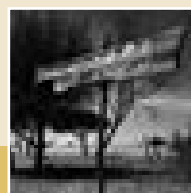
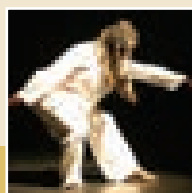






GENERAL INFORMATION

1. GENERAL INFORMATION	2
1.1 Submission of the Annual Report to the Executive Authority	2
1.2 Foreword by the Minister of Arts and Culture	3
1.3 Foreword by the Deputy Minister of Arts and Culture	5
1.4 Introduction by the Director-General	7
1.5 Information on the Ministry	8
1.6 Vision and Mission Statement	9
1.7 Legislative Mandate	10
2. PROGRAMME PERFORMANCE	11
2.1 Voted funds	11
2.2 Summary of programmes	12
2.3 Overview of the service-delivery environment and key policy developments for 2004/05	12
2.4 Overview of the organisational environment for 2004/05	14
2.5 Departmental receipts	15
2.6 Departmental payments	16
2.7 Programme Performance	17
2.7.1 Programme 1: Administration (Corporate Services)	17
2.7.2 Programme 2: Arts and Culture in Society	22
2.7.3 Programme 3: National Language Service	26
2.7.4 Programme 4: Cultural Development and International Cooperation	33
2.7.5 Programme 5: Heritage Promotion	43
2.7.6 Programme 6: National Archives, Records, Meta-Information and Heraldic Services	48
3. ANNUAL FINANCIAL STATEMENTS (INDEX)	51
3.1 Management Report and Approval	52
3.2 Report of the Auditor-General	61
3.3 Report of the Audit Committee	63
3.4 Statement of Accounting Policies	65
3.5 Annual Financial Statements	70
4. HUMAN RESOURCE MANAGEMENT	98
5. ORGANOGRAM	117



1.1 Submission of the Annual Report to the Executive Authority

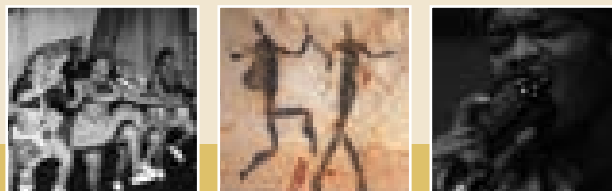


Prof. Itumeleng Mosala

Director-General

I have the honour of submitting the 2004/2005 Annual Report of the Department of Arts and Culture.

**Prof. Itumeleng Mosala, Director-General
Department of Arts and Culture**



1.2 Foreword by the Minister of Arts and Culture



Dr Z Pallo Jordan
Minister

During the first year of its existence, the Department of Arts and Culture has enjoyed considerable success. Being Minister of Arts and Culture has provided me with the opportunity to interact with the ever-burgeoning arts sector on both formal and informal occasions. Throughout the past year a number of projects have highlighted the broad spectrum of the work covered by this annual report and the new steps we are taking as the Department of Arts and Culture.

During the course of the past 12 months, the Deputy Minister and I undertook visits to most of our associated institutions, which deal with performing arts, heritage, film and language services. I was encouraged by the good work they are engaged in. Discussions centred on good governance, particularly the implementation of the Public Finance Management Act, which Government had passed to ensure accountability. It was also a fact-finding exercise to interact more directly with the people doing the work. These consultations, along with our interaction with the broader arts community during the izimbizo, informed our interaction with Parliament, especially during the Budget Vote presentation.

Izimbizo were a successful platform during which I witnessed first hand the talent of the youth throughout South Africa. The message from the grassroots was that though there are still immense challenges, the policies government is following are sound and are improving access to the arts and culture for the ordinary citizen.

In the area of literature, possibly the largest corpus of African literature in English was unveiled at the Pietermaritzburg campus of the University of KwaZulu-Natal, when the Centre of African Literary Studies was opened there last year. That institution has now become one of the primary sites for the study of modern African literature. This is one of the many heritage projects to restore to the African continent scholarly work produced by Africans and about Africans, and to restore to Africa and its people those aspects of our continent's rich heritage that the Department is supporting.

On 5 March 2005, on the nomination of WriteAssociates, Prof. Mazisi Raymond Kunene was awarded the honorary title of South Africa's Poet Laureate in Durban. South Africa has now formally adopted the institution of Poet Laureate and we can expect to see many another gifted poet elevated to that status in the future.

The Dumile Feni retrospective mounted at the Johannesburg Art Gallery in early 2005, saw the repatriation of the works of one of the greatest and most prolific artists that South Africa has produced. In an effort to raise awareness in the visual arts the government has invited the corporate sector to promote the arts wherever possible. Renault responded innovatively to this challenge by not only hosting and mounting the works of young South African artists in their showrooms gratis, but also by providing them with a grant making it possible for them to exhibit. Government is contributing towards the return to South Africa of artworks produced in the African townships during the '70s and '80s to enable the country to see the work that was produced during that period.

R2 million has been dedicated to a pilot project aimed at stimulating the revival of literature in the indigenous languages. An annual literary prize has been established for new creative work in the indigenous languages to nurture and promote these languages.

1.2 Foreword by the Minister of Arts and Culture - *(Continued)*

Following the White Paper and the Music Industry Task Team's recommendations, an annual music market, conference and exhibition called "Moshito" was initiated in 2004. It was a resounding success. South Africa participated in MIDEM, an international music industry market in Cannes, in February 2005, and became the first African country to have a stall at this 30-year-old music market. The National Oral History and Indigenous Music Programme has been active, with the Department approving and funding over 30 projects in the past year.

The Department continues to manage its nearly 40 international cultural agreements and memoranda of understanding. New agreements were signed with Mexico in October 2004 and with Tunisia in November 2004. These agreements provide for cultural exchanges and opportunities for training in the various cultural disciplines. They also enhance South Africa's international relations.

The Memory of the World National Committee was set up to assist me to approve the listing of all historical and rare collections that exist in this country. These collections must be listed in a national database before they can be listed in UNESCO's Memory of the World Register. One such collection is the Dutch East India Company Records, which are entered in the Memory of the World Register, and a plaque marking this was unveiled at the Cape Town Archives on 6 April 2005.

2004/5 was a great year for the South African film industry as many films, directors and actors won awards at top international festivals throughout the world. The National Film and Video Foundation is commended for delivering on key national priorities of equity, redress and job creation, and for proactively adopting a progressive language policy.

The collective memory of our nation is vital in restoring dignity and providing restitution. The Department of Arts and Culture is tasked with ensuring that this collective memory is documented, stored and preserved for posterity. I am glad to record that in many ways and in many places South Africans are taking charge of this.

Dr Z Pallo Jordan
Minister of Arts and Culture

1.3 Foreword by the Deputy Minister of Arts and Culture



Ms Ntombazana Botha
Deputy Minister

There is no doubt that, over the last year, arts, culture and heritage issues have generated a lot of interest and vitality and have enjoyed a relatively high priority in South Africa. Our government, as well as stakeholders, the private sector, communities and civil society, have taken arts, culture and heritage to a higher level of success. This report bears testimony to that.

Exceptional achievements in the areas of film, music, performing arts and world heritage have been recorded this past year. A Grammy Award for Ladysmith Black Mambazo, an Oscar nomination for the film "Yesterday" and an inscription of the Vredefort Dome on the UNESCO World Heritage List - all these achievements are an affirmation of our efforts to realise the potential of this sector.

In addition to government initiatives, we have seen a lot of spontaneous activity and creativity expressed in all art forms and at all ages. This is an indication that the arts belong to all South Africans. Sustaining arts, culture and heritage is the responsibility of all South Africans - government, private sector, stakeholders and communities alike. It is

the collective responsibility of all to explore new and innovative ways to promote excellence in the arts and to find sustainable local and global markets for our South African product.

Our greatest challenge, however, as the Department of Arts and Culture, is to ensure that skills development programmes, resources and facilities for both the production and the appreciation of arts and culture are made available and accessible equitably to all South Africans.

It is also of strategic importance that we enhance the capacity and performance of our institutions such as the National Arts Council and Community Arts Centres in order to accelerate the implementation of development programmes. Special consideration should, however, be given to people and communities who have previously been denied access to these resources and also to women, the youth and people with disabilities.

Another challenge that we are still grappling with is the integration of arts, culture and heritage with national priorities such as housing, health, safety and security and economic development. To achieve this, greater coordination and synergy between national government departments and between the three spheres of government must be facilitated as a matter of urgency.

Collaboration with government departments, such as Environmental Affairs and Tourism, Trade and Industry, Social Development and Safety and Security, as well as public-private partnerships, should be encouraged.

Arts, culture and heritage projects must, of necessity, also be incorporated in the Integrated Development Plans and budgets of all municipalities. Municipalities must, therefore, continuously engage with local residents and community groups and encourage wider public participation in order to identify local cultural initiatives that would respond effectively to local needs.

Arts, culture and heritage permeate all aspects of our society and are an integral part of our social and economic life, fostering community building, social cohesion and sustainable development.

1.3 Foreword by the Deputy Minister of Arts and Culture - *(Continued)*

We must, therefore, understand and appreciate that it is through arts, culture and heritage that we will be able to safeguard and defend our young democracy effectively and with contentment, enjoy the fruits of the new South Africa, that truly belongs to all who live in it, united in our diversity.

Ms Ntombazana Botha
Deputy Minister of Arts and Culture

1.4 Introduction by the Director-General

The 2004/2005 financial year was truly a watershed year for the Department of Arts and Culture. The second democratic national general elections in South Africa took place in April. At that point, the Department of Arts and Culture was only one year old, having been separated from the Department of Science and Technology just a year before. Its independence up to that point had been at the level of administration and programmes only. Politically, it had been a sibling of Science and Technology, with both falling under one Minister.

Following the elections, the President introduced his new Cabinet by focusing on the significant role that Arts and Culture had to play in the affairs of the nation, and his consequent decision to appoint an independent Minister and Deputy Minister for Arts and Culture. His choice of Minister signified just how important he considered the role of Arts and Culture in the development and transformation of South African society, and during the course of the past year the Department has had the privilege of being guided by the astute and incisive intellect of Dr Z Pallo Jordan, supported by Ms NGW Botha, the Deputy Minister.

During the course of the year the Department continued to drive its policies in collaboration with the 27 arts and culture institutions created as its visible policy instruments. We have struggled together against the odds to stretch the limited resources available and achieve our policy objectives.

The Department has received enormous encouragement and support from the parliamentary oversight bodies, the Portfolio and Select Committees of the two houses of Parliament. For this we are most grateful. We are similarly encouraged by the cooperation and support received from the sector stakeholder organisations and individuals, not least our colleagues in the provinces and local communities.

The Department continued to play a leading role in the affairs of broad government. It is represented in all the clusters of the Forum of South African Directors-General, at which major policy discussions and decisions are generated for the approval of Cabinet. During the past year we had the privilege of being the leading department in the all-important project of Social Cohesion and Social Justice, producing a policy framework which the Cabinet endorsed. The framework proposed the development of a national integrated strategy on social cohesion and social justice. In addition, it proposed a number of parallel campaigns for social cohesion and social justice for the government to embark on. Two of these have been launched; the National Symbols Campaign, in Soweto, and the Arts in Prisons Campaign, at the Maximum Security Prison in Kroonstad.

We are currently a leading department in the equally important Macro-Social Strategy project.

I have no doubt that the commitment and integrity of the men and women of the Department of Arts and Culture, with the support of their colleagues in the sector, will be brought to bear uncompromisingly on the activities and projects that need to be carried out this year.

The interventions we have made and the support we have given to many during the past year speak volumes. I have no doubt that the Department has carried out its mandate successfully, and I therefore commend this report to the Minister of Arts and Culture.

**Prof. Itumeleng Mosala, Director-General
Department of Arts and Culture**

1.5 Information on the Ministry

After the elections of 2004, President Thabo Mbeki announced the separation of the Ministry of Arts, Culture, Science and Technology into the Ministry of Arts and Culture and the Ministry of Science and Technology. Dr Z. Pallo Jordan was appointed Minister of Arts and Culture. In appointing a senior leader, the President showed his desire to give Arts and Culture a stronger profile. Ms Ntombazana Botha was appointed Deputy Minister.

Although the setting up of the new Ministry of Arts and Culture is an ongoing process, work in the new Ministry began almost immediately with many demands being made upon the Minister and Deputy Minister. A skeleton staff served both the political principals in Pretoria and Cape Town for almost a year.

Both the principals engaged actively with the arts and culture sector, receiving tremendous feedback. Their workload has been extremely heavy, with consultations taking in the whole spectrum of arts, heritage and culture sectors.

The core responsibilities of both the Minister and the Deputy Minister are to give political leadership to the programmes and projects of the Department, and to contribute to Cabinet, Caucus and Parliament. They also have to carry out their constituency work.

The Minister and Deputy Minister also sign international agreements leading to further international cooperation and exchange programmes that expose our cultural workers to wider experiences.

Both the Minister and Deputy Minister undertook official visits abroad to strengthen international ties and cooperation, showcase South Africa in the relevant sectors and promote economic activities.

Minister Jordan led a delegation of musicians and performers to the Cervantino Festival in Mexico in October 2004. He then accompanied the President in his visit to Tunisia to the Fourth Session Joint Bilateral Commission. The President requested Minister Jordan to attend and deliver a Paper at the "Recontres de la Cité de la Réussite" Conference in Paris, France in November. He represented South Africa and delivered a paper on *Pan Africanism at Home and in the Diaspora* at a South African, African Union and Caribbean Diaspora Conference in Jamaica in March 2005 and signed an agreement in Cuba during that trip.

Deputy Minister Botha led the delegation to the Cannes Film Festival in May 2004 where co-production treaties were signed. She also led a mission to Timbuktu, Mali, in the ongoing Nepad programme of restoring and maintaining the precious Manuscripts, in November 2004.

1.6 Vision and Mission Statement

Vision

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

Mission

- To develop and promote arts and culture in South Africa and mainstream its role in social development
- To develop and promote the official languages of South Africa and enhance the linguistic diversity of the country
- To 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
- To develop and monitor the implementation of policy, legislation and strategic direction for the identification, conservation and promotion of cultural heritage
- To guide, sustain and develop the archival, heraldic and information resources of the nation to empower citizens through full and open access to these resources.

1.7 Legislative Mandate

The legislative mandate of the Department of Arts and Culture is broad, covering a range of institutions and legislation. The primary legislative mandate of the Department comes from the Constitution of the Republic of South Africa, which states that –

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 16);*

and that -

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 30).

Part A of Schedule 4 of the Constitution indicates that matters of culture and language are functional areas of concurrent competence between national and provincial government.

Supported by the White Paper on Arts, Culture and Heritage, the following Acts have been promulgated by Parliament and institutions created in furtherance of the constitutional mandate of the Department of Arts and Culture:

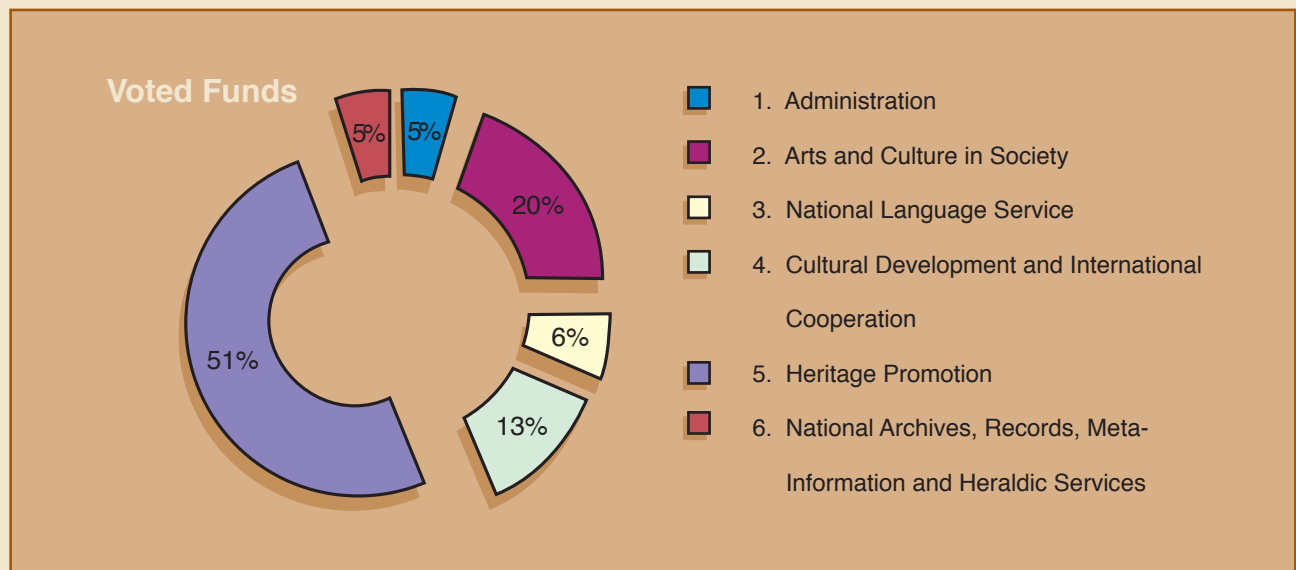
- National Archives and Records Service of South Africa Act (No. 43 of 1996)
- Cultural Institutions Act (No. 119 of 1998)
- Culture Promotion Act (No. 35 of 1983)
- South African Geographical Names Council Act (No. 118 of 1998)
- Heraldry Act (No. 18 of 1962)
- Legal Deposit Act (No. 54 of 1997)
- National Arts Council Act (No. 56 of 1997)
- National Film and Video Foundation Act (No. 73 of 1997)
- National Heritage Council Act (No. 11 of 1999)
- National Heritage Resources Act (No. 25 of 1999)
- Pan South African Language Board Act (No. 59 of 1995)
- National Library of South Africa Act (No. 92 of 1998)
- South African Library for the Blind Act (No. 91 of 1998)
- National Council for Library and Information Services Act (No. 6 of 2001).



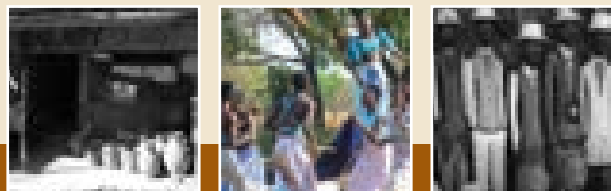
PROGRAMME PERFORMANCE

2.1 Voted Funds: 2004/2005

Appropriation	Main Appropriation R'000	Adjusted Appropriation R'000	Actual amount Spent R'000	Over/Under Expenditure R'000
1. Administration	39,312	54,149	54,147	2
2. Arts and Culture in Society	218,153	240,925	232,802	8,123
3. National Language Service	78,049	70,029	69,239	790
4. Cultural Development and International Cooperation	148,992	148,519	140,047	8,472
5. Heritage Promotion	593,675	599,518	532,286	67,232
6. National Archives, Records, Meta-Information and Heraldic Services	63,397	62,957	62,945	12
Total	1,141,578	1,176,097	1,091,466	84,631



The surplus of R84,631 million relates to 7,2% of actual expenditure against the voted funds for the 2004/2005 financial year. The majority of this underspending is due to the fact that the capital works projects linked to the Freedom Park Trust progressed more slowly than anticipated (R65,4 million), and a saving realised on the Ten Years of Freedom project (R8,1 million), whose funds were warehoused in the budget of the Department.



2.2 Summary of programmes

The Department's activities are organised into the following six programmes:

- Programme 1: Administration (Corporate Services)
- Programme 2: Arts and Culture in Society
- Programme 3: National Language Service
- Programme 4: Cultural Development and International Cooperation
- Programme 5: Heritage Promotion
- Programme 6: National Archives, Records, Meta-Information and Heraldic Services

2.3 Overview of the Service Delivery Environment and Key Policy Developments for 2004/05

The following illustrate the wide range of issues on which we have delivered over the past few years:

Since 2002, the Department of Arts and Culture has had sole responsibility for the transformation of arts, culture and heritage. The Department has recently been strengthened as, since the 2004 election, it has its own ministry and cabinet minister.

A key objective is to redirect and increase the arts and culture budget to serve the artistic and cultural needs of the whole country. Reorganising the Department has also been important and was initially focused on the former performing arts councils, which had absorbed the bulk of arts funding in the past. To encourage the establishment of separate performing and production companies, the performing art councils are now functioning as playhouses. Funding art performances and productions takes place through the National Arts Council, which means that playhouses can receive additional subsidies for approved projects.

Promoting arts and culture for social cohesion

The Department will continue to promote arts and culture for social cohesion and contribute to other government objectives such as poverty alleviation and job-creation, primarily through providing strategic support to arts institutions and civil society organisations. A mass participation strategy will address issues of inclusion and integration such as the disparity in the allocation of resources within the arts and culture sector. The Department will also selectively and appropriately focus on groups that the government is currently concerned about, like people with disabilities, the youth, women and children.

Promoting linguistic diversity

Taking cognisance of the constitutional provisions on multilingualism, the Department developed the National Language Policy Framework, approved by Cabinet in February 2003. The process of establishing language units in government departments is under way, and the National Language Forum continues to discuss and monitor the implementation of the Framework across government.

During 2004, a national strategy for human language technologies (HLT) was drafted to provide for setting up a national HLT facility to coordinate research, development, training and consultation. The Department will be responsible for coordinating, managing and marketing all HLT-related activities in government departments.

To control quality and regulate the language professions, a South African Language Practitioners Council will be established in partnership with the Pan South African Language Board (PanSALB). The council will be responsible for registering and accrediting language practitioners for all 11 official languages.

Supporting the cultural industries

The Cultural Industries Growth Strategy capitalises on the economic potential of the craft, music, film, publishing and design industries. The Department gives support in the form of financing, management capacity, advocacy and networking with other initiatives that use culture as a tool for urban and rural development.

The Department encourages the film industry to grow through financial support to the National Film and Video Foundation. The Music Industry Task Team set up by the Minister outlined 37 recommendations, which include developing enabling legislation and promoting the economic growth rate of the industry. The Department continues to support industry initiatives that are consistent with the objectives of job-creation and economic development. To this end, it is also focusing on the design, craft, book and publishing sector.

International partnerships

The Department's participation in various activities in the international cultural arena help to identify, promote and exploit mutually beneficial partnerships for social and economic development in South Africa. Collaborations involve about 39 countries, including Mexico, Tunisia, France and Brazil, as well as the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Southern African Development Community (SADC). Overseas development aid programmes and international agreements or partnerships have been established with a number of countries.

Transforming the heritage sector

Since 1998, six of Cabinet's nine national legacy projects have been completed, including the Women's Memorial and the Anglo-Boer South African War centenary commemoration. Approval for six more legacy projects will be sought from Parliament in 2005/2006.

The establishment of the Luthuli Museum in KwaDukuza, KwaZulu-Natal, will further the transformation of the heritage sector. The disbursement of funds under the auspices of the Transformation Fund for museum staff training, education and outreach programmes and audience development projects, among other things, has increased the funding scope of institutions.

The priority programme to broaden access to institutions by improving museum buildings and cultural infrastructure, which started in the 2002/03 financial year, continues. Greater emphasis will be placed on the security of collections and on a national audit of heritage collections as a way of limiting criminal activities, including fraudulent international trade.

Archives

The National Archives, Records, Meta-Information and Heraldic Services are moving forward in implementing their objectives of governance, transformation, meeting the information needs of society, and promoting national reconciliation and social cohesion through the transformation of the heraldic and other symbols. Progress was made in the provincialisation of archival facilities. The Cape Town facility is currently being transferred. Closer cooperation with all provinces is being developed through records management and other projects. Archival support for Nepad projects, such as the South Africa-Mali cooperation on the Timbuktu Manuscripts and the

African Archives Agenda (endorsed by SADC ministers in Cape Town in 2004 and by the International Archives Congress in Vienna in 2004) receive priority. The library and information sector is taking steps to realign its programmes with government objectives.

2.4 Overview of the Organisational Environment for 2004/05

Human resource strategy 2005/2006 to 2009/2010

The human resource strategy arose from the need to continuously align the Department's strategic direction with its human capital management imperatives, which will ensure that management is approached in a logical, coherent and focused manner.

The implementation of this strategy will take place within the context of human resources management:

- Strategic partner
- Employee champion
- Change agent
- Administrative expert.

To achieve this, the strategy seeks to ensure that the Department is able recruit, retain, develop and manage its employees in order to achieve its strategic objectives.

The human resource strategy aims -

- Primarily to provide the right number of employees, with the right competencies at the right time
- To ensure that employees provide high performance and value to the Department.

Human resource development

- Conduct training needs analysis based on job-specific competence requirements
- Introduce learnerships
- Presentation of learning solution
- Introduce an internship programme
- Facilitate the development of personal development plans.

Systems efficiency and accessibility

- Improve turnaround/response times
- Information storage and accessibility.

Accelerate transformation

- Develop affirmative action programme and facilitate its implementation
- Reinforce a work ethic through awareness workshops on:
 - Code of conduct
 - Diversity awareness
 - Human resource policies
 - Public Service Regulations
- Reinforce the culture of high performance by facilitating the effective implementation of a Performance Development Management System (PDMS).
- Promote employee wellness through the implementation of an employee assistance programme and mainstreaming of internal equity programmes
- Provide a proactive labour relations service in order to ensure harmonious relations.

Affirmative action programme

The Department will prioritise the representation of women and the disabled at senior and middle management levels.

Quarterly reviews of the workforce profile will be done to ensure compliance with employment equity targets. The focus areas that will drive our affirmative action programme to ensure an enabling environment are:

- Training and development
- Coaching and mentoring
- Performance management.

2.5 Departmental Receipts

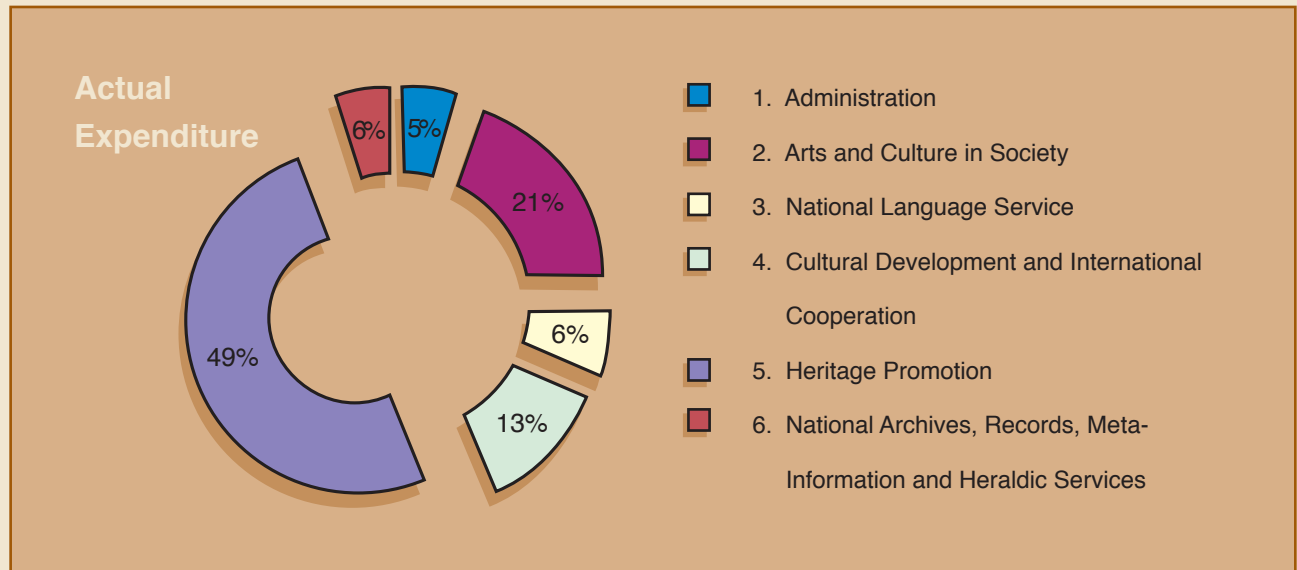
Departmental receipts include mainly miscellaneous items such as debt repayments and reimbursement for private telephone calls. Some revenue is generated through service fees charged by the National Archives for payment for copying documents and registering coats of arms. Sales of goods and services 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.

2.5 Departmental receipts - (Continued)

	2000/01 Actual R'000	2001/02 Actual R'000	2002/03 Actual R'000	2003/04 Actual R'000	2004/05 Actual R'000
Non-tax revenue	262	270	283	407	327
Financial transactions (recovery of loans and advances)	350	184	76	7,539	-
Gifts, donations and sponsorships received	-	-	-	-	4,169
Departmental revenue	612	454	359	7,946	4,496

2.6 Departmental payments

Programmes	Voted for 2004/2005	Roll-overs and adjustments	Virement	Total Voted	Actual Expen.	Variance
1. Administration	39,312	9,200	5,637	54,149	54,147	2
2. Arts and Culture in Society	218,153	20,422	2,350	240,925	232,802	8,123
3. National Language Service	78,049	(1,940)	(6,080)	70,029	69,239	790
4. Cultural Development and International Cooperation	148,992	2,054	(2,527)	148,519	140,047	8,472
5. Heritage Promotion	593,675	4,783	1,060	599,518	532,286	67,232
6. National Archives, Records, Meta-Information and Heraldic Services	63,397		(440)	62,957	62,945	12
Total	1,141,578	34,519	-	1,176,097	1,091,466	84,631



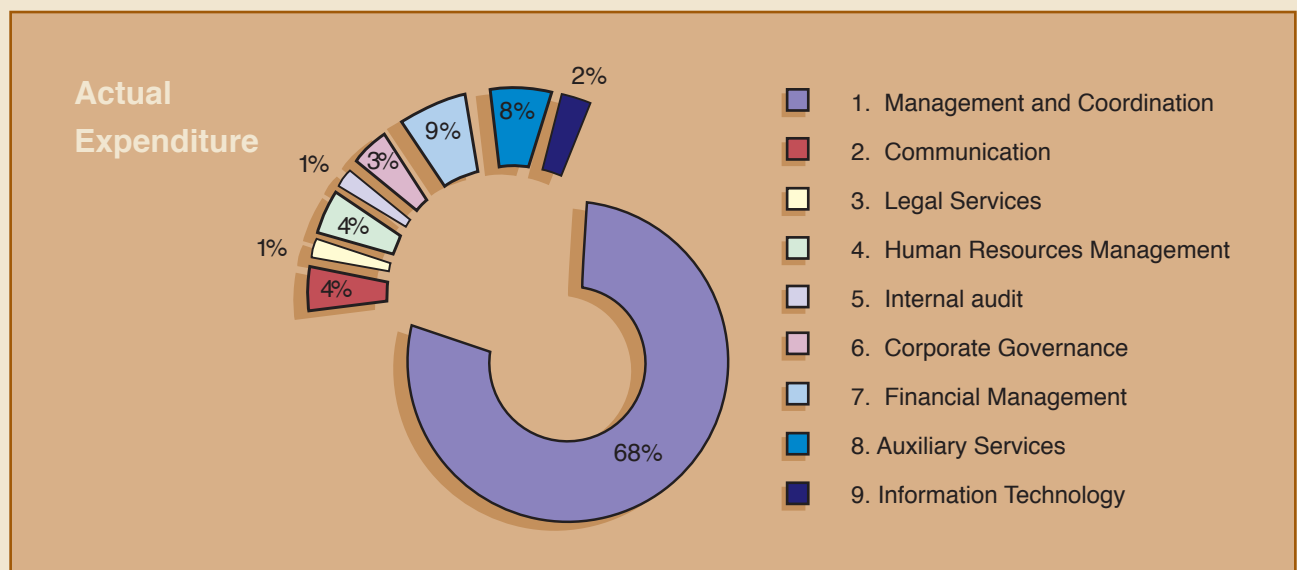
2.7 Programme performance

2.7.1 Programme 1: Administration / Corporate Services

Purpose

The purpose of Corporate Services is the overall management and provision of centralised support services to create an enabling environment for the achievement of departmental objectives, as well as the coordination and development of systems that will effectively and efficiently manage the strategic functions and operations of the Department.

Activities



Corporate Services

Priority areas are as follows:

- Drive and oversee the implementation of the Department's strategic goals
- Improve service delivery
- Improve the Department's image
- Good governance
- Knowledge and information management.

Objectives

- To ensure that the Department's systems, structures, policies and practices are appropriate to deal with the challenges of the Department, the Ministry and the sector
- To ensure effective coordination, management and quality of work of all functional components
- To ensure compliance with all relevant legislation
- To ensure that the services rendered meet the quality requirements of both internal and external clients and stakeholders
- To improve the Department's image by developing a strong brand
- To develop and retain a representative and high performance team
- To ensure the mainstreaming of gender in all our work
- To provide strategic functional and operational support to the Director-General
- To enhance the Department's ability to serve its clients appropriately.

Delivery

Corporate Services has -

- Developed and maintained integrated and flexible operating systems that have enabled the Department to achieve its objectives
- Reduced the bureaucracy and red tape that has characterised the provision of basic services in the Department.
- Effectively implemented policy
- Managed an aggressive marketing campaign
- Empowered managers and staff to meet the requirements of their performance agreements effectively
- Put in place internal controls
- Put in new systems and processes in place.

Information Technology Resource Strategy

Purpose

The information technology (IT) function ensures that the Department's IT development, maintenance and usage is in line with government policy and goals, and aligned to the Department's strategic objectives.

Service delivery achievements / activities

- A special web site was created for information on the 10 Years of Freedom celebrations
- An extensive needs analysis was carried out to ensure that the Strategic Information Systems Development Plan was comprehensive
- IT infrastructure was modernised in outlying premises that had been neglected in the recent past, such as the National Film, Video and Sound Archives, and the Cape Town branch of the National Archives
- A pilot project using integrated document management software was commenced at the National Archives

- IT infrastructure was designed and installed for the National Language Service in their new offices in the Metropark building
- Service to IT users was improved through the establishment of an internal help desk, eliminating the need for users to work through an external call centre
- The Department chaired the Government IT Officers' Council Work Group on Knowledge and Information Management (KIM), which released an extensive discussion document on a KIM strategy for government.
- Advice to associated institutions on the development of their own IT infrastructure was provided on request.

Communications

Purpose

Since communication is a strategic function, the Chief Directorate: Communications interacts with all programmes in the Department. Whenever communications campaigns are planned, the diverse nature of South African society is taken into account. The Chief Directorate aims to communicate in such a way that its message reaches and is understood by all the intended audiences, and it strives to present relevant information in an attractive and interesting manner. Through letsema activities, conferences, indabas and izimbizo that include all sectors of society, the Department interacts directly with stakeholders.

Service-delivery achievements

The Chief Directorate is in the process of implementing its structures as recommended by the Comtask Report. The structure includes the following:

- Media relations focused on developing strategic media-government relations for an informed nation
- Provincial liaison and stakeholder management to ensure integrated service delivery. The Department's communication efforts during the 2005/6 financial year will focus mainly on the achievement of the objectives below.

Measurable objectives

- To create a heightened awareness of the role of arts and culture
- To highlight the role of arts and culture in economic development and social cohesion
- To profile arts and culture as one of the employment-generating sectors/industries which the youth could follow as a career
- To create solid communication programmes with the Department's stakeholders
- To correct inconsistencies and imbalances that affect access to arts, culture and heritage by providing information to the public
- To focus on the Department's role in job creation within the Cultural Industries Growth Strategy (for example promoting, publishing in all official languages, film, craft and music)
- To implement outreach communication programmes
- To promote linguistic and cultural diversity as important thrusts of the Department.

Heritage

There were a number of high profile events in the year under review. The launch of the Inkosi Albert Luthuli Museum and lecture at the University of KwaZulu-Natal was the beginning of a successful partnership between the Government Communication and Information System and the Department. There was also the launch of the National Heritage Council, and for Heritage Month a three-year theme 'Celebrating our Living Heritage' was unveiled at a media launch in Johannesburg. There was an event in Bloemfontein on Heritage Day, and at the African Window the Dutch anti-apartheid movement entrusted their archives to the Department. A sod-turning ceremony to launch the National Library was also held in Pretoria.

Festivals

As it was an election year, new political principals were appointed and interacted with the arts community at various forums, among them festivals. The Minister had successful interaction with media, the public and performing artists at the Grahamstown Festival. The Department had a strong presence at the Cannes Film Festival. The Deputy Minister's participated in various activities during the festival was widely covered in the media. The Department was also involved in the North Sea Jazz Festival and Sithengi.

Izimbizo

The arts community interacted with all tiers of government at various izimbizo. As an introduction to the imbizo method of communication, the Minister visited Gauteng and KwaZulu-Natal, holding extensive consultations in numerous venues and interacting with most arts and culture sectors. The izimbizo were well attended and arts communities seized the opportunity to interact with the political principals. An informative dialogue was conducted and this was picked up by the media. In rural KwaZulu-Natal existing projects were presented, and there was music, dancing and crafts. The Department's partners were local organisations as well as the Media, Advertising, Printing, Packaging and Publishing sectors (MAPPP-SETA). The Ministry conducted izimbizo at the Funda Centre, the Bag Factory, Mega Music, the State Theatre and the Windybrow Theatre.

Letsema

The Ministry visited several associated institutions. Highlights included a visit to the Market Theatre and the Settlers Museum in Grahamstown, where there was interaction with the local media.

General

The Ministry participated in Parliamentary media briefings in support of government programmes. These were organised according to Social Cluster of government departments. Other activities included the singing of the South African - United Kingdom Binational, the establishment of the Gibson Kente Foundation, Hosting of Night of the Poets and the 10 Years of Freedom celebrations closing ceremony.

Internal Audit

Purpose

The purpose of Internal Audit is to develop a risk model for the Department to identify priorities for internal auditing, execute the internal audits identified in the annual internal audit plan and implement the Department's fraud prevention strategy, which includes prevention, detection and action plans.

Service delivery achievements

The Internal Audit function was outsourced to PriceWaterhouseCoopers and Xabiso to address capacity constraints and for skills transfer to the in-house staff members. A risk assessment was conducted for the 2004/2005 financial year. Internal Audit and Audit Committee Charters, which define the purpose, authority and responsibilities of the Internal Audit and Audit Committee were approved. The Internal Audit Unit finalised reports relating to the business processes of the Department. A materiality framework was developed and approved by the Audit Committee

A fraud prevention plan was approved and a fraud strategy was developed and is in place to implement fraud prevention measures. As part of this fraud strategy, a whistle-blowing hotline is in operation and functioning well. Allegations were received and investigated. A fraud subcommittee, which reports to the Risk Management Committee for guidance, was established.

Corporate Governance

Purpose/Objectives

Corporate Governance manages the reporting, general compliance with the Public Finance Management Act and general administrative issues of public entities.

Service delivery achievements

- Level of compliance
- Workshops

Financial Management

Financial Management is the custodian of the Public Financial Management Act in the Department. Ensures that transparency, accountability and efficiency are taken into account in all financial transactions conducted by the Department.

Service delivery achievements

Regular, efficient and timeous processing of financial transactions and regular reporting on and control over government assets and expenditure, and the maintenance of an accurate asset register was achieved. A semi-accrual accounting and reporting system, and a standard chart of accounts were implemented, a major departure from the previous systems utilised. The implementation programme included the identification of needs and the implementation of training programmes to ensure effective usage of the systems.

2.7.2 Programme 2: Arts and Culture in Society

Purpose

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

Measurable objective:

To increase and facilitate access to and broader participation in arts and culture through policy formulation, legislation and equitable funding.

Arts, Social Development and Youth

Service delivery objectives and indicators

Recent outputs

A number of key priority areas have been identified for immediate intervention in ensuring arts access for all the citizens of the country. Basing its actions on principles of corporate governance, the Department has embarked on various capacity-building initiatives and programmes, in partnership with the Department of Education and the Department of Water Affairs and Forestry.

The Arts and Culture learning area is one of the vehicles for attaining the social goals of the revised National Curriculum Statement as reflected in the principle of human rights and social justice through education. The focus of the collaboration included conducting a national audit on sport, art and culture programmes, professional development initiatives, the Tirisano Schools Choral Eisteddfod, the Tirisano National Youth Choir, the celebration of national days, Arts Education and Training (Artists in Schools), the establishment of arts academies and community arts centres, national symbols and Baswa le Meetse, a project aimed at sensitising students to the importance of water conservation and sanitation.

Service delivery achievements

- Arts Education and Training (AET) provided the Curriculum Development Project/Witwatersrand School of Arts Partnership with a sum of R500 000 for the National Symbols Project as an extension of the Artists in Schools Programme. The project was implemented in 17 schools
- The Department of Arts and Culture was represented on the National Standards Body for Culture and Sport to advise on national qualifications in arts and sport
- A final draft of the memorandum of understanding between the Department of Arts and Culture and the Department of Education was produced, along with a draft programme of action
- The Integrated Human Resource Development Strategy was funded to the tune of R500 000. It has been designed as one of the key source documents for strategy in arts education and training
- AET gave R500 000 for a literature review of the Impact of Arts Education and a research and development skills programme in partnership with CREATE SA, aimed at creating access to research skills for previously disadvantaged individuals (17 learners in total)
- The Drakensberg Boys Choir was funded for R400 000 to offer bursaries to previously disadvantaged students
- In March 2005 the Department of Arts and Culture, in partnership with the Department of Correctional Services, launched the Arts in Prisons (AIP) programme in Kroonstad prison. This programme is part of a much broader programme of arts access – enabling all South Africans, especially those marginalised by society such as prisoners and people with disabilities, to have access to the arts. The AIP programme

is aimed at making a contribution to the rehabilitation of offenders. It introduces the inmates to a variety of arts activities such as drama, music, poetry and the visual arts, with the aim of ensuring that they enjoy the opportunity to engage in the arts, but at the same time undergo a process of change, spiritually and in their attitudes to prepare them for life in society. It is intended that the current pilot programme will be extended to other prisons throughout the country and work is currently being done in preparation for this. This work entails working out a proper budget structure and the exact nature of programmes that offenders will be introduced into. The Department has invested a total of R400 000 in this campaign

- Arts and Culture as a learning area in the classroom, and in the enrichment of the schools environment, was rolled out in Limpopo, KwaZulu-Natal and the Free State
- The project also attempts to encourage the promotion of mutually beneficial interchanges between the formal (schooling, education and training) and non-formal (community arts structure likes Zamdela, Mmabana, Thabong, the Basotho Cultural Village and many others)
- Implementation of this project is envisaged to take place in April/May 2005. A sum of R3 million spread over three years has since been transferred by the Department, through the Investing in Culture Fund, to ensure that arts and culture education and training takes off in more coherent and coordinated manner
- The Moral Regeneration Movement (MRM) was created to underpin the process of nation building. It seeks to reconstruct social values and has been hailed as the RDP of the soul. Focus is on restoring a value system corroded by the disintegration of families, poverty, greed, the abuse of women and children, racism, corruption and so forth rather than traditional morality. The restoration of respect for the elderly and positive traditional values is important, as is ensuring that South Africans are not bystanders in the process of modernisation, but an integral part of the process of globalisation. The MRM was allocated R2 million for the 2004/05 financial year.

Arts and Culture in Society

Service delivery objectives and indicators

Recent outputs

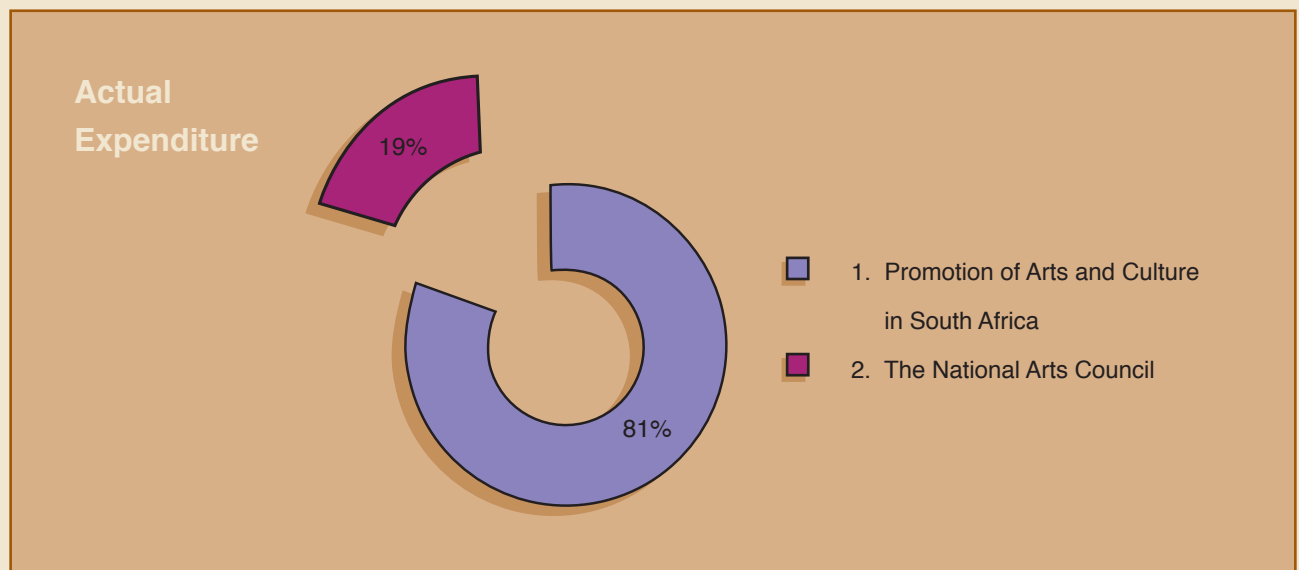
In 2004 the performing arts and festivals were used as a vehicle to celebrate the 10th Year of Freedom in South Africa and to foster national unity by showcasing the diverse cultures of the South African population. By funding these festivals, the Department contributed to social development, urban regeneration, job creation and the development of sustainable Small and Medium Enterprises (SMEs). The Department is moving towards organising the performing arts sector and developing policy for it, especially in the fields of choral music, poetry and indigenous music and dance.

Community arts centres have become a focal point through which the arts and culture sector can impact on both social and economic development at the local levels of most communities. These centres are also being positioned to be the leading centres for poverty alleviation. The Department reaffirmed its commitment to revitalising community arts centres in South Africa by increasing the budget from R1 million in 2003/2004 to R5 million in 2004/2005.

Activities

Promotion of Arts and Culture in South Africa (R188,134 million) develops and promotes arts and culture in South Africa and mainstreams their role in social development. The sub-programme is responsible for developing the literary, visual and performing arts through financial assistance to various performing arts institutions. It also supports social development through moral regeneration activities, programmes and initiatives directed at out-of-school youth and rehabilitating prisoners.

The National Arts Council (R44,668 million) supports various disciplines of arts and culture through disbursing grants and advises the Minister on a range of strategic policies and developments in terms of the National Arts Council Act.



The South African-Flemish Community Arts Centre Project, as part of a three-year binational agreement with Flanders, has completed its second year. The Project supports six community arts centres in KwaZulu-Natal, the Free State and Limpopo through capacity building of managers and officials. It also funds a number of projects in the arts centres and assists with the development of policies for community arts centres.

Arts institutions are moving towards aligning their activities with those of government by ensuring equitable representation with the appointment of their staff members and programming that reflects the diverse cultures of the South African population. There has been considerable improvement in governance and compliance within the arts institutions, which has been a cause of concern in the past.

The National Arts Council continues to function and meet its obligations as a statutory body, despite the absence of the Council's members. The Department is providing institutional support service to the National Arts Council in order to ensure that the institution functions as effectively and efficiently as possible. BASA's Supporting Grant Scheme has proven to be more beneficial to the arts constituencies as more businesses become members of BASA.

Service delivery achievements:

- An estimated R10 million was used to fund the performing arts and arts festivals
- Five provinces celebrated the 10th Year of Freedom with indigenous music and dance festivals
- The Department assisted community arts centres to raise R4,5 million from the Lottery to fund various programmes
- Each of the six Playhouses has at least one development programme dedicated to the upliftment of the disadvantaged communities
- The process of policy development continued through consultation with provinces and local municipalities
- Four Playhouses presented *Sarafina!* to celebrate the 10th Year of Freedom
- The last three Playhouses were declared Cultural Institutions under the Cultural Institutions Act
- The new representative boards of the Playhouses were appointed
- The financial position of the Windybrow and Market Theatres was stabilised
- The National Arts Council released the names of organisations and companies that will be participating in the Grahamstown Festival in advance in order to meet the deadline
- BASA enlisted nine new members during the 2004/05 financial year
- The total value of grants made by BASA was R1 788 500 and corporate sector funding leveraged (sponsorship value from businesses) was R14 048 790
- The Flemish project has developed strategic partnerships with the Universities of Zululand, Venda, KwaZulu-Natal, and the Free State
- Six Flemish students visited six arts centres in South Africa from August to October 2004, and in March 2005 six South African students left for Flanders for an exchange visit
- Three Orchestras received financial support during the period under review.

2.7.3 Programme 3: National Language Service

Purpose

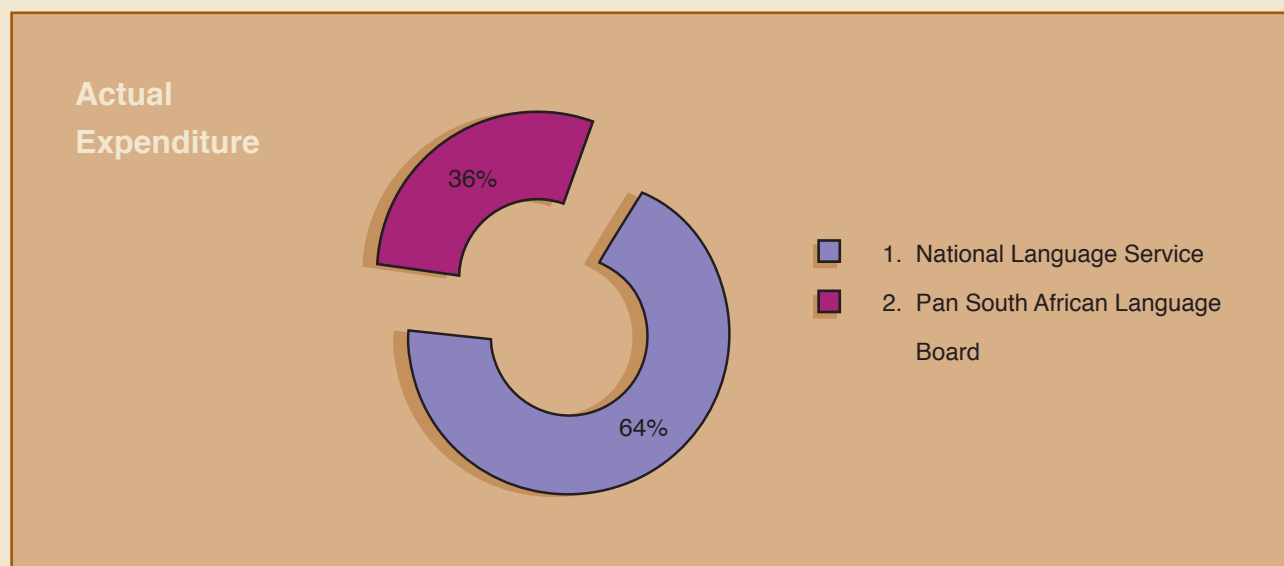
To develop and promote the official languages of South Africa and enhance the linguistic diversity of the country.

Measurable objective

To 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.

Activities

- The National Language Service (R44,562 million) develops and promotes the official languages of South Africa and enhances the linguistic diversity of the country. The subprogramme provides a range of language services for official documentation, develops and promotes national language policy, and gives advice on standardising, and disseminating information on, a range of terminology. The National Language Service is currently responsible for implementing the National Language Policy Framework.
- The Pan South African Language Board (R24,677 million) is responsible for creating a conducive environment for developing, using and promoting the 11 official languages, as well as the Khoe, Nama, San and South African sign languages.



Service delivery objectives and indicators
Recent outputs

Language Development

Language Research and Development Centres

The Department has begun to set up language infrastructure for the smooth implementation of the National Language Policy Framework. The launch of the nine Language Research and Development Centres (LRDCs) in 2004, one for each previously disadvantaged official language, was the highlight of these efforts by the Department. Almost all LRDCs are in the process of appointing staff, namely centre managers, coordinators, researchers and secretaries. The LRDCs are meant to decentralise the development of the indigenous languages, taking them closer to the communities that speak these languages. Their focus areas include terminology development and language enhancement, literature development, language museums and heritage, and research and development for each of the indigenous languages.

Telephone Interpreting Service for South Africa (TISSA)

The pilot project, in which interpreters bridged the language gap between citizens and public servants through a call centre, was completed in 2003. In 2004 Golola/Optical Consortium was appointed as the service provider for the implementation of the TISSA Project on a large scale. The Minister of Arts and Culture launched the TISSA permanent project on 9 May 2005. Forty-seven interpreters have been trained by the University of the Witwatersrand to provide an efficient interpreting service in all 11 official languages in South Africa. Sign language interpreters will also be available. The Call Centre is located in Muckleneuk in Pretoria and has well-trained call centre agents to manage incoming calls. Seventeen sites are already connected and functional in various government departments.

Bursary Scheme for Applied Language Studies

Full implementation of the scheme took off at postgraduate level in January 2004. Fifty students were awarded bursaries to study at five identified universities. Of these, 47 passed at the end of 2004. Thirty-seven of the 47 are in the final year of their master's degrees. Seven students have passed and completed one-year honours programmes. A total of R1 348 044 was spent on these postgraduate studies.

The Department has made special provision for the previously most marginalised official languages to bring them on par with the rest. Bursaries were awarded to Xitsonga, Tshivenda, isiNdebele and siSwati students from the beginning of 2005. Target numbers were met for Xitsonga and Tshivenda, while siSwati and isiNdebele presented a challenge, and still require a lot of support and assistance. Over and above these four languages, bursaries were also awarded for studies in Human Language Technologies (HLT), but the target number was not reached for these either.

Human Language Technologies

Significant progress is being made by the National Language Service in the field of HLT, the products of which will be used to promote multilingualism and fast-track the use of African languages in all spheres of life, resulting in the creation of a flourishing language industry throughout the country. To this end the newly established HLT Unit within the Department is finalising the process of establishing an HLT Centre, which will be managed on behalf of the Department by an outside service provider. The main tasks of this Centre will be to establish and maintain a depository for electronic language and speech data, commission applied research at various participating sites, facilitate the development of enabling technologies, and build capacity. It is envisaged that coordinated research initiatives will eventually lead to the commercialisation of products.

Terminology coordination projects

Mathematics Dictionary:

Copies of the dictionary were distributed to various primary schools throughout the country, and the cost of this distribution was borne entirely by the Department of Education. Questionnaires will be distributed to solicit feedback from schools that received copies of the dictionary. Responses and inputs received will be utilised for improving future versions of the dictionaries and other terminology products. Assistance will be requested from the LRDCs on specific focus areas.

Curriculum-based Natural Sciences and Technology Project

The project comprises over 2 900 dictionary entries. It is a collaboration with the Department of Education to facilitate the implementation of mother-tongue education.

Information Communication Technology (ICT) Project

This project consists of 300 first-phase entries. It is a joint venture between the Departments of Arts and Culture and Communications. Terms are being created for the fields of telecommunications, e-commerce, ICT, postal services and broadcasting. The full amount of R630 000 required for the project was provided by the Department of Communications.

Parliamentary and Political Terms Project

The ground text of this project was adopted from the Western Cape Legislature, which already contained isiXhosa equivalents. The National Language Service expanded the project by adding the rest of the indigenous official languages. The project now contains 482 entries.

Translation and Editing

Clients:

The Directorate comprises two sections: English, Afrikaans and Foreign Languages, and African Languages. The sections are mandated to serve the same clients, namely all national government departments, the Presidency, Parliament, constitutional bodies, provincial governments and selected public entities – about 60 potential clients. However, the sections differ when it comes to which clients submit work and the type of work done for such clients. Work is not commissioned – clients submit work as needed.

Outsourcing:

Work is outsourced to selected freelancers when the relevant section lacks the capacity to deal with a particular document, i.e. too much work on hand, insufficient staff numbers, or lack of expertise (for example, sworn translation, technical expertise, no in-house translator for a particular language).

Cost:

The Department of Art and Culture bears the cost of translation and editing work done for all its clients. Freelance tariffs are more or less the same for the official languages, but for foreign languages tariffs differ depending on the direction of translation (for example, French into English is cheaper than English into French) and the relative scarcity of the language – tariffs for Western European languages are lower than, for example, for Chinese. A major cost-raising effect, in foreign languages in particular, is the urgency of the work – the shorter the deadline, the higher the tariff charged by the freelancer.

Recent outputs

Official languages

English

Comparison of English output for the past two years

	2003/04			2004/05		
	In-house	Outsourced	Total	In-house	Outsourced	Total
Documents	304	72	376	354	52	406
Pages	1,746	2,552	4,298	1,580	1,916	3,496
Cost (R)		150,543			132,257	

There was a decrease of 22% in overall demand for English translation and editing this year. The decrease in volume in 2004/05 can be ascribed to lower demand from the Departments of Foreign Affairs, Science and Technology, and Arts and Culture, although the latter remained one of the section's biggest clients. The other main clients were the Departments of Public Service and Administration, Labour, Environmental Affairs and Tourism, Social Development and Health and the Presidency. Together, these seven clients were responsible for 91% of the work in the section. A characteristic of demand this year was the increase in demand for translation from Afrikaans into English. This demand came almost entirely from the Ministry of the Department of Environmental Affairs and Tourism and from the Presidency.

Examples of documents dealt by the section this year

- Nutritional guidelines for diabetes mellitus, coronary heart disease and enteral conditions
- The National Youth Service Programme
- Monitoring and evaluation reports by the Public Service Commission on four national and five provincial government departments
- Reports on home/community-based care for all nine provinces
- More than 60 bargaining council agreements
- Taxation agreements between South Africa and Bulgaria and Kuwait.

Afrikaans

Comparison of output for the past two years

	2003/04			2004/05		
	In-house	Outsourced	Total	In-house	Outsourced	Total
Documents	148	16	164	96	27	123
Pages	750	939	1,689	552	1,009	1,561
Cost (R)		91,543			112,414	

There was a decrease of 7% in overall demand for Afrikaans translation and editing this year. The decrease in volume in 2004/05 can be ascribed to lower demand from the Departments of Transport and Arts and Culture. The section's main clients were the Departments of Education, Labour, Arts and Culture, Health, Minerals and Energy, and Justice and Constitutional Development. Together, these six clients were responsible for 77% of the work in the section.

A significant feature of demand in 2003/04 was the shift in the balance of translation versus editing. In 2002/03 the ratio was 47:53, as against 91:09 in 2003/04. This was an indication that demand for Afrikaans was moving in line with that for the African languages, i.e. the vast majority of documents submitted are for translation from English. This year, the ratio of translation to editing was 77:33.

Examples of documents dealt by the section this year

- Amendment Bills on Modified Organisms, Sterilization, Precious Metals and Diamonds, and Minerals and Energy Laws
- Teachers' manuals covering all nine learning areas
- Service charter and minimum standards of service for victims of crime
- Code of Safe Working Practices for Fishing Vessels
- Regulations on a transparent pricing system for medicines.

African Languages

Comparison of African Languages output for the past two years

Languages	2003/04 (No. of documents)			2004/05 (No. of documents)		
	In-house	Outsourced	Total	In-house	Outsourced	Total
IsiZulu	146	62	208	88	37	125
IsiXhosa	112	38	150	63	36	99
IsiNdebele	64	8	72	53	45	98
SiSwati	59	12	71	67	24	91
Sepedi	80	27	107	65	23	88
Setswana	94	37	131	56	11	67
Sesotho	118	13	131	45	26	71
Tshivenda	75	25	100	61	24	85
Xitsonga	84	20	104	51	22	73
Totals	832	242	1,074	549	248	797

The Department of Labour, followed by the Departments of Agriculture and Health, were the main clients for African Languages.

Examples of documents dealt by the section this year:

- Know your UIF rights and obligations
- Advertisement nominations for members of various committees
- National Ports Authority Bill
- TISSA brochure
- Language Research and Development Centre documents
- The Livestock Auctioneering Process
- Public Access to Information Act Manual for Water Affairs and Forestry
- Registration of Heraldic Representations
- National Energy Regulator Bill
- Heritage Month documents.

Foreign languages

Comparison of output for the past two years

	2003/04			2004/05		
	In-house	Outsourced	Total	In-house	Outsourced	Total
Documents	1,410	248	1,673	957	286	1,243
Pages	1,421	3,327	4,748	1,449	4,546	5,995
Cost (R)		656,00			865,046	

In 2003/04 translation for the Directorate of Special Operations (DSO) and the Specialised Commercial Crimes Unit represented 43% of the total cost of outsourcing, whereas in 2004/05 the cost of translation for the Department of Justice and Constitutional Development, including these two units, represented only 15% of total expenditure. This is a decrease of R189 290 or 59%, although Justice was still the section's biggest client.

The section's other main clients for 2004/05 were the Departments of Public Service and Administration, Health, Agriculture (including the Agricultural Research Council) and the Presidency.

Comparison of statistics for the top 10 foreign languages (By volume, i.e. number of pages)

Language (2003 - 2004)	No. of pages	Language (2004 - 2005)	No. of pages	Language (2003 - 2004) Increased/Decreased
French	1 759,25	French	3 271,52	+ 1 512,27
Spanish	758,50	Spanish	813,41	+ 54,91
Portuguese	1 145,75	Portuguese	572,35	- 573,40
Chinese	37,50	Chinese	226,54	+ 189,04
German	523,50	German	189,66	- 333,84
Dutch	32,00	Dutch	180,85	+ 148,85
		Greek	167,56	+ 167,56
Russian	30,25	Russian	147,76	+ 117,51
Japanese	22,00	Japanese	116,17	+ 94,17
Italian	91,75	Italian	88,50	- 3,25
Totals	4 400,50		5 774,32	+ 1 373,82

French was again the language by far in highest demand in 2004/05, followed by Spanish and Portuguese. For the first time ever, Chinese was in the top five - with requests for translation coming from the Presidency, Defence, the South African Police Service and the DSO.

Service delivery achievements

- The TISSA project is now fully functional and is managed by the Department in conjunction with the Golola/Optical service providers.
- A task team for the South African Language Practitioners' Council (SALPC) was established by the National Language Forum. Extensive research on the professionalisation of the language profession was conducted by the members of the task team. A policy document on the SALPC is to be written using the information that was gathered.
- Of a total of 50 students awarded bursaries, 47 students passed at the end of 2004 and 37 are in the final year of their Master's degrees.
- Copies of the Mathematics Dictionary were distributed to 25 000 primary schools throughout the country in 2004.
- The Science and Technology Dictionary was finalised for all the official languages.
- A Human Language Technologies (HLT) Unit was established within the Department to coordinate HLT activities throughout the country.
- The HLT Unit produced a strategy document outlining broad policy direction and coordination strategies for HLT industry in South Africa
- Nine Language Research and Development Centres were established, one for each of the official indigenous African languages.
- International Translation Day was celebrated on 30 September 2004 with the theme 'Multilingualism and Cultural Diversity'. PanSALB, the Tshwane Metropolitan Municipality and the Boikgantsho Primary and Saulridge High Schools took part in the programme.
- A total of 1 326 official documents were translated and edited in the 11 official languages, and 1 243 in foreign languages, including French, Chinese, Arabic and Russian.

2.7.4 Programme 4: Cultural Development and International Cooperation

Purpose

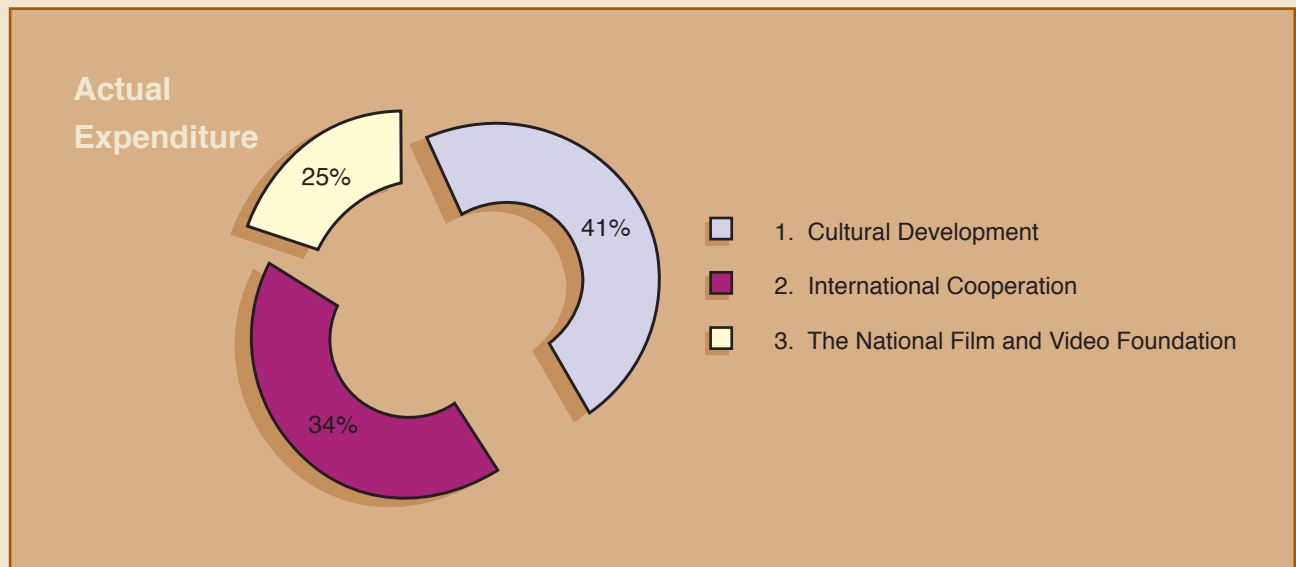
To improve economic and other development opportunities for South African arts and culture nationally and globally through mutually beneficial partnerships, thereby ensuring the sustainability of the sector.

Measurable objective

To increase the access and participation of grassroots arts practitioners in cultural industry economic activities through training, legislation and international opportunities.

Activities

- Cultural Development (R57,709 million) and International Cooperation (R47,618 million) improves 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. The key activities are to support the cultural industries and the development of arts and training, participate in the relevant binational commissions, secure overseas development assistance and build international partnerships
- The National Film and Video Foundation (R34,720 million) channels funding to the Foundation and supports and promotes the film and video industry in South Africa.



Service delivery objectives and indicators
Recent outputs

Cultural Industries

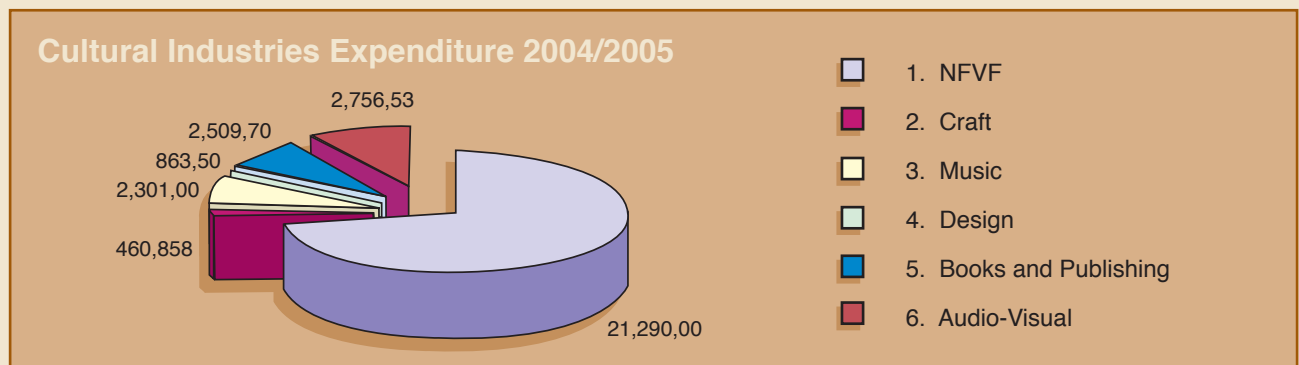
Purpose

To promote and improve economic opportunities for the cultural industries and reduce the fragmentation of the sectors. The sectors include Crafts, Music, Books and Publishing, Technical Services and Performing Arts, Audio-visual Design (including Film), and Visual Arts.

Of the many challenges faced by the sectors, the following are critical:

Fragmentation of the sectors, the lack of national representative organisations, the lack of transformation in the sectors, the development of markets and the implementation of Black Economic Empowerment (BEE).

Achievements and strategic interventions



Crafts

- The Department gave continued support to the Beautiful Things Exhibition in Newtown
- Consultations were held with stakeholders for the formation of a national representative body
- The Department, together with Department of Trade and Industry (DTI) formulated a Strategy on Collective Crafts Development
- Plans were made for the Craft Imbizo to be presented in North West before the end of 2005.

Music

- For the first time, the South African music industry was represented at MIDEM, in France, one of the biggest world music markets
- The successful Moshito Music Conference and Exhibition was opened by the Minister of Arts and Culture
- There was continued support for the establishment of a national music representative body, and for the establishment of an independent record label for the promotion of local content. South African Music Week was refocused in order to ensure decentralisation and national impact
- A Legal Aid Clinic was established for arts practitioners by the Department of Arts and Culture and the Legal Aid Board.

Books and Publishing

- Together with the Print Industry Cluster Copy (PICC), the Department produced a report on Intellectual Property Rights in the Print Industries Publishing Industries and the Snapshot Survey of the Publishing Industry
- A book on the status of copyright in the Publishing Industry was produced
- The Department is developing a book policy
- A Literary Heroes Awards project is being planned
- Transformation of the Industry is in process
- The Department is working with Skotaville Publishing to promote publishing in indigenous languages.

Performing Arts and Technical Services

- Research on the status of technical services in the country was commissioned and is in progress
- Arrangements to hold a Technical Service Conference are in process with key objective to path the way for the policy development.

Design

The Department -

- supported the Design Indaba in Cape Town
- supported the South African Fashion Week in Johannesburg
- started a partnership with South African Fashion Week on an outreach programme to provide opportunities for developing urban-rural designers
- supported Mzansi Designers Incubator in the development of SMEs
- began developing a design policy
- continued networking and benchmarking with international counterparts.

Audio-visual (Film)

- There was continuous collaboration with the National Film and Video Foundation (NFVF) in support of the Industry
- The Department assisted with the NFVF's participation at Cannes, Sithengi and other festivals
- Preparation for a study investigating the possible establishment of a South African film school is in process
- Facilitation of hosting the African Film Summit is underway
- The Department facilitated the signing of co-production treaty with Germany
- Negotiations for a treaty with the United Kingdom are underway.

Visual Arts

- The Department supported exhibitions of Dumile Feni's works
- The development of a visual art policy is underway
- Visual arts stakeholders received continuous support
- The possibility of an Artbank was explored.

CREATE SA at MAPPP-SETA

The following skills programmes and learnerships were initiated and completed:

Arts and Culture Chamber Learnership		Qualifications	NQF
	The following learnerships have been registered:	The following qualifications have been designed:	NQF
1	Learnership in Craft Technical Production	Certificate in Craft Technical Production	2
2	Learnership in Craft Enterprise	Further Education and Training Certificate Craft Enterprise	4
3	Learnership in Craft Operations Management	Certificate in Craft Operations Management	5
4	Learnership in Craft Development Practice	Higher Education and Training Certificate Development Practice	5
5	Learnership in Heritage Practice	Further Education and Training Certificate in Heritage Practice	4
6	Design Foundation Learnership	National Certificate in Design Foundation	4
7	Learnership in Applied Design	National Certificate in Design	5
8	Arts and Culture Administration	Further Education and Training Certificate in Arts and Culture Administration	4
9	Arts and Culture Management	Certificate in Arts and Culture Management	5
10	Learnership in Performing Arts	Further Education and training in Performing Arts	4
11	Learnership in Technical Production Services	Further Education and Training Certificate in Live Event Technical Production	4
12	Learnership in Sound Technology	Further Education and Training Certificate in Sound Technology	4
13	Learnership in Sound Technology	National Certificate in Sound Technology	5
14	The Business of Music	Further Education and training Certificate in Arts and Culture Administration	4
15	Learnership in Film Video Production Operation	National Certificate in Film, Video production Operation	4
16		Degree Design	6

In the past two years, 900 learners have registered for the skills programmes and 13 000 for the learnerships throughout the country.

National Film and Video Foundation

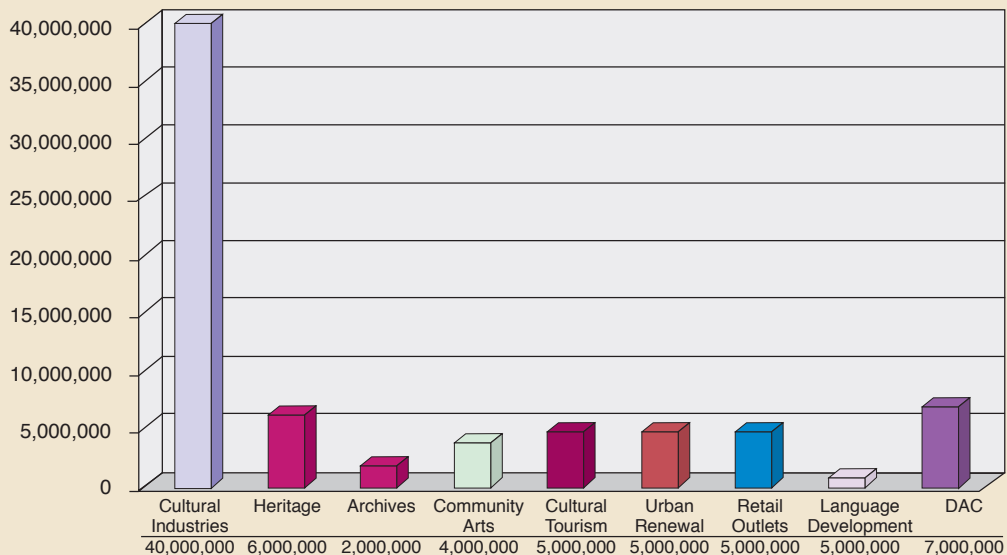
- The NFVF collaborated with the SABC on "Project 10", a series of documentaries to commemorate 10 Years of Freedom
- The NFVF cooperated with SABC and MNet on the DV8 project, which aims to produce at least four feature films a year
- Some of the films that won or were nominated for international awards include:
 - *U-Carmen eKhayelitsha: Venice Film Festival*
 - *Drum: FESPACO Film Festival*
 - *Zulu Love Letter: FESPACO Film Festival*
 - *Max and Mona: FESPACO Film Festival*
 - *Yesterday: Nominated for an Academy Award*
 - *Hotel Rwanda: Nominated for an Oscar*

Investing in Culture

The Investing in Culture Subprogramme vigorously embraces the principles of BEE. It functions within the framework of cooperative governance and endeavours to slot into the broader government programmes, like the Expanded Public Works Programme, the Integrated Sustainable Rural Development Programme and the Urban Renewal Programme and, through collaboration with the Department of Provincial and Local Government, into the Integrated Development Plans of municipalities.

The Subprogramme is aimed at achieving the following:

- Creating opportunities for musicians, performers, crafters and artists to contribute to the economy
- Providing infrastructure for the promotion and further development of enterprises
- Ensuring sustainability of projects by providing the necessary training (mainly product development, entrepreneurial skills, marketing, etc.)
- Contributing to the development of 'liveable communities'.



Implemented projects fall into the following categories, among others:

- Cultural Development: Craft, Music, Film and Video, Design, Performing Arts, Books and Publishing
- Arts in Society: Community Art Centres, Moral Regeneration
- Community Arts Development: Arts Education, the Youth and the Disabled
- Heritage: Legacy projects; Living Heritage (Amasiko)
- Archives: Libraries, Heraldry
- Language Development.

Investing in Culture works from the premise that it should begin with the assets of economically poor communities like indigenous knowledge, traditions and customs, and invest in people with the ability to make objects, artefacts and music from these. The underlying philosophy is that, as important as the provision of immediate relief to poor communities through various welfare programmes is, success in the long term lies in ensuring economic sustainability. Investing in Culture consciously targets women, the youth and people with disabilities.

The programme addresses three types of poverty in South Africa:

- Assets poverty: by providing capital for raw materials (beads, materials, equipment, etc.)
- Skills poverty: by providing access to training and learnership (HR development, entrepreneurial skills)
- Income poverty: by providing support to income-generating enterprises and supporting the establishment of sustainable SMEs.

Investing in Culture has adopted an integrated approach to accessing markets for projects. Public-private initiatives, including state-owned entities and non-governmental organisations, have had some success. It is very difficult to quantify the impact the programme has had on rural communities. Some of these communities are situated in remote areas where there is minimal infrastructure. However, with the limited resources allocated to these projects, they are able to acquire the necessary skills, equipment and access to markets.

Investing in Culture offers technical support to the projects by completing project proposals, and workshopping a business plan with the recommended beneficiaries, which gives them the capacity to do this on their own and find funding from other sources.

Research and development

The importance and value of the Investing in Culture Subprogramme is supported by the statistics compiled by the Human Sciences Research Council on the contribution of culture to the gross domestic product (GDP) and the job creation potential of the cultural industries. Craft, for instance, generates an income of R3,5 billion per annum and provides employment for 1,2 million people. Film and video generate R518 million per annum, printing and publishing R2 billion and music R900 million (and employment for more than 12 000 people).

Although the contribution of the sector to the GDP cannot be underestimated, a monitoring and evaluation system with norms and standards has to be developed to measure its impact.

Contribution to the Expanded Public Works Programme

Through the Investing in Culture Subprogramme the Department intends to increase the job creation potential of the arts. A target of 10 000 self-sustainable jobs for people in the cultural, arts and heritage sectors has been set for the next three years. 150 SMMEs, accessing 32 cultural markets, will be established and/or supported.

Training

With the support of the MAPPP-SETA, 75 learners are to be taken through learnerships. 164 000 training days, both accredited and non-accredited, will be undertaken over the same period.

The provincial coordinators will provide provincial and nodal support to all provinces in the form of human capital.

Success stories

Products from rural areas (Mt. Ayliff, Burgersdorp in the Eastern Cape, Twananani, Mbokota near Louis Trichardt, Makosha near Giyani and Vuhlalu near Acornhoek) are available from retail stores like Woolworths and abroad through a partnership with Conran Marketing Projects. Some projects are supplying government departments and private companies with gifts of high quality. Some crafters exhibit their craft internationally and some of the Investing in Culture projects have won Impumelelo Awards.

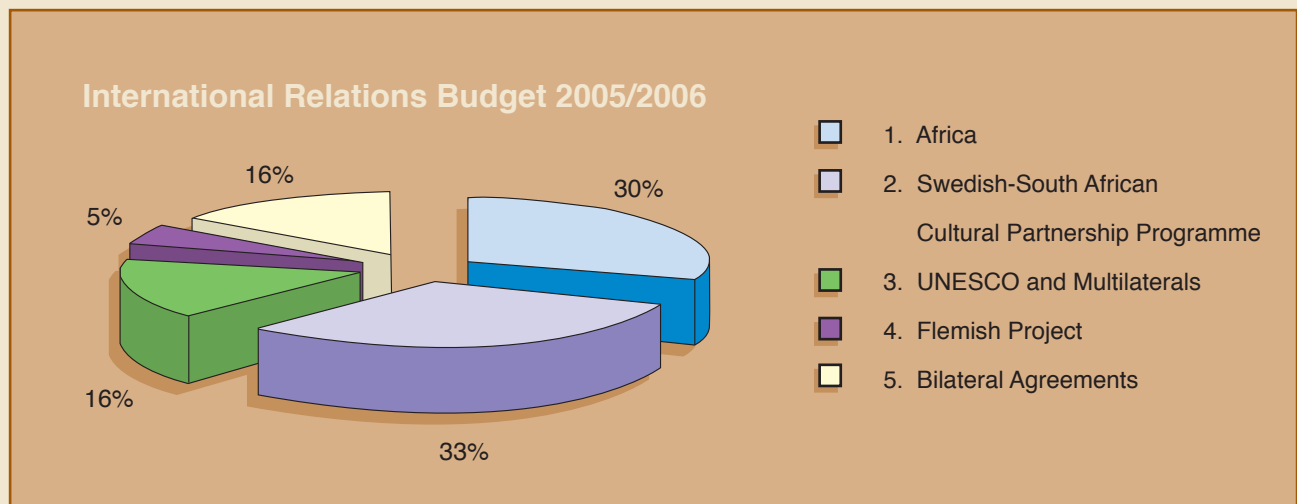
The United States of America-South Africa Crafting Cultural Understanding Programme is a good example of the export potential promoted through the Investing in Culture programme.

Conclusion

It is evident that the Investing in Culture Subprogramme has the potential to reach the poorest of the poor, empower rural communities, especially women, the youth and people with disabilities (both urban and rural). The Department has also enabled these groups to become entrepreneurs at sustainable levels up to the status of exporters, at the same time ensuring the authenticity of our cultural heritage.

International Relations

The Department currently maintains approximately 42 international agreements, including binational agreements, multilateral agreements, joint committees and programmes of cooperation, as well as co-production treaties. The focus of operations has shifted to one of partnership, mutuality and reciprocity in all collaborations with partner countries.



Swedish-South African Culture Partnership Programme

The Swedish-South African Cultural Partnership Programme was launched in 2004. The Programme is jointly funded by the Department and the Swedish International Development Cooperation Agency (Sida) and provides an amount of R57 million for joint partnerships and projects between South Africa and Sweden over a three-year period, promoting freedom of expression, capacity building and institutional development. The first round of funding, approximately R15 million in the form of 10 project grants and 11 planning grants, was disbursed in 2004 to projects in film, music, publishing, dance and heritage, among others.

Flemish-South African Collaborative Projects

A programme of cooperation was signed between the Flemish government and South Africa at the February 2003 joint binational commission for 2003 to 2005. Six substantive projects (including community arts centres, arts education and training, local cultural policy and craft) are being managed under the Flemish-South Africa partnership programmes.

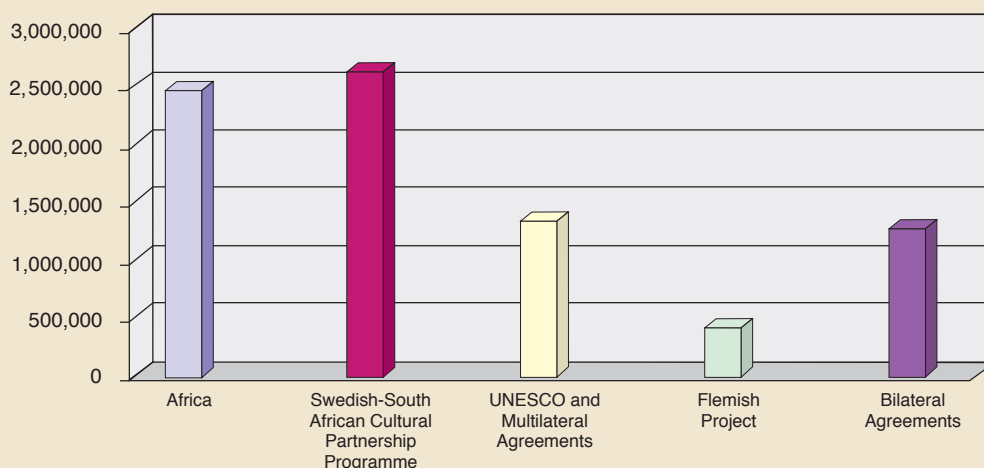
The Department has sourced approximately R25 million from the Flemish Government for these collaborative projects. Together with funds from the Department, this money is being used to implement projects in the Free State, KwaZulu-Natal and Limpopo. Models for local cultural policy as a tool for social cohesion, urban renewal and rural development are being developed and tested in six municipalities in these provinces for eventual national roll-out.

The Department of Arts and Culture and the Flemish Ministry of Culture are currently discussing the extension of some of these projects for 2006 to 2008, with further resourcing from the Flemish Government and the Department.

South Africa, through the Department, is playing a prominent role in the negotiations of the International Convention on Cultural Diversity at United Nations Educational, Scientific and Cultural Organisation (UNESCO). South Africa has been instrumental in voicing the perspectives of the developing world, particularly Africa, and lobbying support for an international focus on developing countries. Cultural diversity is one of the dominant international cultural policy issues and the Department is giving strong leadership to the articulation of the role of culture in development and social cohesion, both nationally and in the international cultural policy arena.

In November 2004, the Department hosted a National Conference on the Protection and Promotion of the Diversity of Cultural Content and Artistic Expressions. This produced a South African position on the International Convention of the same name, which highlighted sector needs and perspectives in relation to protecting and promoting cultural diversity, and which was tabled at UNESCO.

Various projects and individuals received support from the Department for international activities such as Freedom Day celebrations in 30 countries, including France, Switzerland, Germany, the United Kingdom, Mali, Zimbabwe, Egypt and Zambia.



Service delivery achievements

International Relations

- The Department entered into five more programmes of cooperation and bilateral agreements, as well as three co-production treaties (with France, Germany and the United Kingdom)
- There was ministerial interaction with France, China, Canada, Netherlands and Tunisia
- There was official interaction with Japan, Norway, the Netherlands, Mali and Ethiopia
- The Convention on Cultural Diversity has international impact
- There was successful consultation with national stakeholders regarding the Convention on Cultural Diversity
- R15 million was made available to Cultural Sector through the Swedish-South African Cultural Partnership Programme.

Cultural Industries

Music

- Ongoing implementation of the Music Industry Task Team report
- Establishment of a legal aid facility for artists
- Establishment of Mashito Music Conference and Exhibition
- Participation at MIDEM (an important international music market in France)
- Establishment of South African Music Industry Cooperation Initiative
- South African Music Week.

Books and publishing:

- Resourcing the PICC and providing administrative staff
- Establishment of Writer's Network
- Facilitation of dialogue on intellectual property issues
- Data collection document about the sector
- Drafting of book policy in progress
- Processes underway to establish committee to oversee BEE implementation and transformation of the Publishing Sector.

Crafts

- Beautiful Things Exhibition being curated at the Bus Factory (Johannesburg) and the EzamaXhosa craft shop at the Boardwalk, Port Elizabeth
- Processes underway to develop a National Marketing Strategy for Craft in partnership with the DTI
- Skills development/transfer in partnership with CREATE SA
- Consultations in progress on the issue of access to glass beads, and possible manufacturing capability being established in South Africa.

Design

- Implementing design awareness campaign
- Creation of Design dialogue (discussion forums on design).

Film

- NFVF Council appointed in May 2003
- The NFVF supports filmmakers in the following areas:
 - Training: Support is given to institutions as well as bursaries to students
 - Research and development
 - Production
 - Distribution and marketing: A total of 62 projects were approved for funding during this first quarter
 - Collaborated with the SABC on "Project 10" a series of documentaries to commemorate 10 Years of Freedom
 - Partnered SABC and MNet on the DV8 project, which aims to produce at least four feature films a year.

Poverty Relief

- Empowering local communities through skills training leading to sustainable work opportunities
- Implementing all projects contained in the business plans and ensuring economic empowerment of local communities
- Projects in progress in all nine provinces.

CREATE SA at MAPPP-SETA:

- Improving quality of work-based skills training
- Skills programmes and learnerships have been initiated and the office established.

2.7.5 Programme 5: Heritage Promotion

Purpose

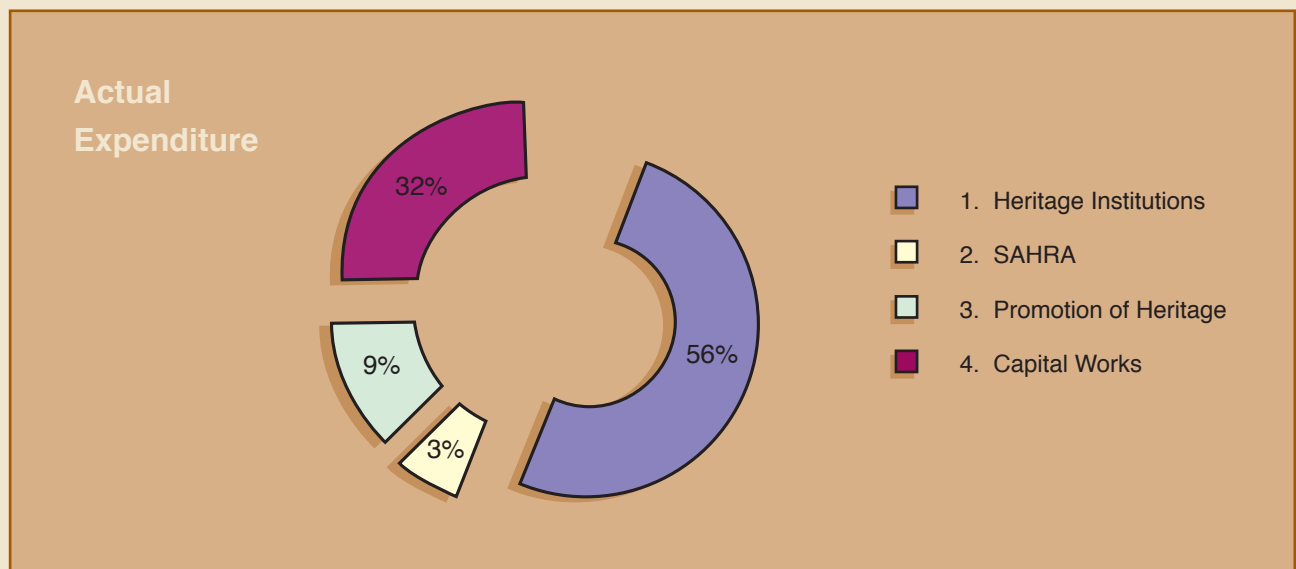
Develop and monitor the implementation of policy, legislation and strategic direction for the identification, conservation and promotion of cultural heritage.

Measurable objective

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

Activities

- Heritage Institutions (R294,487 million) funds and determines policy for declared institutions in terms of the Cultural Institutions Act (119 of 1998) and for heritage bodies
- The South African Heritage Resources Agency (SAHRA) (R16,512 million) develops norms and standards for heritage resources management and protection, and the management of conservation-worthy places
- Promotion of Heritage (R49,305 million), which supports a range of organisations and activities, promotes South African heritage, and supports the repatriation of culture and heritage objects and standardising geographical names
- Capital Works (R171,982 million) provides and administers capital grants to associated and other institutions for maintenance and other capital projects
- Assessment of transformation budget utilisation and development of a more effective transformation budget model.



Service delivery objectives and achievements
Recent outputs

Living Heritage

Heritage Month

The theme for Heritage Month “Celebrating Our Living Heritage ('What We Live') in the 10th Year of Our Democracy”. A decentralised format for Heritage Month and Day was adopted and implemented during September 2004. Provinces, municipalities, traditional authorities and tertiary institutions played a prominent role in the implementation of the Heritage Month theme. Heritage Month activities were conceptualised into the following four focus weeks:

Week 1: (1 to 4 September) Music and Dance at the University of Zululand

The Centre for Arts and Culture hosted the Living Heritage Festival at King Bhekuzulu Hall. Activities during this Festival included drama, music, music plays and dance performances, an exhibition of art, craft and indigenous music, as well as productions such as *Amahubo*, *The Rebirth*, and *Sarafina!*

Week 2: (6 to 11 September) Indigenous/Traditional Knowledge and Practices Exhibition at the University of Venda for Science and Technology

Heritage activities included indigenous music and dance of the three main ethnic groups in Limpopo (the Bapedi, Vhavenda and VhaTsonga). There were also exhibitions of the province's indigenous traditional foods. The women of various communities prepared and served dishes such as mopani worms, locusts, various types of *bogobe* (porridge), fresh and dried vegetables, and drinks, and explained the benefits of consuming this food.

In addition, a lecture about the local wars of resistance, with specific reference to Kgosi Sekhukhune, was offered by a lecturer from the University of Limpopo (formerly known as the University of the North).

Week Three: (13 to 17 September) Icons of South African Cultural Heritage and their Stories at the University of Fort Hare.

The National Heritage and Cultural Studies Centre organised daily seminars, at which subjects such as traditional healing, rites of passage, the role of traditional authority, and the challenges faced by communities to preserve and promote indigenous knowledge, values and customs were discussed. In addition, there was indigenous music and dance and a display of indigenous instruments.

Week Four: Heritage Day: 24 September 2004

A ceremony at which anti-apartheid archives from the Netherlands were presented to the South African Government was held at the Pretoria City Hall. The South African Government also handed over Namibian records to the Namibian Government.

Indigenous Music and Oral History Project

The Universities of Venda, Fort Hare and Zululand began a pilot project in 2003 to collect, document, preserve and promote indigenous music (including instruments) and oral history/tradition. The University of Zululand has completed its research, and will use its findings to develop curriculum material for teaching of indigenous music (instruments), arts education and indigenous knowledge. The Universities of Venda and Fort Hare are in the process of completing their research.

Development of a policy and strategy on intangible heritage

The process of appointing a panel of experts to assist with the development of a policy and strategy on Intangible Heritage has been initiated. This panel will be tasked with providing a regulatory framework for the documentation, protection, and promotion of intangible living heritage, including the development of intellectual property rights that will address the protection of communities from exploitation of their knowledge and resources, individual versus community ownership, benefit sharing, and the role of living heritage/indigenous knowledge in addressing moral regeneration, social cohesion, poverty alleviation, nation building, reconciliation and national identity.

Projects in various communities were supported financially, including the Traditional Initiation Schools Conference hosted by the National House of Traditional Leaders, and the International Council of Organizations for Folklore Festival and Traditional Arts, which aims to establish folklore structures and a directory and database of intangible cultural heritage.

The Department provided financial assistance to Zindala Zombili, the African Heritage Trust's annual national traditional dance and music festival. One hundred and ninety-six groups participated in the regional category, 163 in the provincial category and 32 at the national festival. These competitions provided a platform to expose excellence in the performance of indigenous dance and music, contributing to the development of sustainable indigenous dance and music in South Africa and the breaking down of cultural barriers.

The national Heritage Day celebrations, aimed at fostering nation-building and patriotism, were held on 24 September 2004 in Kimberley. The theme was the celebration of South Africa's living heritage in the 10th year of democracy; to celebrate our achievements during the past 10 years, encourage South Africans to protect democracy and inculcate a sense of national unity.

The South African Geographical Names Council (SAGNC) continued to advise the Minister on the proposed standardisation of geographical names for a number of features. Some of the highlights are names from the Eastern Cape. These were mainly spelling corrections, for example, *Umtata* to *Mthatha*, *Bisho* to *Bhisho*, *Nqamakwe* to *Ngqamakhwe*, *Engcobo* to *Ngcobo*, *Idutywa* to *Dutywa*, *Dikgwale* to *Digwale*, *Cintsa* to *Chintsa*, and *Bhashee* to *Mbhashe*. Information on the meaning and historical significance of these names is available to the public on the SAGNC web site: <http://sagnc.dac.gov.za>.

The SAGNC has facilitated the establishment of nine provincial committees to bring the processes and policies of the SAGNC closer to the people. The Department, through the South African Geographical Names Unit/Secretariat, has driven capacity building and an awareness campaign in all nine provinces in order to enable the provinces to enforce SAGNC policies at provincial level. Capacity building has focused on the use of the recently established geographical names database system.

Work has commenced on the standardisation of geographical names in cooperation with the Pan South African Language Board, which manages the revision and development of orthographies (spelling and writing rules) for all official languages and other recognised languages (for example, the Khoi, San and Nama languages).

The Department of Provincial and Local Government cooperated on the production of a database of the standardisation of names of local authorities with information on their origin and meaning. This database has been completed and is available to the public on the web site. The meaning and origin of the names of some local authorities are of symbolic importance to our society, for example *the Govan Mbeki Municipality*, *the Nelson Mandela Metropolitan Municipality* and *the Gert Sibande Municipality*.

Heritage Institutions

During the 28th Session of the World Heritage Committee meeting held in Suzhou in 2004, South Africa secured the chair of the 29th Session of the World Heritage Committee meeting, due to take place in South Africa in 2005.

On 21 August 2004, the Department established the Luthuli Museum. The Museum has been established to highlight the role Inkosi Luthuli played in the history of South Africa and the anti-apartheid struggle, and to promote his ideas of a non-racist society and his message of non-violence.

The project entailed the following:

- The Department assisted the United Congregational Church of South Africa in Groutville to expand and renovate the church building, upgrade the Luthuli family graves and rest of the cemetery, as well as making plaques recording some of the words of Inkosi Luthuli
- The Department renovated and upgraded the Luthuli house, established a new visitor's centre and administration building on the property, installed an exhibition on the life of Inkosi Luthuli, a bust, and a life-size wax figure in the house
- The Department of Arts and Culture, in conjunction with the KwaDukuza Municipality and the Durban Institute of Technology, worked on the development and installation of a life-size public sculpture of Inkosi Albert Luthuli for the municipal chambers in KwaDukuza
- The Department cooperated with the University of KwaZulu-Natal to host the Inaugural Inkosi Albert Luthuli Annual Memorial Lecture, which was held in March 2004. President Mbeki gave the inaugural speech and an honorary doctorate was awarded to Inkosi Luthuli (*honoris causa*)
- The Department, in cooperation with the National Film and Video Foundation and Amandla Communications, produced a documentary on the life of Inkosi Luthuli, entitled "Luthuli: The Legacy of a Legend". The documentary was premiered at the NFVF offices in February 2005, and screened on SABC 2 the same month.

The Department of Arts and Culture, together with Sentech, the Kouga Municipality and the South African Heritage Resources Agency (SAHRA), have removed the antennae on and close to the Sarah Bartmann gravesite. These could not be removed in time for the interment of her remains. After protracted negotiations between Sentech, Icasa, MTN, MNet and SABC, approval was granted for the relocation of the antennae to a nearby MTN site in the Kouga Municipal District. In February 2004 the SABC and MNet antennae were removed and relocated to the new site and transmission redirected from this quarter. The Department of Arts and Culture and the SAHRA have commenced the development of a conservation management plan for the site.

The second phase of the Samora Machel project, i.e. the capital works development of a local library/community centre, was completed by December 2004.

The Department and the South African Heritage Resources Agency have commenced with the National Audit on cultural property and heritage collections project to produce a comprehensive inventory of South Africa's cultural properties and heritage collections. These include:

- all places and objects with which it and its predecessors have been involved;

- all places and objects protected through the publication of notices in the *Gazette* or *Provincial Gazette*, whether in terms of the National Heritage Resources Act or provincial legislation;
- places and objects subject to general protections in terms of this Act or provincial legislation for the management of heritage resources; and
- any other place or object considered to be of interest.

The audit will facilitate benchmarking, strategic planning and the future development of the museum sector. A database will be established, which will enable the South African Heritage Resources Agency (SAHRA) to manage the national estate as is intended in the legislation.

- The Department facilitated a signing ceremony, at which Mr Nelson Mandela and the Minister of Arts and Culture, Dr Pallo Z Jordan, signed a deed of donation, whereby Mr Mandela officially donated more than 2 000 gifts and awards presented to him by Heads of State, well-known personalities and ordinary citizens around the world, to the people of South Africa. These items are housed at the Nelson Mandela Museum in Mthatha, where they will be researched and presented to the public
- The Department worked with the Dutch Foundation for Audio-Visual Archives and Productions on Southern Africa to transfer a collection, consisting of video footage and productions about the struggle against Apartheid in the Netherlands and the active cooperation between the Dutch Anti-Apartheid Movement with the liberation movement in South Africa. This collection is now stored in the National Archives in Pretoria
- The Department took part in drafting of the Convention on the Safeguarding of Intangible Heritage
- It also produced a research paper for the International Network on Cultural Policy summit held in Croatia summit in October 2004
- The National Heritage Council was established and is operational
- A transformation budget implementation plan with measurable criteria, assessment, monitoring and reporting mechanisms was established.

2.7.6 Programme 6: National Archives, Records, Meta-Information and Heraldry Services

Purpose

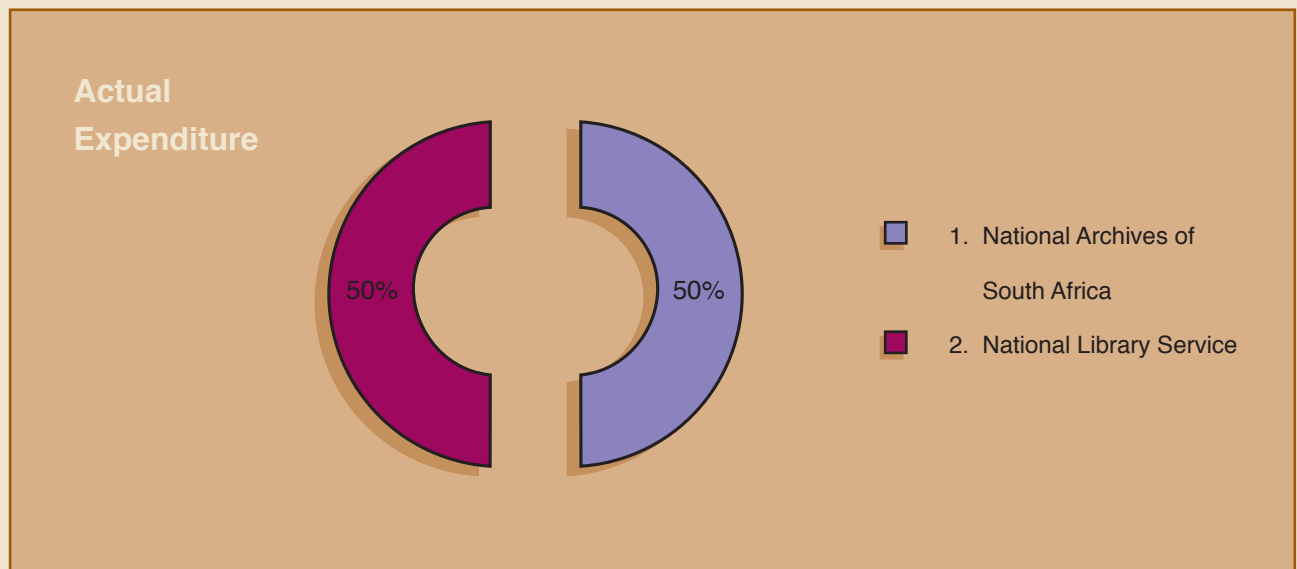
To develop and monitor the implementation of policy, legislation and strategic direction for the identification, conservation and promotion of cultural heritage.

Measurable objective

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

Activities

- National Archives of South Africa (R31,255 million) guides, sustains, and develops the national archival, heraldry and information resources. It provides for the acquisition and proper management of public and non-public records with enduring value. It includes the Bureau of Heraldry, which is responsible for registering heraldic representations, names, special names, and the uniforms of associations and institutions, and which advises on heraldic matters and provides financial assistance to related initiatives
- National Library Service (R31,690 million) funds and determines policy for libraries and institutions to provide information services.



Service delivery objectives and indicators
Recent outputs

- The promotion of the new national symbols and new national orders to the broader South African society was continued by the Bureau of Heraldry in collaboration with the Presidency. A coat of arms for KwaZulu-Natal was approved, as was the design of the Black Rod for the National Council of Provinces. Promotional exhibitions of the national symbols and national orders were mounted at various events, and outreach tours were conducted
- As part of access and outreach programmes, the hours of the reading room in Pretoria were extended to two Saturday mornings a month. A total of 3 985 visits to consult archives were paid during the year by 1 096 researchers (representing a continuing upward trend)
- The poverty alleviation project with the Pilgrim's Rest Museum was highly successful. The initial grant of R100 000 was increased by R50 000, and the project was extended for a further six months, creating training and employment for young community members. Training in preservation methods was given and eight youths were appointed to work on the Museum's map collection
- The National Archives made further progress with the National Oral History Project, now amalgamated with the Indigenous Music Project under the Chief Directorate: Heritage
- The provincial records management capacity-building project began its roll-out, and records surveys were completed in selected departments in eight provinces. A proposal for funding of the project was completed and submitted to the Swiss Agency for Development and Cooperation
- New guides and manuals for paper-based and electronic records management in government departments were published
- Through the National Archives, South Africa is helping the Republic of Mali restore the Timbuktu Manuscripts, dating back to the 13th century. The Archives staff will share their expertise with their Mali counterparts as a flagship project of the Nepad initiative. During the year under review five Malian conservators received second-phase training at the National Archives (in collaboration with the National Library and the Library of Parliament) and the Deputy Minister of Arts and Culture led a delegation to Mali to take the project forward. An on-site inspection revealed the positive benefits that the training programme was having on the conservation of the manuscripts in Timbuktu
- The National Film Video and Sound Archives celebrated its 40th anniversary with a special event honouring music icon, Miriam Makeba, who signed a cooperation agreement with the Minister of Arts and Culture to donate her private documents/papers for preservation by the National Archives
- The Minister hosted a special restitution and return event on Heritage Day at which he received anti-apartheid material from the Netherlands and officially returned archival and library material to Namibia
- The National Council for Libraries and Information Services (NCLIS) has been active in preparing a vision and mission and policy direction, and will be briefing the political principals and legislature in 2005
- Two symposia on the development of a culture of reading were held under the auspices of NCLIS; one in Cape Town and the other, focusing on the needs of the visually impaired communities, in Port Elizabeth
- The Minister of Arts and Culture turned the first sod on the building site of the northern campus of the new National Library in central Pretoria.

- The National Archivist and the National Librarian returned the visit of the Iranian delegation in October 2004.

Service delivery achievements

Good governance in respect of records management:

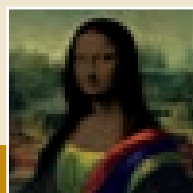
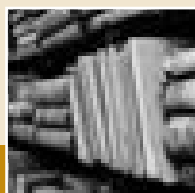
- Satisfactory attention was given to service requests
- The proposal for funding of the Provincial Records Management Capacity Building Project was completed and submitted to the Swiss Agency for Development and Cooperation, where it has received favourable consideration for a pilot project in Limpopo
- Records surveys were completed in selected departments in eight of the nine provinces
- Financial control of the Bloemfontein Archives was transferred to the Free State Provincial Government on 1 April 2004
- Guidelines on the Standardisation of E-records and Long-Term Information Systems were published and made available on the National Archives web site
- South African National Standard for records management was adopted as SANS 15489
- Public-private partnerships for electronic records preservation were registered with the National Treasury
- Approval in principle by business executive of Office of the Auditor-General
- Establishment and launch of National Archives Advisory Council.



ANNUAL FINANCIAL STATEMENTS

3. Annual Financial Statements For The Year Ended 31 March 2005

Management Report and approval		52
Report of the Auditor-General		61
Report of the Audit Committee		63
Statement of Accounting Policies and related matters		65
Appropriation Statement		70
Notes to the Appropriation Statement		79
Statement of Financial Performance		80
Statement of Financial Position		81
Statement of Changes in Net Assets		81
Cash Flow Statement		82
Notes to the Annual Financial Statements		83
Disclosure Notes to the Annual Financial Statements		89
Statement of Gifts, Donations and Sponsorships received	Annexure 1A	91
Statement of Conditional Grants paid to Municipalities	Annexure 1B	91
Statement of Transfers to Departmental Agencies and Accounts	Annexure 1C	92
Statement of Transfers/Subsidies to Households	Annexure 1D	94
Statement of Gifts, Donations and Sponsorships made	Annexure 1E	94
Physical Asset Movement Schedule	Annexure 2	95
Inter-Governmental Receivables	Annexure 3	96
Inter-Governmental Payables	Annexure 4	97
Statement of Financial Guarantees Issued	Annexure 5	97



3.1 Department of Arts and Culture Vote 14 Management Report and Approval For The Year Ended 31 March 2005

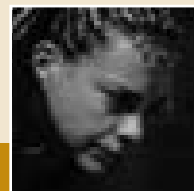
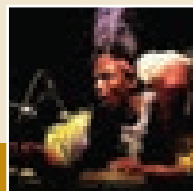
1. General Review of the State of Financial Affairs	2004/05	2003/04
Spending trends:		
	R	R
Amount voted	1 176 097 000.00	955 150 000.00
Actual expenditure	1 091 465 752.44	932 035 488.37
Surplus	84 631 247.56	23 114 511.63

The surplus relates to 7,2% of actual expenditure against the voted funds for the 2004/2005 financial year. The majority of this underspending is due to the fact that the capital works projects linked to Freedom Park Trust was slower than anticipated (R65,412,741.00), and a saving realised on the Ten Year Celebrations of Freedom project (R8 112 691.43).

The details of the surplus are as follows:

	R'000
Current expenditure	819
Celebration of 10 Years of Democracy	8,113
Transfer payments:	
Capital Works projects in process	601
Transformation: Cultural Institutions	1,104
Investing in Culture projects in process	8,466
Ad hoc transfer - second payments	116
Subtotal	19,219 (1,62%)
Freedom Park Trust capital works projects	65,412 (5,56%)
Subtotal	84,631 (7,20%)

Spending on transfer payments (83,2%) dominated the Vote.



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, either on 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 both by 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.

3. Capacity Constraints

The Department is constrained by a lack of human resources. The establishment of the new Department of Arts and Culture necessitated a new departmental structure. In order to address lack of capacity, the Department advertised the majority of its vacant positions. Personnel skills development plans are being developed for every employee in the Department, and Human Resource Management is coordinating the development process.

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 the Moral Regeneration Movement, Cultural development and Language Planning 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. Public Entities (Departmental Agencies)

The Department funded the public entities below. Their allocations for the 2004/2005 financial year are indicated.

4.1 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.

Institutions	VOTED 2004/05 R'000	VOTED 2003/04 R'000
Northern Flagship Institution, Pretoria	34,881	29,201
Iziko Museums of Cape Town	32,256	30,163
Natal Museum, Pietermaritzburg	7,122	6,083
National Museum, Bloemfontein	14,908	13,685
Die Afrikaanse Taalmuseum, Paarl	1,756	1,386
The National English Literary Museum, Grahamstown	3,619	3,006
Voortrekker Museum, Pietermaritzburg	5,307	4,767
War Museum of the Boer Republics, Bloemfontein	3,498	2,992
Robben Island Museum, Cape Town	26,899	25,356
William Humphreys Art Gallery, Kimberley	2,407	1,985
Engelenburg House Collection, Pretoria	161	143
Nelson Mandela Museum, Umtata	6,860	6,000
Freedom Park, Pretoria	200,000	124,744
Khoi-San Project	1,104	-
Albert Luthuli Museum	3,526	-
National Heritage Council	16,700	-
Transformation of Cultural Institutions	-	14,725
Total	361,003	264,236

4.2 South African Heritage Resources Agency

VOTED 2004/05 R'000	VOTED 2003/04 R'000
16,512	15,160

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 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.

4.3 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:

Institutions	VOTED 2004/05 R'000	VOTED 2003/04 R'000
Artscape	21,845	20,213
State Theatre	19,377	17,895
Playhouse Company	18,520	11,360
Performing Arts Council of the Free State	18,803	14,108
Market Theatre	9,602	12,135
Windybrow Theatre	4,493	5,305
Total	92,640	81,016

4.4 Business Arts South Africa

VOTED 2004/05 R'000	VOTED 2003/04 R'000
4,103	3,500

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.

4.5 National Film and Video Foundation

VOTED 2004/05 R'000	VOTED 2003/04 R'000
34,720	21,290

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.

4.6 National Arts Council

VOTED 2004/05 R'000	VOTED 2003/04 R'000
44,668	42,072

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 the arts in the community, fosters the expression of a national identity by means of the arts, promotes freedom in the practice of the arts, and gives historically disadvantaged people greater access to the arts. Other functions include addressing historical imbalances in the provision of infrastructure, and promoting national and international liaison.

4.7 Pan South African Language Board

VOTED 2004/05 R'000	VOTED 2003/04 R'000
24,677	21,634

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.

4.8 Libraries

Institutions	VOTED 2004/05 R'000	VOTED 2003/04 R'000
National Library	24,850	22,734
South African Library for the Blind	4,864	4,242
Literature for the Visually Handicapped	1,976	586
Transformation	-	2,600
Total	31,690	30,162

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.

5. 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, other public bodies or persons. Various funding committees in the Department evaluate project proposals received from the various role players and enter into a memorandum of agreement with the parties once a decision has been made to fund a particular project. During the 2004/2005 financial year the various programmes in the Department paid out the following amounts:

Programme	Division	VOTED 2004/05 R'000	VOTED 2003/04 R'000
2: Arts, Culture in Society	Promoting arts and culture in SA	63,456	38,929
3: National Language Service	Translating, editing and language planning	9,330	3,800
4: Cultural Development and International Co-operation	Promoting arts and culture internationally	15,514	8,688
	Investing in culture	66,175	42,029
5: Heritage Promotion	Cultural industries	10,229	31,260
	Promoting heritage	26,937	9,217
6: National Archives, Records, Meta-Information and Heraldic Services	Capital works (Infrastructure development)	172,583	155,691
	National Archives of South Africa	655	1,741
Total		364,879	291,355

6. Corporate Governance Arrangements

In the 2004/2005 financial year the Department had an established Audit Committee, in compliance with the Public Finance Management Act (PFMA), 1999, and the Treasury Regulations (TRs) issued under it to provide for its unique needs. The Chairperson of the Audit Committee was Mr S Kajee, a professional consultant. The other members of the committee were:

Member	Institutions	Position
Prof I Mosala Mr P Lourens	Department of Arts and Culture ARTSCAPE	Director-General Chief Financial Officer

The Internal Audit function has been outsourced to external company. The risk assessment was conducted for the period 2004/2005. A three-year strategic and annual internal audit plan were approved for the Department on 26 May 2005.

A fraud prevention plan and strategy are in place to implement fraud prevention measures and to create awareness of fraud. As part of this strategy a whistle-blowing hotline has been set in operation.

As the Department transfers a large percentage of its budget to public entities, and the Minister has an obligation to oversee compliance with the PFMA in terms of section 63(2), a separate unit was established to effect and monitor institutional governance.

7. Progress with Financial Management Improvements

The Department appointed the Chief Financial Officer from 1 June 2003.

The implementation of the PFMA and TR issued in terms of sections 76 and 77 of the PFMA has a high priority in the Department. Delegations in this respect are approved and in use. Although favourable progress has been made in certain areas, others will require a more concerted effort in the 2005/2006 financial year.

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).

8. Performance Information

A Strategic Plan has been developed for the Department of Arts and Culture for the period 1 April 2004 to 31 March 2007, which articulates the strategic priorities of the Department. The plan included all statutory requirements as defined in Chapter 5 of the Treasury Instructions. Quarterly reporting was done to the Minister to facilitate effective performance monitoring, evaluation and corrective actions were applicable.

9. Approval

The annual financial statements set out on pages 70 to 97 have been approved by the Accounting Officer.

Prof. Itumeleng Mosala
Director-General
Pretoria
30 May 2005

3.2 Report Of The Auditor - General To Parliament On The Financial Statements Of Vote 14 Department of arts and Culture For The Year Ended 31 March 2005



1. Audit Assignment

The financial statements as set out on pages 70 to 97 for the year ended 31 March 2005 have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. Nature And Scope

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations, which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

3. Audit Opinion

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Arts and Culture at 31 March 2005 and the results of its operations and cash flow for the year then ended in accordance with prescribed accounting practices and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)

4. Emphasis Of Matter

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

4.1 Transfer payments (Grants in Aid)

In terms of section 38 of the PFMA and Treasury Regulation 8.4 the accounting officer must maintain appropriate control measures to ensure that transfer payments to entities are applied for their intended purposes.

R184 million was paid to project beneficiaries and 24 projects amounting to R13 million were audited. The following weaknesses were identified:

- expenditure reports to the amount of R699 000, which represents 5% of the audit sample, could not be provided for audit purposes;
- a report in respect of visits / inspections could also not be presented for audit purposes, and
- payment advices were not always stamped as "paid".

4.2 Assets

In terms of section 38(1) (d) of the Public Finance Management Act, the accounting officer of a department is responsible for the safeguarding and management of the assets of the department.

The following weaknesses were identified:

- Asset descriptions were incorrectly recorded in the asset register.
- Various assets could not be verified during a physical asset count.
- An asset register for art works could not be submitted for audit purposes.

4.3 Reconciliation between BAS and PERSAL

The reconciliation between PERSAL and BAS in respect of personnel expenditure for the financial year has not been performed. As a result, it was not possible to verify the accuracy of the amounts transferred from PERSAL to BAS by way of the interface between the two systems.

5. Appreciation

The assistance rendered by the staff of the Department of Arts and Culture during the audit is sincerely appreciated.

*N Manik for Auditor-General
Pretoria
28 July 2005*

3.3 Report of the Audit Committee

We are pleased to present our report for the period ended 31 March 2004.

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a) of the Public Finance Management Act, Act 1 of 1999 and Treasury Regulations 3.1.13. It has adopted appropriate formal terms of reference as an Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

Audit Committee members and meetings

The Department's Executive Authority, the then Minister of Department of Arts and Culture and Department of Science and Technology, Dr B.S Ngubane, appointed the current Audit Committee. During the year under review the Committee consisted of the members listed hereunder and meets at least twice per annum as per approved terms of reference outlined in the Audit Committee Charter.

Name of Member	Number of meetings attended
Mr S Kajee (specialist member and chairperson)	3
Prof I Mosala (the Director-General)	2
Mr P Lourens (specialist member)	3

The Accounting officer of the department of Arts and Culture, Prof I. Mosala (Director-General) is an ex-officio member of the Audit Committee.

During the current financial year 4 meetings were held. The Audit Committee met on, 25 November 2004, 3 February 2005, 26 May 2005 and 4 August 2005. In addition to the above members, persons attending committee meetings by standing invitation include the Head of Internal Audit, the Chief Operating Officer and Chief Financial Officer, an official from Treasury and representatives from the Office of the Auditor-General and its agent. Where necessary, the Committee met separately with external and internal auditors.

Internal control

The matters highlighted by the Office of the Auditor-General under paragraph 4 of their report, read together with their management letter and the various reports of the internal audit unit have highlighted certain deficiencies in the system of internal control.

This committee will monitor the corrective action taken by management.
This committee is never the less of the opinion that the major financial risks are adequately addressed.

The quality of in year management and monthly reports submitted in terms of the Act

The committee takes note of the content and quality of monthly reports prepared and issued by the Accounting Officer and the Department during the year under review.

Evaluation of Financial Statements

The Audit committee has:

- Reviewed the Annual Financial Statements of the Department of Arts and Culture
- The Report of the Auditor-General and periodic reports submitted to the Audit Committee by the Acting Head of the Internal Audit of the organisation
- Reviewed the Auditor-General's management letter and management responses.

In the context of our understanding, the Committee is satisfied that the financial statements are a fair reflection of the department's activities in the last fiscal year.

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

*Chairperson of the Auditor Committee
Pretoria
4 August 2005*

3.4 Statement Of Accounting Policies And Related Matters For The Year Ended 31 March 2005

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 for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2004. The following issued, but not yet effective Standards of Generally Recognised Accounting Practice have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

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. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. Revenue

Appropriated funds

Voted funds are the amounts appropriated to the Department in accordance with the final budget known as the Adjusted Estimates of National Expenditure. Unexpended voted funds are surrendered to the National Revenue Fund, unless otherwise stated.

Departmental revenue

Tax revenue

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the Statement of Financial Performance on receipt of the funds.

Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the Statement of Financial Performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the Statement of Financial Performance of the Department and then transferred to the National

Revenue Fund. Revenue received from the rent of land is recognised in the Statement of Financial Performance on receipt of the funds.

Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the Statement of Financial Performance on receipt of the funds.

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.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the Department is allowed to retain surplus funds, these funds are shown as a reserve.

3. Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis, on capital projects during the financial year when applicable. All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.

Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The Department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the Department.

Post employment retirement benefits

The Department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system. No provision is made for retirement benefits in the Annual Financial Statements of the Department. Any potential liabilities are disclosed in the Annual Financial Statements of the National Revenue Fund and not in the Annual Financial Statements of the employer Department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

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. The expense is classified as capital if the goods and services was used on a capital project.

Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending available to the Department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

4. Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the Department. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

5. Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

6. Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments that are recoverable from another party, when the payments are made.

Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on

a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

7. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances received that are due to the National Revenue Fund or another party.

9. Lease Commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting. Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

10. Accruals

This amount represents goods/services that have been received, but no invoice has been received from the supplier at the reporting date, or an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

11. Contingent Liability

This is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Department; or a present obligation that arises from past events but is not recognised because:

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

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.

12. Recoverable Revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

13. Comparative Figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the Department may reasonably have available for reporting. Reclassification of expenditure has occurred due to the implementation of the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements as this would involve reclassification of amounts dating back to the 2002/03 year-end.

3.5 Annual Financial Appropriation Statements

Appropriation Statement for the year ended 31 March 2005

	Appropriation per Programme 2004/2005							2003/2004	
	Adjusted	Shifting	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	of Funds		Appropriation	Expenditure		as % of Final	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	46,315		4,691	51,006	51,004	2	100.0%	37,437	37,414
Transfers and subsidies	59		89	148	148		100.0%	160	53
Expenditure for capital assets	2,138		857	2,995	2,995		100.0%	4,438	4,525
2. Arts and Culture in Society									
Current payment	56,786	-30,744	-150	25,892	17,777	8,115	68.7%	41,632	25,200
Transfers and subsidies	181,476	29,904	2,500	213,880	213,873	7	100.0%	165,597	165,440
Expenditure for capital assets	313	840		1,153	1,152	1	99.9%	1,371	1,371
3. National Language Service									
Current payment	42,752	-1,405	-6,080	35,267	34,482	785	97.8%	18,500	18,490
Transfers and subsidies	32,717	1,330		34,047	34,042	5	100.0%	25,406	25,057
Expenditure for capital assets	640	75		715	715		100.0%	373	372
4. Cultural Development and International Co-operation									
Current payment	19,242	2,154	150	21,546	21,541	5	100.0%	19,705	19,677
Transfers and subsidies	131,804	-2,462	-2,677	126,665	118,198	8,467	93.3%	103,371	101,296
Expenditure for capital assets		308		308	308		100.0%	700	699
5. Heritage Promotion									
Current payment	21,411		988	22,399	22,396	3	100.0%	20,304	19,392
Transfers and subsidies	577,047		10	577,057	509,828	67,229	88.8%	347,407	344,314
Expenditure for capital assets			62	62	62		100.0%	76,525	76,516
6. National Archives, Records, Meta-Information and Heraldic Services									
Current payment	30,052	-7	-95	29,950	29,948	2	100.0%	32,013	32,008
Transfers and subsidies	32,739	7	-345	32,401	32,400	1	100.0%	31,955	31,955
Expenditure for capital assets	606			606	597	9	98.5%	1,280	1,280
Total	1,176,097	-	-	1,176,097	1,091,466	84,631	92.8%	928,174	905,059
Reconciliation with Statement of Financial Performance									
Prior year unauthorised expenditure approved with funding				-				-	
Departmental receipts				4,496				7,946	
Local and foreign aid assistance				3,651				1,885	
Actual amounts per Statement of Financial Performance (Total Revenue)				1,184,244				938,005	
Local and foreign aid assistance					3,583				1,336
Actual amounts per Statement of Financial Performance Expenditure					1,095,049				906,395

Appropriation Statement for the year ended 31 March 2005

	Appropriation per Economic Classification 2004/2005							2003/2004	
	Adjusted	Shifting	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	of Funds		Appropriation	Payment		as % of Final	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation to employees	80,692	-3,378	-1,275	76,039	76,014	25	100.0%	60,726	60,704
Goods and services	135,845	-26,812	519	109,552	100,669	8,883	91.9%	98,914	81,520
Financial transactions in assets and liabilities		187	281	468	465	3	99.4%	1,047	1,047
Transfers & subsidies									
Provinces & municipalities	212	16	12	240	230	10	95.8%	184	184
Departmental agencies & accounts	612,014	7,000		619,014	552,497	66,517	89.3%	412,330	411,975
Universities & technikons									
Foreign governments & international organisations									
Public corporations & private enterprises									
Non-profit institutions									
Households	171,054	21,764	-522	192,296	183,714	8,582	95.5%	126,507	124,036
Gifts and donations			66	66	66		100.0%	291	291
Payment on capital assets									
Buildings & other fixed structures	172,583			172,583	171,982	601	99.7%	219,386	216,544
Machinery & equipment	3,697	1,223	919	5,839	5,829	10	99.8%	8,789	8,758
Total	1,176,097	-	-	1,176,097	1,091,466	84,631	92.8%	928,174	905,059

Details per Programme 1 - Administration for the year ended 31 March 2005

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payment	1,434		245	1,679	1,679		100.0%		
1.2 Management									
Current payment	23,963		896	24,859	24,859		100.0%	11,188	11,180
Transfers and subsidies			27	27	27		100.0%	47	47
Expenditure for capital assets	1,600		-983	617	617		100.0%	2,010	2,010
1.3 Corporate Services									
Current payment	20,918		3,550	24,468	24,466		100.0%	26,249	26,234
Transfers and subsidies	59		62	121	121		100.0%	113	113
Expenditure for capital assets	538		1,840	2,378	2,378	2	100.0%	2,428	2,408
Total	48,512	-	5,637	54,149	54,147	2	100.0%	42,035	41,992

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	26,373		170	26,543	26,542	1	100.0%	17,551	17,550
Goods and services	19,921		4,265	24,186	24,185	1	100.0%	19,754	19,732
Financial transactions in assets and liabilities			277	277	277		100.0%	132	132
Transfers & subsidies									
Provinces & municipalities	80		2	82	82		100.0%	53	53
Gifts and donations			66	66	66		100.0%	107	107
Capital									
Machinery & equipment	2,138		857	2,995	2,995		100.0%	4,438	4,418
Total	48,512	-	5,637	54,149	54,147	2	100.0%	42,035	41,992

Details per Programme 2 - Arts and Culture in Society for the year ended 31 March 2005

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	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
2.1 Promotion of Arts and Culture in South Africa									
Current payment	56,786	-30,744	-150	25,892	17,777	8,115	68.7%	41,632	25,200
Transfers and subsidies	136,808	29,904	2,500	169,212	169,205	7	100.0%	123,525	123,368
Expenditure for capital assets	313	840		1,153	1,152	1	99.9%	1,371	1,371
2.2 National Arts Council									
Transfers and subsidies	44,668			44,668	44,668		100.0%	42,072	42,072
Total	238,575	-	2,350	240,925	232,802	8,123	96.6%	208,600	192,011

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	5,235	-1,011	-150	4,074	4,073	1	100.0%	4,442	4,440
Goods and services	51,551	-29,734		21,817	13,704	8,113	62.8%	37,190	20,760
Interest and rent on land							0.0%		
Financial transactions in assets and liabilities							0.0%		
Transfers & subsidies									
Provinces & municipalities	13	1		14	13	1	92.9%	13	13
Departmental agencies & accounts	146,911	3,500		150,411	150,411		100.0%	135,745	135,588
Households	34,552	26,404	2,500	63,456	63,449	7	100.0%	29,827	29,827
Gifts and donations							0.0%	12	12
Capital									
Buildings & other fixed structures									
Machinery & equipment	313	840		1,153	1,152	1	99.9%	1,371	1,371
Total	238,575	-	2,350	240,925	232,802	8,123	96.6%	208,600	192,011

Details per Programme 3 - National Language Service for the year ended 31 March 2005

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	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
3.1 National Language Service									
Current payment	42,752	-1,405	-6,080	35,267	34,482	785	97.8%	18,500	18,490
Transfers and subsidies	8,040	1,330		9,370	9,365	5	99.9%	3,772	3,423
Expenditure for capital assets	640	75		715	715		100.0%	373	372
3.2 Pan South African Language Board									
Transfers and subsidies	24,677			24,677	24,677		100.0%	21,634	21,634
Total	76,109	-	-6,080	70,029	69,239	790	98.9%	44,279	43,919

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	14,498	-1,406	-1,350	11,742	11,722	20	99.8%	8,805	8,803
Goods and services	28,254		-4,730	23,524	22,759	765	96.7%	9,694	9,686
Financial transactions in assets and liabilities		1		1	1		100.0%	1	1
Transfers & subsidies									
Provinces & municipalities	40			40	36	4	90.0%	27	27
Departmental agencies & accounts	24,677			24,677	24,677		100.0%	21,634	21,634
Non-profit institutions									
Households	8,000	1,330		9,330	9,329	1	100.0%	3,745	3,396
Gifts and donations							0.0%		
Capital									
Buildings & other fixed structures									
Machinery & equipment	640	75		715	715		100.0%	373	372
Total	76,109	-	-6,080	70,029	69,239	790	98.9%	44,279	43,919

Details per Programme 4 - Cultural Development and International Co-operation for the year ended 31 March 2005

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	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
4.1 Cultural Development									
Current payment									
Transfers and subsidies	71,323	-2,470	-2,677	66,176	57,709	8,467	87.2%	73,269	71,215
Expenditure for capital assets							0.0%		
4.2 International Co-operation									
Current payment	19,242	2,154	150	21,546	21,541	5	100.0%	19,705	19,677
Transfers and subsidies	25,761	8		25,769	25,769		100.0%	8,812	8,791
Expenditure for capital assets		308		308	308		100.0%	700	699
4.3 National Film and Video Foundation									
Current payment									
Transfers and subsidies	34,720			34,720	34,720		100.0%	21,290	21,290
Expenditure for capital assets									
Total	151,046	-	-2,527	148,519	140,047	8,472	94.3%	123,776	121,672

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	7,890		150	8,040	8,039	1	100.0%	6,598	6,589
Goods and services	11,352	2,111		13,463	13,460	3	100.0%	13,107	13,088
Interest and rent on land							0.0%		
Financial transactions in assets and liabilities		43		43	42	1	97.7%		
Transfers & subsidies									
Provinces & municipalities	19	8		27	26	1	96.3%	20	20
Departmental agencies & accounts	34,720			34,720	34,720		100.0%	21,290	21,290
Households	97,065	-2,470	-2,677	91,918	83,452	8,466	90.8%	81,977	79,902
Gifts and donations							0.0%	84	84
Capital									
Buildings & other fixed structures							0.0%		
Machinery & equipment		308		308	308		100.0%	700	699
Total	151,046	-	-2,527	148,519	140,047	8,472	94.3%	123,776	121,672

Details per Programme 5 - Heritage Promotion for the year ended 31 March 2005

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	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
5.1 Heritage Institutions									
Current payment							0.0%		
Transfers and subsidies	357,504	3,500		361,004	294,487	66,517	81.6%	188,339	188,141
Expenditure for capital assets							0.0%	75,898	75,898
5.2 South African Heritage Resources Agency									
Current payment				16,512	16,512		0.0%	15,160	15,160
Transfers and subsidies	16,512						100.0%		
Expenditure for capital assets							0.0%		
5.3 Promotion of Heritage				22,399	22,396				
Current payment	21,411		988	22,297	22,294	3	100.0%	20,304	19,392
Transfers and subsidies	25,787	-3,500	10	62	62	3	100.0%	88	88
Expenditure for capital assets			62				100.0%	627	618
5.4 South African Geographical Names Council									
Current payment				4,661	4,553		0.0%		
Transfers and subsidies	4,661					108	97.7%	332	279
Expenditure for capital assets							0.0%		
5.5 Capital Works									
Current payment							0.0%		
Transfers and subsidies	172,583			172,583	171,982	601	99.7%	143,488	140,646
Expenditure for capital assets							0.0%		
Total	598,458	-	1,060	599,518	532,286	67,232	88.8%	444,236	440,222

Details per Programme 5 - Heritage Promotion (continue)

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	6,534	-661		5,873	5,872	1	100.0%	4,289	4,286
Goods and services	14,877	661	984	16,522	16,521	1	100.0%	6,197	5,282
Interest and rent on land							0.0%		
Financial transactions in assets and liabilities			4	4	3	1	75.0%	914	914
Transfers & subsidies									
Provinces & municipalities	11		10	21	18	3	85.7%	10	10
Departmental agencies & accounts	374,016	3,500		377,516	310,999	66,517	82.4%	203,499	203,301
Households	30,437	-3,500		26,937	26,829	108	99.6%	9,226	9,179
Gifts and donations							0.0%	88	88
Capital									
Buildings & other fixed structures	172,583		62	172,583	171,982	601	99.7%	219,386	216,544
Machinery & equipment				62	62		100.0%	627	618
Total	598,458	-	1,060	599,518	532,286	67,232	88.8%	444,236	440,222

Details per Programme 6 - National Archives, Records, Meta-Information and Heraldic Services

Programme per subprogramme	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	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
6.1 National Archives of South Africa									
Current payment	30,052	-7	-95	29,950	29,948	2	100.0%	32,013	32,008
Transfers and subsidies	1,049	7	-345	711	710	1	99.9%	1,793	1,793
Expenditure for capital assets	606			606	597	9	98.5%	1,280	1,280
6.2 National Library Service									
Current payment							0.0%		
Transfers and subsidies	31,690			31,690	31,690		100.0%	30,162	30,162
Expenditure for capital assets							0.0%		
Total	63,397	-	-440	62,957	62,945	12	100.0%	65,248	65,243

Economic Classification	2004/2005							2003/2004	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Expenditure as % of Final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	20,162	-300	-95	19,767	19,766	1	100.0%	19,041	19,036
Goods and services	9,890	150		10,040	10,040		100.0%	12,972	12,972
Interest and rent on land							0.0%		
Financial transactions in assets and liabilities		143		143	142	1	99.3%		
Transfers & subsidies									
Provinces & municipalities	49	7		56	55	1	98.2%	61	61
Departmental agencies & accounts	31,690			31,690	31,690		100.0%	30,162	30,162
Households	1,000		-345	655	655		100.0%	1,732	1,732
Gifts and donations							0.0%		
Capital									
Buildings & other fixed structures							0.0%		
Machinery & equipment	606			606	597	9	98.5%	1,280	1,280
Total	63,397	-	-440	62,957	62,945	12	100.0%	65,248	65,243

Department of Arts & Culture - Vote 14
Notes to the Appropriation Statement
 for the year ended 31 March 2005

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

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1C and 1D 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 note 6 (Details of special functions (theft and losses)) to the annual financial statements.

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

4.1 Per programme:

	Voted Funds After Virement	Actual Expenditure	R'000	%
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PROGRAMME 2: Arts, Social Development and Youth

	240,925	232,802	8,123	3.4%
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PROGRAMME 4: Cultural Development and International Co-operation

	148,519	140,047	8,472	5.7%
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PROGRAMME 5: Heritage Promotion

	599,518	532,286	67,232	11.2%
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Explanation of underspending -

PROGRAMME 2: Arts, Social Development and Youth

The spending on the Ten Year Celebrations of Freedom project has been lower than anticipated (R8,113 million).

PROGRAMME 4: Cultural Development and International Co-operation

Some Investing in Culture projects were not completed within the financial year due to contractual obligations that have not been fulfilled (R8,466 million).

PROGRAMME 5: Heritage Promotion

The capital works projects linked to Freedom Park Trust was slower than anticipated (R65,412 million).

4.2 Per economic classification:	R'000
Current expenditure	
Goods and services	8,883
Transfers and subsidies	
Departmental agencies and accounts	66,517
Households	8,582
	<u>83,982</u>

Department of Arts & Culture - Vote 14
Statement of Financial Performance
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1.	1,176,097	928,174
Departmental revenue	2.	4,496	7,946
Local and foreign aid assistance	3.	3,651	1,885
TOTAL REVENUE		<u>1,184,244</u>	<u>938,005</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	4.	76,014	60,704
Goods and services	5.	100,669	81,520
Financial transactions in assets and liabilities	6.	465	1,047
Local and foreign aid assistance	3.	3,583	1,336
Total current expenditure		<u>180,731</u>	<u>144,607</u>
Transfers and subsidies	7.	736,507	536,486
Expenditure for capital assets			
Buildings and other fixed structures	8.	171,982	216,544
Machinery and Equipment	8.	5,829	8,758
Total expenditure for capital assets		<u>177,811</u>	<u>225,302</u>
TOTAL EXPENDITURE		<u>1,095,049</u>	<u>906,395</u>
NET SURPLUS/(DEFICIT) FOR THE YEAR		<u>89,195</u>	<u>31,610</u>
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund	11.	84,631	23,115
Departmental revenue to be surrendered to revenue fund	12.	4,496	7,946
Local and foreign aid assistance	3.	68	549
NET SURPLUS/(DEFICIT) FOR THE YEAR		<u>89,195</u>	<u>31,610</u>

Department of Arts & Culture - Vote 14
Statement of Financial Position
as at 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets	9.	84,698	3,947
Cash and cash equivalents	10.	77,483	1,063
Receivables		7,215	2,884
TOTAL ASSETS		84,698	3,947
LIABILITIES			
Current liabilities		84,698	3,834
Voted funds to be surrendered to the Revenue Fund	11.	84,631	-5,508
Departmental revenue to be surrendered to the Revenue Fund	12.	9	7,521
Payables	13.	-10	1,272
Local and foreign aid assistance unutilised	3.	68	549
TOTAL LIABILITIES		84,698	3,834
NET ASSETS		-	113
Represented by:			
Recoverable revenue		-	113
TOTAL		-	113

Department of Arts & Culture - Vote 14
Statement of Charges in Net Assets
for the year ended 31 March 2005

	2004/05 R'000	2003/04 R'000
Recoverable revenue		
Opening balance	113	23
Debts raised	-113	90
Closing balance	-	113
TOTAL	-	113

Department of Arts & Culture - Vote 14
Cash Flow Statement
 for the year ended 31 March 2005

	Note	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		1,179,364
Annual appropriated funds received		1,176,097
Departmental revenue received	3.	4,496
Local and foreign aid assistance received		3,102
Net (increase)/decrease in working capital		-4,331
Surrendered to Revenue Fund		-6,500
Current payments		-182,013
Transfers and subsidies paid	14.	-736,507
Net cash flow available from operating activities		<u>254,344</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		-177,811
Net cash flows from investing activities		<u>-177,811</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in loans received		-113
Net cash flows from financing activities		<u>-113</u>
Net increase/(decrease) in cash and cash equivalents		76,420
Cash and cash equivalents at beginning of period		1,063
Cash and cash equivalents at end of period		<u><u>77,483</u></u>

Department of Arts & Culture - Vote 14
Notes to the Annual Financial Statement
 for the year ended 31 March 2005

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted Funds)

	Final Appropriation	Actual Funds Received	Variance Over/(under)	Total Appropriation 2003/04
	R'000	R'000	R'000	R'000
Administration	54,149	54,149	-	42,035
Arts and Culture in Society	240,925	240,925	-	208,600
National Language Service	70,029	70,029	-	44,279
Cultural Development and International Co-operation	148,519	148,519	-	123,776
Heritage Promotion	599,518	599,518	-	444,236
National Archives, Records, Meta-Information and Heraldic Services	62,957	62,957	-	65,248
Total	1,176,097	1,176,097	-	928,174

	Note	2004/05 R'000	2003/04 R'000
2. Departmental revenue to be surrendered to revenue fund			
Description			
Sales of goods and services other than capital assets		327	345
Recoverable revenue received		-	7,601
Transfers received consist of:		4,169	-
Gifts, donations and sponsorships received	ANNEXURE 1A	4,169	-
Other transfers		-	-
Departmental revenue collected		4,496	7,946

		2004/05 R'000	2003/04 R'000
3. Local and foreign aid assistance			
3.1 Assistance received in cash	Opening Balance		Closing Balance
Name of donor and purpose			
Foreign			
Flemish Government: Community Arts Centres	549	1,148	1,629
Swedish Government: SIDA Partnership programme		1,954	1,954
	549	3,102	3,583
Analysis of balance			
Local and foreign aid receivable			
Local and foreign aid unutilised		68	549
Local foreign aid payable to RDP fund/donors			
Closing balance		68	549
4. Compensation of employees			
4.1 Salaries and wages			
Basic salary		51,774	41,103
Performance award		3,998	2,150
Service Based		251	213
Compensative/circumstantial		1,401	2,101
Periodic payments		121	272
Other non-pensionable allowances		8,793	6,598
		66,338	52,437
4.2 Social contributions			
4.2.1 Short term employee benefits			
Pension		6,822	5,660
Medical		2,841	2,592
UIF		1	7
Bargain council		12	8
		9,676	8,267
Total compensation of employees		76,014	60,704
Average number of employees		357	343

	Note	2004/05 R'000	2003/04 R'000
5. Goods and services			
Advertising		4,474	2,808
Bank charges and card fees		52	74
Bursaries (employees)		143	704
Communication		6,173	6,157
Computer services		6,817	5,079
Consultants, contractors and special services		33,954	31,665
Courier and delivery services		399	424
Drivers licences and permits		4	-
Entertainment		312	1,009
External audit fees	5.1	811	1,068
Equipment less than R5 000		859	572
Firearm handling fees		2	-
Inventory	5.2	5,038	3,728
Legal fees		482	160
Resettlement costs		187	495
Translations and transcriptions		1,038	3,931
Travel and subsistence	5.3	31,928	18,828
Venues and facilities		6,830	3,332
Protective, special clothing & uniforms		211	603
Training & staff development		955	137
Previous years unallocated items			746
		100,669	81,520
5.1 External audit fees			
Regulatory audits		811	1,068
Total external audit fees		811	1,068
5.2 Inventory			
Domestic Consumables		684	430
Fuel, oil and gas		28	47
Parts and other maint mat		81	8
Stationery and Printing		4,245	3,243
Total Inventory		5,038	3,728
5.3 Travel and subsistence			
Local		19,369	12,439
Foreign		12,559	6,389
Total travel and subsistence		31,928	18,828

	Note	2004/05 R'000	2003/04 R'000
6. Financial transactions in assets and liabilities			
Other material losses written off	6.1	271	73
Debts written off	6.2	194	974
		465	1,047
6.1 Other material losses written off in Statement of Financial Performance			
Nature of losses:			
Damage to hired vehicles		271	73
		271	73
6.2 Bad debts written off			
Nature of debts written off:			
Debt of untraceable ex-employees written off		194	70
Unrecoverable portion of fraudulently negotiated warrant voucher written off		-	904
		194	974
6.3 Details of theft and losses (Group major categories, but list material items)			
Programme 1: Administration		277	132
Programme 3: National Language Service		1	-
Programme 4: Cultural Development and International Co-operation		42	1
Programme 5: Heritage Promotion		3	914
Programme 6: National Archives, Records, Meta-Info. and Heraldic Services		142	-
		465	1,047
7. Transfers and subsidies			
Provinces and municipalities		230	184
Departmental agencies and accounts	ANNEXURE 1B	552,497	411,975
Households	ANNEXURE 1C	183,714	124,036
Gifts and donations	ANNEXURE 1D	66	291
	ANNEXURE 1E	736,507	536,486
8. Expenditure for capital assets			
Buildings and other fixed structures		171,982	216,544
Machinery and equipment	ANNEXURE 2	5,829	8,758
Total	ANNEXURE 2	177,811	225,302

	Note	2004/05 R'000	2003/04 R'000
9. Cash and cash equivalents			
Consolidated Paymaster General Account		77,444	1,026
Cash receipts		2	-
Cash on hand		37	37
		<u>77,483</u>	<u>1,063</u>

	Note	Less than One year	One to Three Years	Older than Three Years	Total	Total
10. Receivables						
Amounts owing by:						
other entities	ANNEXURE 3	6,586	-	-	6,586	1,717
Staff debtors	10.1	132	152	-	284	450
Clearing accounts	10.2	153	-	-	153	480
Other debtors	10.3	137	55	-	192	237
		<u>7,008</u>	<u>207</u>	-	<u>7,215</u>	<u>2,884</u>

Amounts of R 157 964,99 included above may not be recoverable, but has not been written off in the Statement of Financial Performance.

10.1 Staff debtors

Travel and subsistence debt	219	357
State guarantees	-	9
Bursary debt	3	6
Salary overpayment	29	57
Other	33	21
	<u>284</u>	<u>450</u>

10.2 Clearing accounts

Travel and subsistence debt	-	82
State guarantees	-	60
Income tax debt	-	5
Salary overpayment	-	29
Possible amounts recoverable in terms of losses incurred	158	297
Other	(5)	7
	<u>153</u>	<u>480</u>

10.3 Other debtors

Travel and subsistence allowance issued to officials	192	237
	<u>192</u>	<u>237</u>

	Note	2004/05 R'000	2003/04 R'000
11. Voted Funds to be surrendered to the Revenue Fund			
Opening balance		(5,508)	28,476
Transfer from Statement of Financial Performance		84,631	23,115
Voted funds not requested/not received		-	(28,623)
Paid during the year		5,508	(28,476)
Closing balance		<u>84,631</u>	<u>(5,508)</u>

12. Departmental revenue to be surrendered to revenue fund

Opening balance		7,521	407
Transfer from Statement of Financial Performance		4,496	7,946
Paid during the year		(12,008)	(832)
Closing balance		<u>9</u>	<u>7,521</u>

	Note	30 Days	30+ Days	2004/05 Total	2003/04 Total
13. Payables – current					
Description					
Amounts owing to other departments	ANNEXURE 4	-	-	-	1,225
Other payables	13.1	(10)	-	(10)	47
		<u>(10)</u>	<u>-</u>	<u>(10)</u>	<u>1,272</u>

13.1 Other payables

Description (Identify major categories, but list material amounts)					
Tax RSA				(2)	5
Pension deduction				(8)	1
Credit balances on debt accounts to be refunded to debtors				-	41
				<u>(10)</u>	<u>47</u>

14. Reconciliation of net cash flow from operating activities to surplus/(deficit)

Net surplus/(deficit) as per Statement of Financial Performance	89,195
(Increase)/decrease in receivables – current	(4,331)
Increase/(decrease) in payables – current	(1,282)
Increase/(decrease) in non-current liabilities	(549)
Surrenders	(6,500)
Capital expenditure	177,811
Net cash flow generated by operating activities	<u>254,344</u>

	2004/05 R'000	2003/04 R'000
15. Appropriated funds and departmental revenue surrendered		
Appropriated funds surrendered	23,115	28,476
Departmental revenue surrendered	12,008	832
	<u>35,123</u>	<u>29,308</u>

Department of Arts & Culture - Vote 14
Disclosure Notes to the Annual Financial Statement
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
16. Contingent liabilities			
Liable to	Nature		
Motor vehicle guarantees	Employees	231	225
Housing loan guarantees	Employees	974	911
		<u>1,205</u>	<u>1,136</u>

17. Accruals

By economic classification	30 Days	30+ Days	Total	Total
Goods and services	284	-	284	17
			<u>284</u>	<u>17</u>

Listed by programme level

Programme 1	164	-
Programme 2	43	14
Programme 4	65	3
Programme 6	12	-
	<u>284</u>	<u>17</u>

Confirmed balances with other departments	ANNEXURE4	545	-
		<u>545</u>	<u>-</u>

18. Employee benefits

Leave entitlement	4,391	5,488
Thirteenth cheque	1,916	1,648
Performance awards	102	73
	<u>6,409</u>	<u>7,209</u>

Performance awards is projected at R102 000.

		2004/05 R'000	2003/04 R'000
19. Leases			
19.1 Operating leases	Buildings & Other Fixed Structures	Machinery and Equipment	Total
Not later than 1 year	-	603	603
Later than 1 year and not later than 3 years	-	544	544
Later than three years	-	-	-
Total present value of lease liabilities	-	1,147	1,147
		801	801

20. Related party transactions

No related party transactions took place during the year under review, other than transactions that occur in the normal supplier / recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the department would have adopted if dealing with that individual or entity at arm's length in the same circumstances.

21. Senior management personnel

The aggregate compensation of the senior management of the department and the number of individuals determined on a full time equivalent basis receiving compensation within this category, showing separately major classes of key management personnel and including a description of each class for the current period and the comparative period. Detail on each type of compensation should be disclosed.

	2004/05 R'000	2003/04 R'000
- The Minister, Deputy Ministers, Director-General	2,222	782
- Deputy Director Generals	1,818	1,362
- Chief Financial Officer	466	386
	<u>4,506</u>	<u>2,530</u>

21.1 Other remuneration and compensation provided to key management and close members of the family of key management personnel

Key management personnel does not qualify for other remuneration than the approved remuneration structures.

21.2 Loans that are not widely available (and/or widely known) to persons outside the key management

No such loans were granted to key management personnel in the Department.

ANNUAL FINANCIAL STATEMENTS

Department of Arts & Culture - Vote 14 Annexures to the Annual Financial Statements for the year ended 31 March 2005

ANNEXURE 1A

Statement Of Gifts, Donations And Sponsorships Received For The Year Ended 31 March 2005

Name of Organisation	Nature of Gifts, Donation or Sponsorship	2004/05 R'000	2003/04 R'000
Received in cash			
ESKOM Holdings Limited	Ten Year Celebrations of Freedom Project	3,140	
TRANSNET	Ten Year Celebrations of Freedom Project	518	
MTN Groep	Ten Year Celebrations of Freedom Project	511	
Total		4,169	-

Department of Arts & Culture - Vote 14 Annexures to the Annual Financial Statements for the year ended 31 March 2005

ANNEXURE 1B

Statement Of Conditional Grants Paid To Municipalities

Name of Municipality	Grant Allocation			Transfer		Spent			2003/04	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred R'000	Amount Received by Municipality R'000	Amount Spent by Municipality R'000	% of Available Funds Spent by Municipality R'000	Division of Revenue Act R'000
Provinces and municipalities (Regional Service Levies)	-	-	230	230	230	100.0%	-	-	0.0%	184
Total	-	-	230	230	230		-	-		184

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
for the year ended 31 March 2005

ANNEXURE 1C

Statement Of Transfers To Departmental Agencies And Accounts

Agency/Account	Transfer Allocation				Transfer		2003/04
	Adjustments Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred R'000	Final Appropriation Act R'000
Performing Arts Councils:							
Artscape	21,845			21,845	21,845	100.0%	20,213
State Theatre	19,377			19,377	19,377	100.0%	17,895
Playhouse Company	18,520			18,520	18,520	100.0%	11,360
Performing Arts Center of the Free State	15,303		3,500	18,803	18,803	100.0%	14,108
Market Theatre Foundation	9,602			9,602	9,602	100.0%	12,135
Windy Brow Theatre	4,493			4,493	4,493	100.0%	5,305
Kwazulu-Natal Philharmonic Orchestra	3,000			3,000	3,000	100.0%	3,000
Cape Philharmonic	3,000			3,000	3,000	100.0%	3,000
Gauteng Orchestra	3,000			3,000	3,000	100.0%	3,000
Business Arts South Africa	4,103			4,103	4,103	100.0%	3,500
National Arts Council	44,668			44,668	44,668	100.0%	42,072
Arts, Culture and Heritage Institutions:							
Transformation of Cultural Institutions	-		-	-	-	0.0%	14,528
Northern Flagship Institute	31,381		3,500	34,881	34,881	100.0%	29,201
Iziko Museum	32,256			32,256	32,256	100.0%	30,163
Natal Museum, Pietermaritzburg	7,122			7,122	7,122	100.0%	6,083
National Museum, Bloemfontein	14,908			14,908	14,908	100.0%	13,685
Die Afrikaanse Taalmuseum, Paarl	1,756			1,756	1,756	100.0%	1,386
The National English Literature Museum, Grahamstad	3,619			3,619	3,619	100.0%	3,006
Voortrekker Museum, Pietermaritzburg	5,307			5,307	5,307	100.0%	4,767
War Museum of the Boer Republics, Bloemfontein	3,498			3,498	3,498	100.0%	2,992
Robben Island Museum, Cape Town	26,899			26,899	26,899	100.0%	25,356
William Humpheys Art Gallery, Kimberly	2,407			2,407	2,407	100.0%	1,985
Engelenburg House Art Collection, Pretoria	161			161	161	100.0%	143
Nelson Mandela Museum, Umtata	6,860			6,860	6,860	100.0%	6,000
Constitution Hill, Johannesburg	1			1		0.0%	-
Khoi-San Project	1,103			1,103		0.0%	-
Freedom Park, Pretoria	200,000			200,000	134,587	67.3%	48,846
Albert Luthuli Museum	3,526			3,526	3,526	100.0%	-

ANNEXURE 1C - (Continued)

Statement Of Transfers To Departmental Agencies And Accounts

Agency/Account	Transfer Allocation				Transfer		2003/04
	Adjustments Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred R'000	Final Appropriation Act R'000
South African Heritage Resource Agency	16,512			16,512	16,512	100.0%	15,160
National Film and Video Foundation	34,720			34,720	34,720	100.0%	21,290
National Heritage Council	16,700			16,700	16,700	100.0%	-
Libraries:				-			
National Library	24,850			24,850	24,850	100.0%	22,734
SA Library for the Blind	4,864			4,864	4,864	100.0%	4,242
Literature for the visually handicapped	1,976			1,976	1,976	100.0%	586
Transformation of Library Institutions				-		0.0%	2,600
Pan SA Language Board	24,677			24,677	24,677	100.0%	21,634
Total	612,014	-	7,000	619,014	552,497		411,975

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 1D

Statement Of Transfers/Subsidies To Households

Agency/Account	Transfer Allocation			Transfer		2003/04	
	Adjustments Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred R'000	Final Appropriation Act R'000
Transfers							
Financial Assistance:							
Promote arts and culture in South Africa	34,552		28,904	63,456	63,449	100.0%	29,827
Promote arts and culture international	15,514			15,514	15,514	100.0%	8,687
Promote heritage in South Africa	25,776		-3,500	22,276	22,276	100.0%	8,979
National language service	8,000		1,330	9,330	9,329	100.0%	3,396
National archives	1,000		-345	655	655	100.0%	1,732
Cultural industries	15,376		-5,147	10,229	10,229	100.0%	31,240
Investing in Culture	66,175			66,175	57,709	87.2%	39,975
SA Geographical Names Council	4,661			4,661	4,553	97.7%	200
Total	171,054	-	21,242	192,296	183,714		124,036

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 1E

Statement Of Gifts, Donations And Sponsorships Made And Remissions, Refunds And Payments Made As An Act Of Grace For The Year Ended 31 March 2005

Nature Of Gift, Donation Or Sponsorship (Group major categories but list material items including name of the organisation)	R'000
Paid in cash	
Gifts for Year-end function	60
Other gifts	6
Total	66

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 2

Physical Asset Movement Schedule As At 31 March 2005

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers Out R'000	Closing Balance R'000
Buildings And Other Fixed Structures	216,544	171,982	-	-	-	388,526
Heritage assets	216,544	171,982				388,526
Machinery And Equipment	11,093	5,829	-	-	-	16,922
Computer equipment	5,843	4,908				10,751
Furniture and office equipment	4,917	131	-	-	-	5,048
Other machinery and equipment	333	790				1,123
Total	227,637	177,811	-	-	-	405,448

ANNEXURE 2 - (Continued)

Physical Asset Movement Schedule As At 31 March 2004

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers Out R'000	Closing Balance R'000
Buildings And Other Fixed Structures	-	216,544	-	-	-	216,544
Heritage assets		216,544				216,544
Machinery And Equipment	2,335	8,758	-	-	-	11,093
Computer equipment	1,455	4,388				5,843
Furniture and office equipment	575	4,342	-	-	-	4,917
Other machinery and equipment	305	28				333
Total	2,335	225,302	-	-	-	227,637

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 3

Inter-Governmental Receivables

Government Entity	Confirmed Balance Outstanding		Unconfirmed Balance	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Department of Foreign Affairs		95		
Free State		372		
Department of Health	6			
Statistics South Africa			19	
Department of Transport	13			
Department of Education			19	
National Treasury	18			
Department of Public Works			16	
Department of Environmental Affairs	7			
Department of Agriculture	5			
	49	467	54	-
Other Government Entities				
National Arts/Heritage Council - Recovered in April 2005	6,483	395		
Northern Flagship		855		
	6,483	1,250	-	-
Total	6,532	1,717	54	-

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 4

Inter-Departmental Payables - Current

Government Entity	Confirmed Balance Outstanding		Unconfirmed Balance	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000

Department
Amounts not included in Statement of financial position

Current

Department of Health	545	-	-	-
Total	545	-	-	-

Amounts included in Statement of financial position

Current

Department of Forreign Affairs	-	1,225		
Subtotal	-	1,225		

Department of Arts & Culture - Vote 14
Annexures to the Annual Financial Statements
 for the year ended 31 March 2005

ANNEXURE 5

Statement Of Financial Guarantees Issued As At 31 March 2005 - Local

Guarantor Institution	Guarantee in Respect of Motor Vehicles	Original Guaranteed Capital Amount R'000	Opening Balance 01/04/2004 R'000	Guarantees Issued During the Year R'000	Guarantees Released During the Year R'000	Guaranteed Interest Outstanding as At 31 March 2005 R'000	Closing Balance 31/03/2005 R'000	Realised Losses I.R.O. Claims Paid Out R'000
Stannic	Motor vehicles	438	225	231	225	-	231	-
		438	225	231	225	-	231	-
	Housing							
ABSA Bank	Housing loans	375	375	113	14	-	474	-
First National Bank	Housing loans	152	152	-	-	-	152	-
Futures Bank	Housing loans	25	25	-	-	-	25	-
Nedbank	Housing loans	170	170	-	-	-	170	-
Standard Bank	Housing loans	189	189	42	78	-	153	-
		911	911	155	92	-	974	-
	Total	1,349	1,136	386	317	-	1,205	-



HUMAN RESOURCE STATEMENTS

4. Human Resource Management

4.1 Personal Costs

Table 1.1 – Personnel Costs By Programme, 2004/05

Programme	Total Expenditure (R'000)	Personal Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel Cost As % of Total Expenditure	Average Personnel Cost Per Employee (R'000)	Employment
Administration	54 147	26 542	0	0	49	63	424
Arts and Culture in Society	232 802	4 073	0	0	1,7	10	424
Cultural Dev and Internat. Coop.	140 047	8 039	0	0	5,7	19	424
Flemish Comm. Arts Centre	0	0	0	0	0	0	424
Heritage Promotion	532 286	5 872	0	0	1,1	14	424
Nat. Arch. Rec., Meta-Inf., Heraldry	62 945	19 766	0	0	31,4	47	424
National Language Service	69 239	11 722	0	0	16,9	28	424
Total as on Financial Systems (BAS)	1 091 466	76 014	0	0	7	179	424

Table 1.2 – Personnel Costs By Salary Bands, 2004/05

Programme	Personal Expenditure (R'000)	% of Total Personnel Cost	Average Personnel Cost Per Employee (R'000)	Total Personnel Cost	Number of Employees
Lower skilled (Levels 1-2)	2 384	3,1	79 467	76 079	30
Skilled (Levels 3-5)	5 904	7,8	63 484	76 079	93
Highly-skilled production (Levels 6-8)	21 985	28,9	150 582	76 079	146
Highly-skilled supervision (Levels 9-12)	24 994	32,9	223 161	76 079	112
Senior management (Levels 13-16)	19 848	26,1	461 581	76 079	43
Total	75 115	98,7	177 158	76,079	424



The following tables provide a summary per programme (Table 1.3) and per salary band (Table 1.4) of expenditure incurred as a result of salaries, overtime, home owner's 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, Home Owner's Allowances And Medical Assistance By Programme, 2004/05

Programme	Salaries		Overtime		Home Owner's Allowance (HOA)		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Assistance as % of Personnel Cost	
Administration (1)	17 210	66	314	1,2	158	0,6	875	3,4	26 057
Administration (2)	220	0	15	0	2	0	12	0	0
Arts and Culture in Society	3 089	70,5	69	1,6	24	0,5	94	2,1	4380
Arts Culture Language in Society	41	0	2	0	0	0	3	0	0
Cultural Development International Cooper	5 956	70,8	45	0,5	36	0,4	265	3,2	8 408
Heritage, Nat. Arch. and National Library	212	0	5	0	6	0	15	0	0
Heritage Promotion	4 055	69,2	72	1,2	21	0,4	182	3,1	5860
Nat. Arch. Rec., Meta-Inf. Heraldry	12 643	65,7	223	1,2	237	1,2	889	4,6	19240
National Language Service	7 781	68,1	35	0,3	79	0,7	486	4,3	11424
Unknown	3	37,5	0	0	0	0	0	0	8
Total	51 210	67,9	780	1	563	0,7	2 821	3,7	75 377

Table 1.4 – Salaries, Overtime, Home Owner's Allowances And Medical Assistance By Salary Band, 2004/05

Salary Bands	Salaries		Overtime		Home Owner's Allowance (HOA)		Medical Assistance		Total Personnel Cost (R'000)
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Assistance as % of Personnel Cost	
Lower skilled (Levels 1-2)	1 332	55,6	22	0,9	36	1,5	122	5,1	2 394
Skilled (Levels 3-5)	4 275	72,6	96	1,6	63	1,1	288	4,9	5 886
Highly-skilled production (Levels 6-8)	14 879	67,7	338	1,5	250	1,1	1169	5,3	21 968
Highly-skilled supervision (Levels 9-12)	18 279	72,9	321	1,3	216	0,9	831	3,3	25 085
Senior management (Levels 13-16)	12 447	62,1	5	0	-2	0	410	2	20 043
Total	51 212	67,9	782	1	563	0,7	2 820	3,7	75 376

4.2 Employment And Vacancies

Table 2.1 – Employment And Vacancies By Programme, 31 March 2005

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 occupation (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.

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administration, Permanent	185	153	17,3	4
Arts and Culture in Society, Permanent	33	19	42,4	2
Cultural Dev and Internat. Coop., Permanent	53	37	30,2	1
Heritage Nat. Arch. and Nat. Library, Permanent	1	1	0	0
Heritage Promotion, Permanent	46	25	45,7	0
Nat. Arch. Rec., Meta-Inf., Heraldry, Permanent	192	33	30,7	2
National Language Service, Permanent	80	56	30	1
Total	590	424	28,1	10

Table 2.2 – Employment And Vacancies By Salary Bands, 31 March 2005

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	78	56	28,2	2
Skilled (Levels 3-5), Permanent	90	74	17,8	3
Highly-skilled production (Levels 6-8), Permanent	224	158	29,5	3
Highly-skilled supervision (Levels 9-12), Permanent	147	99	32,7	2
Highly-skilled supervision (Levels 9-12), Temporary	1	1	0	0
Senior management (Levels 13-16), Permanent	50	36	28	0
Total	590	424	28,1	10

Table 2.3 – Employment And Vacancies By Critical Occupation, 31 March 2005

NONE.

The information in each case reflects the situation as at 31 March 2005. For an indication of changes in staffing patterns over the year under review, please refer to section 4.4.

4.3 Job Evaluation

The Public Service Regulations, 1999, introduced job evaluation as a way of ensuring that work of equal value was 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 Senior Management Service (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 2004 To 31 March 2005

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Post Evaluated by Salary Bands	Posts Upgraded		Posts Downgraded	
				Number	% of Posts Evaluated	Number	% of Posts Evaluated
Lower skilled (Levels 1-2)	78	0	0	0	0	0	0
Skilled (Levels 3-5)	90	0	0	0	0	0	0
Highly-skilled production (Levels 6-8)	224	1	0,45	1	100	0	0
Highly-skilled supervision (Levels 9-12)	148	6	4,05	2	33,3	0	0
SMS band A	31	1	3,22	0	0	0	0
SMS Band B	16	3	18,75	0	0	0	0
SMS Band C	2	0	0	0	0	0	0
SMS Band D	1	0	0	0	0	0	0
Total	590	11	1,86	3	27,2	0	0

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 be vacant.

Table 3.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2004 to 31 March 2005

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

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 2004 To 31 March 2005 (In Terms Of Psr 1.V.C.3)

NONE.

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 2004 To 31 March 2005 (In Terms Of Psr 1.V.C.3)

NONE.

4.4 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 4.1) and by critical occupation (Table 4.2).

Table 4.1 – Annual Turnover Rates By Salary Band For The Period 1 April 2004 To 31 March 2005

Salary Band	Number of Employees Per Band as on 1 April 2004	Appointment and Transfers into the Department	Terminations and transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2), Permanent	34	11	9	26,5
Skilled (Levels 3-5), Permanent	66	101	89	134,8
Highly-skilled production (Levels 6-8), Permanent	154	18	27	17,5
Highly-skilled production (Levels 6-8), Temporary	1	0	0	0
Highly-skilled supervision (Levels 9-12), Permanent	103	25	27	26,2
SMS Band A, Permanent	16	7	3	18,8
SMS Band B, Permanent	9	3	3	33,3
SMS Band C, Permanent	3	0	0	0
SMS Band D, Permanent	1	0	0	0
Total	387	165	158	40,8

Table 4.2 – Annual Turnover Rates By Critical Occupation For The Period 1 April 2004 To 31 March 2005

NONE.

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

Table 4.3 – Reasons Why Staff Are Leaving The Department

Beneficiaries	Number	% of Total	% of Total Employment	Total	Total Employment
Death, Permanent	2	1,3	0,5	158	387
Resignation, Permanent	15	9,5	3,9	158	387
Expiry of contract, Permanent	136	86,1	35,1	158	387
Discharged due to ill-health, Permanent	1	0,6	0,3	158	387
Retirement, Permanent	2	1,3	0,5	158	387
Transfers to other Public Service departments Other, Permanent	2	1,3	0,5	158	387
Total	158	100	40,8	158	387

Total number of employees who left as % of the total establishment 40,8

Table 4.4 – Promotions by critical occupation

NONE.

Table 4.5 – Promotions By Salary Band

Salary Band	Employees 1 April 2004	Promotions to Another Salary Level	Salary Bands Promotions as % of employees by Salary Level	Progressions to Another Notch Within a Salary Level	Notch Progressions as % of Employees by Salary Band
Lower skilled (Levels 1-2), Permanent	34	0	0	39	114,7
Skilled (Levels 3-5), Permanent	66	6	9,1	50	75,8
Highly-skilled production (Levels 6-8), Permanent	154	2	1,3	132	85,7
Highly-skilled production (Level 6-8), Temporary	1	0	0	1	100
Highly-skilled supervision (Levels 9-12), Permanent	103	16	15,5	36	35
SMS (Levels 13-16), Permanent	29	9	31	1	3,4
Total	387	33	8,5	259	66,9

5. Employment equity

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

Table 5.1 – Total Number Of Employees (Including Employees With Disabilities) In Each Of The Following Occupational Categories As At 31 March 2005

Occupational Categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers, Permanent	13	1	0	1	8	0	1	1	25
Professionals, Permanent	74	7	4	22	63	10	3	44	227
Professionals, Temporary	0	0	0	0	0	0	0	1	1
Clerks, Permanent	23	2	2	2	43	5	2	24	103
Service and sales workers, Permanent	10	3	0	7	2	1	0	0	23
Craft and related trades workers, Permanent	0	1	0	0	0	0	0	0	1
Plant and machine operators and assemblers, Permanent	0	0	0	0	1	0	0	0	1
Elementary occupations, Permanent	15	4	0	1	21	1	0	0	42
Other, Permanent	0	0	0	0	1	0	0	0	1
Total	135	18	6	33	139	17	6	70	424
Employees with disabilities	3	0	0	1	1	0	0	1	6

Table 5.2 – Total Number Of Employees (Including Employees With Disabilities) In Each Of The Following Occupational Bands As At 31 March 2005

Occupational Categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	9	1	0	1	1	0	0	0	12
Senior Management, Permanent	10	2	1	3	4	0	1	1	22
Professionally qualified and experienced specialists	34	2	2	15	38	8	2	38	139
Skilled technical and academically qualified workers	39	4	1	12	35	4	2	25	122
Semi-skilled and discretionary decision making, Permanent	42	6	2	2	55	3	1	6	117
Unskilled and defined decision making, Permanent	2	3	0	0	5	2	0	0	12
Total	136	18	6	33	138	17	6	70	424

Table 5.3 – Recruitment For The Period 1 April 2004 To 31 March 2005

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	6	1	0	0	3	0	0	0	10
Professionally qualified and experienced specialists	14	0	0	1	8	5	0	0	28
Skilled technical and academically qualified workers	9	0	2	0	7	0	0	0	18
Semi-skilled and discretionary decision making, Permanent	37	0	0	0	59	2	0	3	101
Unskilled and defined decision making, Permanent	5	0	0	0	6	0	0	0	11
Total	71	1	2	1	83	7	0	3	168

Table 5.4 – Promotions For The Period 1 April 2004 To 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	1	0	0	0	0	0	0	0	1
Senior Management, Permanent	6	1	0	1	1	0	0	0	9
Professionally qualified and experienced specialists	17	1	1	8	11	3	1	11	53
Skilled technical and academically qualified workers	31	5	1	15	28	4	2	49	135
Semi-skilled and discretionary decision making, Permanent	21	6	1	3	16	2	0	7	56
Unskilled and defined decision making, Permanent	13	4	1	0	20	2	0	0	40
Total	89	17	4	27	76	11	3	67	294
Employees with disabilities	1	0	0	1	0	0	0	1	3

Table 5.5 – Terminations For The Period 1 April 2004 To 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	3	1	0	1	2	0	0	0	7
Professionally qualified and experienced specialists	10	0	0	3	9	4	1	2	29
Skilled technical and academically qualified workers	16	0	2	1	4	0	0	3	26
Semi-skilled and discretionary decision making, Permanent	22	0	0	0	52	3	1	2	80
Unskilled and defined decision making, Permanent	4	0	0	0	5	0	0	0	9
Total	55	1	2	5	72	7	2	7	151
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 5.6 – Disciplinary Action For The Period 1 April 2004 To 31 March 2005

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	0	1	0	0	0	0	0	0	1

Table 5.7 – Skills Development For The Period 1 April 2004 To 31 March 2005

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	6	0	0	1	1	0	0	0	8
Professionals	14	0	2	5	22	1	0	2	46
Technicians and associate and professionals	21	0	1	0	48	0	0	4	74
Clerks	1	0	0	0	10	0	0	0	11
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	42	0	3	6	81	1	0	6	139
Employees with disabilities	0	0	0	0	0	0	0	0	0

6. Performance Rewards

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

Table 6.1 – Performance Rewards By Race, Gender, And Disability, 1 April 2004 To 31 March 2005

	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total Number of Employees in group	% of Total Within Group	Cost (R'000)	Average Cost Per Employee
African					
Male	77	133	57,9	1 056	13 712
Female	79	139	56,8	1 051	13 305
Asian					
Male	3	6	50	33	10 908
Female	3	6	50	34	11 343
Coloured					
Male	15	18	83,3	118	7 851
Female	11	17	64,7	126	11 413
White					
Male	29	32	90,6	541	18 670
Female	66	69	95,7	996	15 090
Employees with disabilities	4	4	100	33	8 181
Total	289	424	68,2	4 004	13 855

Table 6.2 – Performance Rewards By Salary Bands For Personnel Below Senior Management Service, 1 April 2004 To 31 March 2005

Salary Bands	Beneficiary Profile			Cost		
	Number of Beneficiaries	Number of Employees	% of Total Within Salary Bands	Total Cost (R'000)	Average Cost Per Employee	Total Cost as % of the Total Personnel Expenditure
Lower skilled (Levels 1-2)	30	30	100	149	4 967	0,2%
Skilled (Levels 3-5)	43	93	46,2	287	6 674	0,4%
Highly-skilled production (Levels 6-8)	124	146	84,9	1 535	12 379	2%
Highly-skilled supervision (Levels 9-12)	82	112	73,2	1 782	21 732	2,4%
Total	279	381	73,2	3 753	13 452	5%

Table 6.3 – Performance Rewards By Critical Occupations, 1 April 2004 To 31 March 2005

NONE.

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	Total Cost as % of the Total Personnel Expenditure
	Number of Beneficiaries	Number of Employees	% of Total Within Band			
Band A	7	23	30,4	211	3 014	0,3%
Band B	1	13	7,7	24	2 400	0,03%
Band C	0	5	0	0	0	0
Band D	0	2	0	0	0	0
Total	8	43	18,6	235	2 937,5	0,3%

7. Foreign workers

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

Table 7.1 – Foreign Workers, 1 April 2004 To 31 March 2005, By Salary Band

Salary Bands	1 April 2004		31 March 2005		Change	
	Number	% of Total	Number	% of Total	Number	% of Total
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	1	50	1	50
Highly-skilled production (Levels 6-8)	0	0	1	50	1	50
Highly-skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	2	100	2	100

Table 7.2 – Foreign Workers, 1 April 2004 To 31 March 2005, By Major Occupation

Major Occupation	1 April 2004		31 March 2005		Change	
	Number	% of Total	Number	% of Total	Number	% of Total
Admin office workers	0	0	1	50	1	50
Professionals and managers	0	0	1	50	1	50
Total	0	0	2	100	2	100

8. Leave utilisation for the period 1 January 2004 to 31 December 2004

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 2004 to December 2004

Salary Band	Total Days	% Days with Medical Certification	Number of Employees Using Sick Leave	% of Total Employees Using Sick Leave	Average Days Per Employee	Estimated Cost (R'000)	Total Number Employees Using Sick Leave	Total Number of Days with Medical Certificates
Lower skilled (Levels 1-2)	280	70	22	7,9	13	40	277	196
Skilled (Levels 3-5)	371	67,1	45	16,2	8	74	277	249
Highly-skilled production (Levels 6-8)	1 102,5	69,7	117	42,2	9	374	277	768
Highly-skilled supervision (Levels 9-12)	654	78,1	75	27,1	9	399	277	511
Senior management (Levels 13-16)	172	83,1	17	6,1	10	267	277	143
Not available	4	0	1	0,4	4	1	277	0
Total	2 583,5	72,3	277	100	9	1 155	277	1 867

Table 8.2 – Disability Leave (Temporary And Permanent), January 2004 To December 2004

Salary Band	Total Days Taken	% Days with Medical Certification	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 Employees Using Disability Leave
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0	0
Skilled (Levels 3-5)	12	100	1	14,3	12	3	12	7
Highly-skilled production (Levels 6-8)	17	100	1	14,3	17	8	17	7
Highly-skilled supervision (Levels 9-12)	78	100	4	57,1	20	52	78	7
Senior management (Levels 13-16)	22	100	1	14,3	22	36	22	7
Total	129	100	7	100	18	99	129	7

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 at the time of termination of service.

Table 8.3 – Annual Leave, January 2004 To December 2004

Salary Band	Total Days Taken	Average Per Employee	Employment
Lower skilled (Levels 1-2)	743	23	32
Skilled Levels 3-5)	1 372	19	72
Highly-skilled production (Levels 6-8)	3 551,76	23	157
Highly-skilled supervision (Levels 9-12)	2 370	20	119
Senior management (Levels 13-16)	730	21	35
Not available	22	4	5
Total	8 788,76	21	420

Table 8.4 – Capped Leave, January 2004 To December 2004

Salary Band	Total Days of Capped Leave Taken	Average Number of Days Taken Per Employee	Average Capped Leave Per Employee as at 31 December 2004	Number of Employees	Total Number of Capped Leave	Number of Employees
Lower skilled (Levels 1-2)	20	3	47	8	1 078	23
Skilled (Levels 3-5)	46	5	32	9	573	18
Highly-skilled production (Levels 6-8)	173	6	28	31	2 546	90
Highly-skilled supervision (Levels 9-12)	91	4	36	21	2 323	65
Senior management (Levels 13-16)	31	8	52	4	943	18
Total	361	5	35	73	7 463	214

The following table summarises payments made to employees as a result of leave that was not taken.

Table 8.5 – Leave Payouts For The Period 1 April 2004 To 31 March 2005

Reason	Total Amount (R'000)	Number of Employees	Average Payment Per Employee
Lower skilled (Levels 1-2) Leave payout for 2003/04 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2003/04	33	10	3 300
Current leave payout on termination of service for 2004/05	7	3	2 333
Total	40	13	3 077

9. Hiv/Aids And Health Promotion Programmes

Table 9.1 – Steps Taken To Reduce The Risk Of Occupational Exposure

NONE.

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.	√		Acting 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 the health and well-being of employees lies within the HRM. The responsible person is the DD: Special Programmes who also deals with disability, HIV/Aids, EAP and gender matters.
3. Has the Department introduced an employee assistance or health promotion programme for its employees? If so, indicate the key elements/services of this programme.	√		HIV/Aids Addiction Loss and trauma Disability and wellness
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.	√		Provisioning: Mr Abisiah Mtakwende Archives: Mr Francis Moloji Ms Seipati Malope Ms Yvonne Phenya Mr Frans Sesedyane (Nehawu) Ms Ntsoaki Msindo (National Language Service) Ms Beauty Makaya (PSA) Ms Kgomotso Mahapa (Special Prog.)
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.		√	
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.	√		Training Information sessions HIV/Aids Policy

Question	Yes	No	Details, if Yes
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have you achieved.	√		The response has not been good. Less than 7% of people who attended voluntary counselling eventually underwent testing. Few of those tested collected their results.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.		√	

10. Labour Relations

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

Table 10.1 – Collective Agreements, 1 April 2004 To 31 March 2005

NONE.

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

Table 10.2 – Misconduct And Disciplinary Hearings Finalised, 1 April 2004 To 31 March 2005

Outcomes of Disciplinary Hearings	Number	% of Total
Correctional counselling		
Verbal warning		
Written warning		
Final written warning		
Suspended without pay		
Fine		
Demotion		
Dismissal		
Not guilty	1	100
Case withdrawn		
Total	1	100

Table 10.3 – Types Of Misconduct Addressed At Disciplinary Hearings

Type of Misconduct	Number	% of Total
Misuse of government vehicle	1	100
Total	1	100

**Table 10.4 – Grievances Lodged For The Period
1 April 2004 To 31 March 2005**

	Number	% of Total
Number of grievances resolved		
Number of grievances not resolved	2	100
Total number of grievances lodged	2	100

**Table 10.5 – Disputes Lodged With Councils For
The Period 1 April 2004 To 31
March 2005**

	Number	% of Total
Number of disputes upheld		
Number of disputes dismissed		
Total number of disputes lodged	1	100

Table 10.6 – Strike Actions For The Period 1 April 2004 To 31 March 2005

NONE.

Table 10.7 – Precautionary Suspensions For The Period 1 April 2004 To 31 March 2005

NONE.

11. Skills Development

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

Table 11.1 – Training Needs Identified 1 April 2004 To 31 March 2005

Occupational Categories	Gender	Number of Employees as at 1 April 2004	Training Needs Identified At Start Of Period Under Review			
			Learnership/ Internships	Skills Programmes and Other Short Courses	Other Forms of Training	Total
Legislators, senior officials and managers	Female	11	0	1	0	1
	Male	27	0	7	0	7
Professionals	Female	61	0	25	0	25
	Male	48	0	21	0	21
Technicians and associate professionals	Female	92	0	52	0	52
	Male	55	0	22	0	22
Clerks	Female	26	15	10	0	10
	Male	30	10	1	0	1
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	22	0	0	0	0
	Male	14	0	0	0	0
Subtotal	Female	212	15	88	0	103
	Male	175	10	51	0	61
Total		387	25	139	0	164

11.2 – Training Provided 1 April 2004 To 31 March 2005

Occupational Categories	Gender	Number of Employees as at 1 April 2004	Training Needs Identified At Start Of Period Under Review			
			Learnership	Skills Programmes and Other Short Courses	Other Forms of Training	Total
Legislators, senior officials and managers	Female	11	0	1	0	1
	Male	27	0	7	0	7
Professionals	Female	61	0	25	0	25
	Male	48	0	21	0	21
Technicians and associate professionals	Female	92	0	52	0	52
	Male	55	0	22	0	22
Clerks	Female	26	0	10	0	10
	Male	30	0	1	0	1
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	22	0	0	0	0
	Male	14	0	0	0	0
Subtotal	Female	212	0	88	0	88
	Male	175	0	51	0	51
Total		387	0	139	0	139

12. Injury On Duty

The following tables provide basic information on injury on duty.

Table 12.1 – Injury On Duty, 1 April 2004 To 31 March 2005

NONE.

13. Use Of Consultants

Table 13.1 – Report On Consultant Appointments Using Appropriated Funds

NONE.

Table 13.2 – Analysis Of Consultant Appointments Using Appropriated Funds, In Terms Of Historically Disadvantaged Individuals (Hdis)

NONE.

Table 13.3 – Report On Consultant Appointments Using Donor Funds

NONE.

Table 13.4 – Analysis Of Consultant Appointments Using Donor Funds, In Terms Of Historically Disadvantaged Individuals (HDI'S)

NONE.

over-grazing, that we converged in our millions to the mines and factories that consumed our labour and spawned the cities of South Africa. It is from surroundings such as these, that we understood that we were in the grip of a system that divided us one from the other; a system that set a few above the majority by virtue of skin colour alone. Millions of us were deliberately reduced to poverty. And to perpetuate itself, a system that claimed to be ordained from on high, could be broken only by brute force, robbing us all of our humanity - oppressed and oppressor alike. The Eastern Cape knows this fearful history as well as any other part of our country. Amongst the sons and daughters of this province are many who helped us lay the way for our freedom. It is therefore a weakness on our part, that we have yet to create a monument to remember those South Africans who sacrificed so that we should be free. With the recent Cabinet decision on this matter, the day would not be far off, when we shall have a people's shrine, a Freedom Park, where we shall honour with all the dignity that we deserve, those who endured pain so we should experience the joy of freedom. On April 27 five years ago, we knew that nothing would stop the people's declaration that the time had come to govern ourselves. We had then fully understood that none of us could be free unless we were all free; and that none of us could enjoy lasting peace and security while countless South Africans were cursed by hunger, homelessness and ill-health. When for the first time we voted in our millions, as equals - men and women of every colour, language and religion; rich and poor - our nation was reborn. As we pledged to undo the legacy of the past, we rekindled the hope of a South Africa that would rise from the ashes of apartheid. We gave new life to our nation's hopes that peace and unity will everywhere prevail over division and conflict, and that justice, freedom and dignity will everywhere prevail over oppression, poverty and discrimination. Today, in Umtata, as everywhere in our land, we are living the dawn of freedom. Fellow compatriots; In these five years we have as a nation laid the foundation for a better South Africa. Increasingly South Africans are reaching out to one another to make ours a winning nation. Across the land our common sense and common responsibility for their own upliftment, in partnership with government. It is right on this day that we should celebrate the politics that distinguish themselves as nation-builders in the spirit of Masakhane. Even as we take pride in our progress it is only a start. Though many are feeling the fruits of government programs, there are many needs still to be met. We must improve service delivery to the people. We must improve our attitudes towards citizens, as public servants. We must work harder to root out crime and corruption, and to create jobs, we must fight the scourge of AIDS by breaking the silence that encourages its quiet devastation. We must fight the fear and prejudice that can only worsen the sufferings of those who live with AIDS. Great as these problems are, we draw hope from the way that all sectors of our society are now coming together to tackle them; in the Jobs Summit; in Business Against Crime and Community Policing Forums; in the Partnership for Growth and Development; in the Morals Summit of Religious Leaders; and the Anti-corruption Summit. Out of these partnerships is born the hope that we can and shall succeed. It is this hope and warmth that I have felt wherever I go, as I visit communities across our country. And, though the end of our first democratic government is near, the task of building a better life for all cannot wait for a single day. In the five weeks before the elections, we must build more houses to provide shelter to the homeless; we must build the three million houses since 1994. We must make clean water accessible to more people beyond the three million who have gained access since 1994. We must continue to work of building relations with the world. From this gathering I will be going on a number of visits to countries that are home to more than a billion of the world's population to Russia, China, Pakistan and Hungary. In these visits we strengthen friendship with nations that are our partners in building a better world. We expand economic cooperation for their benefit and theirs, and strengthen our partnership for a better quality of life for all. Compatriots; We will continue to be strong and more united, true to our pledge that, whatever our political affiliation, we are one people with one destiny. We will work to speed up the changes that we started in 1994. Together let us make a reality of the hopes to which we gave birth five years ago. Minister of Ceremonies; Premier of the Eastern Cape; Cabinet Ministers; Chief of the SANDF; Friends and Compatriots; We have gathered in Umtata to mark our nation's five years of freedom with you; the people who have helped shape our nation with all their wisdom and suffering; with all the courage and heroism that have paved the way for our country's path to democracy. On the horizon of our lives amongst which generations of South Africans began their long walk to freedom that has taken our nation ever closer to the fulfilment of our dreams. It was there in the valleys of Qunu; in the rolling hills of KwaBhebe; in the desadendal settlement; and along the Gariep, the Lesotho and Orange Rivers, that we first understood that we are not free. It is there that we were inspired with pride in our freedom, among the humble but proud rural folk, we learnt of the courage of our forebears in the face of superior force. It is today in the town that not long ago hosted the brutal and inhuman institutions that were created to suppress the proud resistance of our South Africa's rural masses. It is from this soil across the rural areas of our land, washed bare by the erosion of over-grazing, that we converged in our millions to the mines and factories that consumed our labour and spawned the cities and towns of South Africa. It is from surroundings such as these, that we understood that we were in the grip of a system that divided us one from the other; a system that set a few above the majority by virtue of skin colour alone. Millions of us were deliberately reduced to poverty. And to perpetuate itself, a system that claimed to be ordained from on high, could be broken only by brute force, robbing us all of our humanity - oppressed and oppressor alike. The Eastern Cape knows this fearful history as well as any other part of our country. Amongst the sons and daughters of this province are many who helped us lay the way for our freedom. It is therefore a weakness on our part, that we have yet to create a monument to remember those South Africans who sacrificed so that we should be free. With the recent Cabinet decision on this matter, the day would not be far off, when we shall have a people's shrine, a Freedom Park, where we shall honour with all the dignity that we deserve, those who endured pain so we should experience the joy of freedom. On April 27 five years ago, we knew that nothing would stop the people's declaration that the time had come to govern ourselves. 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5. Organogram

