned and books open**

Dt	Debtors (B/S)	R400.00
Cr	Relevant Expenditure (I/S)	R400.00

When recovered from responsible official and assuming only R250 recovered and not R400

Dt	Bank/PMG (B/S)	R250.00
Cr	Debtors (B/S)	R250.00

The appropriate disclosure would be in the AFS.

If the Amount is irrecoverable then the amount may be written of by the Accounting Officer against savings/surplus:

Dt	Thefts and Losses (I/S)	R150.00
Cr	Debtors (B/S)	R150.00

**If Not Condoned and books closed**

Dt	Debtors (B/S)	R400.00
Cr	Recoverable Revenue Account (B/S)	R400.00

When recovered from responsible official

Dt	Bank/PMG (B/S)	R250.00
Cr	Debtors (B/S)	R250.00
Dt	Recoverable Revenue Account (B/S)	R250.00
Cr	Income (I/S)	R250.00

The appropriate disclosure would be in the AFS.

If the Total or remaining Amount is irrecoverable then the amount may be written of by the Accounting Officer:

Dt	Thefts and Losses (I/S)	R150.00
Cr	Debtors (B/S)	R150.00
Dt	Recoverable Revenue Account (B/S)	R150.00
Cr	Income (I/S)	R150.00

**3. FRUITLESS AND WASTEFUL EXPENDITURE**

**Principle of dealing with fruitless and wasteful expenditure**

One should understand the principle of dealing with fruitless and wasteful expenditure. The rand value of fruitless and wasteful is subtracted (paid back to Treasury) from the amount voted by parliament. The remainder of the vote may be utilised for authorised expenditure. To illustrate this principle of accounting for fruitless and wasteful expenditure the following figures will be used:

Vote	R2 500.00
Fruitless and wasteful expenditure	R125.00
Authorised expenditure	R2 275.00

The vote surplus payable to Relevant Treasury is calculated as follows:

Voted funds	R2 500.00
Fruitless and wasteful expenditure	( R125.00)
Balance of vote R2 375.00	
Authorised expenditure (R2 275.00)	
Net surplus	R100.00
Fruitless and wasteful expenditure	R125.00
Total payable to Relevant Treasury	R225.00

(Note: The fruitless and wasteful expenditure of R125.00 is financed by a Bank/PMG overdraft.)

**Accounting for fruitless and wasteful expenditure – during open relevant financial year**

Dt	Debtors (B/S)	R125.00
Cr	Relevant expenditure Allocation (I/S)	R125.00

\*Note: For disclosure the expenditure is shown Gross and the Fruitless and Wasteful Expenditure is added back

**If Fruitless and Wasteful Expenditure is Recovered**

Dt	Bank/PMG (B/S)	R125.00
Cr	Debtors (B/S)	R125.00

**If the amount is not recoverable** then, it must be written off against the relevant programme and expenditure item Thefts and Losses.

Dt	Thefts and Losses (I/S)	R125.00
Cr	Debtors (B/S)	R125.00

**To illustrate the effect on the Income Statement and Balance Sheet (before actual recovery):**

Income statement

Voted funds	R2 500.00
Expenditure ( R2 275.00 auth exp plus R125.00 fruitless and wasteful exp)	( R2 400.00)

<b>Net surplus</b>	<b>R100.00</b>
Add back Fruitless and wasteful expenditure	R125.00
Net surplus for the year	R225.00

Balance Sheet

Current assets	
Unauthorised expenditure and fruitless and wasteful	R125.00
Current liabilities	
Bank overdraft	R125.00

Notes to the financial statements

Fruitless and wasteful expenditure	R125.00
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Reconciliation of movement in account balance

Opening balance	R0.00
Fruitless and wasteful expenditure current year	R125.00
Closing balance	R125.00

Ensure that the closing balance of the reconciliation is equal to the note above and the balance sheet

**If Fruitless and Wasteful Expenditure is discovered after the Books in respective of any previous year have been closed then it is dealt with in the open financial year as follows:**

Dt	Debtors (B/S)	R125.00
Cr	Recoverable Revenue (B/S)	R125.00

If Recovered then:

Dt	Bank/PMG (B/S)	R125.00
Cr	Debtors (B/S)	R125.00
Dt	Recoverable Revenue (B/S)	R125.00
Cr	Revenue (I/S)	R125.00

**If the amount is not recoverable** then, it must be written off against the relevant programme and expenditure item Thefts and Losses.

Dt	Thefts and Losses (I/S)	R125.00
Cr	Debtors (B/S)	R125.00
Dt	Recoverable Revenue (B/S)	R125.00
Cr	Revenue (I/S)	R125.00

Note: This write-off must be properly authorised and disclosed.

**For further guidance on the Accounting for Unauthorised, Irregular and Fruitless and Wasteful Expenditure please contact Mr Jan Gilliland at 012 672 2821 or 083 635 6709, or e-mail [jan.gilliland@treasury.gov.za](mailto:jan.gilliland@treasury.gov.za).**

#### 4. CONFIRMATION OF BALANCES, RECEIPTS AND PAYMENT WITH DEPARTMENTS

**Payment on behalf of other department: Interdepartmental service**

Payment

Dt	Ledger control account	R10 000.00
Cr	Bank	R10 000.00

Open debtor account

A debtor account must be opened for every department for example:

Dt	Debtor account	R10 000.00
Cr	Ledger control account	R10 000.00

When the money is received:

Dt	Bank	R10 000.00
Cr	Debtors account	R10 000.00

**Payment on behalf of other department: Departmental transfers and secondments**

Payment

Dt	Expenditure	R10 000.00
Cr	Bank	R10 000.00

Open debtor account

A debtor account must be opened for every department for example:

Dt	Debtor account	R10 000.00
Cr	Expenditure	R10 000.00

When the money is received:

Dt	Bank	R10 000.00
Cr	Debtors account	R10 000.00

**Amounts owing to other departments**

A creditor's account must be opened for every department when the invoice is received, as follows:

Dt	Expenditure	R2 500.00
Cr	Creditors control account	R2 500.00

When the money is paid:

Dt	Creditors control account	R2 500.00
Cr	Bank	R2 500.00

These accounts must be reconciled between departments every month to ensure that the debtor amounts at one department reconcile to the creditors amounts, registered at the other department.

**JOURNAL ENTRIES WHERE INTERDEPARTMENTAL BALANCES DO NOT AGREE**

Where there is a dispute between departments about the balance owing/due that cannot be resolved before the completion of the financial statement for submission to the auditors, the balance according to the records of the department that is owed is used for financial statement preparation purposes. The department that owes the money must disclose the difference as an "Unconfirmed Balance" in Disclosure Note 33 (Accruals). The amount that agrees to its records will be the "Confirmed Balance" which will be reflected in Note 24 (Payables).

Department A is owed money by department B. The following amounts are recorded in the relevant department's ledger:

Department A: Debtor	100.00
Department B: Creditor	70.00

Entries to be made by Department A at year-end if the difference cannot be resolved:

No entry is made, because they are owed the money by department B.

Entries to be made by Department B at year-end if the difference cannot be resolved:

No entries are made as the difference of R30.00 will be reflected in Disclosure Note 33 as an "Unresolved Balance" with Department A.

Therefore department B will show two amounts in respect of the amount that it owes to department A in their financial statements:

Note 24 - Payables - Interdepartmental (Creditor)	70.00
Note 33 - Accruals - Unresolved Balance - Dept A	30.00

