

KWAZULU-NATAL MUSEUM

ANNUAL REPORT

2022-23



OUR MISSION:

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

OUR VISION:

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

CORE VALUES:

- **Accountability:** to foster a culture of accountability, learning and enlightenment for staff and stakeholders.
- **Understanding and respect:** to increase tolerance, understanding and mutual respect among staff and the diverse elements of South African society.
- **Professionalism and honesty:** to be professional and honest in undertaking our duties and the execution of the Department's mandate.
- **Loyalty:** to be loyal to the mandate given to the Museum by the Department and in addressing the government imperatives.
- **Promote Ubuntu values the principle of worth and sense of cultural identity:** by enabling people to attain knowledge and new perspectives regarding the history of humanity in general and the historical and cultural record of their own communities.
- **Excellence:** continuously strive to be a centre of excellence in our core duties and reputation.
- **Responsiveness:** to respond to the needs of our stakeholders with our best work in a timely manner.

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THE COUNCIL: OF TRUSTEES

THE PERIOD BETWEEN 01 APRIL 2022 - 31 MARCH 2023



Kunene, Ms K
(Chairperson)

Post Grad Dip (USB), Cost Eng Cert &
Generation Skills Dev Prog Cert (Eskom
Academy of Learning), Corp Project
Man Cert (Sch of Project Man, Pretoria),
Innovation Man Dev Prog (Da Vinci Inst
of Tech Management)
BSc Prop Dev (UKZN)



Magaqa, Adv S
(Deputy Chairperson)

BProc (UNITRA), LLB (Wits)



Ramagoshi, Ms M

Masters in Public Administration (UP),
BEd, BA (UL-Turloop),
Junior Secondary Teachers Certificate
(Transvaal College of Education),
Homecraft Teachers
Certificate Teachers
Certificate



Robinson, Ms L

BArch (UCT)



Dlamini, Mr S

MA Bus Admin (Regent Bus Sch),
Nat Dip (Marketing) (DUT)



Stobie, Prof B

Bachelor of Commerce, Certificate in the
Theory of Accountancy (UN),
Chartered Accountant (S.A.) (Institute of
C.A.s), Master of Accountancy (UN)



Noge, Mr M

MA Comm (UJ), Post Grad Dip
International Tax, (UJ), Post Grad Dip Tax
Law (UJ), CA (SA), BComm Hon (UN),
Dip Corp Law (RAU), BComm (Wits)



Dantile, Dr F

Strategic HRM Programm (UCT),
Dip Labour Law (IDEC), Dip Bus
Management (Executive Education),
BComm (Un Transkei)



Mfuphi, Mr L

BA Soc Sc, Adv Dip in Man,
Post Grad Cert in Education



Mr LJ Maphasa

Director
BSc (Earlham, USA),
MSc (UCT)

HONORARY ASSOCIATES: OF THE MUSEUM

Emeritus Directors

Dr JGH Londt — 2003

Honorary Keepers

Dr JGH Londt — 2003

Dr AJ Lambiris — 1991

Honorary Research Associates

Dr RM Miller — 1982

Dr DE van Dijk — 1982

Dr JC Poynton — 1982

Dr BH Lamoral — 1983

Mr PE Reavell — 1985

Mr D Green — 1988

Mr M Moon — 1988

Mr LE Schoeman — 1988

Mrs P Trafford — 1988

Dr JP Marais — 1990

Dr T Dikow — 2016

Dr C Thorp — 2018

Dr S Stainbank — 2023

Honorary Associates

Mr C Auret — 1983

Mrs S Henderson — 1983

Mrs R McGuire — 1983

Mrs J Stannard — 1985

Mr IJ Knight — 1992

Mr G Borthwick — 1983

Mr D Bundhoo — 1994

Mrs M Taylor — 1994

Ms M Mangele — 1995

Ms S Tshabalala — 1995

Dr R Maud — 1996

Mr E Ndlovu — 1997

Dr JD Plisko — 1998

Mr J Huntly — 2002

Dr DA Barraclough — 2003

Mrs M Cole (née Bursey) — 2003

MUSEUM STAFF: DIRECTORATE



Mr LJ Maphasa
Director
BSc (Earlham, USA),
MSc (UCT)



Mr SR Miya
Deputy Director
BA (Natal), AUDIS (Natal),
BBibI (Hons) (UKZN)

MUSEUM STAFF: EDUCATION DEPARTMENT



Mrs TS Ntombela
Assistant Director / Executive Manager
BSc (Botany) (UKZN), Post. Grad. Dip in
Applied Social Sciences (UKZN),
Cert. in Basic, Intermediate and
Advanced Project Management (UNISA);
Post-grad Dip (Management) (UKZN)



Ms GM Kalika
Chief Education Officer (Outreach)
BSc (Environ. Science & Geography)
(Rhodes), BSc (Hons) (Environ.
Management) (UNISA)
(until 30 November 2022)



Mr D Jali
Chief Education Officer (In-house)
BA (History, Sociology & Zulu) (UDW),
Higher Dip. In Education (UDW),
B. Admin (Hons) (UDW),
ABET Cert. (UNISA)



Mr S Maphumulo
Education Officer
Nat Dip (Tourism Mgt) (DIT), BA
(Human & Social Studies:
Comm. Dev.) (UNISA)



Mr A Lukhozi
Education Officer
BSc (Fort Hare Univ.), Post. Grad. Cert.
(Education) (UKZN),
B.Ed. (Hons) (Social Justice) (UKZN)



Ms BP Nene
Information Officer
Nat Dip (Tourism Mgt) (DUT),
Post. Grad. Cert. (Education) (UNISA)



Ms S Ngubane
Information Officer
Nat Dip (Eco-tourism Management) (DUT),
Post. Grad. Cert. (Education) (UNISA)



Mr T Sithole
Information Officer
N6 Tourism (Appelsbosch TVET College)



Mr S Gcumisa
Heritage Symbols &
Cultural History Intern
N6 Tourism (Appelsbosch TVET College)



Ms YD Thusini
CATHSSETA Functions Planner Intern
Ms YD Thusini Nat Dip (Ecotourism),
Advanced Dip (Ecotourism) (DUT)
(until 31 January 2023)

MUSEUM STAFF: CORPORATE SERVICES DEPARTMENT

FINANCE AND ADMINISTRATION DIVISION



Mr SE Dlamini
Executive Manager:
Finance & Administration:
Nat Dip (Cost & Mgt Accounting) (MUT)



Mr S Tantsi
Finance & Special
Projects Officer:
*Mr S Tantsi Nat Dip Accounting,
BTech (Taxation) (DUT),
Advanced Dip Accounting (UNISA),
Associate General Accountant _AGA (SA)/
SAICA (until 31 December 2022)*



Mr M Myeza
Contract Finance & Special
Projects Officer:
*B Com Accounting
(Univ. of the Western Cape)
(from 09 January 2023)*



Mrs NP Gumede
Director's Personal Assistant
*Dip Office Admin (VARS. COLL),
N6 Public Mgt (uMgungundlovu TVET
College),
Bachelor of Public Administration
(MANCOSA)*



Mr LT Ntombela
Chief Human Resource Officer
*Nat Dip (HRM) (DIT), LLB (UKZN),
Post-Grad Dip. (HRM) (UKZN)*



Mrs MP Cebekhulu
Finance and
Administration Officer
Nat Dip (Accounting) (DUT)



Mr N Mhlongo
IT Technician
Dip PC Support (VARS. COLL)



Mrs LP Molefe
Human Resource Officer
Dip Office Admin (VARS. COLL)



Ms VV Mncwabe
Supply Chain
Management Officer
*BSc: Applied Mathematics & IT
(UKZN)|BCom (Hons) (UKZN)|Certificate
in fundamental concepts and principles
of SCM (CLX)| Advanced Cert. in SCM
and Sourcing(UNISA)*



Ms N Mathonsi
Switchboard Operator/
Junior Clerk
N6 (Human Resource) (FET)



Ms T Gumede
Administrative Assistant:
*Nat Dip (PR & Communications
Management) (DUT); BTech (PR &
Communications Management) (DUT)*

MUSEUM STAFF: LIBRARY



Mrs V Dlomo-Mtshare
Chief Librarian
*BSoc Sc (Natal), AUDJS (Natal),
BBibI (Hons) (UKZN)*



Ms P Zondi
Assistant Librarian
Nat Dip (LIS) (DUT)



Ms TC Makhaye
Library Assistant



Mr N Molotsoane
Contract Learners Resource
Centre Officer

MUSEUM STAFF: PUBLIC RELATIONS DIVISION



Mrs V Frank
PR/Marketing Executive
*(Public Relations) (ML Sultan),
Dip. (Marketing) (Varsity College),
Advanced Dip. In Management Science (DUT)*



Mr M Maphanga
Receptionist/Information Officer
Nat Dip (Eco-tourism Management) (DUT)



Mr TNA Ntshingila
Marketing Assistant:
Nat Dip (Marketing) (NMU)



Ms TN Mkhize
CATHSSETA Sales & Marketing Intern
*Nat Dip (Marketing) (MUT)
(until 31 January 2023)*

MUSEUM STAFF: TECHNICAL DIVISION



Mr R Maharaj
Chief Technical Officer



Mr ES Rampersad
Technical Officer
N2 (Electrical Trade) (FET)



Mr BG Zulu
Technical Officer
N2 (Electrical) (FET)



Ms NI Xaba
Senior Maintenance Officer



Mrs ED Zuma
Maintenance Officer



Mr RM Mthembu
Maintenance Officer



Ms SK Mncube
Maintenance Officer



Mrs EN Ndabezitha
Maintenance Officer



Ms MS Nzimande
Maintenance Officer



Ms N Ngcobo
Maintenance Officer
*Nat Dip (Office Mgt & Technology)
(MUT)*



Mr M Mchunu
Maintenance Officer



Mr B Ndwandwe
Security Officer



Mr T Letele
Security Officer



Mr MT Myeza
Security Officer



Mr ZZ Chiya
Temporary Security Officer



Mr. G Khuzwayo
CATHSSETA Health & Safety Intern:
*Nat Dip (Safety Mgt) (UNISA)
(until 31 December 2022)*

MUSEUM STAFF: HUMAN SCIENCES DEPARTMENT



Dr G Blundell

Assistant Director / Principal Curator
BA (Anthropology & Archaeology) (Wits),
(Hons) (Social Anthropology) (Wits),
MA (Archaeology) (Wits), PhD (Archaeology)
(Uppsala University, Sweden)



Dr GD Whitelaw

Chief Curator
BSc (Archaeology & Zoology) (Wits),
BSc (Hons) (Archaeology) (Wits),
MSc (Archaeology) (Wits),
PhD (Archaeology) (Wits)



Dr GB Sherman

Curator (Rock-Art Specialist)
BSc (Archaeology & Chemistry) (Wits), BSc
(Hons) (Archaeology) (Wits),
MSc (Archaeology) (Wits),
PhD (Archaeology) (Wits)



Dr JM Wintjes

Curator (Anthropological Collections)
Post. Grad Dip in Teaching (Belgium),
Post. Grad Degree in Fine Art (Belgium),
MA (Archaeology) (Wits), PhD (Wits)



Mr FM Munzhedzi

Collections Technician
BHCS Heritage and Cultural Tourism (UP),
BA (Hons) (Archaeology) (WENDA) MSc
(Archaeology) (Wits)



Ms D Tlhoale

Research Technician
BSc (Archaeology) (UCT),
BSc (Archaeology) (Hons) (UCT)



Mr P Madonda

Technical Assistant
Archives & Records Mgt Higher Cert. (Unisa)
BA (Archaeology, Archives and Records
Management) (Unisa)



Ms C Singh

Project Assistant
BA (Archaeology) (Wits),
BA (Hons) (Archaeology) (Wits),
MA (Archaeology) (UP)
(until 30 September 2022)



Ms NO Shabalala

NRF Intern
(Anthropology & Criminology) (UKZN)
BSS (Anthropology) (Hons) (UKZN)

MUSEUM STAFF: NATURAL SCIENCES DEPARTMENT

ARTHROPOLOGY DIVISION



Dr JM Midgley
Assistant Director / Principal Curator
BSc (Ichthyology) (Rhodes), BSc (Hons) (Entomology) (Rhodes), MSc (Entomology) (Rhodes), PhD (Entomology) (Rhodes)



Dr K Williams
Chief Curator (Arthropoda)
BSc (Zoology & Microbiology) (Rhodes), BSc (Hons) (Zoology) (Rhodes), MSc (Zoology) (Rhodes), PhD (Entomology) (Rhodes)



Dr TC Nxele
Curator (Oligocheata)
BSc (Ecological Science) (UKZN), MSc (Biology) (UKZN), PhD (Biology) (UKZN), Post-grad Dip (Leadership) (UKZN)



Mr S Zamisa
Research Technician (Databases)
BSc (Biological Science) (UKZN), Post. Grad Dip Education (UKZN)



Mr M Ziganira
Research Technician
(General Collections)
BSc (Botany) (UKZN), BSc (Hons) (Entomology) (UKZN), MSc (Horticultural Science) (UKZ)



Ms M Ndlovu
Research Technician
(Insect Collection)
BSc (Environ. Sc.) (UKZN)



Mr M Ally
NRF Intern
BSc (Biological Science) (UKZN)

MALACOLOGY DIVISION



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



Dr S Stainbank
Curator (Malacology)
BSc (Geological Science) (UKZN), BSc (Hons) (Geology) (UKZN), MSc (Geology) (UKZN), PhD (Earth Sciences) (Univ. of Fribourg, Switzerland) (from 01 August 2022 until 31 December 2022)



Ms MN Manukuza
Research Technician
BSc (Botany & Zoology) (Unizulu), BSc (Hons) (Zoology) (Unizulu), PGCE (Unisa)



Dr E Heyns-Veale
Research Assistant
BSc (Botany) (Rhodes), BSc (Hons) (Marine Botany) (Rhodes), MSc (Rhodes), PhD (Rhodes) (from 03 May 2022 until 30 September 2022)



Ms K Hunter
Research Assistant
(from 03 May 2022 until 30 September 2022)



Dr G Theron
Post-Doctoral Fellow
BSc (Biodiversity & Ecology) (Univ. of Stellenbosch), BSc (Biodiversity & Ecology) (Univ. of Stellenbosch), MSc (Botany) (Univ. of Stellenbosch), PhD (Ecology) (UKZN) (from 01 May 2022)

MUSEUM STAFF: EXHIBITIONS DEPARTMENT



Mr WD Flanagan
Assistant Director /
Executive Manager
BA (Visual Arts) (UKZN),
BA (Hons) (Visual Arts) (UKZN)



Mr NL Brazier
Senior Exhibitions Officer
N1 (Machinist/ Joiner)



Mrs H Frost
Senior Exhibitions Officer
(Studio Manager)
BA (Visual Arts) (UKZN),
BA (Visual Arts) (Hons) (UKZN)



Miss I Maree
Senior Exhibitions Officer
(Displays Manager)
B Consumer Science (Interior
Merchandise Retail Mgt) (Univ. PTA),
MA (Interior Design) (Univ. PTA),
MA (Ancient Languages and Culture
Studies) (Univ. PTA)



Mr N Gumede
Exhibitions Officer



Ms L Zama
Exhibitions Assistant
BA (Visual Art) (Univ. of Johannesburg)
(from 01 February 2023)



Mr V Mbele
Maintenance Officer



Mr A Doncabe
CATHSSETA Digital Artist
Intern
(Bachelor of Arts) (UKZN)
(until 30 April 2022)



Ms. L Zama
CATHSSETA Digital Media
Designer Intern
BA (Visual Art) (Univ. of Johannesburg)
(until 31 January 2023)



Mr A Mtshetsha
Exhibitions Assistant
(from 15 March 2023)



Mr M Mokoena
Maintenance Officer:
(N6 Engineering Studies)
(TVEF College - Edendale)
(from 01 April 2022)

MUSEUM STAFF: LONG SERVICE AWARDS



Dr GD Whitelaw
30 years



Ms IN Xaba
20 years



Mr R Maharaj
20 years



Mrs LP Molefe
15 years



Mr T Letele
15 years



Ms SK Mncube
15 years

PART A:

GENERAL INFORMATION

1.1 PUBLIC ENTITY'S GENERAL INFORMATION

	1.1.1 Registered name of the public entity: KwaZulu-Natal Museum
	1.1.2 Registration Numbers: Not Applicable
	1.1.3 Registered Office address: 237 Jabu Ndlovu Street, Pietermaritzburg, 3201
	1.1.4 Postal Address: Private Bag 9070, Pietermaritzburg, 3200, Republic of South Africa
	1.1.5 Contact telephone numbers: 033 345 1404
	1.1.6 Email address: info@nmsa.org.za
	1.1.7 Website address: www.nmsa.org.za
	1.1.8 External Auditor's Name and Address: Auditor-General of South Africa Town Bush Office Park, 460 Town Bush Rd, Montrose, Pietermaritzburg, 3201
	1.1.9 Name of Bank and Address of Bank: First National Bank
	1.1.10 Company Secretary: Not applicable

1.2 LIST OF ABBREVIATIONS /ACRONYMS (IF APPLICABLE)

AG:	Auditor-General of South Africa	CSD:	Central Supplier Database
ARC:	Audit and Risk Committee	DSAC:	Department of Sport, Art and Culture
KZN:	KwaZulu-Natal	HR:	Human Resources
CRM:	Customer Relations Management	KZN:	KwaZulu-Natal



1.3 FOREWORD BY THE CHAIRPERSON

MS KHWEZI KUNENE CHAIRPERSON

Introduction

Honourable Minister, I proudly present the KwaZulu-Natal Museum (KZN Museum) Annual Report of the 2022/2023 financial year. This is the first full years' report of Council, since its appointment in 2021. I am also pleased to report that this is also the first full year that the Museum was fully operational without any Covid-19 restrictions since the outbreak of the pandemic.

The KwaZulu-Natal Museum is an entity of the Department of Sport, Arts and Culture; declared under the Cultural Institutions Act 1998 (Act No. 119 of 1998). It is one of the largest natural and cultural history museums in South Africa. The KZN Museum's mandate is to preserve and promote both the natural and cultural artefacts that are representative of South Africa's rich heritage.

The role of the KwaZulu-Natal Museum is to serve the people of South Africa by interpreting material evidence of the natural and cultural world in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity. Through this focus, the KZN Museum is able to contribute to economic transformation through the creation of an "efficient, effective and development oriented public service and an empowered, fair, creative and inclusive citizenry for a winning nation".

High Level Overview

The KwaZulu-Natal Museum plays a pivotal role in promoting the conservation of the country's cultural and natural heritage for future benefit and enjoyment. As an entity of the Department of Sport, Arts and Culture, the KwaZulu-Natal Museum's role is to use its heritage (legislative) mandate to develop and undertake programs that contribute to nation building and social cohesion.

The KwaZulu-Natal Museum's planned strategies for the 2022/2023 financial year addressed government outcomes aimed at the following priorities:

- Priority 1: Building a capable and developmental state
- Priority 2: Economic Transformation and Job creation
- Priority 3: Education, skills and health
- Priority 6: Social Cohesion and safe communities
- Priority 7: A better Africa and better world.

The planned strategies consisted of the following three programmes:

- Administration
- Business Development
- Public engagement.

Major Successes

The major successes for the KZN Museum during this period included:

- **Improved Research Outputs**
The KZN Museum continued to be a Centre of Research Excellence. Both research publications and presentations saw another consecutive yearly increase during this period. This was mostly due to the increased participation of staff in data collections through fieldwork participation. The KZN Museum has seen a big increase in visitor numbers and online audience. The Museum played a big role in the youth development in the natural and human sciences area. Museum staff mentored 16 interns and postgraduate students thereby impacting knowledge and skills development amongst the youth.

- **Increased Cultural and Natural heritage awareness**

I am pleased to report that the awareness programmes for 2022/2023 were very successful. The implementation of virtual programmes enabled the Museum to increase its public outreach programs in a substantive manner. A positive variance of 29 public outreach programs was achieved compared to the previous financial year. This was achieved despite limited budget due to various cost-cutting measures that were implemented. Six extra temporary exhibitions were produced during this period. For the first time in more than three years, the National Celebrations/ Commemoration days were all physically attended, while a virtual attendance was allowed for those who elected it.

- **Improved Compliance**

The KZN Museum continued to make good progress in terms of compliance with various regulations and the application of the Public Finance Management Act (PFMA). The schedule for Council and Council Committee meetings was effectively implemented. Various policies, including the Supply Chain Management Policy, were updated to account for new regulations and National Treasury Instruction Notes. Council is very pleased to report that the KZN Museum obtained a fifth successive clean audit from the Auditor-General (AG) on its 2022/2023 Annual Financial Statements.

Strategic Relationships

Various collaborations took place between the KZN Museum staff and their peers from highly renowned national and international institutions, like the Smithsonian National Museum of Natural History in the USA and the Royal Museum of Africa in Belgium. Such collaborations enhanced the promotion of South African heritage resources and the role they play in fostering lasting partnerships amongst various institutions and governments.

The Memorandum of Understanding (MoU) between the KZN Museum and Ezemvelo-KZN Wildlife continues to provide the KZN Museum with access to state of the art research facilities. The KZN Museum also has collaborations and MoUs with renowned tertiary education institutions such as the University of Cape Town, University of KwaZulu-Natal and Wits University. Four Heritage Assets Reports were approved during the 2022/2023 financial year. These reports are an important tool for Council to monitor the management and preservation of the valuable heritage assets held in trust on behalf of the country. The KZN Museum has also collaborated with some government departments and/or entities to enhance its heritage role, especially on skills development in areas of research and collections management.

The KZN Museum staff remain a major asset that has managed and ensured that professional standards are maintained in the programmes of the Museum such as research, collections management, education and public programmes/engagement. Staff training and skills development remain a priority for the KZN Museum. The partnership and MoU with the University of KwaZulu-Natal (UKZN) allowed the KZN Museum to send staff for training at the UKZN at no cost to the KZN Museum. The Museum staff also benefitted from participation on the Natural Sciences Collections Facility (NSCF) of the South African National Biodiversity Institute (SANBI) and the National Research Foundation. Staff attended several training programmes in curation and conservation management that were planned by the NSCF. During this reporting period, the Museum raised R582 000 for natural and human sciences research and collections management.

Challenges Faced by the Council

Council has operated in an effective and efficient manner since it was appointed. I am grateful for the manner in which management has responded in implementing the various programmes of the KZN Museum.

Council is tasked with overseeing the implementation of government priority outcomes, while funding continues to decline and entities like the KZN Museum struggle to recruit competent staff. The KZN Museum allocation continues to decline, resulting in the Council facing a number of key challenges. Some of these are:

- Lack of sufficient operational budget to drive the mandate of the Museum,
- Inability to attract and/or retain competent staff,
- Threats to proper governance, and
- Lower staff morale.

The on-going electricity problems the country is experiencing is also a major threat to the growth and success of museum programs, especially collections management and in-house public engagement programmes. Unless these challenges are resolved, many of the KZN Museum's programs will come to a halt.

Strategic Focus over the Medium to Long-term Period

The prevalent social ills afflicting the country require concerted efforts from all stakeholders to enable the creation of safer spaces that are conducive for the development of socially cohesive communities. Council will continue to support the work of management in undertaking programs that address government priority programs while enhancing the role of the KwaZulu-Natal Museum.

The New Museum Project is now at a critical stage of implementation. The formation of the Infrastructure & Facilities Committee has provided much needed advice and oversight to the work of the Project Steering Committee responsible for the New Museum Project. New Project Management and Facilities Management service providers were appointed during the 2022/2023 financial year. Council also approved the updated designs and costing of the project. The next three financial years will see the implementation phase of the Project. The implementation phase of the project is expected to create about 1 000 job opportunities, thus contributing to the socio-economic development of the region in a significant manner over the next three years.

There are plans to expand Museum education and outreach programmes further. The Museum plans to reach over a million people through its digital media platforms over the MTEF period. This will improve the promotion of the KZN Museum heritage programs, the celebration of national days, the enhancement of government priorities and saving on costs. The Museum is in a good position to sustain its internship programs and therefore creating much needed job opportunities, empowerment and development of the youth over the MTEF period.

The research conducted at the KwaZulu-Natal Museum is significant in that it focuses on both the natural and cultural heritage to inform policy makers of new strategies and initiatives that are needed to limit the effects of climate change on South Africa's biodiversity. The KZN Museum staff will continue to work with

local farmers and other stakeholders to conduct archaeological, taxonomic and systematic research focused on indicator species like invertebrates to contribute to food security and diseases control programmes.

Conclusion

I extend a sincere word of appreciation to Council members for the dedication to their work and responsibly providing oversight and support to the KwaZulu-Natal Museum. I thank all the committees of Council for their dedication and commitment to ensuring that the Museum complies with good corporate governance. I thank Management and staff of the KwaZulu-Natal Museum for demonstrating innovation and creativity capability throughout the financial year. Finally, I thank you Honourable Minister, your predecessor former Minister Mthethwa, the Ministry and DSAC officials for the support and the confidence shown in guiding the KZN Museum to be one of the leading entities in preserving and promoting South Africa's diverse and rich heritage for current and future generations.



Ms Khwezi Kunene

Chairperson

Date: 25 August 2023





1.4 DIRECTOR'S OVERVIEW

MR LUTHANDO MAPHASA *DIRECTOR*

I am pleased to present the 2022/2023 Annual Report of the KwaZulu-Natal Museum.

The 2022-2023 financial year marked the first full year in three years when the Museum never closed to the public due to Covid-19 restrictions. With the public still cautious about the impact of the coronavirus pandemic, the KZN Museum continued to supplement its programs through virtual platforms. There was great improvement in the achievements of many objectives because of the dropping of many restrictions and gradual return to full-time working from offices for the majority of staff. Despite many financial challenges, the KZN Museum had a very successful year.

The KZN Museum was greatly honoured to be part of the coronation of the new Zulu King, His Majesty King Misuzulu kaZwelithini, that took place on 22 October 2022. The Museum is currently busy with the research on the rise of the Zulu Kingdom that will lead to an exhibition that will showcase the traditions and cultures that have shaped the Zulu nation. The Museum research and exhibition staff were humbled by the support and respect bestowed on them by the King himself, Inyosi uMdletshe - the official praise singer of the Zulu monarch, the Royal Household and Inkosi Mangosuthu Buthelezi - the traditional prime minister to the Zulu royal family - during the research part of the project.

The 2022/2023 financial year also saw a big increase in the research output of the Museum. Collaboration with other research and higher learning institutions resulted in an increase of six (6) scientific research papers from the planned target of eight by both natural and human sciences departments. Staff were able to almost double their presentations compared to the previous financial year. This was due to an increase in the research funding utilization compared to the previous year when many covid-19 restrictions were still in place. Funding for scientific research reached

R480 000. Collaboration with the Natural Sciences Collections Facility (NSCF) and the Royal Museum of Africa in Belgium funded research projects that also created job opportunities in the form of internships for young researchers.

The KZN Museum's outreach programmes saw a substantial growth during this period. Participation in the education and outreach programmes grew from 15 000 in the 2021/2022 financial year to 47 000 in the 2022/2023 financial year. One hundred and seventeen (117) schools participated in the outreach programmes during the 2022/2023 financial year compared to just nineteen (19) in the 2021/2022 financial year. Other public and/or edutainment programmes like the Night at the Museum and the Holiday Programme were all sold-out. This is a clear indication that the public were longing for such programmes during the two years when they could not be undertaken due to the Covid-19 restrictions.

Financial Overview

Spending Trends

The utilization of virtual platforms, introduced during the Covid-19 restrictions, resulted in the successful implementation of many programmes like the Freedom Day, Africa Month and Youth Month programmes that were aimed at promoting social cohesion and nation building. In 2022/2023 all national days were commemorated both physical and virtually. The hybrid system allowed more people to participate in such programs. The online audience reach through digital platforms grew by 500 000 to 1, 500 000 in 2022/2023.

During this financial year, the KZN Museum grant income grew by 4.8%, the total income grew by 67.9%. The economic challenges that caused rising inflation have resulted in the Museum struggling to generate operational income, while expenditure costs have escalated. During the 2022/2023 financial year, the operational costs versus staff compensation costs

reached a ratio of 0.4:1. I am proud at the success of the Museum's research programmes despite the challenges that we faced during this financial year. Our research collaboration continued to be strong and to offer opportunities for training and growth for staff and youth internship through various sponsorships.

Capacity Constraints and Challenges

The lack of realistic increases in grant funding is hindering the ability of the Museum to fully implement the approved organogram that would allow us to fully undertake the mandate of the Museum and implement government priorities. The Museum's marketing and fundraising programmes have been severely curtailed by shortage of staff and limited funding. While good progress was made on the New Museum Project, the implementation plan of this project over a period of four years from this financial year, means that the KZN Museum's ability to generate income through edutainment related programmes remains limited. The KwaZulu-Natal Museum had to reprioritize funds in order to address deliverables on key Museum and government's outcomes.

The on-going electricity crises meant that the Museum had to rely on the back-up generator to maintain appropriate temperature and humidity levels for its heritage collections storerooms. An amount of R547 996 was used to run the back-up generator.

During the 2022/2023 financial year, the KwaZulu-Natal Museum was able to offer job opportunities to seven (7) interns whose stipends were paid either through direct savings from the Museum's budget or through research income. This was a reduction from the previous financial year where eighteen (18) interns were employed.

Discontinued key activities/activities to be discontinued

None of the Museum programmes were discontinued during the 2022/2023 financial year. The use of the hybrid system ensured that all programs could be undertaken with limited budget.

New/Proposed key activities

The KwaZulu-Natal Museum requires additional funding to continue with the digitization of its collections. Funds are required for the outreach programmes and the development of a virtual museum. The KZN Museum needs to invest in the development of advanced technology that would improve communication and enhance the visitor experience.

The KwaZulu-Natal Museum will continue to proactively promote the role of heritage and cultural traditions in the promotion of national identity, national pride, social cohesion and the prevention

of various social ills like xenophobia, Gender Based Violence, racisms and many others. The creation of economic/job opportunities is vital for the promotion of social cohesion. The KZN Museum needs funding to sustain the employment of heritage practitioners.

Request for roll over of funds

No operational funds will require to be rolled over. Project specific funds that require to be utilized in future years will be motivated as per National Treasury regulations.

Supply Chain Management (SCM) processes and systems in place

The KwaZulu-Natal Museum continues to have an effective Supply Chain Management Policy in place. The policy was reviewed in the 2022/2023 financial year due to changes in the preferential procurement system. Council approved the revised policy on 26 April 2023.

Challenges experienced and how they will be resolved

The KwaZulu-Natal Museum is going through a difficult period as funding is being reduced while costs continue to grow. The Museum is currently preparing a submission to the DSAC to review its allocation so that core functions could be undertaken more effectively. The shortage of funding will result in the loss of scarce skills that are critical in promoting research and collections management. Currently, the Museum has a shortfall of R1 500 000. A fundraising plan will be presented to Council so that Council could also assist in raising funds for the Museum.

Audit Report Matters in the previous year and how they would be addressed

All audit matters raised in the previous and current year were addressed and action and monitoring plans developed to ensure that they do not re-appear.

Outlook and plan for the future to address financial challenges

The KZN Museum will continue to apply various creative measures and stringent controls to address financial constraints. These include:

- Hiring a Heritage & Cultural Symbols contract staff to improve the education and promotion of the Museum's artefacts by linking them to indigenous systems and traditions
- Improving marketing and collaborations
- Improve income generating programs like holiday programmes
- Improve ability to monitor regular financial performance

- Implement monthly cost-cutting measures
- Promote holding of virtual meetings
- Promote research income generating measures and collaboration.

Events after reporting date

The decrease in the financial allocation for the 2024/2025 financial year is concerning.

Economic Viability

At its meeting on 28 July 2023, the Council of the KwaZulu-Natal Museum approved the audited Annual Financial Statements and the Audit Report of the 2022/2023 financial year. Council was grateful to management for ensuring that the Museum obtained another clean audit report. Despite the many challenges that have already been raised, significant progress was achieved during the 2022/2023 financial year, and the Museum remains a going concern.

Acknowledgements

I want to thank the Chairperson and the Council for the support and guidance they have given to the management team and the entire staff throughout this period. I thank the Deputy Director and all my colleagues for their continued support. I also thank the Acting Director-General and the staff of the Department of Sport, Arts and Culture that were involved in assisting the Museum in various ways throughout the 2022/2023 financial year. I look forward to their support and continued presence in this *"never ending journey of discovery"*.

Luthando

Mr Luthando Maphasa

Director

Date: 25 August 2023



1.5 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

The annual financial statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice standards applicable to the public entity.

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

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2023.



.....
Mr LJ Maphasa
Director



.....
Ms K Kunene
Chairperson of the Council



1.6 STRATEGIC OVERVIEW

1.6.1 Vision

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

1.6.2 Mission

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

1.6.3 Values

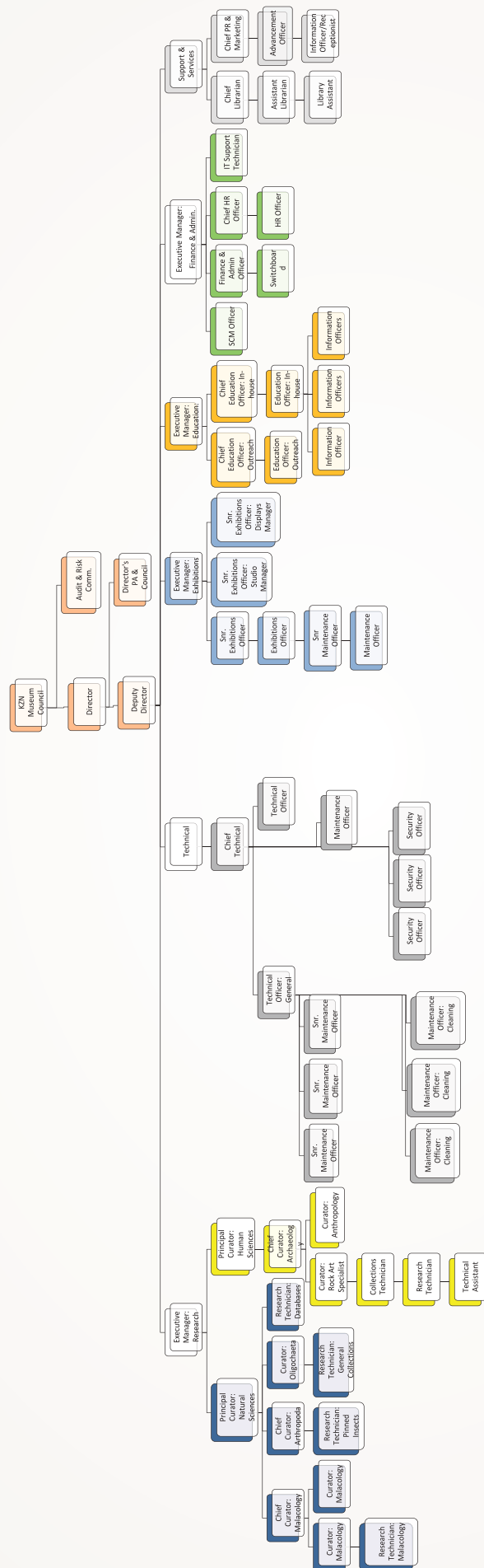
The KwaZulu-Natal Museum's core values are:

- **Accountability:** to foster a culture of accountability, learning and enlightenment for staff and stakeholders.
- **Understanding and respect:** to increase tolerance, understanding and mutual respect among staff and the diverse elements of South African society.
- **Professionalism and honesty:** to be honest and professional in undertaking our duties and the execution of the Department's mandate.
- **Loyalty:** to be loyal to the mandate given to the Museum by the Department and in addressing the government imperatives.
- **Promote Ubuntu values:** to promote a sense of cultural identity and worth by enabling people to attain knowledge and new perspectives regarding the history of humanity in general and the historical and cultural record of their own communities.
- **Excellence:** continuously strive to be a centre of excellence in our core duties and reputation.
- **Responsiveness:** to respond to the needs of our stakeholders with our best work in a timely manner.

1.7 LEGISLATIVE AND OTHER MANDATES

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

1.8 ORGANISATIONAL STRUCTURE



PART B:

PERFORMANCE INFORMATION

1. Auditor-General's Report: Predetermined Objectives

The AGSA/auditor currently performs the necessary audit procedures on performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with no material findings reported by the Auditor-General for performance information.

Refer to page 55 for the Report of the external auditor, published as Part F: Financial information of this Kwa-Zulu Natal Museum's annual report.

2. Overview of Public Entity's Performance

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

The KwaZulu-Natal Museum was established in 1904 and is located at 237 Jabu Ndlovu Street, Pietermaritzburg. The Museum had an initial staff compliment of four (4) and a few collections and has now grown to have a staff compliment of over sixty (60) permanent members and over fifteen (15) contract workers. The Museum is the largest collection and research based Museum in KwaZulu-Natal. The Museum now also holds many globally important collections that are irreplaceable therefore putting great emphasis on the need to be cared for in a suitable environment. Also, in keeping with its mandate to increase knowledge, understanding and appreciation of the nation's heritage, the Museum welcomes scores of members of the public on a daily basis.

2.1 Service Delivery Environment

The KwaZulu-Natal Museum continues to serve the people of South Africa by interpreting material evidence of the cultural and natural world in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity. In line with the Department of Sport, Arts and Culture's vision of creating an active, winning and socially cohesive nation, the KZN Museum identified these four core functions: Collections; Research; Exhibitions and Education & Outreach.

Over the period our country was operating under the COVID-19 restrictions, the Museum developed new and innovative ways to continue serving the people of South Africa. The South African Government announced towards the end of the first quarter, that the remaining COVID-19 regulations had been repealed. As things slowly got back to normal the Museum was able to utilise the newly developed ways of operating and as a result the Museum was able to achieve 100% of its set targets as per the approved Annual Performance Plan.

2.2 Organisational Environment

The key internal environmental challenges facing the KwaZulu-Natal Museum include inadequate (in terms of space and specifications) heritage collections storerooms, lack of parking and inadequate space for exhibitions, offices and other public facilities. These challenges may be regarded as internal challenges. However, they become external as the Museum requires external assistance to be able to address them. It has been established that these challenges cannot be resolved in the current site. A new property is required in order to ensure that they are addressed properly. The New KwaZulu-Natal Museum Development Project is now on Stage 2 - Concept and Viability and this stage is at finalisation stage and Stage 3 will commence shortly.

2.3 Key Policy Developments and Legislative Changes

Following the release of the PFMA SCM Instruction No 02 of 2021/2022 and the Preferential Procurement Regulations 2022 has resulted in the Museum updating its Supply Management Policy and Financial Procedures Manual to align them with the new regulations.

3. Progress Towards Achievement of Institutional Impacts and Outcomes

The KwaZulu-Natal Museum continues to meet its objectives and thereby enhancing its heritage role in the promotion of DSAC and government objectives. Quarterly targets and annual targets are met, as reflected by the performance information for the period under review.

The Museum continues to serve the people of South Africa by interpreting material evidence of the natural and cultural world in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity. Through this focus, the Museum aims to contribute to economic transformation through the creation of "an efficient, effective and development-oriented public service and an empowered, fair, creative and inclusive citizenship" for the nation.

The Museum's Annual Performance Plan (APP) for the 2023-2024 financial year focuses on the significant role that the KwaZulu-Natal Museum assumes in the conservation and promotion of the nation's heritage, the promotion of national imperatives and priorities of government. These include job creation; social cohesion; nation building; empowerment of women, the disabled, youth and children; the awareness of HIV/AIDS and the fight against social ills such as homophobia, human trafficking and gender-based violence.

4. Institutional Programme Performance Information

4.1 Programme 1: Administration

The purpose of this programme is to:

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



The purpose of each sub-programme is as follows:

Outcome	Sub-Programme	Purpose
Improved audit outcomes.	Audit opinion.	The objective of the sub-programme is to ensure sound financial sustainability of the Museum, the effectiveness and efficiency of management, administrative and operational activities by implementing sound governance, financial and human resource practices within the Museum to comply with applicable legislation.
Increased appreciation of the country's rich heritage.	Visitor numbers.	Museums collect objects and materials of cultural, religious and historical importance, preserve them, research into them and present them to the public for the purpose of education and enjoyment. Museums are pillars of culture and learning where people can explore different traditions, new ideas, and unique art forms. They are also engaging and constantly changing. It is important for Museum to work on retaining their customer base as well as bring in new visitors to the Museum.
Maintain a high profile of the Museum through a strong online presence through digital media.	Online reach of audience through digital platforms.	

4.1.1 Programme 1: Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Improved Audit Outcomes.	Audit opinion.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.	Internal audits were done by Nexia SAB&T per an approved Internal Audit Plan throughout the financial year with issues raised addressed by management through an Audit Tracker (Implementation Plan). All internal audit reports, with issues identified, were presented to the Audit and Risk Committee's quarterly meetings. The Museum continued to produce monthly management accounts and quarterly financial reports to monitor expenditure trends.	N/A	N/A

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Increased appreciation of the country's rich heritage.	Visitor numbers.	Visitor numbers.	17 732 visitors.	34 298 visitors.	40 000 visitors.	66 838 Visitors.	A positive variance of 26 838 visitors.	System of targeting school clusters was replaced with a booking system, resulting in increased reach in terms of learners. Marketing education programmes on social media was also beneficial.
Maintain a high profile of the Museum through a strong online presence through digital media.	Online reach of audience through digital platforms.	Number of people reached online.	None.	1 105 121 people.	1 000 000 people.	1 556 045 people.	A positive variance of 556 045 people.	The difference is due to the difficulty in the measurement of exact future figures over a period of a year.



4.2 Programme 2: Business Development

The purpose of this programme is to:

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

The purpose of each sub-programme is as follows:

Outcome	Sub-Programme	Purpose
Improved Research Output.	Publish research in scholarly journals and books.	Within the context of the knowledge economy, it falls on the museum's research-curators to produce original knowledge in the form of peer-reviewed journal articles, book sections, edited volumes and complete books that contribute to the Human Sciences in South Africa. This knowledge is used in tertiary education and research both locally and internationally and contributes to the upskilling of citizens who read the material. As the research is related to the heritage sector, it is of particular interest and value to heritage practitioners including employees of DSAC. Moreover, the research contributes to efforts to grow awareness of communities marginalized and dispossessed by colonialism. The target is established as one scholarly publication per research-curator per annum—a target similar to many universities in the country. Along with knowledge production, research-curators disseminate this knowledge to global academic communities through presenting research papers at conferences. This dissemination enhances the country's scientific prestige and also markets the country's heritage assets; in turn, these attract local and foreign students to work on South African material and also makes the global museum community aware of the nation's heritage assets. As with publication, each research-curator is expected to present one conference paper per annum.
	Present research in talks, posters and discussions at conferences, lectures, seminars and workshops.	
	Manage the publication process of Museum journals and occasional publications.	
	Collaborations.	
Curated collections.	HASC Reports.	The nation's heritage assets are an integral part of the nation's heritage and wealth. It is the first duty of curators to curate these heritage assets on behalf of the nation and in a manner that complies with GRAP103 processes.
	Field days.	The nation's heritage assets are not only kept within museums but many are at undocumented heritage sites throughout the country. Fieldwork is required to document, map and selectively collect items of the nations' heritage. Each curator/ collections staff is expected to spend 7 days in the field per annum documenting or collecting heritage assets.
Student/Intern supervision, co-supervision and mentoring.	Postgraduates, interns supervised, co-supervised or mentored.	The supervision of postgraduate students, and the mentoring of interns contributes to the building of capacity amongst an emerging generation of scholars through providing them with either job experience alongside professionals or through guiding them through the production of their thesis or dissertation or by advising them on their projects. Without this guidance the next generation would have no way of avoiding pitfalls and would likely make fundamental errors.

4.2.1 Programme 2: Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Improved Research Output.	Publish research in scholarly journals and books.	Number of articles / chapters published.	7 original research papers.	16 original research papers.	8 original research papers.	14 original research papers. Human Science = 9. Natural Science = 5.	A positive variance of 6 papers.	A number of publications were published quicker than expected.
	Present research in talks, posters and discussions at conferences, lectures, seminars and workshops.	Number of research papers presented at conferences.	13 presentations	18 presentations	8 presentations	32 presentations. Human Science: 12. Natural Science: 20.	A positive variance of 24 presentations.	Use of virtual platforms allowed staff to participate in conferences that they would not normally attend due to cost of travel.
	Manage the publication process of Museum journals and occasional publications.	Number of journal volumes produced per annum.	2 volumes and 4 JR reports produced.	2 volumes and 4 JR reports produced.	2 volumes and 4 JR reports produced.	2 journal volumes and 4 Joint Research reports produced.	N/A.	N/A.
	Collaborations.	Number of collaborations.	8 Collaborations.	39 Collaborations.	8 Collaborations.	33 Collaborations. Human Science: 24 Natural Science: 9.	A positive variance of 25 collaborations.	The excess output is still a result of ongoing collaborations started at the height of the COVID-19 period. It is expected to normalize going forward.

Published Articles

1. Blundell, G., Ferreira, A. & Meyers, T. 2022. 'Mijnheer Lochenberg': On the construction of Khoisan as a criminal class. *Southern African Humanities*. Vol. 35: 31-70.
2. Laue, G. 2022. A history of research into regional difference in southern African rock paintings in J. Goldhahn, J. Hampson & S. Challis (eds) *Powerful Pictures: Rock Art Research Histories Around the World*.
3. Wadley, L., Antonites, A.R., Biemond, W., Hodgskiss, T., Jacobs, Z., Laue, G., Mauraan, G., Sievers, C. Thorp, C. & Zwane, B. 2022. Late Holocene use of Kaingo Sheep Rock Shelter in the western Waterberg, Limpopo, South Africa. *Southern African Humanities* Vol 35: 103–148.
4. Laue, G. & Dean, J. C., 2022. *Rock Art Conservation with a Focus on Southern Africa*. Oxford Research Encyclopedias, Anthropology.
5. Backwell, L., Wadley, L., d'Errico, F., Banks, W. E., de laPeña, P., Stratford, D., Sievers, C., Laue, G., Vilane, B., Clark, J., Tribolo, C., Beaudet, A., Jashashvili, T. Carlson, K.J., Lennox, S., Estebanrs, I., Mauraan, G. 2022. Border Cave: A 227,000-year-old archive from the Southern African Interior *Quaternary Science Reviews* (Available online 29 June 2022).
6. Whitelaw, G. 2022. The Iron Age farming communities of South Africa in H. Giliomee, B. Mbenga & B. Nasson (eds), *New History of South Africa*. Cape Town: Tafelberg (NB Publishers), 2022, pp. 32-52.
7. Whitelaw, G. 2022. Thomas N. Huffman: Obituary. *South African Archaeological Bulletin* 77 (216): 79-81.
8. Wintjes, J. 2022. Fuze's gourd: Umuntu kafi aphele. *Inherited Obsessions: Conversations with an exhibition*, ed. L. de Harde, Pretoria: Emerging Scholars Initiative
9. Wintjes, J. 2022. A lion's life: tracking the biography of an archaeological artefact. *The Digging Stick* 39 (1): 1-5
10. Nxele, T. 2023. A new species of *Proandricus* Plisko, 1992 (Clitellata, Microchaetidae) from a South African grassland. *Zootaxa*. 5255(1): 018–022.
11. Mwabvu, T, Nxele, T. & Yekwayo, I. 2023. Does habitat type in no-tillage agroecosystems influence ground-dwelling macroarthropod community structure? A case study in KwaZulu-Natal, South Africa. *African Journal of Ecology*. 00: 1–5.
12. Snyman, L.P., Penning, K.E. & Williams, K.A. 2022. The first reported case of accidental intestinal myiasis in a domestic dog by the flesh fly, *Sarcophaga africa* (Wiedeman, 1824). *Research in Veterinary Science*. 149: 71-73
13. Williams, K.A. & Snyman, L.P. 2023. In support of morphology: Molecular analysis successfully delineates the Afrotropical genus *Atylotus* (Diptera: Tabanidae) into species. *Acta Tropica* 237. <https://doi.org/10.1016/j.actatropica.2022.106725>
14. Muller B.S. & Midgley J.M. 2022 How strange: *Coenosia curiosa* sp. nov. (Diptera: Muscidae), the first recorded Tiger fly from Lesotho, with revision of the *Coenosia globuliseta*-group. *Zootaxa*. 5222(4) 367-377.

Conference Presentations

1. Laue, G. & Jali, D. 2022/04/07 Education programmes at the KwaZulu-Natal Museum, South Africa: Enriching a broken and unequal schooling system. ICOM International Conference on Museums.
2. Laue, G. 2022/07/07 Towards a Standardised Descriptive framework for regional difference in rock art: A South African Perspective. World Archaeological Congress 4-8 July, Prague, Virtual participation.
3. Laue, G. 2022/08/12 Regionality in San rock Art: More than Simplistic Correlation of Material Culture and Cultural Identity. PanAfrican Archaeological Association conference 7th-12th August, Zanzibar.
4. Pinto, L. & Laue, G. 2022/08/12 'Not Merely Touching the Surface': A Reinterpretation of Handprints in Rock Art. PanAfrican Archaeological Association conference 7th-12th August, Zanzibar.
5. Wintjes, L., Laue, G. & de Harde, L. 2022/09/15 A charismatic composition: Historical rock art copies from Game Pass shelter. Game Pass Symposium 14-16th September, Pietermaritzburg.
6. Santos da Rosa, N., Moreno Iglesias, D., Álvarez Morales, L., Laue, G. & Díaz-Andreu, M. 2022/09/16 The sonorous dimension of San rock art: an archaeoacoustic approach to Game Pass shelter. Game Pass Symposium 14-16th September, Pietermaritzburg.

7. Jordaens, K., Goergen, G., Midgley, J., Bellingan, T., Mosime, B., De Meyer, D., van Steenis, J., 2022/09/06 *Syrphid* diversity in the Afrotropical Region. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
8. Bellingan, T., Midgley, J., Jordaens, K., Goergen, G. 2022/09/06 A revision of the hoverfly genera *Chrysogaster* and *Orthonevra* (Diptera: Syrphidae: Eristalinae) from the Afrotropical Region. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
9. Midgley, J., Bellingan, T., Jordaens, K. 2022/09/08 A preliminary checklist of Syrphidae from South Africa. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
10. Brits, X., Human, H., Midgley, J., Weldon, C., 2022/09/08 Hoverfly (Diptera: Syrphidae) abundance in sunflower fields in the Lehau region of Limpopo province, South Africa. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
11. Jordaens, K., Bellingan, T., Midgley, J., De Meyer, M. 2022/09/08 The Diversity of Pollinating Diptera in South African biodiversity hotspots (DIPoDIP) project. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
12. Midgley, J., Jordaens, K., Mosime, B. 2022/09/08 Potential Effect of Climate Change on the Distribution of Afrotropical *Syrphid* species (Diptera: Syrphidae). 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
13. Midgley, J., Bellingan, T., Jordaens, K., Goergen, G. 2022/09/08 Biological observations of *Meromacroides meromacriiformis* (Bezzi, 1915) (Diptera: Syrphidae) in South Africa. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
14. Midgley, J., Bellingan, T., Jordaens, K. 2022/09/08 Taxonomic notes on *Spheginobaccha pamela* Thompson & Hauser, 2015. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
15. Midgley, J., Bellingan, T., Jordaens, K., 2022/09/08 Taxonomic notes on the genus *Amphoterus* Bezzi, 1915, 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
16. Mva, L., van der Niet, T., Jordaens, K., Midgley, J. 2022/09/08 Diversity of hoverflies (Diptera: Syrphidae) in three habitat types in the Karkloof, KwaZulu-Natal, South Africa. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
17. Midgley, J. 2022/09/08 Open topics on Syrphidae. 11th International Symposium of Syrphidae, Barcellonette, France, 6-10 September 2022.
18. Williams, K., Cronje, F., Villet, M., and Tantawi, T. 2022/07/21 Molecular identification of Blowflies used in Maggot Debridement Therapy. XXVI International Congress of Entomology, 17 - 22 July 2022, Helsinki, Finland.
19. Ziganira, M. 2022/09/07 A real-life experience museum programme for blind and partially sighted learners. SAMA National Conference, 6 - 8 September 2022, Cape Town. Virtual participation.
20. Stainbank, S., Spezzaferri, S., de Leau, E.S., Samankassou, E., Kroon, D. 2022/09/08 The Maldivian archipelago marine sediment archives: Exploring the last ~500 kyr. Challenger 150: The Challenger Society Conference 2022, 5th-9th September, London.
21. Muratov, I. 2022/08/24 Database: A Scientific Tool to find Information or an Information Resource. South African Museums Association (SAMA) Regional Conference.
22. Manukuza, N. 2022/08/24 Using collections to market the Kwa-Zulu Natal Museum. South African Museums Association (SAMA) Regional Conference.
23. Whitelaw, G. 2022/09/26 Early farmers of KwaZulu-Natal: the archaeological evidence. 53rd Annual South African Society for Animal Science Congress, Pmb, 26-28 September 2022.
24. Zamisa, S. 2022/08/24 How the KZN Museum Digitalised and Promoted Data Open Access. South African Museums Association (SAMA) Regional Conference.
25. Nxele, T., Mwabvu, T. 2022/09/07 Museum educational programmes for community sustainability. SAMA National Conference, 6 - 8 September 2022, Cape Town. Virtual participation.

26. Wintjes, J. 2022/08/08 Metsemegologolo: Visions for a Multimodal Landscape Archive of African Urbanisms in Southern Africa. PanAfrican Archaeological Association conference 7th-12th August, Zanzibar.
27. Wintjes, J., Shabalala, N. 2022/09/22 A dwelling perspective on ukubethela crosses in rock-shelters. South African Visual Arts Historians (SAVAH), 19-23 September 2022, Durban University of Technology.
28. Williams, K.A., Snyman, L.P. 5 - 7 Oct 2022 Challenges in identifying Afrotropical horse flies of the genus *Atylotus*. 11th Oppenheimer Research Conference.
29. Midgley, J. 2022/11/04 Session Chair: Invertebrate Conservation. The Conservation Symposium 2022.
30. Mosime, B., Jordaens, K., van der Niet, T., Midgley, J. Potential effects of climate change on the distribution of Afrotropical *Syrphid* (hoverfly) species. The Conservation Symposium 2022
31. Whitelaw, G. 2023/01/30 Archaeological evidence and the climatic situation for southern Africa, 1750-1830. Transitions in south-east Africa and the Middle East at the end of 18th century.
32. Wintjes, J. 14/03/2023 Session panellist on 'Digital infrastructure in low-resource environments'. Webinar 'Digital Storytelling in the Global South'.

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Curated collections.	HASC Reports.	Maintained collections to international museum standards.	Unqualified audit outcome.	Unqualified audit outcome.	Produce 4 Heritage Assets Reports.	4 Heritage Assets Reports.	N/A.	N/A.
	Field days.	Number of field days conducted.	150 field days.	302 field days.	120 field days.	382 field days. Human Science: 169 . Natural Science: 213.	A positive variance of 262 field days.	Much of this fieldwork excess is due to the preponderance of ongoing collaborations. It is expected to normalize going forward.
Student/ Intern supervision, co-supervision and mentoring.	Postgraduates, interns supervised, co-supervised or mentored.	Number of postgraduates, interns supervised, co-supervised or mentored.	None.	22 postgraduates, interns supervised, co-supervised or mentored.	4 postgraduates, interns supervised, co-supervised or mentored.	16 interns / postgraduates supervised. Human Science: 10. Natural Science: 6.	A positive variance of 12 supervisions.	Unexpected increase in the number of supervisions due to demand.

4.3 Programme 3: Public Engagement

The purpose of this programme is to:

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

Outcome	Sub-Programme	Purpose
Increased cultural and natural heritage awareness.	Temporary exhibitions.	New Exhibitions are of crucial importance to the Museum for not only do they attract new audiences and increase visitor numbers, they are aligned to the school curriculum and form a foundation for education programs both within the Museum and externally in outreach programmes. Exhibitions directly contribute to education, skills and health as the interaction between the audience and exhibitions directly results in the development of education, skills and knowledge. With this comes the capability to foster wellbeing for both the self and environment, directly influencing health.
	Permanent Exhibitions.	
Improved awareness of Museum's activities.	Publish academic news articles, short pieces on the website and/or social media and liaise with media.	The dissemination of research in the form of short popular media pieces is an important way of educating the broader public of the research and scholarly activities of the museum. Traditionally, research is published in academic journals that are not easily accessible to the public and are written in technical jargon that is not easily accessible to the non-specialist. Publishing academic news articles helps to mitigate this "ivory tower" syndrome and allows the public to obtain knowledge of South Africa in an easily understood manner.
	Give public lectures, tours and organize public society events either physically or virtually .	
Improved participation in the Museum's education and outreach programmes.	Number of learners.	The objective of this programme is to develop and implement education and outreach programmes for learners that are aligned to the Curriculum Assessment Policy Statement (CAPS) and enhance heritage knowledge and education. Provide mentorship and training opportunities to accelerate skills development in the heritage sector. These sub-programmes address the issues of lack of infrastructure in previously disadvantaged schools by taking the Museum artefacts to schools. The sub-programme also enhances the quality of education by conducting lessons which are curriculum based to these schools. Furthermore, learners are taught skills such as recycling and art and crafts which can become sources of income for learners thus resulting in self-sufficient individuals. It promotes Museum to the communities situated on the outskirts of the city resulting in a Museum that is striving for inclusivity equality and accessibility to the Museum.
	Schools participating in outreach programmes per annum.	
Improved Museum profile	Hosting of public event: Night at the Museum.	Public programmes provide activities that allow family units to participate together as well as cater to other groups outside the school community.

Outcome	Sub-Programme	Purpose
A diverse socially cohesive society with a common identity.	National days commemoration.	Special days are celebrated and commemorated to create awareness and educate about different issues. Activities are conducted to promote social cohesion through the celebration of Africa Day and Human Rights Day. There are also special days that target women where women are equipped with craft skills and also encouraged to take leadership skills. Moreover, women are encouraged to further their studies so that they can occupy spaces that are traditionally occupied by men. Entrepreneurship is also encouraged by inviting young business women to share their stories of success. Some special days target people with disabilities to promote accessibility and inclusivity and also to promote social cohesion.

4.3.1 Programme 3: Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Increased cultural and natural heritage awareness.	Temporary exhibition.	Number of temporary exhibitions produced.	2 exhibitions produced.	6 exhibitions produced.	2 exhibitions produced.	8 temporary exhibitions.	A positive variance of 6 temporary exhibitions produced.	Target exceeded due to demand.
	Permanent Exhibitions.	Number of permanent exhibitions produced.	None.	None.	None.	1 exhibition in progress.	N/A.	N/A.
Improved awareness of Museum's activities.	Publish academic news articles, short pieces on the website and/ or social media and liaise with media.	Number of popular media pieces and engagements.	None.	None.	24 pieces / engagements per annum.	43 pieces/ engagements. Human Science: 31 Natural Science: 12	19 media pieces / engagements.	Two staff members excelled and produced significantly more than was expected.
	Give public lectures, tours and organize public society events either physically or virtually.	Number of public lectures, tours or society events.	None.	None.	16 public lectures, tours and society events.	45 public lectures, tours and society events. Human Science: 42. Natural Science: 3.	A positive variance of 29 public lectures, tours and society events.	Demand rebounded to pre-COVID-19 period much more strongly than anticipated, allowing for a substantive number of events.

Media Pieces and Engagements

1. Blundell, G. 13 May 2022 Video Recorded Interview on Game Pass for SAHRA website.
2. Laue, G. Wintjes, J 1 May 2022 Article for the Museum website on visit to Patrica Vinnicombe's childhood farm (with JW).
3. Laue, G. 22 June 2022 News item for the Museum website on Fieldwork in the Drakensberg (artsound-scapes).
4. Wintjes, J. 21 June 2022 News item for the Museum website on Archives of Times Past book.
5. Munzhedzi, M. 21 April 2022 Completed KZN archaeologist' profile for 50th Anniversary Programme (Bronwen van Doornum).
6. Munzhedzi, M. 22 April 2022 Completed KZN archaeologist' profile for 50th Anniversary Programme (Martin Hall).
7. Munzhedzi, M. 25 April 2022 Completed KZN archaeologist' profile for 50th Anniversary Programme (Jonathan Kaplan).
8. Munzhedzi, M. 26 April 2022 Completed KZN archaeologist' profile for 50th Anniversary Programme (Mike Moon).
9. Laue, G. 4 July 2022 Website post re: Visiting researchers from University of Johannesburg.
10. Laue, G. 11 July 2022 Website post re: Visiting researchers from University of Toronto.
11. Laue, G. 17 September 2022 PAA conference webpost.
12. Wintjes, J. 22 August 2022 Website post: 'Spears week: annual intervention into the Human Sciences collections'.
13. Wintjes, J. 30 September 2022 Website post: 'Game Pass Symposium'.
14. Laue, G. 14 October 2022 Blog on fieldwork in the Waterberg for the KZN Museum Website.
15. Laue, G. 4 November 2022 Post on Border Cave Fieldwork.
16. Whitelaw, G 6 October 2022 Obituary' for Professor Judith Masters (museum website and Facebook page).
17. Wintjes, J. 14 December 2022 Website post about the Fuze's gourd display.
18. Wintjes, J. 30 December 2022 Website post about visiting researcher Dr Viestad.
19. Laue, G. 5 January 2023 Website post on Nov/Dec fieldwork in the Groot Winterhoek Mountains.
20. Laue, G. 30 January 2023 Website post on Jan fieldwork in the Waterberg.
21. Blundell, G. 27 January 2023 Website post on Open Access Article on Huffman with GW.
22. Laue, G. 30 January 2023 Rock Art Report for Landowner (Farm Klienrivier, Eastern Cape).
23. Blundell, G. 8 March 2023 Lochenberg Paper Announcement.
24. Blundell, G. 9 March 2023 Hamilton Seminar.
25. Blundell, G. 8 March 2023 For Asanda and Marketing's Picture Book, short brief on DHS achievements in 2022/23.
26. Laue, G. 24 March 2023 Website post 'new insights from old collections'.
27. Blundell, G. 27 March 2023 Piece on Sinclair-Thomson Visit.
28. Blundell, G. 28 March 2023 New Acquisitions Part 1.
29. Blundell, G. 28 March 2023 New Acquisitions Part 2.
30. Wintjes, J. 22 February 2023 Website post on recent book donations.
31. Wintjes, J. 24 March 2023 Website post on wooden mortar from Sibudu.

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
Improved participation in the Museum's education and outreach programmes.	Number of learners.	Number of learners.	13 895 learners.	19 102 learners.	15 000 learners.	47 196 learners.	Positive variance of 32 196.	System of targeting clusters was replaced with a booking system, resulting in increased reach. Marketing education programmes on social media also proved beneficial.
	Schools participating in outreach programmes per annum.	Number of schools participating in outreach programmes per annum.	None.	37 participating schools.	19 participating schools.	117 participating schools.	Positive variance of 98.	Changing to utilising a booking system instead of working with a fixed number of schools for a year resulted in improved reach.
Improved Museum profile.	Hosting of public event: Night at the Museum.	Number of public engagement programmes.	None.	None.	Host 2 Night at the Museum per annum.	2 Night at the Museum.	N/A.	N/A.

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23 until date of re-tabling	Deviation from planned target to Actual Achievement for 2022/23	Reasons for deviations
A diverse socially cohesive society with a common identity.	National days commemoration.	Number of national days commemorated.	10 days commemorated.	12 days commemorated.	10 days commemorated.	12 days commemorated.	Positive variance of 2 days.	A decision was taken to celebrate International Day of Persons with Disabilities to promote Museum's accessibility to all groups. Reconciliation Day was commemorated to promote social cohesion.

Commemorations

- **Freedom Day** – Commemorated on 29 April 2022 with various high/secondary schools such as Georgetown, uMvuzo, Nsikayethu, Injoloba, Mconjwana, Eastwood and Copesville.
- **Biodiversity Day** – Celebrated on 20 May 2022 in collaboration with Umgeni Water-Amanzi and the Duzi-Umgeni Conservation Trust (DUCT).
- **Africa Day/Month** – Celebrated with Lithemba Academy, Thornhill Christian School and Mbubu Primary School on 25 May 2022. The event was organised in collaboration with Refugee Services.
- **Youth Day** – Commemorated on 19 June 2022 in collaboration with Dlalanathi. The event was held at Willowfountain community hall.
- **Mandela Day** – Celebrated on 18 July 2022 with Sivilizandla Home Care Centre.
- **Women's Day** – Celebrated on 10 August 2022 with female learners from Lithemba Academy, youth from the Dlalanathi organisation, and KZN Museum female staff.
- **Heritage Day** – The Museum hosted a Heritage Quiz competition for primary schools on 29 September 2022.
- **16 Days of Activism** – The Museum hosted a GBV Indaba on 30 November 2022. It was aimed at the boy child, to educate them about how to treat women and how to handle their emotions. Edendale and Caluza primary school learners participated in the event.
- **World Aids Day** – An Information display was put up at reception. Pamphlets and red ribbons were handed to Museum visitors.
- **International Day of People with Disabilities** – International Day of People with Disabilities was celebrated with New Hope Academy on 02 December 2022. The Museum interacted with 48 learners from the academy.
- **Reconciliation Day/Month** – Was held on 13 December 2022. It was hosted in collaboration with uMgungundlovu District.
- **Human Rights Day/Month** – Celebrated with Sifiso, Sandasonke and Mashaka primary schools on 22, 23 and 24 March 2023 respectively.

4.4 Linking Performance with Budgets

Programme	2022/2023			2021/2022		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	29 855	26 119	3 736	27 629	25 320	2 309
Programme 2: Business Development	11 621	12 006	(385)	11 251	11 581	(330)
Programme 3: Public Engagement	8 018	8 286	(268)	7 896	7 801	95
Total	49 494	46 411	3 083	46 776	44 702	2 074

5. Revenue Collection

Programme	2022/2023			2021/2022		
	Estimate	Actual Amount collected	(Over)/Under Collection	Estimate	Actual Amount collected	(Over)/Under Collection
	R	R	R	R	R	R
Entrance Charges	186 652	168 828	17 824	87 661	96 696	(9 035)
Holiday Programme	72 552	117 802	(45 250)	20 875	21 073	(198)
Other business	228 849	209 739	19 110	103 316	177 553	(74 237)
Total	488 053	496 369	8 316	211 852	295 322	(83 470)

6. Capital Investment

6.1 Capital Investment, Maintenance and Asset Management Plan

Infrastructure Projects	2022/2023			2021/2022		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Providing Security and Upgrading of the Old St Anne's Hospital	8 840	328	8 512	1 113	1 328	(215)
Water Piping Project	935	-	935	200	-	200
Maintenance of KwaZulu-Natal Museum (Facilities Management)	1 181	1 248	(67)	225	-	225
Total	10 956	1 576	9 380	1 538	1 328	210



PART C:

GOVERNANCE

1. Introduction

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

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

2. Portfolio Committees

Parliament, through its Portfolio Committee on Sport, Arts and Culture exercises oversight over the KwaZulu-Natal Museum through the Executive Authority. During the 2022/23 financial year there were no meetings held between the KwaZulu-Natal Museum and the Parliamentary Portfolio Committee on Sport, Arts and Culture.

3. Executive Authority

The following reports were submitted to the Department of Sport, Arts and Culture and/or National Treasury:

Submission Date	Report	Issues Raised
1 April 2022	Start of 2022/23 Financial Year	
30 April 2022	Quarterly Reports for Quarter 4 (2021/22 Financial Year) to DSAC	None
30 May 2022	AFS 2021/22 to Treasury and AG	None
30 May 2022	Banking details to Treasury	None
30 May 2022	Signed AFS (unaudited) to DSAC	None
01 June 2022	Start of Audit: AFS 2021/2022	
21 June 2022	Draft 1 2022/2022 Annual Report to DSAC	None
30 June 2022	Consolidated (unaudited) AFS Template to Treasury	None
30 July 2022	Quarterly Reports for Quarter 1 (2022/23 Financial Year) to DSAC	None
30 July 2022	Audited AFS and Audited Consolidated AFS Template to Treasury and DSAC	None
24 August 2022	Final Annual Report with audited AFS	None
25 August 2022	Annual Report to Minister, Treasury and Parliament	None
30 August 2022	1st Draft APP to DSAC	None
30 September 2022	Submit 2021/22 Irregular Expenditure	None
1 October 2022	Submit Revised MTEF Database to DSAC	None
28 October 2022	Disciplinary Cases to DSAC	None
28 October 2022	Quarterly Reports for Quarter 2 (2022/23 Financial Year) to DSAC	None
28 November 2022	2nd Draft APP to DSAC	None
6 December 2022	Revised ENE Database & Chapter to DSAC	None
14 December 2022	Complete ENE Template for 2023/24 - 2025/26 to Treasury	None
27 January 2023	Quarterly Reports for Quarter 3 (2022/23 Financial Year) to DSAC	None
27 January 2023	Final Annual Performance Plan to DSAC	None
10 February 2023	Draft 1 Shareholder Compact	None

Submission Date	Report	Issues Raised
27 February 2023	Infrastructure Projects & Final UAMP 2023/24 - 2025/26 to DSAC	None
16 March 2023	Final Shareholder Compact to DSAC	None
1 April 2023	Start of 2023/24 Financial Year	
30 April 2023	Quarterly Reports for Quarter 4 (2022/23 Financial Year) to DSAC	None
30 May 2022	AFS 2021/22 to Treasury and AG	None
30 May 2022	Banking details to Treasury	None
30 May 2022	Signed AFS (unaudited) to DSAC	None

4. Council

The KwaZulu-Natal Museum, a Declared Cultural Institution in terms of the Cultural Institutions Act, 1998 (Act 119 of 1998) has no share capital. The Institution is governed by the Council, appointed by the Minister of Sport, Arts and Culture. The Council residing assumed office in September 2022 and its term is due to expire in August 2024.

4.1 The role of the Council is as follows:

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

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

4.2 Council Charter

4.2.1 Purpose of the Council

The Council's purpose is to ensure that the KwaZulu-Natal Museum is a sustainable organization capable of fulfilling its objectives, statutory and otherwise. In order to fulfill this purpose, the Council must provide oversight on the direction and control of the business of the Institution. Council owes a fiduciary duty to the KwaZulu-Natal Museum both under the Cultural Institutions Act (Act 119) of 1998; the Public Finance Management Act, 1999 (Act No. 1 of 1999), "the PFMA" and is accountable to the Department of Sport, Arts and Culture, the Shareholder and eventually the Government of the Republic of South Africa. Council is also responsible, within the structures of corporate law and legislation, to the other stakeholders of the Museum. Council members are required to exercise due care, skill and utmost good faith in the performance of their duties.

4.2.2 The Chairperson

The Chairperson provides leadership at Council level, represents the Council to the Minister and is responsible for ensuring the integrity and effectiveness of the Council and its committees. To this end the Chairperson is required to:

- maintain a regular dialogue with the Director in respect of all material matters affecting the Museum and to consult with the other Council members promptly where considered appropriate;
- ensure that material matters in respect of the business or governance of the Museum that he/she is aware of, are tabled at Council meetings;
- act as facilitator at meetings of the Council to ensure that material issues for consideration are tabled and ventilated effectively to ensure optimal Council decision-making and governance;
- be available for the Director between Council meetings to provide counsel and advice;
- represent the Museum in official ministerial fora and events organized by the Minister;
- communicate with the Minister on behalf of the Council.

The Chairperson does not have any executive or management responsibilities.

4.2.3 The Director

The Director is the Accounting Officer and provides executive leadership and is accountable to the Council for the implementation of the strategies, objectives and decisions of the Council within the framework of the delegated authorities, values and policies of the Museum. The Director is appointed by the Council, in conjunction with the Department. To this end the Director is accountable to the Council to amongst other things:

- develop and recommend to the Council the long-term strategy and vision of the Museum and its quantified expression by way of critical performance targets;
- develop and recommend to the Council the annual performance plans and budgets that support the Museum's long-term strategy;
- ensure that the Museum has an effective management team and management structures;
- ensure appropriate Institutional policies are formulated and implemented;
- ensure that effective internal institutional controls and governance measures are deployed;
- serve as the chief spokesperson of the Museum.

4.2.4 Statement of Council Members' Responsibility

Council members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the Annual Financial Statements (AFS) and related information. The auditors are responsible for reporting on the fair presentation of the AFS for 2022/2023.

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

The AFS have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP 1 to 3). The Institution's Audit and Risk Committee recommended the AFS on 23 May 2023. Council approved the AFS on 30 May 2023.

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

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

Council is very grateful to the Minister for the support that he has given. Council has reviewed and approved the Annual Performance Plan for 2022/2023. During the period under review, Council reviewed and approved the following policies:

Approved Policies: 2022/2023

1. Management of Performance Information
2. Appointment of Casual Labour Policy
3. Employee Assistance Programme Policy
4. Policy on Granting of Emergency Financial Assistance to Staff Members
5. Policy on the Use of Official Languages
6. Gender Equity Policy
7. Communications Policy
8. Supply Chain Management Policy

4.3.1 Composition of Council

Council for the period

Name	Date Appointed	Qualifications	Other Committees	Number of Meetings Attended
Kunene, Ms K. (Chairperson)	September 2021	Post Grad Dip (USB), Cost Eng Cert & Generation Skills Dev Prog Cert (Eskom Academy of Learning), Corp Project Man Cert (Sch of Project Man, Pretoria), Innovation Man Dev Prog (Da Vinci Inst of Tech Management) BSc Prop Dev (UKZN)	Institutional Advancement and Ethics Committee, Finance and Procurement Committee, Infrastructure and Facilities Committee	25
Magaqa, Adv S. (Deputy Chairperson)	September 2021	BProc (UNITRA), LLB (Wits)	Audit & Risk Committee, Human Resources and Remuneration Committee	18
Stobie, Prof B.	September 2021	Bachelor of Commerce, Certificate in the Theory of Accountancy (Natal) Chartered Accountant (S.A.) (Institute of C.A.s) Master of Accountancy (Natal)	Audit & Risk Committee, Infrastructure and Facilities Committee and Finance and Procurement Committee	24
Robinson, Ms L.	September 2021	BArch (UCT)	Infrastructure and Facilities Committee and Finance and Procurement Committee	18
Dlamini, Mr S.	September 2021	MA Bus Admin (Regent Bus Sch), Nat Dip (Marketing) (DUT)	Institutional Advancement and Ethics Committee, Finance and Procurement Committee and Infrastructure and Facilities Committee	17
Noge, Mr M.	September 2021	MA Comm (UJ), Post Grad Dip International Tax, (UJ), Post Grad Dip Tax Law (UJ), CA (SA), BComm Hon (UN), Dip Corp Law (RAU), BComm (Wits)	Infrastructure and Facilities Committee and Finance and Procurement Committee	15
Dantile, Dr F.	September 2021	Strategic HRM Programm (UCT), Dip Labour Law (IDEC), Dip Bus Management (Executive Education), Bcomm (UNITRA)	Human Resources and Remuneration Committee, Institutional Advancement and Ethics Committee	16
Mfuphi, Mr L.	September 2021	BA Soc Sc, Adv Dip in Man, Post Grad Cert in Education	Human Resources and Remuneration Committee and Institutional Advancement and Ethics Committee	13
Ramagoshi, Ms M.	September 2021	Masters in Public Administration (University of Pretoria), Bachelor of Education, Bachelor of Arts (University of Limpopo -Turfloop), Junior Secondary Teachers Certificate (Transvaal College of Education), Homecraft Teachers Certificate	Human Resources and Remuneration Committee and Institutional Advancement and Ethics Committee	13

Name	Date Appointed	Qualifications	Other Committees	Number of Meetings Attended
Maphasa, Mr L. (Ex-Officio)		BSc (Earlham, USA), MSc (UCT)	Institutional Advancement and Ethics Committee, Finance and Procurement Committee and Infrastructure, Facilities Committee, Human Resources and Remuneration Committee and Audit and Risk Committee.	25

In addition to the above Council members, persons attending the Council meetings included: Mr S. Miya, Deputy Director; Mr S. Dlamini, Executive Manager: Finance & Administration; Mr M. Myeza, Mr S. Tantsi, Finance and Projects Officer; Mrs M. Cebekhulu, Finance and Administration Officer; Mrs N. Gumede, Council Secretary; Ms T. Gumede, Administrative Assistant and Ms T.D Ndlovu, Audit and Risk Committee Chairperson.

4.4 Committees

Various Committees of the Council met to discuss specific issues and made recommendations to Council. The following Committees met during the 2022/2023 financial year:

Committees for the period 01 April 2022 – 31 March 2023

Committee	No. of Meetings Held	No. of Members	Name of Members
Audit and Risk Committee	7	6	Ndlovu, Ms T.D. (Chairperson, independent); Stobie, Prof B.; Magaqa, Adv S.; Sibiya, Mr V.V. (independent) and Mngadi, Ms N. (independent); Maphasa, Mr L. (Ex-Officio)
Human Resources and Remuneration Committee	5	5	Ramagoshi, Ms M. (Chairperson); Mfuphi, Mr L.; Dantile, Dr F. and Magaqa, Adv S.; Maphasa, Mr L. (Ex-Officio)
Finance and Procurement Committee	6	6	Noge, Mr M. (Chairperson); Kunene, Ms K.; Stobie, Prof B.; Dlamini, Mr S. and Robinson, Ms L.; Maphasa, Mr L. (Ex-Officio)
Institutional Advancement & Ethics Committee	5	6	Dantile, Dr F. (Chairperson); Kunene, Ms K.; Mfuphi, Mr L.; Ramagoshi, Ms M. and Dlamini, Mr S.; Maphasa, Mr L. (Ex-Officio)
Infrastructure and Facilities Committee	7	6	Robinson, Ms L. (Chairperson); Kunene, Ms K.; Stobie, Prof B.; Dlamini, Mr S. and Noge, Mr M.; Maphasa, Mr L. (Ex-Officio)

4.5 Remuneration of Council Members

Member	Council Meetings Attended	Sub-Committee Meetings Attended	Total Meetings Attended	Honorarium	Travel Reimbursement	2022/2023 Total
Kunene, Ms K. (Chairperson)	7	18	25	173 694	1 458	175 152
Dantile, Dr F.	6	10	16	73 482	726	74 208
Dlamini, Mr S.	6	11	17	45 398	505	45 903
Magaqa, Adv. S.	6	12	18	86 721	-	86 721
Mfuphi, Mr L.	6	7	13	-	-	-
Noge, Mr M.	6	9	15	39 358	-	39 358
Ramagoshi, Ms M.	5	8	13	53 532	-	53 532
Robinson, Ms L.	6	12	18	45 610	500	46 110
Stobie, Prof B.	6	18	24	75 680	435	76 115
TOTAL				593 475	3 624	597 100

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

5. Risk Management

Risks are managed in terms of the KwaZulu-Natal Museum Risk Management Policy and the Risk Assessment Management Plan and Disaster Response and Recovery Plan.

A risk assessment is conducted annually to identify risks; the risks are recorded in the risk assessment management plan. The risk assessment management plan is monitored, reviewed and approved by Council. Management reports on progress made to address the risks identified to the Audit and Risk Committee and Council on a quarterly basis.

6. Internal Control Unit

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

7. Internal Audit and Audit Committees

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the KwaZulu-Natal Museum's operations. It helps the Museum accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the adequacy and effectiveness of risk management, control and governance processes.

7.1 IMPLEMENTATION STATUS OF THE 2022/23 INTERNAL AUDIT COVERAGE PLAN

Work to be Done	Completion Status
Internal Financial Controls	Completed
Risk Management	Completed
Audit of Performance Information	Completed
Asset Management	Completed
Annual Financial Statements Review	Completed
Facilities Management and Maintenance	Completed

7.2 Objectives of the Committee

The main objective of the Committee is to advise Management on formulating Finance, Risk and Information Technology and Communication Policies.

The Audit and Risk Committee will advise the Council of the Museum in fulfilling its oversight responsibilities relating to:

- Internal financial control and internal audits;
- Risk management and ensure adequate systems and control processes are in place and reviewed regularly;
- Management complying with accounting standards, regulatory and legal requirements when preparing financial reports and statements;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Risks of the KwaZulu-Natal Museum operations to be addressed and covered in the scope of internal and external audits;
- Compliance with the Public Finance Management Act and any other applicable legislation; and
- Any other relevant issues referred to it by the Museum.

7.3 The Audit and Risk Committee's other roles are to:

- Review the annual financial statements to provide the Council of the Museum with an authoritative and credible view of the financial position of the entity, its efficiency and effectiveness and its overall level of compliance with the Public Finance Management Act and any other applicable legislation;
- Respond to the Council and recommend an Audit Plan on any issues raised by the Auditor-General in the audit report;
- Carry out such investigations into the financial affairs of the Museum as the Council may request;
- In performing its duties, the Committee will maintain effective working relationships with the Council, management, and the internal and external auditors;
- To perform their roles effectively, each committee member will obtain an understanding of the detailed responsibilities of committee membership as well as the general Museum's business, operations and risks.

7.4 Key Performance Areas of the Audit and Risk Committee

The key performance areas of the Audit and Risk Committee are:

- Financial reporting
- Internal controls and systems
- Risk Management
- Performance management
- Assist Council and Management to fulfill their accounting and legal responsibilities.

7.5 Attendance of meetings by Audit and Risk Committee Members

Committees for the period 01 April 2022 – 31 March 2023

Committee	No. of Meetings Held	No. of Members	Name of Members
Audit and Risk Committee	7	6	Ndlovu, Ms T.D. (Chairperson, independent); Stobie, Prof B.; Magaqa, Adv S.; Sibiya, Mr V.V. (independent) and Mngadi, Ms N. (independent); Maphasa, Mr L. (Ex-Officio)

8. Compliance with Laws and Regulations

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

9. Fraud and Corruption

The KwaZulu-Natal Museum has zero tolerance for fraud and corruption. To this end, Council has an approved Fraud Prevention Policy. The Policy addresses strategic fraud and corruption risks that must be addressed. In addition, the Museum has a whistle blower hotline where suspected or confirmed cases of fraud and corruption can be reported. The hotline is administered by the Internal Auditor of the Museum. The telephone number of the Hotline

is posted on the KwaZulu-Natal Museum website for the employees and the public. It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption. All managers are responsible for the detection, prevention and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption.

10. Minimising Conflict of Interest

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

11. Code of Conduct

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

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

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

12. Health, Safety and Environment Issues

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

13. Social Responsibility

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

As part of contributing towards skills development an agreement of understanding with the Durban University of Technology is in place to offer experiential training to final year tourism students; twenty-three students benefited from this programme. The rural outreach programme is pivotal at ensuring that the rural communities have access to Museum educational programmes by taking the Museum to the people; this initiative goes a long way in supplementing learner education since the Museum's educational programmes are curriculum aligned. The Museum celebrated the Nelson Mandela Day by conducting activities in the spirit of uplifting the communities where it operates.

14. Report of the Audit and Risk Committee

We are pleased to present our report for the financial year ended 31 March 2023.

Audit and Risk Committee Members and Attendance

The Audit and Risk Committee (ARC) consists of the members listed hereunder and met four times during the period under review as per its approved terms of reference. It also had two special meetings.

Members for the period 01 April 2022 – 31 March 2023

Name of Member	Internal or External	Number of Meetings Attended
1. Ndlovu, Ms T. (Chairperson)	External	7
2. Stobie, Prof B.	Internal	7
3. Magaqa, Adv S.	Internal	7
4. Sibiya, Mr V.	External	7
5. Mngadi, Ms N.	External	6
6. Maphasa, Mr L.	Ex-Officio	7

Audit and Risk Committee Responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from Section 51(1)(a)(ii) of the Public Finance Management Act (PFMA) and Treasury Regulation 27.1. It also reports that it has adopted appropriate formal terms of reference as its Audit and Risk Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The ARC reviewed the work of the Internal Auditor and its recommendations. The ARC is satisfied that recommendations and improvements made on implementation of policies based on the risk assessments conducted are effective.

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

- Audit of Performance Information Review
- Asset Management Review
- Human Resources Management Review
- Supply Chain Management Review
- Internal Financial Controls
- Risk Management Review
- Follow up Review.

The committee had no significant concerns for the 2022/23 financial year but focused on the following areas to ensure that the entity maintains a clean audit:

- Reviewed significant issues raised by external audit processes.
- Reviewed the effectiveness of the entity's financial controls and received assurance from management.
- Reviewed the action plans in place to address the shortcomings identified in controls.
- Recommended internal control and compliance activities.

In-Year Management Quarterly Report

The KwaZulu-Natal Museum has reported quarterly to the National Treasury and the Department of Sport, Arts and Culture as is required by the PFMA. The Internal Auditor also reported on a quarterly basis on the annual activities as outlined on the approved three year rolling internal audit plan that is tracked and monitored by the ARC.

Evaluation of the Performance towards Attainment of the Museum's Objectives/Goals

In relation to the strategic and operational goals, the practice of conducting regular performance assessments, the culture, nature and size of the transactions have led the ARC to remain confident on the existing internal control mechanisms, such that staff evaluations that require participation or monitoring by the ARC have not merited pursuit.

Risk Management and Reporting

Risk management was effective, constantly monitored and addressed at an appropriate level of anticipation, preparation in line with the predetermined risk appetite of the Museum. This was adequately conducted by management and reported to the ARC for oversight satisfaction.

Compliance to Laws and Regulations

The Audit and Risk Committee provided oversight on the possible non-compliance to laws and regulations throughout the year with no transgressions identified.

Evaluation of Financial Statements

The committee has fulfilled a critical role in evaluating the annual financial statements as follows:

- Reviewed the audited financial statements included in the annual report,
- Reviewed all the accounting policies and practices (including changes where applicable), and
- Reviewed performance information as reported in the annual report.

Auditor's Report

The Audit and Risk Committee accepts the conclusions of the Auditor-General of South Africa (AGSA) 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 AGSA.

The Audit Report of the Auditor General South Africa (AGSA) it was noted that matters were reported indicating non-material deficiencies in the system of internal controls in areas pertaining to financial reporting, compliance with laws and regulations and risk management.

Furthermore, the ARC notes the findings as indicated by the AGSA in the Management Letter, and recognizes and appreciates the plans of management to correct these findings. The Committee will monitor the implementation of planned corrective action.



Ms. T. Ndlovu

Chairperson – Audit & Risk Committee

Date: 25 August 2023

15. B-BBEE Compliance Performance Information

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	Suppliers doing business with the Museum are subjected to a vetting process i.e. each supplier must be registered on the CSD and must be up to date.
Developing and implementing a preferential procurement policy	Yes	The Museum maintains a Supply Chain Management policy that is in line with the National Treasury Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2022.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	The Museum has been involved in offering bursaries and internships to the previously disadvantaged students and graduates.



PART D:

HUMAN RESOURCES MANAGEMENT

1. Introduction

1.1 Background and Legislative Framework

The Human Resources (HR) Plan sets the direction for the Human Resources Division to address the trends and challenges that the KwaZulu-Natal Museum encounters now and in the years to come, in the human resources management and development context. The plan also provides general information about the HR Division's link with the rest of the Museum's departments. The HR Division will use the HR Plan as their work plan for implementing its goals and priorities.

1.2 Human Resource Mission and Values

Mission

The HR Division regards its mission as dedicating itself to serve and support the organisation in achieving its strategic objectives. Through strategic partnerships and collaboration, the HR Division recruits, develops and retains a high performing and diverse workforce and fosters a healthy, safe, well equipped and productive work environment for employees, their families and public in order to maximise individual potential, increase organisational capacity and position the Museum as an employer of choice.

To give effect to its mission, HR endeavours to (i) Empower employees towards maximising their personal potential and deliver on and exceed organisational requirements, (ii) Continuously align HR Strategy with the Museum Strategy, Legislative requirements and Best Practices in the HR field, (iii) Promote Equity, Fairness, Objectivity and Consistency, (iv) Commit to professional conduct, promote professional HR management practices and advance the knowledge and proficiency of HR to the benefit of the KwaZulu-Natal Museum, and (v) Develop and adopt appropriate systems and procedures to ensure fair, efficient and transparent personnel administration.

Values

In this context, the values that HR subscribe to include that: (i) The human resources (employees) is Council's most valuable resource as every service or product is ultimately created or delivered through human intervention, (ii) HR is focused on maximising the human resources potential, and (iii) HR champions and support diversity.

The HR Division demonstrates the following values:

- Promote honesty, integrity, and trust: We honour our commitments and conduct business in a manner that promotes fairness, respect, honesty and trust
- Celebrate teamwork: We encourage the diversity of thoughts, experiences, and backgrounds and celebrate participation and partnership in all our endeavours
- Foster communication and transparency: We solicit the input of others and promote transparency and inclusiveness
- Focus on our customers: We have a passion for service and are committed to knowing our customers' business, anticipating their needs, and exceeding expectations
- Embrace change and innovation: We are open to possibility and foster creativity and support continuous improvement
- Champion employee development and wellness: We are committed to maximising the potential of every individual and supporting and promoting the Museum as a learning organization produce quality results: we believe those we serve deserve excellent service, a safe, productive, and healthy work environment, and quality results.

1.3 Key Performance Areas

The Human Resources Plan is focused on eight overarching key performance areas:

- Recruitment and Selection
- Education, Training and Development of employees
- Employment Equity & Diversity Management
- Occupational Health and Safety
- Performance Management
- Employee Relations
- Employee Wellness
- Workforce Planning and Personnel Administration.

2. Human Resources Oversight Statistics

Personnel Cost by Programme/Activity/Objective

Programme/activity/objective	Total Expenditure for the entity (R)	Personnel Expenditure (R)	Personnel exp. as a % of total exp. (R)	No. of employees	Average personnel cost per employee (R)
Administration	53 097 129	14 800 298	27.87	35	422 865
Business Development	53 097 129	10 244 077	19.29	17	602 593
Public Engagement	53 097 129	7 549 761	14.19	24	314 573
Total		32 594 135	61.35	76	1 340 031

NOTE: Total personnel expenditure excludes R53 726 paid to the Compensation Commissioner, R14 863 for leave provision movement, and R181 408 for casual labour

Personnel Cost by Salary Band

Level	Personnel Expenditure (R)	% of total personnel cost	No. of employees	Average personnel cost per employee (R)
Top Management	2 610 765	8%	2	1 305 383
Senior Management	7 894 156	24%	10	789 416
Professional qualified	8 098 478	25%	11	736 225
Skilled	11 216 122	34%	39	287 593
Semi-skilled	2 774 614	9%	14	198 187
Unskilled	-	-	-	-
TOTAL	32 594 135	100%	76	3 316 804

NOTE: Total personnel expenditure excludes R53 726 paid to the Compensation Commissioner, R14 863 for leave provision movement, and R181 408 for casual labour

Performance Rewards

Programme/activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost ((R)
Top Management	None	0	0
Senior Management	None	0	0
Professional qualified	None	0	0
Skilled	None	0	0
Semi-skilled	None	0	0
Unskilled	None	0	0
TOTAL			

Training Costs

Programme/activity/objective	Personnel Expenditure (R)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Administration	32 594 135	60 997	0.19	5	12 199
Business Development	32 594 135	39 465	0.12	3	13 155
Public Programmes	32 594 135	27 000	0.08	4	6 750
TOTAL	32 594 135	127 462	0.39	12	32 104

NOTE: Total personnel expenditure excludes R53 726 paid to the Compensation Commissioner, R14 863 for leave provision movement, and R181 408 for casual labour

Employment and Vacancies

Programme/activity/objective	2022/2023 No. of Employees	2022/2023 Approved Posts	2022/2023 No. of Employees	2022/2023 Vacancies	% of vacancies
Administration	35	35	35	2	2.5%
Business Development	17	17	17	2	2.5%
Public Programmes	24	24	24	0	0
TOTAL	76	76	76	4	5%

Level	2022/2023 No. of Employees	2022/2023 Approved Posts	2022/2023 No. of Employees	2022/2023 Vacancies	% of vacancies
Top Management	2	2	2	0	0
Senior Management	10	10	10	1	1.25%
Professional qualified	11	11	11	1	1.25
Skilled	39	39	39	2	2.5%
Semi-skilled	14	14	14	0	0
Unskilled	0	0	0	0	0
TOTAL	76	76	76	4	5%

Employment Changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	2	0	0	2
Senior Management	10	0	0	10
Professional qualified	12	3	4	11
Skilled	42	3	6	39
Semi-skilled	14	1	1	14
Unskilled	0	0	0	0
TOTAL	80	7	11	76

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	3	3,9%
Dismissal	0	0
Retirement	1	1,3%
Ill health	0	0%
Expiry of contract	6	7,8%
Other	1	1,3%
TOTAL	11	14,3%

Labour Relations: Misconduct and Disciplinary Action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	2
Final Written warning	0
Dismissal	0

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	2	0	0	0	0	0	0
Senior Management	2	2	0	0	1	1	2	1
Professional qualified	1	1	0	1	0	0	3	2
Skilled	11	11	0	0	1	1	0	0
Semi-skilled	16	16	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	32	32	0	1	2	2	5	3

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	2	2	0	0	1	1	0	0
Professional qualified	1	1	0	1	0	0	6	6
Skilled	12	12	0	1	0	0	0	0
Semi-skilled	14	14	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	29	29	0	2	1	1	6	6

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	1	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	1	0	0	0



PART E:

PFMA COMPLIANCE REPORT

1. Information on Irregular, Fruitless and Wasteful Expenditure and Material Losses

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening Balance	0	0
Add: Irregular Expenditure confirmed	0	0
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
TOTAL	0	0

Reconciling Notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	0	0
Irregular expenditure that relates to 2021/22 and identified in 2022/23	0	0
Irregular expenditure for the current year	0	0
TOTAL	0	0

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
TOTAL	0	0

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	0	0
TOTAL	0	0

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
TOTAL	0	0

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	0	0
TOTAL	0	0

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	0	0
TOTAL	0	0

1.2 Fruitless and wasteful expenditure**a) Reconciliation of fruitless and wasteful expenditure**

Description	2022/2023	2021/2022
	R'000	R'000
Opening Balance	0	0
Add: Fruitless and wasteful expenditure confirmed	0	0
Less: Fruitless and wasteful expenditure written off	0	0
Less: Fruitless and wasteful expenditure recoverable	0	0
TOTAL	0	0

Reconciling Notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	0	0
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	0	0
Fruitless and wasteful expenditure for the current year	0	0
TOTAL	0	0

b) Details of current and previous year fruitless and wasteful (under assessment, determination, and investigation)

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
TOTAL	0	0

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	0	0
TOTAL	0	0

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
TOTAL	0	0

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A

PART F:

FINANCIAL INFORMATION

AUDIT REPORT

Report of the auditor-general to the parliament on KwaZulu-Natal Museum.

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the KwaZulu-Natal Museum set out on pages 60 to 99, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in equity, and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the KwaZulu-Natal Museum as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognized Accounting Practise (GRAP) and the requirements of the Public Finance Management, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

Context for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognized Accounting Practise (GRAP) and the requirements of the Public Finance Management, 1999 (Act No. 1 of 1999) (PFMA); and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting officer is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Responsibilities of the auditor-general for the audit of the financial statements
8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following programme presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected a programme that measures the entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2 : Business Development	25 - 29	The purpose of this programme is to: • Properly manage and maintain the natural and cultural heritage collections • Serve as centres for promotion of research and development • Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals

12. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or under-achievement of targets.
14. I performed the procedures for the purpose of reporting material findings only; and not to express an conclusion.
15. I did not identify any material findings on the reported performance information of Programme 2: Business Development.

Achievement of planned targets

16. The annual performance report includes information on reported achievements against planned targets and provides explanations for over-achievements.

Report on compliance with legislation

17. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the entity's compliance with legislation.

18. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
19. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
20. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

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

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
26. I did not identify any significant deficiencies in internal control.

Material irregularities

27. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.
28. I did not identify any material irregularities and no material irregularities were reported in the previous auditor's report.

Christopher General

Pietermaritzburg
28 July 2023



A U D I T O R - G E N E R A L
S O U T H A F R I C A

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 51(1)(b)(i)
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 55(1)(a) PFMA 55(1)(b) PFMA 55(1)(c)(i)

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 51(1)(b)(ii) PFMA 53(4) PFMA 57(b)
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 66(3)(c') PFMA 66(5)
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 51(1)(e)(iii)
Public Finance Management Act No.1 of 1999 (PFMA)	PFMA 51(1)(b)(ii) PFMA 51(1)(a)(iv) PFMA 56(1) PFMA 56(2) PFMA 57(b)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	TR 31.1.2(c')
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	TR 31.2.5 TR 31.2.7(a) TR 32.1.1(a) TR 32.1.1(b) TR 32.1.1(c') TR 30.1.1 TR 30.1.3(a) TR 30.1.3(b) TR 30.1.3(d) TR 30.2.1
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	TR 16A9.1(b)(ii) TR 16A9.1(e) TR 16A9.1(f) TR 33.1.1 TR 33.1.3
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	TR 16A 6.1 TR 16A6.2(a) & (b) TR 16A6.2(e) TR 16A 6.3(a) TR 16A 6.3(b) TR 16A 6.3(c) TR 16A 6.3(d) TR 16A 6.3(e) TR 16A 6.4 TR 16A 6.5 TR 16A 6.6 TR 16A8.2 (1) and (2) TR 16A 8.3 TR 16A 8.3(d) TR 16A 8.4 TR 16A 9 TR 16A 9.1 TR 16A9.1 (c) TR 16A 9.1(d) TR 16A 9.1(e) TR 16A 9.2 TR 16A 9.2(a)(ii) TR 16A 9.2(a)(iii) TR 8.2.1 TR 8.2.2
Public service regulation	PSR 18 PSR 18 (1) and 18(2)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	PRECCA 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	CIDB Act 18(1)

ANNUAL FINANCIAL STATEMENTS

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

General Information

Country of incorporation and domicile	South Africa
Legal form of entity	Schedule 3A Public Entity
Nature of business and principal activities	The Mandate of the KwaZulu-Natal Museum is to serve the people of South Africa by interpreting material evidence of the cultural and natural world in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity. In line with the Department of Sport, Arts and Culture's vision of creating an active, winning and socially cohesive nation, the KZN Museum identified these four core functions: Collections; Research; Exhibitions and Education & Outreach.
Council Members for the period	
Members	Kunene, Ms K. (Chairperson) Magaqa, Adv. S (Deputy Chairperson) Maphasa, Mr. L.J (Director) Dantile, Dr. F Dlamini, Mr. S Mfuphi, Mr. L Noge, Mr. M Ramagoshi, Ms. M Robinson, Ms. L Stobie, Prof. B
Executive Directors for the period	Maphasa, Mr L.J (Director) Miya, Mr S.R (Deputy Director) Dlamini, Mr S.E (Executive Manager: Finance and Administration) Flanagan, Mr W (Executive Manager: Exhibitions) Midgley, Dr. J (Principal Curator: Natural Sciences) Ntombela, Mrs T.S (Executive Manager: Education) Blundell, Dr. G (Principal Curator: Human Sciences)
Registered office	237 Jabu Ndlovu Street Pietermaritzburg 3201
Postal address	Private Bag 9070 Pietermaritzburg Republic of South Africa 3200
Controlling entity	Department of Sport, Arts and Culture National
Bankers	First National Bank South African Reserve Bank
Auditors	Auditor - General of South Africa

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

General Information

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Public Finance Management Act No. 1 Of 1999.

Preparer

The annual financial statements were internally compiled by:
Mr. S.E Dlamini

Published

31 July 2023

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the legislature:

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Statement of Changes in Net Assets for the Year Ended 31 March 2023	66
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DSAC	Department of Sport, Arts and Culture
DPWI	Department of Public Works and Infrastructure
PFMA	Public Finance Management Act No.1 of 1999
GRAP	Generally Recognised Accounting Practice
UIF	Unemployment Insurance Fund
WCA	Workmen's Compensation Act

The annual financial statements set out from page 4, which have been prepared on the going concern basis, were approved by the council on 30 May 2023 and were signed on its behalf by:



Kunene, Ms K. (Chairperson)



Maphasa, Mr L.J. (Director)

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Position as at 31 March 2023 as at 31 March 2023

Description	Notes	2023	2022 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	2	2 565 291	3 284 768
Intangible assets	3	120 636	282 745
Heritage Assets	4	53 509 845	53 500 725
		56 195 772	57 068 238
Current Assets			
Inventories	6	9 124	9 281
Trade and other receivables	7	1 898 800	749 752
Cash and cash equivalents	8	295 685 828	238 253 203
		297 593 752	239 012 236
Total Assets		353 789 524	296 080 474
Liabilities			
Current Liabilities			
Deferred grants and project funding	10	296 268 535	235 326 096
Trade and other payables	12	419 366	2 096 622
Short term employee benefit obligations	11	2 258 539	2 243 676
		298 946 440	239 666 394
Total Liabilities		298 946 440	239 666 394
Net Assets		54 843 084	56 414 080
Heritage assets revaluation reserve		53 217 055	53 217 055
Accumulated surplus	9	1 626 029	3 197 025
Total Net Assets		54 843 084	56 414 080

* See Note 23

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Performance for the Year Ended 31 March 2023

Description	Notes	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Sale of goods and rendering of services		496 369	295 583
Other income		25 342	329 423
Interest income - investments		1 154 256	237 045
Gain on disposal of assets		1 275	7 152
Total revenue from exchange transactions		1 677 242	869 203
Revenue from non-exchange transactions			
Transfer revenue			
Government grants and subsidies		44 314 204	44 125 647
DPWI: Services in-Kind - Rental		5 538 987	11 232 660
Total revenue from non-exchange transactions		49 853 191	55 358 307
Total revenue	13	51 530 433	56 227 510
Expenditure			
Employee related costs	14	32 844 132	31 942 116
Depreciation and amortisation		1 151 793	1 359 132
General Expenses	15	19 105 504	24 062 223
Total expenditure		(53 101 429)	(57 363 471)
Deficit for the year		(1 570 996)	(1 135 961)

* See Note 23

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Changes in Net Assets for the Year Ended 31 March 2023

Description	Revaluation reserve	Accumulated surplus	Total net assets
Balance at 01 April 2021 -Restated	53 217 055	4 332 990	57 550 045
Changes in net assets			
Deficit for the year - restated	-	(1 135 961)	(1 135 961)
Total changes	-	(1 135 961)	(1 135 961)
Restated* Balance at 01 April 2022	53 217 055	3 197 025	56 414 080
Changes in net assets			
Deficit for the year	-	(1 570 996)	(1 570 996)
Total changes	-	(1 570 996)	(1 570 996)
Balance at 31 March 2023	53 217 055	1 626 029	54 843 084

* See Note 23

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Cash Flow for the Year Ended 31 March 2023

Description	Notes	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from exchange transactions		521 711	625 006
Cash receipts from non-exchange transactions		44 314 204	44 125 647
Interest received		1 154 256	237 045
Other operating revenue		-	1 645 581
		<u>45 990 171</u>	<u>46 633 279</u>
Payments			
Cash paid to employees		32 829 269	31 930 032
Cash paid to suppliers		16 392 667	12 759 145
		<u>(49 221 936)</u>	<u>(44 689 177)</u>
Net cash flows from operating activities	16	<u>(3 231 765)</u>	<u>1 944 102</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(263 182)	(508 552)
Proceeds from sale of property, plant and equipment	2	1 500	12 223
Purchase of other intangible assets	3	(7 245)	(21 422)
Purchases of heritage assets	4	(9 120)	-
Net cash flows from investing activities		<u>(278 047)</u>	<u>(517 751)</u>
Cash flows from financing activities			
Movement in deferred grants and project funding		60 942 437	106 806 486
Net increase in cash and cash equivalents		<u>57 432 625</u>	<u>108 232 837</u>
Cash and cash equivalents at the beginning of the year		238 253 203	130 020 366
Cash and cash equivalents at the end of the year	8	<u>295 685 828</u>	<u>238 253 203</u>

* See Note 23

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Comparison of Budget and Actual Amounts**Budget on Cash Basis**

Description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Statement of Financial Performance**Revenue****Revenue from exchange transactions**

Journals publications	50 000	-	50 000	32 463	(17 537)	Note 5
Entrance charges	100 000	41 581	141 581	133 485	(8 096)	
School entrance charges	25 000	20 071	45 071	35 343	(9 728)	Note 3
LRC income	30 000	251	30 251	33 070	2 819	
Museum shop	25 000	25 998	50 998	41 868	(9 130)	Note 6
Holiday programme	30 000	42 552	72 552	117 802	45 250	
Hall bookings	25 000	72 600	97 600	102 338	4 738	Note 4
Other income	1 266 001	(18 179)	1 247 822	26 617	(1 221 205)	Note 7
Interest income - investment	200 000	172 369	372 369	1 154 256	781 887	
Total revenue from exchange transactions	1 751 001	357 243	2 108 244	1 677 242	(431 002)	

Revenue from non-exchange transactions**Taxation revenue**

State contribution	36 470 000	-	36 470 000	36 470 000	-	
Services in Kind - Deemed Rental	-	-	-	5 538 987	5 538 987	
Donations received	3 000	-	3 000	3 120	120	
Grants funding: Municipal charges	4 931 000	-	4 931 000	5 281 000	350 000	
Leasing: Parking	303 000	-	303 000	303 000	-	
Deferred grants income available	12 772 209	(6 691 868)	6 080 341	2 113 516	(3 966 825)	Note 1
Grants funding: Capital	-	-	-	41 599	41 599	
Non-repayable funding: Revenue	-	81 643	81 643	101 969	20 326	Note 2
Total revenue from non-exchange transactions	54 479 209	(6 610 225)	47 868 984	49 853 191	1 984 207	
Total revenue	56 230 210	(6 252 982)	49 977 228	51 530 433	1 553 205	

Expenditure

Employee related costs	-	-	-	-	-	Note 8
Administration	-	-	-	-	-	
- Entity Management	7 987 906	11 663	7 999 569	7 959 276	(40 293)	
- Public Relations	1 051 848	100 334	1 152 182	1 149 389	(2 793)	
- Library	1 494 502	32 149	1 526 651	1 523 875	(2 776)	
- Technical Services	3 484 640	260 139	3 744 779	3 759 079	14 300	
Business Development	10 609 452	(208 807)	10 400 645	10 244 509	(156 136)	
Public Programmes	-	-	-	-	-	
- Exhibitions	3 582 538	37 500	3 620 038	3 637 295	17 257	
- Education	4 331 309	112 828	4 444 137	4 389 304	(54 833)	
Goods and services	-	-	-	-	-	
Administration	-	-	-	-	-	
- Entity Management	15 634 019	(6 763 879)	8 870 140	4 948 252	(3 921 888)	Note 10
- Public Relations	250 750	(30 000)	220 750	230 484	9 734	

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Comparison of Budget and Actual Amounts**Budget on Cash Basis**

Description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
- Library	422 500	1 982	424 482	406 332	(18 150)	
- Technical Services	5 651 112	265 710	5 916 822	6 142 112	225 290	
Business Development	855 975	364 044	1 220 019	1 761 455	541 436	Note 11
Public Programmes	-	-	-	-	-	
- Exhibitions	57 000	(2 623)	54 377	54 862	485	
- Education	156 000	43 480	199 480	204 425	4 945	
Services in Kind - Deemed Rental	-	-	-	5 538 987	5 538 987	
Total expenditure	(55 569 551)	5 775 480	(49 794 071)	(51 949 636)	(2 155 565)	
	660 659	(477 502)	183 157	(419 203)	(602 360)	
Deficit for the year	660 659	(477 502)	183 157	(419 203)	(602 360)	
Depreciation and amortisation	(660 659)	(89 341)	(750 000)	(1 151 793)	(401 793)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	(566 843)	(566 843)	(1 570 996)	(1 004 153)	

Capital Expenditure**Assets****Non-Current Assets**

Equipment - other	35 000	-	35 000	36 947	1 947	Note a.
Furniture - Metal	-	-	-	2 893	2 893	
Computers	135 720	-	135 720	181 744	46 024	Note b.
Equipment - Scientific	-	-	-	41 599	41 599	Note c.
Intangible assets	-	-	-	7 245	7 245	Note d.
	(170 720)	-	(170 720)	(270 428)	(99 708)	
Total Assets	(170 720)	-	(170 720)	(270 428)	(99 708)	

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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REVENUE

1. Deferred Grants: Income Available.

There hasn't been any significant movement of this item, this was largely attributable to the high cost estimate of the new museum. Management and Principal Agent have managed to come up with three options for the implementation of the project. These 3 option were submitted to DSAC. DSAC has approved the option that was preferred by Management. Further, the Museum has finalised the SLA and work plan with LDM Consulting as the Project Manager for all infrastructure project of the Museum.

2. Non Repayable Funding.

The positive variance of R19,482 is attributable to the Administration Fees for Diversity of Pollinating Diptera in South African Biodiversity Hopspots (DIPoDIP).

3. Entrance charges: schools.

This item underperformed by 21.6% during the period under review due to unfavourable number of school visits in the last quarter of the financial year.

4. Hall Bookings.

This item has over performed by 62%; attributable to the favourable bookings that were received in the period under review.

5. Journals.

This item did not perform as well as expected. The museum receives royalties from Sabinet which are generated from the number of hits on the Journals.

6. Museum Shop sales.

This item has underperformed by 18%; attributable to the number of visitor number in period under review. The Museum did not as many visitors as was anticipated.

7. Other Income.

This item was a balancing figure that the museum needed to raise in order to finance its operation. It is largely attributable to depreciation. The museum was not able to raise this amount.

EXPENDITURE

8. Employee Related Costs:

The personnel expenditure is still within the ambit of the budget with only a few items that were affected. The Chief Education Officer (outreach) resigned in November 2022. The Curator - Mollusca who started on 01 August 2022, resigned in December 2022 and the Finance and Project Officer also resigned in December 2022.

Goods and Services

9. Operational expenditure:

This is still within the ambit of the budget. The significant item was the slow spending in the project funding. The Council Cost, Transport: Motor were under budgeted. The Museum will continue to monitor the Expenditure item until the Mid - Term before revising these.

10. Administration - Entity Management

The underperformance of 46%; is attributable to the underspending in the New Museum project. There has not been any significant movement of this item, this was largely attributable to the high cost estimate of the new museum. Management and Principal Agent have managed to come up with three options for the implementation of the project. These 3 option were submitted to DSAC. DSAC has approved the option that was preferred by Management. Further, the Museum has finalised the SLA and work plan with LDM Consulting as the Project Manager for all infrastructure project of the Museum.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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11. Business Development - Research

The overspending of 45% is attributable to a large spending of NRF funding and Diversity of Pollinating Diptera in South African Biodiversity Hopspots (DIPoDIP) . These are research funds that the museum raise from external funders.

CAPITAL EXPENDITURE

(a). Equipment - Other: The Museum had to acquire a camera for the Exhibitions Department and a projector with a projector screen for the Education Department.

(b). Computers: The budget of R135,720 had been set aside mainly to replace old computers. The Museum also acquired the tools of trade for the new employees and the LRC main computer.

(c). Equipment - Scientific: The Museum acquired a microscope for the Natural Science Department using grant money.

(d). Intangible Assets: The Museum renewed the Adobe Suite and Primer 7 software for the Human Sciences Department.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

Description	2023	2022
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1. Presentation of Annual Financial Statements

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

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention. They are presented in South African Rand.

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

GRAP 25 Employee Benefits	Not yet effective
GRAP 104 Financial Instruments	1 April 2025
GRAP 1 Presentation of Financial Statements	1 April 2023
Improvements to the standards of GRAP	1 April 2023

These accounting policies are consistent with the previous period.

1.1 Use of estimates and judgements

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

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

- Note 1.3** Property, plant and equipment
- Note 1.5** Intangible assets
- Note 1.18** Provisions
- Note 1.22** Services in kind (deemed rental)

Post-retirement benefits

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

1.2 Inventories

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

1.3 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.3 Property, plant and equipment (continued)

Item	Depreciation method	Average useful life
Furniture and wood	Straight-line	16,6%
Motor vehicles	Straight-line	20%
Equipment -Other	Straight-line	16,6% to 25%
Computer equipment	Straight-line	33,3%
Scientific equipment	Straight-line	20%

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

Subsequent measurement

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

Derecognition

The carrying amount of an item of property, plant and equipment shall be derecognised:

- (a) on disposal (including disposal through a non-exchange transaction); or
- (b) when no future economic benefits or service potential are expected from its use or disposal.

1.4 Impairment

Non-cash generating assets

Assets are held by the Museum with the objective of using them for service delivery purposes, rather than for commercial return. The Museum assesses at each reporting date whether there is any indication that a non-cash generating asset may have been impaired. If any indication exists, the Museum estimates the recoverable amount of the asset.

Non-financial assets

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

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

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

Reversals of impairment

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

1.5 Intangible assets

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

Item	Depreciation method	Average useful life
Computer software - bought	Straight-line	33,3%

Intangible assets are derecognised:

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.5 Intangible assets (continued)

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.6 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance, and are held indefinitely for the benefit of present and future generations.

Recognition

The Museum recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity and where cost or fair value of the asset can be reliably measured.

The Museum will assess the degree of certainty attached to the flow of future service potential or economic benefits:

- (a) If the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because of the need to analyse the proposed collection items to determine if they conform to the set collection criteria through evaluation and research.
- (b) For recognition of heritage assets, the asset needs to be controlled by the Museum as a result of past events. Such events may include: Purchase, donation, bequests, loan or transfer.
- (c) Particularly within the Natural History Collection, material is often retrieved in a fragmentary state – finding a completely articulated specimen is the exception rather than the rule. A great deal of knowledge is thus required to identify and systematise the collections.
- (d) The research required to identify, analyse and classify heritage items is often a collaborative effort between local and international experts that span several months, even years. These items cannot be recognised in the financial statements, but will be recorded and controlled in the register. Relevant and useful information about them shall be disclosed in the notes to the financial statements.

Initial measurement

The value of assets has been determined using either cost or fair value. Values have been assigned to the heritage assets, which may appreciate in value, and which values are to be reviewed from time to time. Wherever possible, the appraisers have adopted the discipline of 'Open Market' principles in determining value, however values derived are largely determined by the skill and experience applied by the appraiser at the date of valuation.

Initial entries using deemed cost

The Museum initially measured heritage assets using the deemed cost approach. The Heritage Asset Valuation Reserve was created on initial measurement of the heritage assets at deemed cost and is non-distributable.

Heritage assets shall not be depreciated but the Museum shall assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.6 Heritage assets (continued)

Heritage asset classification

A class of heritage assets is a grouping of heritage assets of a similar nature or function in the museums operations, that is shown as a single item for the purpose of disclosure in the financial statements. The Museum has recognised the following classes of heritage assets:

- Natural History
- Cultural History
- Library Material

Object collections in the Cultural History Collection consist of tangible artefacts that reflect the cultural and artistic knowledge, expressions, and behaviour of their makers and users, and comprise archaeological, historical and contemporary cultural artefacts and artworks. The Library Collections consists of both published and unpublished material, as well as research material

Heritage assets on loan to other institutions.

The financial statements shall also disclose information on heritage assets that are borrowed from, or on loan to other entities.

Retrospective application

Although the Museum adopted the accounting standard on 1 April 2012, it has taken advantage of the transitional period of three (3) years to fully implement GRAP 103 in terms of Directive 2. The three year period in which entities were not required to measure heritage assets for reporting periods beginning on or after a date within three years following the date of initial adoption of the Standard of GRAP on Heritage Assets has ended.

Where entities have not yet determined the deemed cost of those assets within the scope of Directive 7, they should consider GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors, and consider whether this change in accounting policy can be applied retrospectively from this date, or whether it is impracticable to do so.

GRAP 3 states that: "When it is impracticable to determine the period-specific effects of changing an accounting policy on comparative information for one or more prior periods presented, the entity shall apply the new accounting policy to the carrying amounts of assets and liabilities as at the beginning of the earliest period for which retrospective application is practicable."

It may be impracticable to determine the deemed cost retrospectively if, for example, the following circumstances exist:

- (a) Relevant data may not have been collected in the prior period and cannot be obtained by alternative means that allows for retrospective application.
- (b) The entity is required to make significant estimates and assumptions about conditions that existed at a point in time in the past and cannot do so objectively without using hind-sight.

Impairments

At each reporting date, the entity assesses whether there is an indication that the heritage assets may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are made when, and only when, the particular asset no longer meets the definition of a heritage asset. Transfers to heritage assets are made when, and only when, the particular asset meets the definition of a heritage asset.

De-recognition

The carrying amount of a heritage asset is de-recognised:

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

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.7 Assets not reflected

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

Land and buildings

The land and buildings are made available to the KwaZulu-Natal Museum under section 9 of the Cultural Institutions Act. The land and buildings are owned by the Department of Public Works and Infrastructure and are leased to the KwaZulu-Museum at deemed consideration. It is the policy of the KwaZulu-Natal Museum to include the fair value of the rental benefit in the services in-kind item on the face of the Statement of Financial Performance.

1.8 Financial instruments

Initial recognition and measurements

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

Cash and cash equivalents

Cash and cash equivalents are stated at amortised cost. Cash and cash equivalents comprise cash at the bank and deposits held on call with banks.

Trade and other payables

Trade and other payables are stated at cost.

Trade and other receivables

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

Receivables from non exchange transactions

Receivables from non exchange transactions are stated at amortised cost less provision for doubtful debts. Receivables are written off when considered irrecoverable.

1.9 Tax

Exemption

The KwaZulu-Natal Museum is exempt from income tax because it is a Section 3A Public Entity. The KwaZulu-Natal Museum is also exempt from Value Added Tax.

1.10 Leases

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue. The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

1.11 Employee benefits

Short-term employee benefits

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.11 Employee benefits (continued)

Provision for employee benefits

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

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted every 3 years and reviewed on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.12 Publications

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

1.13 Commitments

Items are classified as commitments when the council has committed itself to future transactions that will normally result in the outflow of resources. Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted capital commitments; and
- where the capital expenditure has been approved and the contract approved, this would include commitments that may not be recognised as asset in terms of GRAP however only incidental to the capital commitment.
- Operational commitments are related the lease commitment which are required by GRAP 13.

1.14 Revenue from exchange transactions

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

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.14 Revenue from exchange transactions (continued)

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

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

Interest Income

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

Other Income

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

1.15 Revenue from non-exchange transactions

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

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

1.16 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all surplus (deficit) of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.17 Contingent Liabilities

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

1.18 Comparative figures

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

1.19 Related parties

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

1.20 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.20 Events after reporting date (continued)

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The Museum will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The Museum will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.21 Services in-Kind

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

The Museum recognises deemed- rental on the face of the financial statements as Service in-Kind income.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023		2022
	Cost	Accumulated Carrying value depreciation and accumulated impairment	Cost Accumulated Carrying value depreciation and accumulated impairment
Furniture: Wood & Metal	2 166 348	(1 773 630)	392 718 2 164 151 (1 666 761) 497 390
Motor vehicles	1 991 436	(1 577 022)	414 418 1 991 436 (1 380 996) 610 440
Equipment - other	4 755 664	(3 779 282)	976 382 4 740 906 (3 717 299) 1 023 607
Computer equipment	3 206 562	(2 620 883)	585 679 3 043 838 (2 334 098) 709 740
Scientific equipment	1 299 959	(1 103 865)	196 094 1 258 360 (814 769) 443 591
Total	13 419 969	(10 854 682)	2 565 291 13 198 691 (9 913 923) 3 284 768

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Changes in accounting estimates	Depreciation	Total
Furniture: Wood & Metal	497 390	2 892	(75)	4 163	(111 652)	392 718
Motor vehicles	610 440	-	-	127 767	(323 789)	414 418
Equipment -Other	1 023 607	36 947	(150)	458 891	(542 913)	976 382
Computer equipment	709 740	181 744	-	91 450	(397 255)	585 679
Scientific equipment	443 591	41 599	-	-	(289 096)	196 094
	3 284 768	263 182	(225)	682 271	(1 664 705)	2 565 291

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture: Wood & Metal	555 824	19 461	-	(77 895)	497 390
Motor vehicles	866 266	-	-	(255 826)	610 440
Equipment -Other	1 419 961	118 319	-	(514 473)	1 023 607
Computer equipment	598 666	367 777	(3 175)	(253 528)	709 740
Scientific equipment	442 912	2 995	(1 347)	(969)	443 591
	3 883 629	508 552	(4 522)	(1 102 691)	3 284 768

Pledged as security

No restrictions on title for property, plant and equipment have been pledged as securities for liabilities.

Capital commitments

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Expenditure incurred

-

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
2. Property, plant and equipment (continued)		
Expenditure incurred to repair and maintain property, plant and equipment		
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
General expenses	72 885	35 126

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description

3. Intangible assets

	2023		2022	
Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment
1 419 394	(1 298 758)	120 636	1 412 149	(1 129 404)
Computer software				282 745

Reconciliation of intangible assets - 2023

Opening balance	Additions	Disposals	Changes in accounting estimates	Amortisation	Total
282 745	7 245	-	171 980	(341 334)	120 636
Computer software - Bought					

Reconciliation of intangible assets - 2022

Opening balance	Additions	Disposals	Amortisation	Total
518 115	21 422	(350)	(256 442)	282 745
Computer software				

Pledged as security

No restrictions on title for intangible assets have been pledged as securities for liabilities.

Capital commitment

Cumulative expenditure recognised in the carrying value of Intangible assets

Expenditure incurred

-

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description

4. Heritage Assets

Heritage assets which fair values cannot be reliably measured: (Para .94)

Natural History
Cultural History
Library

Reconciliation of heritage assets 2023

Heritage assets which fair values cannot be reliably measured: (Para .94)

Natural History
Cultural History
Library

Reconciliation of heritage assets 2022

Heritage assets which fair values cannot be reliably measured: (Para .94)

Natural History
Cultural History
Library

Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
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5 077 315	5 077 315	5 077 315	5 077 315
43 441 625	43 441 625	43 432 505	43 432 505
4 990 905	4 990 905	4 990 905	4 990 905

Opening balance	Additions	Total
5 077 315	-	5 077 315
43 432 505	9 120	43 441 625
4 990 905	-	4 990 905
53 500 725	9 120	53 509 845

Opening balance	Total
5 077 315	5 077 315
43 432 505	43 432 505
4 990 905	4 990 905
53 500 725	53 500 725

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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4. Heritage Assets (continued)

Heritage assets

Additions

For recognition of heritage assets, the asset needs to be controlled by the Museum as a result of past events. Such events may include: Purchase, donation, bequests, loan or transfer. Additions disclosed in respect of the 2022/23 financial period, include only those items purchased.

Loans

Valid and duly authorised Loan Agreements have been concluded with all entities in accordance with the Museum's Heritage Asset Management Policy.

Collections

In determining the fair value of a collection, the entity considered whether the entire collection has a higher value than the sum of the values of the individual items making up that collection. For the purpose of valuation and disclosure, the following classes of heritage assets are recorded and, where appropriate, valued as a group or at box level:

Cultural History

- 44 749 research collection catalogued items.

Natural History

- 6,848 research collection catalogued items.

Library

- 10,161 research collection catalogued items.

Impairment

At each reporting date, the entity assesses its heritage assets to determine whether there is an indication that they may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset:

The following information relating to age and/or condition of heritage assets is provided for better appreciation:

- Where acquisitions have been fair valued and assessed, the valuation surplus/ loss has been disclosed accordingly.
- Where acquisitions have been assessed with no significant change in fair value for the period under review, they are disclosed at cost or fair value.
- All remaining items valued and disclosed have been assessed and fair valued as at the date of recognition.

Management has considered the impairment of heritage assets during the period under review and concluded that there were no impairment losses to recognise.

Inability to Value

Where no value can be placed on an item, it will not be recognised, but information should be disclosed about such items and the reason why such items cannot be valued. Where the Museum holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because it cannot be reliably measured, relevant and useful information about it shall be disclosed in the notes to the financial statements. These items are controlled in the asset register and consist of broken or damaged items.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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4. Heritage Assets (continued)**Inability to Determine Service Potential**

The Museum has assessed the degree of certainty attached to the flow of future service potential or economic benefits. The service potential of collected items are undetermined until they are subjected to evaluation and research to determine if they conform to the set collection criteria. These items cannot be recognised in the financial statements, but will be recorded and controlled in the register. These items have been verified, but research is still being undertaken to determine what they are, and if the objects meet the recognition criteria of heritage assets.

- Unassembled or fragmented artefacts: these items cannot be recognised in the financial statements, but are recorded and controlled in the register.

Assets Not Valued and not Affecting the Annual Financial Statements

- Natural History: this collection comprises of a diverse collection of material including Marine Biology, Invertebrates and Terrestrial Vertebrates, Palaeontology, Rocks and Minerals, and Fossils. The collection is primarily of research significance. While the majority of the collection has been assessed as having no commercial value; all specimens have been physically verified.
- Items on exhibition: these items are largely replicas and are used for exhibition and education purposes. These items are expensed.

5. Retirement benefit obligations**Post retirement and Defined benefit plan**

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

	No. of Employees	Employees Contribution	Employers Contribution
Defined Benefit plan	5	7,5%	20%
Defined Contribution plan	53	7,5%	15%

The funding level used to calculate the liability per employer was according to the 31 March 2021 valuation results. The actuary of the Museums Pension Fund calculated the actuarial reserves per participating institution as at 31 March 2023. According to the 31 March 2021 valuation report the fund was 100% funded. The KwaZulu-Natal Museum's updated liability as at 31 March 2023 is NIL.

The contribution to the pension fund R3,119,536 (2021/22: R3,103,546) is included in the employee related costs.

6. Inventories

Stationery: stock on hand	3 421	4 505
Museum visitors shop: stock for resale	5 703	4 776
	9 124	9 281

Inventory pledged as security

As at year end, no inventory was pledged as security for liabilities.

7. Trade and other receivables

Trade receivables	374 529	85 151
Sundry debtors	1 174 432	174 643
Prepaid expenses	349 839	489 961
	1 898 800	749 755

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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7. Trade and other receivables (continued)**Trade and other receivables aging**

As at 31 March 2023, the trade and other receivables can be analysed as below:

Current	1 529 861	516 152
30 days past due	1 755	133 928
150 days past due	1 400	-
180 days and more past due	365 784	99 675
	1 898 800	749 755

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	826	5 566
Cheque account	15 364 160	20 114 314
Call account	2 969 710	2 817 237
Notice account	2 497 430	2 352 869
SARB - infrastructure	274 853 702	212 963 217
	295 685 828	238 253 203

9. Accumulated surplus**Reconciliation of accumulated surplus - 2023**

	Opening balance	Receipts	Utilised	Closing balance
Natural Science Department	57 296	95 103	(127 967)	24 432
Archaeology Research	399 039	1 580	(13 821)	386 798
Exhibitions Department	33 875	5 285	-	39 160
G Laue Research	18 625	-	(18 625)	-
D Tlhoale	16 312	-	-	16 312
Whitelaw Research	38 015	-	-	38 015
Restoration, repairs and maintenance	294 165	-	(844)	293 321
Security project- Library	64 315	-	-	64 315
Lyn Wadley: Sibudu Project	23 254	-	-	23 254
Facilities Management	7 983	-	-	7 983
JM Wintjes - Research	5 000	-	-	5 000
	957 879	101 968	(161 257)	898 590

	Amount
Total accumulated surplus	1 626 029
Deduct: Non-repayable funding: funds available	(898 590)
Accumulated surplus: from operations	727 439

Reconciliation of accumulated surplus - 2022

	Amount
Total accumulated surplus	3 197 025
Deduct: Non-repayable funding: funds available	(957 879)
Accumulated surplus: from operations	2 239 146

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
10. Deferred grants and project funding		
Grant/Project	Opening balance 1 April 2022	Closing balance 31 March 2023
Research Grant: G Blundell (NRF)	4 036	36
Research grant: K Williams (NRF)	-	(108 600)
Research grant: Theron (NRF)	-	(320 833)
DSAC: Capital Works: New Museum Project	231 341 214	291 906 887
DSAC: Water Piping Project	935 600	935 600
DSAC: Museum Maintenance Project	10 844	(10 844)
DSAC: Museum Facilities Management Project	2 651 181	3 266 730
National Lotteries Board: Freedom Exhibition	2 685	2 685
National Research Foundation	11 392	11 392
DIPo-DIP	274 538	(635 556)
CATHSSETA	26 081	7 681
SEEMAP	-	(113 500)
Human Science Research	41 572	22 524
Human Science - ARM Research	-	115 000
JRS Biodiversity Foundation	26 953	(26 953)
	235 326 096	296 268 535

Grant to finance Dr Blundell's scientific research costs
 Grant to finance Dr Williams's scientific research costs
 Grant to finance Dr Theron's scientific research costs
 Grant for capital works: provision of security and upgrade of the New museum Site
 Grant for capital works: upgrading of the water pipes in the Museum
 Grant for repairs and maintenance of the Museum building
 Grant for repairs and maintenance of the Museum building - Facilities Management
 Funding provided to host the Freedom Exhibitions
 Funding provided to host the National Science Week
 Funding provided to improve the Natural History Collection management
 CATHSSETA Funding
 Funding provided to improve the Human Science Collection management
 Funding provided to improve the Human Science Collection management
 Human Science Research

11. Short term employee benefit obligations**Reconciliation of accumulated leave liability- 2023**

	Opening Balance	Additions	Total
Leave provision	2 243 676	14 863	2 258 539

Reconciliation of accumulated leave liability- 2022

	Opening Balance	Additions	Total
Leave provision	2 168 748	74 928	2 243 676

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
12. Trade and other payables		
Trade payables	372 623	1 436 302
Sundry creditors	46 743	660 320
	419 366	2 096 622
13. Revenue		
Sale of goods and rendering of services	496 369	295 583
Other income	25 342	329 423
Interest income - investment	1 154 256	237 045
Government grants & subsidies	44 314 204	44 125 647
Gains on disposal of assets	1 275	7 152
Services-In Kind: Rental	5 538 987	11 232 660
	51 530 433	56 227 510
Sale of goods and rendering of services		
Entrance charges: general	133 485	87 243
Entrance charges: schools	35 343	9 453
Holiday programme income	117 802	21 073
Journals	32 463	96 759
Learners resource centre	33 070	22 388
Museum shop sales	41 868	24 856
Hall bookings	102 338	33 550
Vending machine sales	-	261
	496 369	295 583
Revenue arising from non-exchange transactions		
Transfers and subsidies		
Donations received	3 120	3 140
Funding: DSAC	36 470 000	35 196 000
Funding: DSAC - municipal charges	5 281 000	4 640 000
Funding: DSAC - parking	303 000	293 000
Non-repayable funding: revenue	101 969	20 493
Project funding: capital receipts	41 599	53 585
Project funding: income available	2 113 516	3 919 429
	44 314 204	44 125 647
14. Employee related costs		
Basic	25 746 242	25 053 077
Bonus	1 674 772	1 673 513
Medical aid - company contributions	1 345 400	1 257 811
UIF	132 430	123 421
WCA	53 726	48 008
Leave pay provision charge	192 747	108 916
Funeral benefit	18 079	17 679
Pension	3 119 536	3 103 546
Housing benefits and allowances	561 200	556 145
	32 844 132	31 942 116

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
15. General expenses		
Audit fees: External	601 292	567 310
Audit fees: Internal	385 122	171 480
Advertising	249 667	149 517
Audit committee fees	132 104	145 447
Bank charges	31 910	33 774
Cleaning	73 570	94 244
Grant expenditure	2 274 774	3 952 362
Education programme functions	215 141	147 709
New displays expenses	45 089	34 036
Entertainment	8 396	2 288
Insurance	309 776	274 750
Council fees	782 379	614 912
Fuel and oil	463 334	161 554
Operating lease expenses	51 553	45 577
Printing and stationery	104 657	147 417
Purchases	34 587	26 636
Repairs and maintenance	861 382	688 964
Security	62 436	65 747
Subscriptions and membership fees	747 208	370 740
Telephone and fax	133 973	97 763
Transport: other	31 696	6 071
Staff training	110 982	206 548
Assets expensed	1 256	299
Uniforms	57 478	44 674
Accommodation	123 782	103 949
Chemicals and consumables	55 049	51 691
Tools	4 807	-
Sundry expenses	144 176	22 527
Services-In-Kind: Deemed rental	5 538 987	11 232 660
Municipal charges	5 041 898	4 263 524
Parking	251 818	197 664
LAN expense	137 715	111 628
Equipment Storage	37 510	28 761
	19 105 504	24 062 223
16. Cash generated from operations		
Deficit	(1 570 996)	(1 135 961)
Adjustments for:		
Depreciation and amortisation	1 151 793	1 359 132
Loss on sale of assets and liabilities	(1 275)	(7 152)
Movement in leave provision	14 863	74 928
Changes in working capital:		
Inventories	157	6 486
Trade and other receivables	(1 149 050)	113 848
Trade and other payables	(1 677 257)	1 532 821
	(3 231 765)	1 944 102

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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17. Financial instruments disclosure

Overview

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

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

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

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

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

Credit risk

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

Trade and other receivables

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

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

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

Investments

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

Liquidity risk

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

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

Trade and other payables

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
17. Financial instruments disclosure (continued)		
Categories of financial instruments		
2023		
Financial assets		
		At cost
Trade and other receivables excluding prepayments (Note 7)		1 548 961
Cash and cash equivalents (Note 8)		295 685 828
		297 234 789
Financial liabilities		
		At cost
Trade and other payables (Note 12)		306 715
2022		
Financial assets		
		At cost
Trade and other receivables (Note 7)		743 259
Cash and cash equivalents (Note 8)		237 586 006
		238 329 265
Financial liabilities		
		At cost
Trade and other payables (Note 12)		2 231 592

Financial instruments in Statement of financial performance**Market risk**

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

Currency risk

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

Interest rate risk

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

Fair values

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
18. Commitments		
Authorised capital expenditure		
UPGRADING AND CONVERSION OF THE OLD ST ANNE'S HOSPITAL BUILDING TO THE NEW KWAZULU-NATAL MUSEUM PROJECT		
• Professional Consultancy Services - Principal Agent	22 792 528	22 846 520
Not yet contracted for and authorised by members		
• Project management services	4 278 266	-
• Facilities management services	640 320	-
	4 918 586	-
Total capital commitments		
Already contracted for but not provided for	22 792 528	22 846 520
Not yet contracted for and authorised by members	4 918 586	-
	27 711 114	22 846 520

Total commitments**Total commitments**

Authorised capital expenditure	27 711 114	22 846 520
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The project entails upgrading and altering the Old St Anne's Hospital building to make it conducive for the relocation of the KwaZulu-Natal Museum to the property. This entails the construction of purpose-built museum facilities such as exhibition/display areas, collections storage facilities, education/ lecture facilities and other support facilities. Adequate parking with landscaping will be provided within the rest of the site.

The purpose of the project is to construct a purpose-built natural and cultural history museum to fully relocate the existing KwaZulu-Natal Museum and thus address the problem of limited space and parking.

At the reporting date, the KwaZulu-Natal Museum had a commitment outstanding in respect of the professional consultancy services - principal agent, the contract commenced on 05 March 2020. The contract has a term that extends until the conclusion of the project and the total value of R24,553,985.

LEASE COMMITMENTS: OPERATING LEASES

At the reporting date, the KwaZulu-Natal Museum had commitments outstanding under a non-cancellable operating lease, which fall due as follows.

Minimum lease payments due

- within one year	45 468	41 394
- in second to third year	50 806	29 227
	96 274	70 621

19. Contingent Liabilities

The Museum is currently in dispute with the Department of Public Works and Infrastructure in relation to shared services (Municipal utilities) to the value of R1, 605,280.

The matter is currently at the hands of the national departments (DSAC & DPWI) and at reporting date there is no indication of the timing of the settlement of this dispute.

Description	2023	2022
Dispute on shared services (Municipal utilities)	1 605 280	1 605 280

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
20. Related parties		
Relationships		
Controlling entity	The Department of Sport, Arts and Culture National, is the controlling entity of the KwaZulu-Natal Museum. It provides a monthly operational grant.	
Property owner	The Department of Public Works and Infrastructure is the legal owner of land and buildings occupied by the KwaZulu-Natal Museum at no consideration.	
Non-Executive Directors	Council Members are the Non-Executive Directors appointed by the Minister of Sport, Arts and Culture to oversee and ensure good corporate governance. Council has various subcommittees such as the Finance and Procurement, Audit and Risk, Human Resources and Remuneration Committee and the Institutional Advancement and Ethics Committee that guide and assist management which is appointed by Council.	
Related party transactions		
The fair values of the benefit received has been recognised as Services in Kind in the statement of financial performance.		
Deemed rental	5 538 987	11 323 660
Receipt transactions from DSAC		
Grant received	36 470 000	35 196 000
Municipal charges	5 281 000	4 640 000
Parking	303 000	293 000
New museum project	47 417 795	105 000 000
Facilities management	1 000 000	-
	90 471 795	145 129 000

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description

20. Related parties (continued)

Members' Remuneration

Council members

2023

Name	Council Meetings Attended	Sub-committee Meetings Attended	Total Meetings Attended	Honorarium	Travel reimbursement	Total
Kunene, Ms. K. (Chairperson)	7	18	25	173 694	1 458	175 152
Dantile, Dr. F.	6	10	16	73 482	726	74 208
Dlamini, Mr. S.	6	11	17	45 398	505	45 903
Magaqa, Adv. S	6	12	18	86 721	-	86 721
Mfuphi, Mr. L.	6	7	13	-	-	-
Noge, Mr. M.	6	9	15	39 358	-	39 358
Ramagoshi, Ms. M	5	8	13	53 532	-	53 532
Robinson, Ms L.	6	12	18	45 610	500	46 110
Stobie, Prof. B	6	18	24	75 680	435	76 115
	54	105	159	593 475	3 624	597 100

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

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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20. Related parties (continued)**2022****(1 September 2021 - 31 March 2022)**

Name	Council Meetings Attended	Sub Committee Meetings Attended	Total Meetings Attended	Honorarium	Travel Reimburseme nt	Total
Kunene, Ms. K. (Chairperson)	3	5	8	65 379	-	65 379
Dantile, Dr. F.	3	5	8	31 356	-	31 356
Dlamini, Mr. S.	2	4	6	26 130	-	26 130
Magaqa, Adv. S.	3	4	7	37 640	3 977	41 617
Mfuphi, Mr. L.	2	4	6	27 872	-	27 872
Ramagoshi, Ms. M	1	4	5	10 452	-	10 452
Noge, Mr. M.	2	2	4	13 936	-	13 936
Robinson, Ms. L.	3	4	7	31 356	-	31 356
Stobie, Prof. B.	3	4	7	31 356	-	31 356
	22	36	58	275 477	3 977	279 454

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
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20. Related parties (continued)**2022**

(1 April 2021 - 31 August 2021)

Name	Council Meetings Attended	Sub committee Meetings Attended	Total Meetings Attended	Honorarium	Travel Reimbursement	Total
Mazibuko, Prof. N.M. (Chairperson)	2	-	2	44 289	-	44 289
Jivan, Mr. U.	2	-	2	13 936	-	13 936
Khorommbi, Mr.TC.	2	-	2	10 452	-	10 452
Magaqa, Adv. S.	1	2	3	17 420	318	17 738
Mhlongo, Ms. N.	2	4	6	27 872	-	27 872
Musundwa, Ms. S.	2	3	5	17 420	-	17 420
Nkosi, Dr. N.	2	2	4	17 420	119	17 539
Ramagoshi, Ms, M.	1	1	2	13 936	-	13 936
Stobie, Prof. B	2	4	6	26 838	-	26 838
	16	16	32	189 583	437	190 020

21. Directors' emoluments**Executive Directors****2023**

	Salary	Annual Bonus	Expense Allowances	Pension	Other Benefits	Total
Maphasa, Mr L.J.	912 826	76 208	255 356	148 278	46 331	1 438 999
Miya, Mr S.R.	742 345	62 001	194 118	160 780	12 010	1 171 254
Dlamini, Mr S.E.	630 680	52 891	-	50 857	69 917	804 345
Flanagan, Mr W.	630 680	52 891	-	51 238	38 544	773 353
Midgley, Dr J.	630 680	52 891	-	102 476	14 477	800 524
Ntombela, Mrs T.S.	630 680	52 891	-	51 238	14 477	749 286
Blundell, Dr. G.	632 452	51 700	-	51 382	12 010	747 544
	4 810 343	401 473	449 474	616 249	207 766	6 485 305

2022

	Salary	Annual Bonus	Expense Allowances	Pension	Other Benefits	Total
Maphasa, Mr L.J.	894 308	74 526	255 911	145 270	36 177	1 406 192
Miya, Mr S.R.	726 347	60 529	191 402	157 315	11 953	1 147 546
Dlamini, Mr S.E.	617 232	51 554	-	50 208	68 430	787 424
Flanagan, Mr W.	617 232	51 554	-	100 416	38 345	807 547
Midgley, Dr. J.	617 232	51 554	-	50 208	14 278	733 272
Ntombela, Mrs T.S.	617 232	51 554	-	50 208	14 278	733 272
Blundell, Dr. G.	618 975	51 483	-	50 350	11 953	732 761
	4 708 558	392 754	447 313	603 975	195 414	6 348 014

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description	2023	2022
22. Change in estimate		
Property, plant and equipment		
The useful lives of certain computer equipment have been extended by 3 years. This resulted in a net increase of R91 450 in surplus.		
The useful lives of certain equipment - other have been extended by 4 years. This resulted in a net increase of R458 891 in surplus.		
The useful lives of certain furniture - metal have been extended by 4 years. This resulted in a net increase of R4 163 in surplus.		
The useful lives of certain intangible assets have been extended by 3 years. This resulted in a net increase of R171 980 in surplus.		
The useful lives of certain vehicles have been extended to 10 years. This resulted in a net increase of R129 344 in surplus.		
Net effect on statement of financial performance		
Decrease in expenditure		
Decrease in depreciation and amortisation of assets	855 828	590 220
Net effect on statement of financial position		
Increase in property, plant and equipment		
Property, plant and equipment - Computer Equipment	91 450	159 553
Property, plant and equipment - Other Equipment	458 891	99 093
Property, plant and equipment - Furniture - Metal	4 163	7 488
Property, plant and equipment - Scientific Equipment	-	212 413
Property, plant and equipment - Vehicles	129 344	90 664
Increase in intangible assets		
Intangible assets - Software	171 980	116 117
Increase in net assets		
Accumulated surplus	855 828	590 220

The effect in future periods is not disclosed because estimating it is impracticable as the Museum revises the estimates based on results of conditional assessment which is performed annually.

23. Prior-year adjustments

It was found that adjustments were required to be made to certain balances related to the prior year and reported based on information available at the time of reporting. The accrued Audit fees: Internal expense in the Statement of financial performance, trade and other payable in the Statement of financial position.

During the prior year, the accrued expenditure relating to the Internal Audit fees was not raised as a payable due to the unavailability of the invoice at the time of reporting. The error has been adjusted and resulted in an increase in the expenditure, the trade and other payable by R70 420 and a decrease in the Net assets by R70 420.

Presented below are those items contained in the statement of financial position, statement of financial performance and statement of cash flows that have been affected by prior-year adjustments:

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

Description		2023	2022	
23. Prior-year adjustments (continued)				
Statement of financial position				
2022				
	Note	As previously reported	Adjustment	Restated
Trade and other payables		2 026 202	70 420	2 096 622
Statement of financial performance				
2022				
	Note	As previously reported	Adjustment	Restated
General expenses		12 658 169	70 420	12 728 589
Cash flow statement				
2022				
	Note	As previously reported	Adjustment	Restated
Cash flow from operating activities				
Changes in trade and other payables		1 462 404	70 420	1 532 824

24. Going concern

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

The ability of the Museum to continue as a going concern is dependent on a number of factors. The most significant of these is that the Department of Sport, Arts and Culture continue to procure funding for the ongoing operations for the Museum.

The Museum has received allocation letters from the Department of Sport, Arts and Culture (DSAC) detailing subsidy allocations which will allow the institution to function for the next three years. On the basis of the review, and in view of the current financial position, the Council has every reason to believe that the Museum will be a going concern in the year ahead and for the foreseeable future.

25. Events after the reporting date

The Council is not aware of any material event which occurred after the reporting date and up to the date of this report.

NOTES:

NOTES:

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