ANNUAL REPORT

2023/24

sport, arts & culture
Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

KwaZulu-Natal
MUSEUM

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

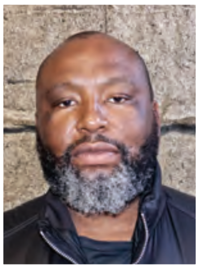
FOR THE PERIOD 01 APRIL 2023 - 31 MARCH 2024

Ms K Kunene
(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)

Adv S Magaqa
(Deputy Chairperson)
BProc (UNITRA), LLB (Wits)

Ms M Ramagoshi
Masters in Public Administration (UP), BEd, BA (UL -Turfloop), Junior Secondary Teachers Certificate (Transvaal College of Education), Homecraft Teachers CertificateTeachers Certificate

Ms L Robinson
BArch (UCT)



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

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

Mr M Noge
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)

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

Mr L Mfuphi
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 KWAZULU-NATAL 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 Manqele – 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

KWAZULU-NATAL MUSEUM STAFF

DIRECTORATE

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

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

KWAZULU-NATAL 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)

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)

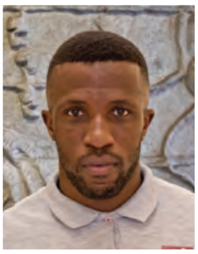
Mr S Maphumulo
Education Officer
Nat Dip (Tourism Mgt) (DIT), BA (Human & Social Studies: Comm. Dev.) (UNISA)

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)

Mr S Duma
CATHSSETA Environmental Management Intern:
BA (Environmental Planning & Development) (Unizulu) BA (Hons) (Geography) (Unizulu) (from 01 August 2023)

Ms LZ Buthelezi
CATHHSETA Tour Guiding Intern
Advanced Dip (Nature Conservation) (MUT) Nat Dip (Nature Conservation) (MUT) (from 01 August 2023)

Mr TS Mavundla
CATHHSETA Tour Guiding Intern
Advanced Dip (Ecotourism) (DUT) Nat Dip (Ecotourism Management) (DUT) (from 01 August 2023)

Ms NN Mthembu
CATHHSETA Tour Guiding Intern
Advanced Dip (Ecotourism) (DUT) Nat Dip (Ecotourism Management) (DUT) (from 01 August 2023)

Mr S Msomi
CATHHSETA Tour Guiding Intern
Nat Dip (Ecotourism Management) (DUT) (from 01 August 2023)

CORPORATE SERVICES DEPARTMENT

FINANCE AND ADMINISTRATION DIVISION

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

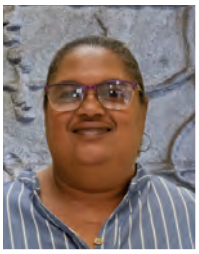
Mr M Myeza
Contract Finance &
Special Projects Officer
B Com Accounting
(Univ. of the Western Cape)

Mrs NP Gumede
Director's Personal Assistant
Dip Office Admin (Varsity College),
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 (Varsity College)



Mrs LP Molefe
Human Resource Officer
Dip Office Admin (Varsity College),
Dip in Payroll (Payroll Education)

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 Resources
(Elangeni TVET College)

Ms T Gumede
Administrative Assistant
Nat Dip (PR & Communications Management) (DUT);
BTech (PR & Communications Management) (DUT) Post Grad Dip. (HRM) (UKZN)

KWAZULU-NATAL MUSEUM STAFF

LIBRARY

Mrs V Dlomo-Mtshare
Chief Librarian
BSoc Sc (Natal), AUDIS (Natal),
BBibl (Hons) (UKZN)

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

Ms TC Makhaye
Library Assistant

Mr N Molotsoane
Contract Learners Resource
Centre Officer
(until 28 November 2023)

Ms L Zungu
Contract Learners Resource
Centre Officer
(from 01 December 2023)

KWAZULU-NATAL MUSEUM STAFF

PUBLIC RELATIONS DIVISION

Mrs V Frank
PR/Marketing Executive
Nat Dip (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 SN Hadebe
CATHSSETA Sales & Marketing Intern
Advanced Dip (Marketing) (MUT) (from 01 August 2023)

KWAZULU-NATAL MUSEUM STAFF

TECHNICAL DIVISION

Mr R Maharaj
Chief Technical Officer

Mr ES Rampersad
Technical Officer
N2 Electrical Trade (FET)

Mr GB Zulu
Technical Officer
N2 Electrical (FET)

Ms NI Xaba
Senior Maintenance Officer
(until 31 May 2023)

Mrs ED Mnikathi
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)

Mrs L Maphumulo
Maintenance Officer
Nat Dip (Human Resources Management) (DUT) (from 01 June 2023)

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

Ms NTI Gwamanda
CATHSSETA
Health & Safety Intern
Nat Dip (Safety Mgt) (UNISA) Dip in Engineering (Umgungundlovu TVET) (from 01 August 2023)

KWAZULU-NATAL 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 Laue
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
BHCSc Heritage and Cultural Tourism (UP), BA (Hons) (Archaeology) (VENDA)

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

Ms D Tlhoaele
Research Technician
BSc (Archaeology) (UCT), BSc (Archaeology) (Hons) (UCT)

Ms NO Shabalala
NRF Intern
(Anthropology & Criminology) (UKZN), BSS (Anthropology) (Hons) (UKZN) (until 30 September 2023)

Ms Z Daniels
HSRC Intern
BA (General) (Sol Plaatje University) (from 01 August 2023)

Ms TT Langa
HSRC Intern
BSS (Geography and Environmental Management) (UKZN) BA (Hons) (Anthropology) (Unizulu) (from 01 September 2023)

Mr S Mchunu
HSRC Intern
BA (Cultural and Heritage Tourism) (UKZN) BA (Hons) (Cultural and Heritage Tourism) (UKZN) (from 01 August 2023 until 31 August 2023)

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 (Oligochaeta)
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) (UKZN)

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

Mr M Ally
NRF Intern
BSc (Biological Science) (UKZN) (until 30 September 2023)

Ms SN Zondi
HSRC Intern
BSc (Biological Science) (Wits) (from 01 August 2023)

NATURAL SCIENCES DEPARTMENT

MALACOLOGY DIVISION

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

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

Dr G Theron
Research Assistant
BSc (Biodiversity & Ecology) (Univ. of Stellenbosch), BSc (Biodiversity & Ecology) (Univ. of Stellenbosch), MSc (Botany) (Univ. of Stellenbosch), PhD (Ecology) (UKZN) (until 29 December 2023)

Ms K. Hunter
Research Assistant
(1st November 2023 until 31st December 2023)

NATURAL SCIENCES DEPARTMENT

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) (until 31 October 2023)

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

Mr V Mbele
Maintenance Officer

Mr M Mokoena
Maintenance Officer
N6 Engineering Studies

Mr A Mtshetsha
Exhibitions Assistant
Nat Diploma (Fine Art) (Walter Sisulu University) (from 01 April 2023)

Mr MX Mthembu
CATHSSETA Digital Art Intern
BA (Visual Arts) (UKZN) (from01 August 2023 until 12 January 2024)

KWAZULU-NATAL MUSEUM STAFF

LONG SERVICE AWARDS

Mr SE Dlamini
15 years

Mrs VS Dlomo-Mtshare
15 years

Mr PM Madonda
15 years

Dr I Muratov
15 years

Mrs TS Ntombela
15 years

Mr ES Rampersad
15 years

Mr SN Maphumulo
10 years

Mr MF Munzhedzi
10 years

Mrs ED Mnikathi
10 years

Ms P Zondi
10 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

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
- ARC: Audit and Risk Committee
- CRM: Customer Relations Management
- CSD: Central Supplier Database
- DSAC: Department of Sport, Arts and Culture
- HR: Human Resources
- KZN: KwaZulu-Natal

1.3 Foreword by the Chairperson

ADV. M.J. RALEFATANE

CHAIRPERSON

Introduction

Honourable Minister, I proudly present the KwaZulu-Natal Museum Annual Report of the 2023/2024 financial year.

The KwaZulu-Natal Museum is an entity of the Department of Sport, Arts and Culture (DSAC); 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. Its mandate is to preserve and promote both the natural and cultural artefacts that are representatives 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, it 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".

Subsequent Event

The KwaZulu-Natal Museum was amalgamated with Ditsong Museums of South Africa on 24 May 2024. The Council of the Ditsong Museums of South Africa was retained as the Accounting Authority of the amalgamated entity.

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, its 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 2023/2024 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 KwaZulu-Natal Museum during this period included:

- ***Improved Research Outputs***

  The KwaZulu-Natal Museum continued to be a centre of research excellence. Research publications and presentations saw another consecutive yearly increase during this period. This was a result of hard work from research staff, including increased data collection through fieldwork. Sixteen (16) scientific papers were published in SAPSE approved journals. Staff also participated in over 30 conference presentations. The KwaZulu-Natal Museum's journals continued to provide the main platform of communicating results of original research and their contribution to national priorities.

  The KwaZulu-Natal Museum has seen a significant increase in visitor numbers and online audiences. It has played a big role in youth development in the natural and human sciences field through mentorship of 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 awareness programmes for 2023/2024 were very effective and successful. The implementation of virtual programmes enabled the Museum to increase its public outreach programmes in a substantive manner. Staff participated in various initiatives where they interacted with large groups of learners and the public to educate and raise awareness about natural and cultural heritage. More than 1.8 million people were reached through online digital platforms. Eleven temporary exhibitions were produced and over 40 media pieces and engagements were done.

- ***Improved Compliance***
  The KwaZulu-Natal 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 committees 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 KwaZulu-Natal Museum obtained a sixth successive clean audit from the Auditor-General (AG) on its 2023/2024 Annual Financial Statements.

Strategic Relationships

Various collaborations took place between the KwaZulu-Natal 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 KwaZulu-Natal Museum and Ezemvelo-KZN Wildlife continued to provide the Museum with access to state of the art research facilities. The Museum also has collaborations and MoUs with renowned tertiary education institutions such as the University of Cape Town (UCT), University of KwaZulu-Natal (UKZN) and Wits University (Wits).

The KwaZulu-Natal 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 Museum. The partnership and MoU with UKZN allowed the Museum to send staff for training at the UKZN at no cost to the Museum. Museum staff also benefitted from participation in the Natural Sciences Collections Facility (NSCF) of the South African National Biodiversity Institute (SANBI) and the National Research Foundation (NRF). Staff attended several training programmes in curation and conservation management that were organised by the NSCF. The collaboration saved the Museum more than R200 000 that would have been due had staff been required to pay for some of the projects.

The KwaZulu-Natal Museum was requested by the Zulu Royal House to lead the 110 year commemoration of the legacy of King Dinuzulu kaCetshwayo. The Museum collaborated with Afriforum, Indonsa Yesizwe and KwaZulu-Natal Archives in the planning and implementation of various activities that ended with a formal lecture that commemorated the role of King Dinuzulu KaCetshwayo in the struggle for the emancipation of the Zulu Nation from the English oppression.

During this reporting period, the Museum raised R962 000 for natural and human sciences research and collections management, an increase of almost 100% from the previous year.

Four (4) Heritage Assets Reports were approved during the 2023/2024 financial year. These reports are an important tool for Council to monitor the management of the valuable heritage assets held in trust on behalf of the country.

Challenges Faced by the Council

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

Council is tasked with overseeing the implementation of government priority outcomes. This has been complicated as funding continues to decline and entities like the KwaZulu-Natal Museum struggle to recruit competent staff. The KwaZulu-Natal Museum's 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 ongoing electricity problems the country is experiencing is also a major threat to the growth and success of museum programmes, especially collections management and in-house public engagement programmes. Unless these challenges are resolved, many of the Museum's programmes will come to a halt. During the reporting period, the Museum had to spend over R210 000 on diesel for the backup generator.

Strategic Focus over the Medium to Long-term Period

The term of office of the previous government ended in May 2024, and a new administration has taken over. It is important that there is proper alignment of the Museum's programmes to those of the Executive. The Museum needs to work closely with other entities to develop programmes that educate and empower the youth, and promote 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 programmes that address government priority programmes 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 provided much needed advice and oversight to the work of the Project Steering Committee responsible for the New Museum Project. Council approved reports that completed Stages 1 and 2 of the project. The updated designs and costing of the project were also approved. The next four full 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 the KZN 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 Museum's heritage programmes, the celebration of national days, enhancement of government priorities and savings on operational costs. The Museum is in a good position to sustain its internship programmes and thereby 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. 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 the previous Council for dedication to their work and responsibly providing oversight and support to the KwaZulu-Natal Museum. I also 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 throughout the financial year. I thank DSAC officials for the support and confidence shown in guiding the Museum to be one of the leading entities in preserving and promoting South Africa's diverse and rich heritage for current and future generations. Finally, I thank you Honourable Minister for the support and encouragement you have provided to the Museum and the sector since joining DSAC. We look forward to constructive engagements in future.

Adv. M.J. Ralefatane
Chairperson
Date: 26 August 2024

1.4 Directors Overview

MR LUTHANDO MAPHASA

DIRECTOR

I am pleased to present the 2023/2024 Annual Report of the KwaZulu-Natal Museum.

The 2023/2024 financial year was a successful year despite many challenges due to the lingering impact of Covid-19 and fear in the community about the potential resurgence of the pandemic. The KZN Museum continued to augment its programmes through virtual platforms. There was great improvement in the achievement of many objectives because of the dropping of Covid-19 restrictions and the return to full-time working from offices for all staff. Despite many financial challenges, the KZN Museum had a very successful year, and performance was closer to pre-pandemic levels. Unfortunately, the unstable electricity supply and natural disasters like floods continued to negatively impact performance.

The KZN Museum was greatly honoured to be part of the coronation of the new Zulu King, His Majesty King Misuzulu kaZwelithini during the 2022/2023 financial year. Museum officials subsequently visited one of the Zulu royal palaces, Kwakhangelamankengane Royal Palace, on invitation of Inyosi uMdletshe who introduced them to His Majesty in April 2023. His Majesty showed great interest and congratulated the KZN Museum for its role in promoting social cohesion and national identity, especially in upholding the heritage of the AmaZulu nation. After a halt of three years due to the Covid-19 pandemic, the Museum's research on the rise of the Zulu Kingdom resumed during the review period. This research will lead to an exhibition that will showcase the traditions and cultures that have shaped the Zulu nation. The exhibition will be opened by His Majesty King MisuZulu kaZwelithini.

The KZN Museum joined AfriForum and Indonsa Yesizwe to commemorate the legacy of King Dinuzulu kaCetshwayo by jointly cleaning the cemetery where his family members are buried. Personnel from the KZN Museum and KZN Archives also participated in the project on the farm of Rietfontein, in the district of Middelburg, Mpumalanga where King Dinuzulu passed on 18 October 1913. The KZN Museum then hosted a public lecture and seminar with traditional leaders to commemorate the 110 years since King Dinuzulu's death.

On 26 April 2023, the KZN Museum honoured one of its greatest researchers and former Director and leading entomologist, Dr John Londt with a lecture to celebrate his 80th Birthday and over 50 years of active research. A special journal of African Invertebrates, 64(2): 2023, the Festschrift for Jason Gilbert Hayden Londt was published in celebration of his work. Dr Londt continues to publish in both scholarly journals and popular publications. His regular columns in the local newspaper, The Witness, continue to educate the public about the role of entomology in ecology, food production and environmental conservation.

The 2023/2024 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 sixteen (16) scientific research papers from the planned target of eight (8) by both natural and human sciences departments. Staff were able to almost double their presentations outputs compared to the previous financial year, with over twenty-nine (29) conference presentations. This was due to an increase in research funding utilization compared to the previous year when some Covid-19 restrictions were still in place at the beginning. Funding for scientific research reached R1 598 000 during this period, a threefold increase from the previous year. 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 substantial growth during this period. Participation in the education and outreach programmes grew from 15 000 in the 2022/2023 financial year to 47 000 in the 2023/2024 financial year. Fifty-eight (58) schools participated in the outreach programmes during the 2023/2024 financial year, proving the relevance and alignment of the Museum's programmes with the schools' learning programmes. Other public and/or edutainment programmes like the Night at the Museum and the Holiday Programme were all sold out.

Financial Overview

Spending Trends

The continued use of virtual platforms, introduced during the Covid-19 restrictions, -led to the successful implementation of programmes such as Freedom Day, Africa Month and Youth Month programmes aimed at promoting social cohesion and nation building. In 2023/2024, all national days were commemorated both physically and virtually. The hybrid system allowed more people to participate in these programmes. The online audience reached through digital platforms grew from 300 000 to 1 800 000 in 2023/2024.

During this financial year, grant income increased by 4.8%, while total income grew by 67.9%. Economic challenges causing rising inflation have made it difficult for the Museum to generate operational income, leading to escalating expenditure costs. In the 2023/2024 financial year, the ratio of operational costs versus staff compensation costs reached 0.4:1. Despite the challenges faced, we are proud at the success of the Museum's research programmes during this financial year. Research collaboration remained strong and provided opportunities for training and growth for staff and youth interns through various sponsorships.

While cost saving measures led to savings, governance and compliance costs remained high. Additional measures to reduce these costs were implemented at the beginning of the 2024/2025 financial year.

Capacity Constraints and Challenges

The lack of realistic increases in grant funding continued to hinder the Museum's ability to fully implement the approved organogram needed to fulfill its mandate and government priorities. Marketing and fundraising programmes were severely limited due to staff shortages and limited funding. Progress was made on the New Museum Project but its implementation over four years starting from this financial year, limited the Museum's ability to generate income through edutainment programmes. Funds had to be reprioritized to meet key Museum and government goals.

Due to ongoing electricity shortages, the Museum had to rely on a back-up generator to maintain appropriate temperature and humidity levels in its heritage collections storerooms costing R210 000.

In the 2023/2024 financial year, the KwaZulu-Natal Museum provided job opportunities to twelve (12) interns whose stipends were paid either through direct savings from the Museum's budget or research income. This was a slight increase from the seven (7) interns employed in the 2022/2023 financial year.

Discontinued key activities/activities to be discontinued

None of the Museum programmes were discontinued during the 2023/2024 financial year. The use of a hybrid system ensured that all programmes could be undertaken with the limited budget.

New/Proposed key activities

The KwaZulu-Natal Museum requires additional funding to continue with the digitization of its collections. Funds are needed for outreach programmes and the development of a virtual museum. The Museum also needs to invest in advanced technology to 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 prevention of various social ills like xenophobia, gender-based violence, racism and others. Creating economic/job opportunities is vital for promoting of social cohesion. The KZN Museum needs funding to sustain the employment of heritage practitioners.

Request for roll over of funds

No operational funds need to be rolled over. Project specific funds that need 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 to address 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 facing a difficult period as funding is being reduced while costs continue to grow. The Museum is preparing a submission to the Department of Sport, Arts and Culture (DSAC) to review its allocation so that core functions can be undertaken more effectively. The shortage of funding will result in the loss of scarce skills 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 -to 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 were developed to ensure they do not re-appear.

I am truly grateful to all staff for their hard work and dedication that resulted in the Museum achieving six successive clean audits.

Outlook and plan for the future to address financial challenges

The KwaZulu-Natal 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 knowledge systems and traditions
- Improving marketing and collaborations
- Improving income generating programmes like holiday programmes
- Improving ability to monitor regular financial performance
- Implementing monthly cost-cutting measures
- Promoting holding of virtual meetings
- Promoting research income generating measures and collaboration.

Events after the reporting date

The decrease in financial allocation for the 2024/2025 financial year is concerning. The non-approval of utilising interest generated from infrastructure funds to reimburse diesel expenses for the 2023/2024 financial year resulted in the reprioritization of R210 000 from public programmes and core functions.

Economic Viability

At its meeting on 30 July 2024, the Council of the Ditsong Museums of South Africa (DMSA), as the new Accounting Authority of the KwaZulu-Natal Museum, approved the audited Annual Financial Statements and the Audit Report of the 2023/2024 financial year. With the changes caused by the amalgamation of the KZN Museum to the DMSA, it is difficult to assess the future economic viability until all aspects of the merger are clarified. Council was grateful to management for ensuring that the Museum obtained another clean audit report. Despite the challenges that have been raised, significant progress was achieved during the 2023/2024 financial year to ensure that the Museum remains a going concern.

Acknowledgements

I want to thank the Council Chairperson and Council members for the support and guidance provided 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 staff of the DSAC for their support and guidance. I look forward to their support and continued presence in this *"never ending journey of discovery".*

Mr Luthando Maphasa
Director
Date: 26 August 2024

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.

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 2024.

Yours faithfully

Mr L.J. Maphasa

Director

Adv. M.J. Ralefatane

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

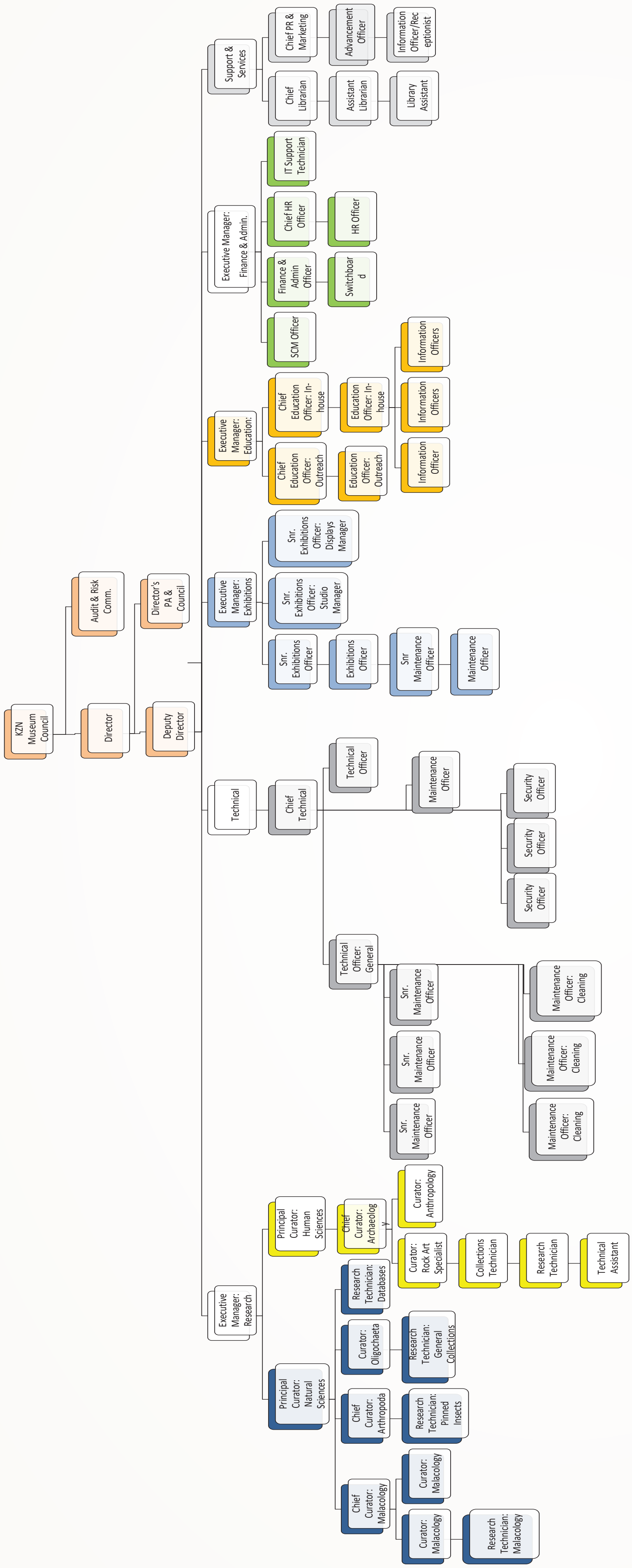
The KwaZulu-Natal Museum's core values are:

- 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 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 material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 60 for the Report of the external auditor, published as Part F: Financial information of this KwaZulu-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.

KwaZulu-Natal Museum, a centre for knowledge and innovation, promotes lifelong learning by providing access to its collections and research. With an affordable pricing, including free entry to the senior citizens and infants, it ensures accessibility for all, particularly the youth and economically disadvantaged. The Museum's education programs, aimed at school-going youth, marginalized communities, and out-of-school youth, contribute to improving the country's basic education outcomes. KwaZulu-Natal Museum also prepares young people for the workforce through internships and mentoring, hosts students and researchers, and supports staff members' tertiary education. The Museum has signed a Memorandum of Understanding with the University of KwaZulu-Natal that allows the Museum staff free postgraduate studies at this institution. These initiatives, along with the Museum's high-level research outputs, contribute to the economy in various ways. The Museum was able to achieve 95% 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 3 – Design Development (Detailed Design).

2.3 Key Policy Developments and Legislative Changes

The following policies and guidelines were reviewed and approved by Council during the year under review:

- Service Fees Guidelines
- Fraud Prevention Plan
- Financial Procedures Manual
- Health And Safety Policy
- Capacity Management Policy
- Property Plant and Equipment Policy
- Supply Chain Management Policy.

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 2024-2025 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 Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from planned target to Actual Achievement for 2023/24	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.	Maintain good financial and corporate governance: Prepare and submit Museum Strategic Plan, Annual Budget, Quarterly Reports, Annual Financial Statements, ENE and MTEC databases and Annual Report. Hold regular Council and Audit & Risk committee meetings.	Prepared and submitted Annual Budget, Quarterly Reports, Annual Financial Statements, ENE and MTEC databases and Annual Report. Held regular Council and Audit & Risk committee meetings.	Museum strategic plan was not submitted during the 2023/24 financial year.	The strategic plan was not due at this time. IT will be prepared and submitted once submission date is determined by the 7th administration.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
Increased appreciation of the country's rich heritage.	Visitor numbers.	Visitor numbers.	34 298 visitors.	66 838 visitors.	80 000 visitors.	74 956 visitors.	Under achieved by 5 044 visitors.	The Museum faces challenges with parking in the city centre as well as safety concerns. Water supply issues sometimes led to closure. The economic downturn is also affecting visitor spending and tourism generally.
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.	1 105 121 people.	1 556 045 people.	300 000 people.	1 833 510 people reached.	1 533 510 more people reached than targeted.	Intense efforts to market and promote the Museum and its activities led to increased popularity of the Museum.

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 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\4
	Number of items added to collections.	

Outcome	Sub-Programme	Purpose
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 Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
Improved Research Output	Publish research in scholarly journals and books.	Number of articles / chapters published.	16 original research papers.	14 original research papers.	8 Original research papers.	16 Original research papers.	A positive variance of 8 research papers.	Additional opportunities to Publish more papers presented themselves.
	Present research in talks, posters and discussions at conferences, lectures, seminars and workshops.	Number of research papers presented at conferences.	18 Presentations.	32 Presentations.	8 Presentations.	37 Presentations.	A positive variance of 29 presentations.	Large projects undertaken resulted in multiple opportunities to showcase our research.
	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

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
	Collaborations.	Number of collaborations.	39 Collaborations	33 Collaborations	16 Collaborations.	18 Collaborations.	A positive variance of 2 collaborations.	Deviation is not material.

Published Articles

1. Laue, G. (translated by Xia Luo, Bo Xiao) 岩画、区域性和民族志：南部非洲岩画的口化 (ROCK ART, REGIONALITY AND ETHNOGRAPHY: VARIATION IN SOUTHERN AFRICAN ROCK ART) Journal of Rock Art 2(1); 69-78 https://jora.org.my/1jra2023-69-78/.
2. Owens, L.S., Thorp, C. & Whitelaw, G. Human remains from Ntshekane, an Early Iron Age site in central KwaZulu-Natal; Southern African Humanities 36: 201-24 https://sahumanities.org/index.php/sah.
3. Becher et al. (Whitelaw for KZNM). (2024) (Online in 2023) Multi-purpose pots: Reconstructing early farmer behaviour at Lydenburg Heads site, South Africa, using organic residue analysis Journal of Archaeological Science Vol. 161: 105894.
4. Wadley, L., Biemond, W., Laue, G., Sievers, C., Thorp, C., & de Kock, M. (2023). Woodstock Rocks: From Acheulean to Iron Age in the Waterberg, Limpopo Province, South Africa. Southern African Field Archaeology 18.
5. Whitelaw & Mazel. Oxford Research Encyclopedias of African History_Past 2000 years in KZN.
6. Midgley, J.M., Bellingan T.A., Jordaens, K., (2023a) Description of the female of the hover fly species Spheginobaccha pamela Thompson & Hauser (Diptera: Syrphidae: Microdontinae). Studia dipterologica Supplement 23: 255–263.
7. Szpila, K., Williams, K., Soszynska, A., Ekanem, M., Heyns, M., Daba Dinka, M. and Villet, M. (2023) Key for the identification of third instar larvae of African blowflies (Diptera: Calliphoridae) of forensic importance in death investigations. Forensic Science International. DOI https://doi.org/10.1016/j.forsciint.2023.111889.
8. Muratov IV (2024) Life of a specialised and a non-specialised carnivore: Comparative behaviour and functional morphology of two species of terrestrial molluscs (Gastropoda: Rhytididae) in South Africa. Indago 41: 1–13. https://doi.org/10.5281/zenodo.10884902.
9. Midgley, J.M., Muller, B.S., Theron, G.L., et al (2023) The Diptera of Lesotho: a history of collecting in the Mountain Kingdom, summary of recent collecting sites and introduction to the topical collection in African Invertebrates. African Invertebrates 64:207-219.
10. Midgley, J.M., Muller, B.S., (2023) Description of the female of Atherimorpha latipennis Stuckenberg (Diptera, Rhagionidae): the first record of brachyptery in Rhagionidae. ZooKeys 1178:265–277. https://doi.org/10.3897/zookeys.1178.107357.
11. Shaw-Bonner, K., Theron, G.L., Adedoja, O., Bester, C., Geerts, S., (2023) The importance of wild pollinators for indigenous crop pollination: The case of Cyclopia (honeybush) South African Journal of Botany 161:281-292.
12. McCarren, S., Johnson, S.D., Theron, G.L., Coetzee, A., Turner, R. & Midgley, J. (2023) Flower orientation and corolla length as reproductive barriers in the pollinator-driven divergence of Erica shannonea and Erica ampullaceal Plant Biology.
13. Dikow, T., Midgley, J. (2023) Jason G. H. Londt: A giant of South African entomology. African Invertebrates 64: 13–40. https://doi.org/10.3897/afrinvertebr.64.105050.
14. Williams, K.A., Steenkamp, J.C. & Snyman, L.P. (2023) Beyond Asilidae: The collecting effort of Dr Jason Londt as represented by non-Asilidae Diptera, Hemiptera and Mecoptera, housed in the KwaZulu-Natal Museum, South Africa. African Invertebrates 64(2): 79-84.

15. Midgley, J., Bellingan, T., Jordaens, K. (2023) A revision of the hover fly genus Amphoterus Bezzi, 1915 (Diptera, Syrphidae) with the description of one new species. African Invertebrates 64: 149–163. https://doi.org/10.3897/afrinvertebr.64.100481

16. Midgley, J.M., Bellingan, T.A. (2023) Notes on the Bittacus (Mecoptera, Bittacidae) of Mozambique, with the description of a new species. African Invertebrates 64: 95–107. https://doi.org/10.3897/afrinvertebr.64.85542.

Conference Presentations

1. Wintjes, J. & Draper, J. Isivivane: An art project at the KwaZulu-Natal Museum Obliterate Workshop, Origins Centre, Wits University.
2. Nxele, T., & Mwabvu, J. Earthworms in sugarcane. South African Society for Systematic Biology (SASSB).
3. Jordaens, K., Bellingan, T.A., Goergen, G., et al (2023) Taxonomic and ecological knowledge gaps in Afrotropical hover flies (Syrphidae). In: Tenth International Congress of Dipterology. Reno, p90.
4. Jordaens, K., De Meyer, M., Goergen, G., et al (2023) Overview of recent achievements in hover fly (Syrphidae) taxonomy and phylogeny. In: Tenth International Congress of Dipterology. Reno, p89.
5. Jordaens, K., De Meyer, M., Van Nuffel, M., et al (2023) Overview and guide to Diptera trainings in sub-Saharan Africa. In: Tenth International Congress of Dipterology. Reno, p88.
6. Jordaens, K., Midgley, J.M., Ellis, A.G., et al (2023) The Diversity of Pollinating Diptera in African Biodiversity Hotspots project. In: Tenth International Congress of Dipterology. Reno, p91.
7. Midgley, J.M., Muller, B.S., (2023) The female of Atherimorpha latipennis Stuckenberg, the first record of brachyptery in the Rhagionidae. In: Tenth International Congress of Dipterology. Reno, p142.
8. Midgley, J.M., Muller, B.S., Jordaens, K., et al (2023) The Diptera of Lesotho: A special issue in the journal African Invertebrates. In: Tenth International Congress of Dipterology. Reno, p141.
9. Swart, V.R., Midgley, J.M., Muller B.S., Haddad, C. (2023) Two new species of the wormlion genus Vermilynx Stuckenberg (Diptera: Vermileonidae), from the Northern and Western Cape Province, South Africa. In: 23rd Congress of the Entomological Society of Southern Africa. Stellenbosch, p151.
10. Mosime, B., van der Niet, T., Jordaens, K., Midgley, J. M. (2023) DNA Barcoding and morphological analysis confirm that the Afrotropical Syritta bulbus is a species complex (Diptera: Syrphidae). In: 16th South African Society for Systematic Biology Conference. Stellenbosch.
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15. Muller, B.S., Jordaens, K., Midgley, J.M. (2023) Niche-modelling for Afrotropical hoverflies (Diptera, Syrphidae): a case study using the invasive species Toxomerus floralis. In: 10th International Congress of Dipterology. Reno.
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19. Midgley, J.M., Muller, B.S., Jordaens, K., et al (2023) The Diptera of Lesotho: A special issue in African Invertebrates. In: 23rd Congress of the Entomological Society of Southern Africa. Stellenbosch, p141.

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21. Bellingan, T.A., Midgley, J.M., Jordaens, K. (2023) Spheginobaccha pamela Thompson & Hauser, additional locality records and description of the female. In: 23rd Congress of the Entomological Society of Southern Africa. Stellenbosch, p209.
22. Bellingan, T.A., Midgley, J.M., Goergen, G., Jordaens, K. (2023) Biological observations of the larvae of Meromacroides meromacriformis (Bezzi). In: 23rd Congress of the Entomological Society of Southern Africa. Stellenbosch, p208.
23. Theron, G.L., Ellis, A.G., Anderson, B.C., Pauw, A., Johnson, S.D. & van der Niet, T. (2023) Labile proboscis length evolution in a lineage of flower-visiting flies (Nemestrinidae). 23rd Congress of the Entomological Society of Southern Africa.
24. Theron, G.L., Diller, C., Castañeda-Zárate, M., Barker, C., Klumpers, S., Geerts, S., Johnson, S.D. (2023) Generalised pollination of Nerine laticoma in the Kalahari. 23rd Congress of the Entomological Society of Southern Africa.
25. Snyman, L.P., Penning, K.E. & Williams, K.A. (2023) The first reported case of accidental intestinal myiasis in a domestic dog by the flesh fly, Sarcophaga africa (Wiedeman) (Sarcophagidae). 10th International Congress of Dipterology.
26. Williams, K.A. & Snyman, L.P. (2023) Challenges in identifying Afrotropical horse flies of the genus Atylotus (Osten-Sacken) (Tabanidae). 10th International Congress of Dipterology.
27. Nxele, T. & Mwabvu, T. (2023) Earthworms in sugarcane. South African Society for Systematic Biology (SASSB), Stellenbosch, 5-7 July.
28. Whitelaw, G. (2023) Silver Leaves and related facies in KwaZulu-Natal Society of Africanist Archaeologists biennial conference, Rice University, Houston, USA.
29. Wintjes, J. & Whitelaw, G. (2023) Ukuthunga izicoco: the craft of head-rings in nineteenth-century Zululand and Natal APC Research Development Workshop at UCT, 8-10 November.
30. Munzhedzi, M. (2023) The Mike Moon Collection at the KwaZulu-Natal Museum SAMA, KwaDukuza, 2-6 October.
31. Madonda, P. (2023) Museum Access and Community Engagment SAMA, KwaDukuza, 2-6 October.
32. Midgley, J. (2023) Red listing South African hover flies (Insecta: Diptera: Syrphidae): a ‘pas-de-deux’ between taxonomy and conservation The Conservation Symposium. Port Edward.
33. Manukuza, N. & Ndlovu, M. (2023) Providing equal access and inclusion in The KwaZulu-Natal Museum SAMA, KwaDukuza, 2-6 October.
34. Zamisa, S. (2023) Dataset Standards in a Museum Context SAMA, KwaDukuza, 2-6 October.
35. Ziganira, M. (2023) The Value of the Arachnida collection for research and society SAMA, KwaDukuza, 2-6 October.
36. Muratov, I. (2023) Natural History Collections: Important Source of Historical Data. SAMA, KwaDukuza, 2-6 October.
37. Nxele, T. (2023) Contribution of earthworms in soil carbon mineralization SAMA, KwaDukuza, 2-6 October.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
Curated Collections	HASC Reports.	Maintained collections to International Museum standards.	Unqualified audit outcome.	Produce 4 Heritage Assets Reports.	Produce 4 Heritage Assets Reports.	Produced 4 Heritage Assets Reports.	N/A	N/A
	Field Days.	Number of field trips conducted.	302 Field days.	382 Field days.	120 Field Days	324 field days.	A positive variance of 204 days.	Additional opportunities presented themselves because of extra funding raised.
	Collections expanded.	Number of items added to collections.	None	None	2 000 items added to collections.	2 907 items added to collections.	A positive variance of 907 items.	Collecting is hard to predict and the good summer weather resulted in many insects being caught.
Student/ Intern supervision, co-supervision and mentoring.	Postgraduates, interns supervised, co-supervised or mentored.	Number of postgraduates, interns supervised, co-supervised or mentored.	22 postgraduates, interns supervised, co-supervised or mentored.	16 postgraduates, interns supervised, co-supervised or mentored.	4 postgraduates, interns supervised, co-supervised or mentored.	12 postgraduates, interns supervised or mentored.	Positive variance of 8 students.	Some students took longer to graduate than planned and are still on the books; additional opportunities arose through HSRC funding.

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.	

Outcome	Sub-Programme	Purpose
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.
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 Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
Increased cultural and natural heritage awareness.	Temporary exhibition.	Number of Temporary exhibition produced.	6 exhibitions produced.	8 temporary exhibitions.	2 temporary exhibitions produced.	11 Temporary exhibitions produced.	Target was exceeded by 9.	Target was exceeded due to both public and an internal demand for displays.
	Permanent Exhibitions.	Number of permanent exhibitions produced.	None.	1 exhibition in progress.	1 exhibition produced.	1 exhibition produced. - The Invertebrates Gallery was completed and opened to the public on 12/10/2023.	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.	43 media pieces/ engagements.	24 pieces and/or engagements per annum.	60 pieces and/or engagements published.	A positive variance of 36 engagements.	Target was exceeded due to both public and an internal demand for publications.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
	Give public lectures, tours and organize public society events either physically or virtually.	Number of public lectures, tours or society events.	None.	45 Public lectures, tours and society events.	16 Public lectures, tours and society events.	46 public lectures, tours and society events held.	A positive variance of 30 events.	Opportunities arose that resulted in the target being exceeded. Staff are always encouraged to be active on knowledge sharing.

Temporary Exhibitions:

African Textiles Exhibition for Africa Month, open from 12/05/2023, displaying both traditional African textiles and items made during the textile workshop for local schools that took place on 4/05/2023.

A temporary exhibition featuring heritage items representing the African continent was set up in the Mammal hall for the Africa Day Fair on 25/ 05/2023.

A display featuring the Museum was designed and produced for the Royal Show, set up on 24/05/2023. The display was also featured at the East Coast Radio House and Garden Show, Durban at the ICC, set up on 30/06/2023.

Wa Thinta Abafazi, Wa Thinta Imbokodo: Pietermaritzburg women and the anti-apartheid struggle, an online photographic online exhibition for Women's Month went live on the KZN Museum Website on 1/08/2023.

Amazwi Omame: In Our Own Voices, temporary display banners were designed, produced and displayed at the book launch on 1/08/2023.

Heritage day display was designed, produced and set up for the DSAC Heritage Day Event held on the 24/09/2023

Zizameleni Action Group for the Disabled Craft display was installed and made available to the public on 1/12/23.

Sivivane Sogogo! Is a collaborative display in conjunction with UKZN Centre for Visual Arts that was opened to the public on 3/10/2023.

Temporary displays were produced under the umbrella of the **120 year KZN Museum celebrations**; the Ernest Warren Mammal Hall, Dinosaur Gallery and 120 years of Museum Journals displays were produced.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
Improved participation in the Museum's education and outreach programmes.	Number of learners.	Number of learners.	19 102 learners.	47 196 learners.	15 000 learners.	41 550 learners.	Overachieved by 26 550.	The positive variance is attributable to the intense marketing of educational programmes that have led to an increased popularity of the Museum.
	Schools participating in outreach programmes per annum.	Number of schools participating in outreach programmes per annum.	37 participating schools.	117 participating schools.	19 participating schools.	58 participating schools.	Overachieved by 37.	The positive variance is attributable to the intense marketing of educational programmes that have led to an increased popularity of the Museum.
Improved Museum profile.	Hosting of public event: Night at the Museum.	Number of public engagement programmes.	None.	2 nights at the Museum.	Host 2 nights at the Museum per annum.	Hosted 2 nights at the Museum per annum.	N/A.	N/A.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	Actual Achievement 2023/24 until date of re-tabling	Deviation from planned target to Actual Achievement for 2023/24	Reasons for deviations
A diverse socially cohesive society with a common identity.	National Days Commemoration.	Number of National Days Commemorated.	12 days commemorated.	12 days commemorated.	10 days commemorated.	12 days commemorated.	2 more days commemorated.	International Day of Persons with Disability and Reconciliation Day are now permanent features on the Museum calendar.

Commemorations

Freedom Day - Commemorated on 26 April 2023 with various high schools.

Biodiversity Day- Celebrated on 18 May 2023, the Natural Science Department displayed their artefacts and interacted with learners.

Africa Day/Month – Celebrated with seven primary schools on 25 May 2023.

Youth Day- Hosted youth empowerment workshop on 15 June 2023.

Mandela Day – Celebrated on 18 July 2023 with Hawkstone Primary in Howick.

Women's Day – Celebrated on 08 August with female learners from Mvuzo, Nsikayethu, and Injoloba Secondary schools.

Heritage Day – Celebrated on 21 September 2023 at the Museum with primary and secondary schools around Pietermaritzburg.

16 Days of Activism – Celebrated on 30 November with SOS Children's Home and on 29 November with DUT students and Blind and Deaf Society.

World Aids Day – Celebrated by putting up an information display on the foyer and distribution of red ribbons to visitors and staff.

Reconciliation Day/Month – Celebrated in collaboration with uMsunduzi Museum on 15 December 2023 at Ncome.

Human's Rights Day/Month – Celebrated on 20 march 2024 with DUT students with a focus on voting education and on 12 March with Russel High and Georgetown girls learning about the role of women in Human Rights struggle.

International day for people with Disabilities – Celebrated on 07 December 2023 with Inkayezi Centre at Imbali.

4.4 Linking Performance with Budgets

Programme	2023/2024			2022/2023		
	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	39 348	31 737	7 611	29 855	26 119	3 736
Programme 2: Business Development	11 107	11 328	(221)	11 621	12 006	(385)
Programme 3: Public Engagement	7 722	7 605	117	8 018	8 286	(268)
Total	**58 178**	**50 670**	**(7 508)**	**49 494**	**46 41**	**3 083**

NOTE: Actual expenditure excludes R 5,538,987 for Services in Kind - Deemed Rental.

5. Revenue Collection

Programme	2023/2024			2022/2023		
	Estimate	Actual Amount collected	(Over)/Under Collection	Estimate	Actual Amount collected	(Over)/Under Collection
	R	R	R	R	R	R
Entrance Charges	221 424	242 478	(21 054)	186 652	168 828	17 824
Holiday Programme	112 722	117 196	(4 474)	72 552	117 802	(45 250)
Other business	225 520	283 803	(58 283)	228 849	209 739	19 110
Total	**559 666**	**643 477**	**(83 811)**	**488 053**	**496 369**	**8 316**

6. Capital Investment

6.1 Capital Investment, Maintenance and Asset Management Plan

Infrastructure Projects	2023/2024			2022/2023		
	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	15 926	5 016	10 910	8 840	328	8 512
Water Piping Project	935	29	906	935	-	935
Maintenance of KwaZulu-Natal Museum (Facilities Management)	1 000	179	821	1 181	1 248	(67)
Total	**17 861**	**5 224**	**12 637**	**10 956**	**1 576**	**9 380**

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 2023/24 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 2023	Start of 2023/24 Financial Year	
30 April 2023	Quarterly Reports for Quarter 4 (2022/23 Financial Year) to DSAC	None
29 May 2023	AFS 2022/23 to Treasury and AG	None
29 May 2023	Banking details to Treasury	None
29 May 2023	Signed AFS (unaudited) to DSAC	None
29 May 2023	Consolidated (unaudited) AFS Template to Treasury	None
29 May2023	Infrastructure Projects & Final UAMP 2024/25 to DSAC	None
02 June 2023	Start of Audit: AFS 2022/2023	None
23 June 2023	Draft 1 2022/2023 Annual Report to DSAC	None
31 July 2023	Quarterly Reports for Quarter 1 (2023/24 Financial Year) to DSAC	None
31 July 2023	Audited AFS and Audited Consolidated AFS Template to Treasury and DSAC	None
31 August 2023	Annual Report to Minister, Treasury and Parliament	None
29 September 2023	Submit 2022/23 Irregular Expenditure	None
2 October 2023	Submit Revised MTEF Database to DSAC	None
31 October 2023	Disciplinary Cases to DSAC	None
31 October 2023	Quarterly Reports for Quarter 2 (2023/24 Financial Year) to DSAC	None
30 November 2023	1st Draft APP to DSAC	None
14 December 2023	Revised ENE Database & Chapter to DSAC	None
14 December 2023	Complete ENE Template for 2024/25 - 2026/27 to Treasury	None
31 January 2024	Quarterly Reports for Quarter 3 (2023/24 Financial Year) to DSAC	None
31 January 2024	Final Annual Performance Plan to DSAC	None

Submission Date	Report	Issues Raised
23 February 2024	Draft 1 Shareholder Compact	None
15 March 2024	Final Shareholder Compact to DSAC	None
1 April 2024	Start of 2024/25 Financial Year	None
30 April 2024	Quarterly Reports for Quarter 4 (2022/23 Financial Year) to DSAC	None
30 May 2024	AFS 2023/24 to Treasury and AG	None
30 May 2024	Banking details to Treasury	None
30 May 2024	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 came to an end on 30 June 2024, due to the KwaZulu-Natal Museum being amalgamated with a Flagship entity, Ditsong Museums of South Africa (DMSA). DMSA is a flagship institution established in terms of section 6(1) and 6(2) of the Cultural Institutions Act.

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 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 2023/2024.

The AFS are prepared on a going-concern basis. In the Government Gazette no. 50708 dated 24 May 2024, the Minister of the Department of Sport, Arts and Culture declared the KZN Museum amalgamated into DMSA. In terms of Section 14 of the Cultural Institutions Act, the KZN Museum has been abolished as at the date of the Government Gazette. All the assets, rights and liabilities of the KZN Museum will vest in DMSA as at amalgamation date. As result, the KZN Museum will no longer prepare its Annual Financial Statements as a standalone entity and will form part of DMSA reporting. Subsequent to this gazette, the term of office of the Council serving in the period under review came to an end as at 30 June 2024 and the DMSA has assumed their responsibilities. The amalgamation is at Accounting

Authority level but entities will continue to serve their distinct mandates with a potential of "shared-services hub". Therefore, the entity's ability to continue as a going concern is not affected in the short to medium term. Nothing further 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 24 May 2024. Council approved the AFS on 29 May 2024.

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 2023/2024. During the period under review, Council reviewed and approved the following policies:

Approved Policies: 2023/2024

1. Service Fees Guidelines
2. Fraud Prevention Plan
3. Financial Procedures Manual
4. Health And Safety Policy
5. Capacity Management Policy
6. Property Plant and Equipment Policy
7. 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	20

Name	Date Appointed	Qualifications	Other Committees	Number of Meetings Attended
Magaqa, Adv S. (Deputy Chairperson)	September 2021	BProc (UNITRA), LLB (Wits)	Audit & Risk Committee, Human Resources and Remuneration Committee	13
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	20
Robinson, Ms L.	September 2021	BArch (UCT)	Infrastructure and Facilities Committee and Finance and Procurement Committee	15
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	11
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	12
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	13
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	6
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	15

In addition to the above Council members, persons attending the Council meetings included: Mr L. Maphasa, Director; Mr S. Miya, Deputy Director; Mr S. Dlamini, Executive Manager: Finance & Administration; Mr M. Myeza, 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 2023/2024 financial year:

Committees for the period 01 April 2023 – 31 March 2024

Committee	No. of Meetings Held	No. of Members	Name of Members
Audit and Risk Committee	5	5	Ndlovu, Ms T.D. (Chairperson, independent); Stobie, Prof B.; Magaqa, Adv S.; Sibiya, Mr V.V. (independent) and Mngadi, Ms N. (independent)
Human Resources and Remuneration Committee	5	4	Ramagoshi, Ms M. (Chairperson); Mfuphi, Mr L.; Dantile, Dr F. and Magaqa, Adv S.
Finance and Procurement Committee	5	5	Stobie, Prof B. (Chairperson); Kunene, Ms K.; Noge, Mr M.; Dlamini, Mr S. and Robinson, Ms L.
Institutional Advancement & Ethics Committee	5	5	Dantile, Dr F. (Chairperson); Kunene, Ms K.; Mfuphi, Mr L.; Ramagoshi, Ms M. and Dlamini, Mr S.
Infrastructure and Facilities Committee	5	5	Robinson, Ms L. (Chairperson); Kunene, Ms K.; Stobie, Prof B.; Dlamini, Mr S. and Noge, Mr M.

4.5 Remuneration of Council Members

Member	Council Meetings Attended	Sub-Committee Meetings Attended	Total Meetings Attended	Honorarium	Travel Reimbursement	2023/2024 Total
Kunene, Ms K. (Chairperson)	5	15	20	200 102	1 037	201 139
Dantile, Dr F.	4	9	13	50 260	-	50 260
Dlamini, Mr S.	4	7	11	32 310	-	32 310
Magaqa, Adv. S.	4	9	13	79 256	-	79 256
Mfuphi, Mr L.	3	3	6	-	-	-
Noge, Mr M.	4	8	12	46 670	-	46 670
Ramagoshi, Ms M.	5	10	15	57 440	-	57 440
Robinson, Ms L.	5	10	15	43 080	-	43 080
Stobie, Prof B.	5	15	20	71 800	-	71 800
TOTAL				**580 918**	**1 037**	**581 955**

* 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 2023/24 INTERNAL AUDIT COVERAGE PLAN

Work to be Done	Completion Status
Revenue Management	Completed
Risk Management	Completed
Audit of Performance Information	Completed
Asset Management	Completed
Annual Financial Statements Review	Completed
Human Resource Management	Completed
Supply Chain Management	Completed
IT Systems and System Processes	Completed
Marketing and Communications	Completed
Conservation Management	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 2023 – 31 March 2024

Name	Date Appointed	Qualifications	Internal or external	Number of Meetings Attended
Ndlovu, Ms T.D. (Chairperson, independent)	September 2021	GRAP Certificate (SAICA), Chartered Accountant (SA) (SAICA), Honours in Bachelor of Accounting Sciences (CTA) (UNISA), Post Graduate Diploma in Accounting Sciences (UNISA), Bachelor of Commerce in Accounting (UKZN)	External	5
Magaqa, Adv S.	September 2021	BProc (UNITRA), LLB (Wits)	External	5
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)	External	5
Sibiya, Mr V.V. (Independent)	September 2021	Bachelor of Commerce Accounting (Degree) (UKZN), Honours Bachelor of Accounting Sciences (CTA)(UNISA), Chartered Accountant (SA) (SAICA)	External	5

Name	Date Appointed	Qualifications	Internal or external	Number of Meetings Attended
Mngadi, Ms N. (Independent).	September 2021	Bachelor of Commerce Accounting (Honours) (UKZN), Bachelor of Commerce Accounting (Degree)(UKZN), Chartered Accountant (SA) (SAICA)	External	5

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.

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. The Museum also hosted a GBV sports tournament to raise awareness and fight against Gender Based Violence (GBV).

14 Audit Committee Report

Report of the Audit and Risk Committee

We are pleased to present our report for the financial year ended 31 March 2024.

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 2023 – 31 March 2024

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

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
- Revenue Management Review
- Information Technology System and System Processes Review
- Marketing and Communications Review
- Risk Management Review
- Conservation Management Review
- Follow up Review.

The committee had no significant concerns for the 2023/24 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 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

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

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

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Mr Suren Maharaj
Chairperson of the Audit, Risk, Information and Communication Technology Committee
Date: 16/08/2024

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 disadvantages 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

2.1 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	56 485 092	14 268 021	25%	38	375 474
Business Development	56 485 092	10 481 607	19%	15	698 773
Public Engagement	56 485 092	7 713 335	14%	24	321 388

NOTE: Total Personnel expenditure excludes R54,524 paid to the Compensation Commissioner and R83,921 for leave provision movement and R65,436 for casual labour and includes expenditure that was externally funded of R773,789.

2.2 Personnel Cost by Salary Band

Level	Personnel Expenditure (R)	% of total personnel cost	No. of employees	Average personnel cost per employee (R)
Top Management	2 659 942	8%	2	1 329 971
Senior Management	8 025 240	25%	9	891 693
Professional qualified	7 484 796	23%	9	831 644
Skilled	11 609 917	36%	43	269 998
Semi-skilled	2 683 884	8%	14	191 706
Unskilled	-	-	-	-
TOTAL	**32 462 979**	**100%**	**77**	**421 597**

NOTE: Total Personnel expenditure excludes R54,524 paid to the Compensation Commissioner and R83,921 for leave provision movement and R65,436 for casual labour and includes expenditure that was externally funded of R773,789.

2.3 Performance Rewards

Programme/activity/objective	Performance rewards	Personnel Expenditure (R'000	% of performance rewards to total personnel cost ((R)
Top Management	None	**2 660**	0
Senior Management	None	**8 025**	0
Professional qualified	None	**7 484**	0
Skilled	None	**11 610**	0
Semi-skilled	None	**2 684**	0
Unskilled	None	0	0
TOTAL	**0**	**32 462**	**0**

NOTE: Total Personnel expenditure excludes R54,524 paid to the Compensation Commissioner and R83,921 for leave provision movement and R65,436 for casual labour and includes expenditure that was externally funded of R773,789.

2.4 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	14 268 021	132 851	0.93%	13	10 219
Business Development	10 481 607	133 592	1.27%	13	10 276
Public Programmes	7 713 335	50 624	0.65%	5	10 124
TOTAL	**32 462 979**	**317 068**	**0.98**	**31**	**10 228**

NOTE: Total Personnel expenditure excludes R54,524 paid to the Compensation Commissioner and R83,921 for leave provision movement and R65,436 for casual labour and includes expenditure that was externally funded of R773,789.

2.5 Employment and Vacancies

Programme/activity/objective	2023/2024 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/20224 Vacancies	% of vacancies
Administration	35	38	38	0	0
Business Development	17	16	15	1	1.2%
Public Programmes	24	26	24	2	2.5%
TOTAL	**63**	**80**	**77**	**3**	**3.7%**

Level	2023/2024 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of vacancies
Top Management	2	2	2	0	0
Senior Management	10	9	9	0	0
Professional qualified	11	11	9	2	2.5%
Skilled	39	44	43	1	1.2%
Semi-skilled	14	14	14	0	0
Unskilled	0	0	0	0	0
TOTAL	**76**	**80**	**77**	**3**	**3.7%**

2.6 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	9	0	0	9
Professional qualified	11	0	2	9
Skilled	40	13	10	43
Semi-skilled	14	1	1	14
Unskilled	0	0	0	0
TOTAL	**76**	**14**	**13**	**77**

2.7 Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	11	14.2%
Dismissal	0	0
Retirement	1	1,2%
Ill health	0	0
Expiry of contract	2	2.5%
Other	0	0
TOTAL	**13**	**17.9%**

2.8 Labour Relations: Misconduct and Disciplinary Action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	1
Dismissal	0

2.9 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	2
Professional qualified	1	1	0	1	0	0	2	1
Skilled	23	23	0	0	1	1	0	0
Semi-skilled	4	4	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	**32**	**32**	**0**	**1**	**2**	**2**	**4**	**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	5	5
Professional qualified	1	1	0	1	0	0	0	0
Skilled	23	24	0	0	0	0	0	0
Semi-skilled	6	6	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	**32**	**33**	**0**	**1**	**1**	**1**	**5**	**5**

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	1	1	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**	**1**	**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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	0	0
Irregular expenditure that relates to 2022/23 and identified in 2023/24	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	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	2023/2024	2022/2024
	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	0	0
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	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	2023/2024	2022/2023
	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

2. Information on Supply Chain Management

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract R
Snakes Show	Snakes Show	Exceptional Procurement	N/A	2,800.00
Extra Repairs	Hyundai	Manufacturer approved center	N/A	2,243.00
Memorial Service of Memorial Service and Funeral of His Excellency M.G. Buthelezi	2922 Production	Exceptional Procurement	N/A	5,500.00
Coronation Documentary	Duzi Productions	Exceptional Procurement	N/A	7,500.00
Magic Show for the Night at the Museum	Adrian The Magician	Exceptional Procurement	N/A	5,000.00
Extra Repairs	Toyota	Manufacturer approved center	N/A	10,420.00
Holiday Programme Materials	Bargain Basket	All holiday material are found in this shop	N/A	3,651.00
Entomology Supplies	Horne Technologies	Exceptional Procurement	N/A	7,000.00
Commercial Diving Training	Jack’s Dive Chest	Excess unexpected inflation occurrence	N/A	30,000.00
Dehumidifiers	Solenco South Africa	Emergency Procurement	N/A	27,747.00
Back up Generator	Edge Fuels	Emergency Procurement	N/A	20,920.00

PART F:

FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO THE PARLIAMENT ON KWAZULU-NATAL MUSEUM

Report on the financial statements.

1. I have reviewed the financial statements of the KwaZulu-Natal Museum set out on pages 65 to 102, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and statement of cash flows, statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

Conclusion

2. Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of the KwaZulu-Natal Museum as at 31 March 2024 and their financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognized Accounting Practice (GRAP) and the requirements of the Public Finance Management 1 of 1999 (PFMA).

Emphasis of matter

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

Events after the reporting date

4. I draw attention to note 24 to the financial statements, which indicates that the KwaZulu-Natal Museum has been abolished in terms of the Cultural Institutions Act and amalgamated into the Ditsong Museum of South Africa in terms of Government Gazette no. 50708 dated 24 May 2024.

Responsibilities of the accounting authority for the financial statements

5. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, the accounting authority 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 on the review of the financial statements

7. My responsibility is to express a conclusion on the accompanying financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements.

   The standard requires me to conclude on whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires me to comply with relevant ethical requirements.

8. A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I am required to perform procedures, primarily consisting of making inquiries of management and others within the auditee, as appropriate, and applying analytical procedures, and evaluating the evidence obtained

9. The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

Report on 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 information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

11. I selected the following material performance indicators related to Business Development presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the entity's performance on its primary mandated functions and that are of significant national, community or public interest.

    - Number of articles published
    - Number of research papers presented at Conferences
    - Number of journal volumes produced per annum
    - Number of collaborations
    - Maintained collections to international museum standards
    - Number of field trips conducted
    - Number of items added to collections
    - Number of postgraduates, interns supervised, co-supervised or mentored

12. I evaluated the reported performance information for the selected material performance indicators 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.
    - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included.
    - 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 is 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 assurance opinion or conclusion.

15. I did not identify any material findings on the reported performance information for the selected indicators.

Report on compliance with legislation.

16. 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 authority is responsible for the entity's /compliance with legislation.

17. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

18. 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.

19. I did not identify any material non-compliance with the selected legislative requirements.

Internal control deficiencies

20. I considered internal control relevant to my engagement on the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

21. I did not identify any significant deficiencies in internal controls.

Professional ethics and quality control

22. 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 engagements in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

23. In accordance with the International Standard on Quality Management 1, the AGSA maintains a comprehensive system of quality management that includes documented policies and procedures on compliance with ethical requirements and professional standards.

Auditor-General

Pietermaritzburg
31 July 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The following regulations have been used by the entity to comply with the requirements for small entities as prescribed in Section 3A of PFMA.

Compliance with legislation — selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57(b)
Treasury Regulations, 2006	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; Regulation 16A.7.7; 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A 9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); Regulation 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; Regulation 33.1.1; 33.1.3
Companies act 71 of 2008	Section 46(1)(a); 46(1)(b); 46(1)(c); Section 112(2)(a)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No. 1 of 2021/22	Paragraph 4.1
National Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

ANNUAL FINANCIAL STATEMENTS

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in Rand	Notes	2024	2023 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	2	3,248,466	3,122,021
Intangible assets	3	243,602	429,053
Heritage Assets	4	53,509,845	53,509,845
		57,001,913	**57,060,919**
Current Assets			
Inventories	6	10,738	9,124
Trade and other receivables	7	1,511,790	1,898,800
Cash and cash equivalents	8	318,086,348	295,687,722
		319,608,876	**297,595,646**
Total Assets		**376,610,789**	**354,656,565**
Liabilities			
Current Liabilities			
Deferred grants and project funding	10	318,481,234	296,268,535
Trade and other payables	12	110,678	421,260
Short term employee benefit obligations	11	2,342,460	2,258,539
		320,934,372	**298,948,334**
Total Liabilities		**320,934,372**	**298,948,334**
Net Assets		**55,676,417**	**55,708,231**
Heritage assets revaluation reserve		53,217,055	53,217,055
Accumulated surplus	9	2,459,362	2,491,176
Total Net Assets		**55,676,417**	**55,708,231**

* See Note 22

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Performance for the Year Ended 31 March 2024

Figures in Rand	Notes	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Sale of goods and rendering of services		643,477	496,369
Other income		1,014,816	25,342
Interest income - investments		1,322,035	1,154,256
Gain on disposal of assets		-	1,275
Total revenue from exchange transactions		**2,980,328**	**1,677,242**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants and subsidies		47,933,963	44,314,204
DPWI: Services in-Kind - Deemed Rental		5,538,987	5,538,987
Total revenue from non-exchange transactions		**53,472,950**	**49,853,191**
Total revenue	13	**56,453,278**	**51,530,433**
Expenditure			
Employee related costs	14	31,893,071	32,844,132
Depreciation and amortisation		275,546	280,978
Loss on disposal of assets		1,609	-
General Expenses	15	24,314,866	19,112,747
Total expenditure		**(56,485,092)**	**(52,237,857)**
Deficit for the year		**(31,814)**	**(707,424)**

Depreciation and amortisation for the year amounted to R1,348,146 but this amount was reduced by the effect of the changes in accounting estimates of R1,072,600.

* See Note 22

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Net Assets for the Year Ended 31 March 2024

Figures in Rand	Revaluation reserve	Accumulated surplus	Total net assets
Balance at 01 April 2022	**53,217,055**	**3,198,601**	**56,415,656**
Changes in net assets			
Deficit for the year	-	(1,570,996)	(1,570,996)
Total changes	-	(1,570,996)	(1,570,996)
Adjustments			
Prior year adjustments	-	863,572	863,572
Balance at 01 April 2023 - Restated	**53,217,055**	**2,491,176**	**55,708,231**
Changes in net assets			
Deficit for the year	-	(31,814)	(31,814)
Total changes	-	(31,814)	(31,814)
Balance at 31 March 2024	**53,217,055**	**2,459,362**	**55,676,417**

* See Note 22

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Cash Flow for the Year Ended 31 March 2024

Figures in Rand	Notes	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from exchange transactions		1,658,293	521,711
Cash receipts from non-exchange transactions		47,933,963	44,314,204
Interest received		1,322,035	1,154,256
		50,914,291	45,990,171
Payments			
Cash paid to employees		31,809,151	32,829,269
Cash paid to suppliers		18,701,065	16,398,015
		(50,510,216)	(49,227,284)
Net cash flows from operating activities	16	**404,075**	**(3,237,113)**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(218,148)	(263,182)
Proceeds from sale of property, plant and equipment	2	-	1,500
Purchases of heritage assets	4	-	(9,120)
Net cash flows from investing activities		**(218,148)**	**(270,802)**
Cash flows from financing activities			
Movement in deferred grants and project funding		22,212,699	60,942,437
Net increase in cash and cash equivalents		**22,398,626**	**57,434,522**
Cash and cash equivalents at the beginning of the year		295,687,722	238,253,203
Cash and cash equivalents at the end of the year	8	**318,086,348**	**295,687,722**

* See Note 22

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Comparison of Budget and Actual Amounts

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Journals publications	35,000	28,688	**63,688**	56,882	**(6,806)**	
Entrance charges	148,660	5,750	**154,410**	178,837	**24,427**	Note 3
School entrance charges	50,000	17,014	**67,014**	63,641	**(3,373)**	
LRC income	31,500	1,584	**33,084**	72,110	**39,026**	Note 4
Museum shop	65,000	(9,212)	**55,788**	40,601	**(15,187)**	Note 5
Holiday programme	120,053	(7,331)	**112,722**	117,196	**4,474**	
Hall bookings	100,000	(27,040)	**72,960**	114,210	**41,250**	Note 6
Other income	1,521,328	(506,413)	**1,014,915**	1,014,816	**(99)**	
Interest income - investments	350,000	416,344	**766,344**	1,322,035	**555,691**	Note 2
Total revenue from exchange transactions	**2,421,541**	**(80,616)**	**2,340,925**	**2,980,328**	**639,403**	
Revenue from non-exchange transactions						
Taxation revenue						
State contribution	34,289,000	412,333	**34,701,333**	35,261,000	**559,667**	Note 1
Services in Kind - Deemed Rental	-	-	**-**	5,538,987	**5,538,987**	
Donations received	3,000	-	**3,000**	2,991	**(9)**	
Grants funding: Municipal charges	6,706,000	-	**6,706,000**	5,734,000	**(972,000)**	Note 7
Leasing: Parking	412,000	-	**412,000**	412,000	**-**	
Deferred grants income available	20,969,355	(6,238,619)	**14,730,736**	6,390,086	**(8,340,650)**	Note 8
Grants funding: Capital	-	-	**-**	9,183	**9,183**	
Non-repayable funding: Revenue	50,000	(15,602)	**34,398**	124,703	**90,305**	Note 9
Total revenue from non-exchange transactions	**62,429,355**	**(5,841,888)**	**56,587,467**	**53,472,950**	**(3,114,517)**	
Total revenue	**64,850,896**	**(5,922,504)**	**58,928,392**	**56,453,278**	**(2,475,114)**	

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Expenditure						
Employee related costs	-	-	-	-	-	
Administration	-	-	-	-	-	
- Entity Management	7,917,974	(169,225)	**7,748,749**	7,885,017	**136,268**	
- Public Relations	1,349,769	(180,377)	**1,169,392**	1,170,124	**732**	
- Library	1,545,667	(7,479)	**1,538,188**	1,554,682	**16,494**	
- Technical Services	3,519,251	60,892	**3,580,143**	3,580,728	**585**	
Business Development	10,452,406	(347,157)	**10,105,249**	10,113,744	**8,495**	
Public Programmes	-	-	-	-	-	
- Exhibitions	3,505,995	92,989	**3,598,984**	3,535,799	**(63,185)**	
- Education	4,139,377	(317,869)	**3,821,508**	3,830,438	**8,930**	
Goods and services	-	-	-	-	-	
Administration	-	-	-	-	-	
- Entity Management	24,165,580	(6,360,280)	**17,805,300**	9,707,209	**(8,098,091)**	Note 10
- Public Relations	240,750	-	**240,750**	185,675	**(55,075)**	Note 11
- Library	355,000	3,696	**358,696**	362,030	**3,334**	
- Technical Services	5,886,827	1,020,299	**6,907,126**	7,291,668	**384,542**	Note 12
Business Development	737,300	265,125	**1,002,425**	1,214,490	**212,065**	Note 13
Public Programmes	-	-	-	-	-	
- Exhibitions	47,000	10,267	**57,267**	51,455	**(5,812)**	
- Education	238,000	6,615	**244,615**	187,499	**(57,116)**	Note 14
Services in Kind - Deemed Rental	-	-	-	5,538,987	**5,538,987**	
Total expenditure	**(64,100,896)**	**5,922,504**	**(58,178,392)**	**(56,209,545)**	**1,968,847**	
	750,000	**-**	**750,000**	**243,733**	**(506,267)**	
Deficit for the year	**750,000**	**-**	**750,000**	**243,733**	**(506,267)**	
Depreciation and amortisation	(750,000)	-	**(750,000)**	(275,546)	**474,454**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**-**	**-**	**-**	**(31,813)**	**(31,813)**	
Capital Expenditure						
Assets						
Non-Current Assets						
Equipment - other	115,400	-	**115,400**	66,189	**(49,211)**	Note 15
Furniture - Metal	10,500	-	**10,500**	15,771	**5,271**	Note 16
Computers	142,195	-	**142,195**	136,188	**(6,007)**	Note 17
Intangible assets	40,185	-	**40,185**	-	**(40,185)**	
	(308,280)	**-**	**(308,280)**	**(218,148)**	**90,132**	
Total Assets	**(308,280)**	**-**	**(308,280)**	**(218,148)**	**90,132**	

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

REVENUE.

1. State Contribution.
The positive variance is attributable to a change in the apportionment of the grant in the final allocation letter. The overall subsidy remained unchanged.

2. Interest.
The positive variance is attributable to the favourable interest rates in the period under review.

3. Entrance charges: General.
This item over performed during the second part of the financial year due to increased number of visitors during the holiday season.

4. Learners Resources Centre.
The favorable variance can be attributed to the majority of educational institutions transitioning to online classes and the active promotion of the museum facilities.

5. Museum Shop.
This item has underperformed in current financial year. The Museum shop has reached a saturation point due to lack of space.

6. Hall Bookings.
The favorable variance is mainly due to Sanral, which reserved Ingede for the entire month.

7. Municipal Charges.
The adverse variance can be attributed to a modification in the allocation of the grant in the final letter. However, the overall subsidy remained unchanged, DSAC had mistakenly reduced the municipal charges.

8. Deferred Grants: Income Available.
The underspending on this item is attributable to the Amafa approval delays experienced this financial year. The Museum has subsequently received the Amafa approval but still waiting for the Town Planning approvals.

9.Non Repayable Funding.
The positive variance is attributable to Research Incentive Funding from Wits that was moved to the KZN Museum. Also, Dr J Midgley received funding from Belgium for his trip to Tanzania.

EXPENDITURE

Compensation of Employees.
The personnel expenditure is still within the ambit of the budget with just a few items that were affected. The National Treasury issued cost containment measures advisory note on 31 August 2023. The note advised that all vacant positions be put on hold pending the financial pressure that is experienced by the country. The following positions have been deferred to 2024/25; Finance & Projects Officer, Communications Officer, Curator: Mollusca and Chief Education Officer: Outreach.

Goods and Services
Operational expenditure: is still within the ambit of the budget. The significant item during first half of the financial year is fuel & oil, maintenance & repair: building, this is attributable to the continuous rise in the fuel for the generator and municipal charges. The Museum experienced a huge spike this winter on the municipal charges. The Chief Technical Officer reported that this was largely because of the Carrier plant not working. So, the museum had to utilize individual back unit and these are heavy on energy consumption.

10. Administration - Entity Management.
The underspending is attributable to the delays experienced in the current financial year with the Amafa and Town planing approvals. The Museum is still waiting for the Town planning approvals.

11. Administration - Public Relations.
The reduced spending on this item can be attributed to a directive from the National Treasury regarding cost containment

KWAZULU-NATAL MUSEUM
Annual Financial Statements for the year ended 31 March 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

measures, as outlined in a letter dated August 31, 2023.

12. Administration - Technical Services.
The overspending on this item can be attributed to fuel & oil and maintenance & repair: Bbuilding. Both of these items have been significantly impacted by the continuous increase in fuel prices.

13. Business Development - Research.
The overspending on this item can be attributed to deferred grants. The NRF financial year begins at the start of the calendar year, and Dr. T. Nxele and Dr. K. Williams received funding for 2024.

14. Public Programmes - Education.
The underspending on this item can be attributed to the Education Division restructuring its program to focus more on outreach. This change was implemented to assist struggling schools and communities.

CAPITAL EXPENDITURE

15. Equipment - Other: The Museum had to procure dehumidifiers for both the Human Science Department and the Administration Department due to condensation issues affecting Pietermaritzburg.

16. Furniture - Metal: The Museum acquired an additional chair for the reception area and a spinning chair for the Human Sciences Department.

17. Computers: The budget of R142,195 was primarily allocated for the replacement of old computers. Additionally, the Museum procured a computer for the technical staff to facilitate access to the leave system.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

Figures in Rand	2024	2023

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 Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board have been approved but are not yet effective:

GRAP 1 (amended 2022)	No effective date
GRAP 103 (amended)	No effective date
GRAP 105 - 107 (amended)	No effective date
IGRAP 22	1 April 2025
GRAP 104 (amended)	1 April 2025
Improvements to the standards of GRAP (2023)	No effective date

These accounting policies are consistent with the previous period.

1.1 Use of estimates and judgements

In preparing the AFS in conformity with GRAP, management has made the following significant accounting judgments, estimates and assumptions which have the most significant effect on amounts recognised in the AFS and related disclosures. Future actual results could differ from these estimates. Estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. The effect of changes in estimates are accounted for on a prospective basis.

Useful lives of property, plant and equipment and intangible assets

At each reporting date, the KwaZulu-Natal Museum assesses whether there is any indication that Museum's expectations about the useful life of an asset have changed since the preceding reporting date. If any such indication exists, Museum revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 11 - Provisions.

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.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

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.

Item	Depreciation method	Average useful life
Furniture wood and metal	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 has 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.

KWAZULU-NATAL MUSEUM
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Accounting Policies

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.

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

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.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.6 Heritage assets (continued)

Directive 7: Use of Deemed Cost for Heritage Assets Upon Initial Recognition and Adoption of a Standard

The following terms are used in this Directive with the meanings specified:

(a) Acquisition cost: When an entity initially recognises assets such as items of property, plant and equipment, investment properties, intangible assets and heritage assets using the Standards of GRAP, it measures those assets using either cost (if the asset is acquired in an exchange transaction) or at fair value (if the asset is acquired in a non-exchange transaction). This cost or fair value on initial acquisition of an asset is the acquisition cost.

(b) Deemed cost : Deemed cost is a surrogate value for the cost or fair value of an asset at its initial acquisition, and is determined by reference to the fair value of the asset at the date of adopting the Standards of GRAP measurement date).

(c) Measurement date (for purposes of this Directive 7) : Measurement date is the date that an entity adopts the Standards of GRAP and is the beginning of the earliest period for which an entity presents full comparative information, in its first financial statements prepared using Standards of GRAP.

For the purposes of this Directive, the measurement of assets at fair value on the adoption of the Standards of GRAP, does not constitute:

(a) a revaluation in accordance with the Standards of GRAP on Property, Plant and Equipment, Intangible Assets or Heritage Assets; or

(b) the application of the fair value model in the Standard of GRAP on Investment Property, paragraph A4, which states that subsequent depreciation, if applicable, is based on that deemed cost, and starts from the measurement date.

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
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Accounting Policies

1.6 Heritage assets (continued)

Valuation of Heritage Assets

The existence of published price quotations in an active market is the best evidence of the fair value, such as the quoted price from recent auctions published in local newspapers; however if the fair value cannot readily be ascertained by reference to quoted prices in an active and liquid market; the fair value of a heritage asset can be determined from market-based evidence arrived at by appraisal. An appraisal of the value of the asset is normally undertaken by a member of the valuation profession, who holds a recognised and relevant professional qualification. The fair value will be ascertained by reference to quoted prices in an active and liquid market. (GRAP 103.46). The valuation of heritage assets was performed by a member of the valuation profession.

(a) Valuation Techniques
Where the fair value of an asset cannot be determined, and where no evidence is available to determine the market value in an active market of a heritage asset; a valuation technique may be used to determine its fair value. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, and reference to the current fair value of other heritage assets that have substantially similar characteristics in similar circumstances and locations, adjusted for any specific differences in circumstances. If there is a valuation technique commonly used by market participants to price such an asset, and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity may use that technique in determining the fair value (GRAP 103.47).

(b) 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 (GRAP 103.17). 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.

(c) Valuing an Entire Collection
In determining the fair value of a collection, the Museum has considered where appropriate, whether the entire collection has a higher value than the sum of the values of the individual items making up that collection. Under such circumstances, the carrying value of the entire collection may need to be reassessed, when a group of individual heritage assets constitutes a collection. If items are removed from the collection, the value of the collection may also need to be reassessed (GRAP 103.45).

KWAZULU-NATAL MUSEUM
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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.

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.

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.

KWAZULU-NATAL MUSEUM

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.8 Financial instruments (continued)

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.

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 - 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.

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.

KWAZULU-NATAL MUSEUM
Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.11 Employee benefits (continued)

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:

- capital commitments approved and contracted for; 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 to the lease commitment which are required by GRAP 13.

1.14 Revenue from exchange transactions

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.

KWAZULU-NATAL MUSEUM
Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1.14 Revenue from exchange transactions (continued)

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.

Rendering of goods and services

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;

- The entity retains neither continuing managerial involvement to the degree usually associated with ownership and effective control over the goods sold;

- The amount of revenue can be measured reliably;

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and

- The cost incurred, or to be incurred in respect of the transaction, 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.

Revenue from non-exchange transactions consist of government grants, conditional government grants, public donations, sponsorships and service in kind income and are measured at fair value.

Government grants without any conditions attached and donations received, or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset and there is not a corresponding liability in respect of related conditions. Where donations are received in the form of property, plant and equipment, they are recognised when the risks or rewards of ownership have transferred to the Museum.

Revenue from sponsorships and conditional government grants is recognised when all conditions associated with the contribution have been met or, where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the entity. Where the Museum has not met the related conditions that would entitle it to the revenue, a liability is recognised.

Services in-kind

The 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.

Where services in-kind are not significant to the entity’s operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

1.16 Comparative figures

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

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Accounting Policies

1.17 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.

1.18 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:
- 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.

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023

2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Furniture: Wood & Metal	2,182,120	(1,805,042)	377,078	2,166,348	(1,755,664)	410,684
Motor vehicles	1,993,017	(1,309,661)	683,356	1,993,017	(1,373,678)	619,339
Equipment - other	4,792,526	(3,773,838)	1,018,688	4,755,664	(3,782,930)	972,734
Computer equipment	3,316,974	(2,704,110)	612,864	3,206,562	(2,514,368)	692,194
Scientific equipment	1,299,959	(743,479)	556,480	1,299,959	(872,889)	427,070
Total	**13,584,596**	**(10,336,130)**	**3,248,466**	**13,421,550**	**(10,299,529)**	**3,122,021**

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Notes to the Annual Financial Statements

Figures in Rand

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Changes in accounting estimates	Depreciation	Total
Furniture: Wood & Metal	410,684	15,771	-	25,648	(75,025)	377,078
Motor vehicles	619,339	-	-	290,720	(226,703)	683,356
Equipment - other	972,734	66,189	(730)	339,736	(359,241)	1,018,688
Computer equipment	692,194	136,188	(879)	170,403	(385,042)	612,864
Scientific equipment	427,070	-	-	230,121	(100,711)	556,480
	3,122,021	**218,148**	**(1,609)**	**1,056,628**	**(1,146,722)**	**3,248,466**

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Changes in accounting estimates	Depreciation	Total
Furniture: Wood & Metal	483,172	2,892	(75)	1,942	(77,247)	410,684
Motor vehicles	632,395	-	-	273,796	(286,852)	619,339
Equipment - other	984,552	36,947	(150)	363,881	(412,496)	972,734
Computer equipment	720,457	181,744	-	194,305	(404,312)	692,194
Scientific equipment	530,381	41,599	-	-	(144,910)	427,070
	3,350,957	**263,182**	**(225)**	**833,924**	**(1,325,817)**	**3,122,021**

Pledged as security

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

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	496,863	72,885

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023

3. Intangible assets

	2024			2023		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	1,393,627	(1,150,025)	243,602	1,412,149	(983,096)	429,053

Reconciliation of intangible assets - 2024

	Opening balance	Disposals	Changes in accounting estimates	Amortisation	Total
Computer software	429,053	-	15,972	(201,423)	243,602

Reconciliation of intangible assets - 2023

	Opening balance	Disposals	Changes in accounting estimates	Amortisation	Total
Computer software	318,028	-	316,411	(205,386)	429,053

Pledged as security

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

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Notes to the Annual Financial Statements

Figures in Rand

4. Heritage Assets

	Cost / Valuation	Carrying value	Cost / Valuation	Carrying value
Natural History	5,077,315	5,077,315	5,077,315	5,077,315
Cultural History	43,441,625	43,441,625	43,441,625	43,441,625
Library	4,990,905	4,990,905	4,990,905	4,990,905
Total	**53,509,845**	**53,509,845**	**53,509,845**	**53,509,845**

Reconciliation of heritage assets 2024

	Opening balance	Additions	Total
Natural History	5,077,315	-	5,077,315
Cultural History	43,441,625	-	43,441,625
Library	4,990,905	-	4,990,905
	53,509,845	**-**	**53,509,845**

Reconciliation of heritage assets 2023

	Opening balance	Additions	Total
Natural History	5,077,315	-	5,077,315
Cultural History	43,432,505	9,120	43,441,625
Library	4,990,905	-	4,990,905
	53,500,725	**9,120**	**53,509,845**

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023

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
- 45,621 research collection catalogued items.

Natural History
- 6,848 research collection catalogued items.

Library
- 16,505 research collection catalogued items.

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.

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023

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	4	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 2024 valuation results. The actuary of the Museums Pension Fund calculated the actuarial reserves per participating institution as at 31 March 2024. According to the 31 March 2024 valuation report the fund was 100% funded. The KwaZulu-Natal Museum's updated liability as at 31 March 2024 is NIL.

The contribution to the pension fund R3,094,438 (2022/23: R3,119,536) is included in the employee related costs.

6. Inventories

	2024	2023
Stationery: stock on hand	3,405	3,421
Museum visitors shop: stock for resale	7,333	5,703
	10,738	**9,124**

Inventory pledged as security

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

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7. Trade and other receivables

Trade receivables	505,531	374,529
Sundry debtors	926,571	1,174,432
Prepaid expenses	79,688	349,839
	1,511,790	**1,898,800**

Trade and other receivables aging

As at 31 March 2024, the trade and other receivables can be analysed as below:

Current	996,945	1,529,861
30 days past due	85,615	1,755
150 days past due	-	1,400
180 days and more past due	429,230	365,784
	1,511,790	**1,898,800**

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1,180	2,720
Cheque account	13,934,368	15,364,160
Call account	3,203,298	2,969,710
Notice account	2,708,342	2,497,430
SARB - infrastructure	298,239,160	274,853,702
	318,086,348	**295,687,722**

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9. Accumulated surplus

Reconciliation of accumulated surplus - 2024

	Opening balance	Receipts	Utilised	Closing balance
Natural Science Department	24,432	70,899	(51,186)	44,145
Archaeology Research	386,798	-	(53,076)	333,722
Exhibitions Department	39,160	5,425	(10,260)	34,325
G Laue Research	-	28,000	-	28,000
D Tlhoaele	16,312	-	-	16,312
Whitelaw Research	38,015	20,380	(3,000)	55,395
Restoration, repairs and maintenance	293,321	-	(36,065)	257,256
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
	898,590	**124,704**	**(153,587)**	**869,707**

	Amount
Total accumulated surplus	2,459,362
Deduct: Non-repayable funding: funds available	(869,707)
Accumulated surplus: from operations	**1,589,655**

Reconciliation of accumulated surplus - 2023

	Amount
Total accumulated surplus	2,491,176
Deduct: Non-repayable funding: funds available	(898,590)
Accumulated surplus: from operations	**1,592,586**

10. Deferred grants and project funding

Grant/Project	Opening balance 1 April 2023	Receipts	Utilised	Closing balance 31 March 2024
Research Grant: Dr Midgley (NRF)	-	45,000	(45,000)	-
Research grant: K Williams (NRF)	-	99,127	(99,127)	-
Research grant: Theron (NRF)	-	347,222	(347,222)	-
Research Grant NRF: Dr Nxele	-	2,726	(2,726)	-
Research Grant: Dr G Blundell (NRF)	36	-	-	36
DSAC: Capital Works: New Museum Project	291,906,887	26,381,293	(5,016,691)	313,271,489
DSAC: Water Piping Project	935,600	-	(29,476)	906,124
DSAC: Museum Facilities Management Project	3,266,730	931,201	(179,372)	4,018,559
National Lotteries Board: Freedom Exhibition	2,685	-	-	2,685
National Research Foundation	11,392	336	(9,925)	1,803
DIPo-DIP	-	307,497	(307,497)	-
CATHSSETA	7,681	357,630	(310,000)	55,311
SEEMAP	-	15,200	(14,200)	1,000
Human Science Research	22,524	91,703	(5,000)	109,227
Human Science - ARM Research	115,000	-	-	115,000
LINNESYS	-	23,852	(23,852)	-
	296,268,535	**28,602,787**	**(6,390,088)**	**318,481,234**

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10. Deferred grants and project funding (continued)

Grant to finance Dr Blundell"s scientific research costs
Grant to finance Dr Midgley's scientific research costs
Grant to finance Dr Williams' scientific research costs
Grant to finance Dr Nxele'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 - 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- 2024

	Opening Balance	Additions	Total
Leave provision	2,258,539	83,921	2,342,460

Reconciliation of accumulated leave liability- 2023

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

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.

12. Trade and other payables

	2024	2023
Trade payables	79,468	374,517
Sundry creditors	31,210	46,743
	110,678	**421,260**

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13. Revenue

Sale of goods and rendering of services	643,477	496,369
Other income	1,014,816	25,342
Interest income - investment	1,322,035	1,154,256
Government grants & subsidies	47,933,963	44,314,204
Gains on disposal of assets	-	1,275
Services-In Kind: Rental	5,538,987	5,538,987
	56,453,278	**51,530,433**

Sale of goods and rendering of services		
Entrance charges: general	178,837	133,485
Entrance charges: schools	63,641	35,343
Holiday programme income	117,196	117,802
Hall Bookings	114,210	102,338
Journals	56,882	32,463
Learners resource centre	72,110	33,070
Museum shop sales	40,601	41,868
	643,477	**496,369**

Revenue arising from non-exchange transactions

Transfers and subsidies		
Donations received	2,991	3,120
Funding: DSAC	35,261,000	36,470,000
Funding: DSAC - municipal charges	5,734,000	5,281,000
Funding: DSAC - parking	412,000	303,000
Non-repayable funding: revenue	124,703	101,969
Project funding: capital receipts	9,183	41,599
Project funding: income available	6,390,086	2,113,516
	47,933,963	**44,314,204**

14. Employee related costs

Basic	24,868,949	25,746,242
Bonus	1,679,605	1,674,772
Medical aid - company contributions	1,360,044	1,345,400
UIF	130,470	132,430
WCA	54,524	53,726
Leave pay provision charge	146,389	192,747
Funeral benefit	17,633	18,079
Pension	3,094,439	3,119,536
Housing benefits and allowances	541,018	561,200
	31,893,071	**32,844,132**

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Figures in Rand	2024	2023

15. General expenses

Accommodation	150,662	123,782
Advertising	210,392	249,667
Assets expensed	499	1,256
Audit committee fees	109,346	132,104
Audit fees: External	437,575	601,292
Audit fees: Internal	395,179	385,122
Bank charges	33,498	31,910
Chemicals and consumables	41,692	55,049
Cleaning	126,147	73,570
Council fees	757,958	782,379
Education programme functions	190,938	215,141
Entertainment	17,417	8,396
Equipment Storarge	44,445	37,510
Fuel and oil	253,292	463,334
Grant expenditure	6,543,673	2,274,774
Insurance	333,230	309,776
LAN expense	136,291	137,715
Municipal charges	6,153,814	5,041,898
New displays expenses	43,145	45,089
Operating lease expenses	53,902	51,553
Parking	287,807	251,818
Printing and stationery	173,277	104,657
Purchases	40,263	34,587
Repairs and maintenance	988,096	868,627
Security	62,707	62,436
Services-In-Kind: Deemed rental	5,538,987	5,538,987
Staff training	317,068	110,982
Subscriptions and membership fees	537,187	747,208
Sundry expenses	105,867	144,175
Telephone and fax	117,755	133,973
Tools	5,557	4,807
Transport: other	26,143	31,696
Uniforms	81,057	57,478
	24,314,866	**19,112,748**

16. Cash generated from operations

Deficit	(31,814)	(707,424)
Adjustments for:		
Depreciation and amortisation	275,546	280,978
Gain (loss) on sale of assets and liabilities	1,609	(1,275)
Movement in leave provision	83,921	14,863
Changes in working capital:		
Inventories	(1,614)	157
Trade and other receivables	387,010	(1,149,050)
Trade and other payables	(310,583)	(1,675,362)
	404,075	**(3,237,113)**

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17. Financial instruments

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.

The credit risk is mitigated through management's assessment of the credit quality of the debtors, taking into account their financial position, payment history and their track record.

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.

The KwaZulu Natal-Museum manages it's liquidity risk by monitoring its cash flow requirements and optimes its cash return on investments.

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Figures in Rand	2024	2023

17. Financial instruments (continued)

Categories of financial instruments

2024

Financial assets

	At amortised cost
Trade and other receivables excluding prepayments (Note 7)	1,432,102
Cash and cash equivalents (Note 8)	318,086,348
	319,518,450

Financial liabilities

	At amortised cost	12 Months (Maturity)	Over 12 Months (Maturity)
Trade and other payables (Note 12)	79,470	79,470	-

2023-Restated

Financial assets

	At amortised cost
Trade and other receivables (Note 7)	1,548,961
Cash and cash equivalents (Note 8)	2,956,857,722
	2,958,406,683

Financial liabilities

	At amortised cost	12 Months (Maturity)	Over 12 Months (Maturity)
Trade and other payables (Note 12)	374,517	374,517	-

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.

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17. Financial instruments (continued)

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.

The KwaZulu-Natala Museum is not locked into long term interest rates because the cash and cash equivalents consists of short term investments held at registered banks and the SARB and attract interest at rates linked directly to the prime overdraft rate. The Interest rate exposure is therefore low on the KwaZulu Natala Museum's bank accounts.

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

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18. Commitments

Authorised capital expenditure

UPGRADING AND CONVERSION OF THE OLD ST ANNE'S HOSPITAL BUILDING TO THE NEW KWAZULU-NATAL MUSUEM PROJECT		
• Project Management Services	3,948,234	4,278,266
• Professional Consultancy Services - Principal Agent	18,335,232	22,792,528
	22,283,466	**27,070,794**
Maintenance of KwaZulu-Natal Museum (Facilities Management)		
• Facilities management services	640,320	640,320
Total capital commitments		
New Museum Project	22,283,466	27,070,794
Facilities management contract	640,320	640,320
	22,923,786	**27,711,114**

Total commitments

Total commitments		
Authorised capital expenditure	22,923,786	27,711,114

The New Museum 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	98,041	131,028
- in second to fifth year	142,600	278,966
	240,641	**409,994**

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19. Related parties

Relationships

Controlling entity — The KwaZulu-Natal Museum has been established by the Department of Sport, Arts and Culture in terms of national legislation. The Minister of the Department of Sport, Arts and Culture, as the executive authority of the KwaZulu-Natal Museum and all entities under the control of the Minister of Sport, Arts and Culture are related parties. KwaZulu-Natal Museum is ultimately controlled by the national executive and is therefore related to all departments and public entities in the national sphere of government.

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.

There was a change of Council on 30 June 2024 as a result of the amalgamation as fully disclosed in Note 24.

Related party transactions

The fair values of the benefit received has been recognised as Services in Kind in the statement of financial performance.

	2024	2023
Deemed rental (DPWI)	5,538,987	5,538,987
Receipt transactions from DSAC		
Grant received	35,261,000	36,470,000
Municipal charges	5,734,000	5,281,000
Parking	412,000	303,000
New museum project	2,995,835	47,417,795
Facilities management	931,201	1,000,000
	45,334,036	**90,471,795**

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19. Related parties (continued)

Members' Remuneration

Council members

2024

Name	Council Meetings Attended	Sub-committee Meetings Attended	Total Meetings Attended	Honorarium	Travel reimbursement	Total
Kunene, Ms. K. (Chairperson)	5	15	20	200,102	1,037	201,139
Dantile, Dr. F.	4	9	13	50,260	-	50,260
Dlamini, Mr. S.	4	7	11	32,310	-	32,310
Magaqa, Adv. S	4	9	13	79,256	-	79,256
Mfuphi, Mr. L.	3	3	6	-	-	-
Noge, Mr. M.	4	8	12	46,670	-	46,670
Ramagoshi, Ms. M	5	10	15	57,440	-	57,440
Robinson, Ms L.	5	10	15	43,080	-	43,080
Stobie, Prof. B	5	15	20	71,800	-	71,800
	39	**86**	**125**	**580,918**	**1,037**	**581,955**

*In addition to the Council Meetings, the Chairperson attended other official engagements.
During the current year Mr L. Mfuphi served on the KwaZulu-Natal Museum Council but received no compensation as she is an employee of an organ of state of state

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19. Related parties (continued)

2023

Name	Council Meetings Attended	Sub Committee Meetings Attended	Total Meetings Attended	Honorarium	Travel Reimburseme nt	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	-	-	-
Ramagoshi, Ms. M	5	8	13	53,532	-	53,532
Noge, Mr. M.	6	9	15	39,358	-	39,358
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**	**597,099**

20. Directors' emoluments

Executive Directors

2024

	Salary	Annual Bonus	Expense Allowances	Pension	Other Benefits	Total
Maphasa, Mr L.J.	947,354	80,746	234,460	153,945	51,438	1,467,943
Miya, Mr S.R.	770,215	64,185	178,697	166,880	12,023	1,192,000
Dlamini, Mr S.E.	648,973	56,278	-	52,729	69,761	827,741
Flanagan, Mr W.	648,973	54,478	-	52,729	38,709	794,889
Midgley, Dr J.	648,973	54,478	-	105,458	14,643	823,552
Ntombela, Mrs T.S.	648,973	56,278	-	52,729	14,643	772,623
Blundell, Dr. G.	650,792	53,039	-	52,877	12,023	768,731
	4,964,253	**419,482**	**413,157**	**637,347**	**213,240**	**6,647,479**

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**

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21. 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 R170 403 in surplus.

The useful lives of certain equipment - other have been extended by 4 years. This resulted in a net increase of R339 736 in surplus.

The useful lives of certain furniture have been extended by 4 years. This resulted in a net increase of R25 648 in surplus.

The useful lives of certain intangible assets have been extended by 3 years. This resulted in a net increase of R15 972 in surplus.

The useful lives of certain vehicles have been extended to 10 years. This resulted in a net increase of R230 121 in surplus.

Net effect on statement of financial performance

	2024	2023
Decrease in expenditure		
Decrease in depreciation and amortisation of assets	1 072 600	1 150 335

Net effect on statement of financial position

	2024	2023
Increase in property, plant and equipment		
Property, plant and equipment - Computer Equipment	170 403	194 305
Property, plant and equipment - Other Equipment	339 736	363 881
Property, plant and equipment - Furniture - Metal	25 648	1 942
Property, plant and equipment - Scientific Equipment	230 121	-
Property, plant and equipment - Vehicles	290 720	273 796
Increase in intangible assets		
Intangible assets - Software	15 972	316 411

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.

22. Prior-year adjustments

During the course of the audit of the financial records for the previous financial year (2022/2023), the external auditors advised the Museum to develop a new Excel template for the fixed assets and intangible assets register. This recommendation arose from the challenges encountered during the reconciliation of the asset register with the changes in estimates working papers. The Museum conducts an annual condition assessment of its assets and evaluates their useful lives. Unfortunately, the current accounting system has limitations that necessitate this additional effort.

The Museum welcomed the recommendation, and has created a new fixed assets and intangible assets register. During this process, errors were picked up from prior years, necessitating changes in the prior year figures for the accumulated depreciation for all assets.

Further to the above the a control account line item previously under cash and cash equivalents was reviewed and it was found that the movements on this account is not representative of the cash movements, this account according reclassified to current liablities.

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

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22. Prior-year adjustments (continued)

Statement of financial position

2023-Restated

	As previously reported	Adjustment	Restated
Motor vehicles	1,991,436	1,580	1,993,016
Accumulated depreciation	10,854,682	(555,153)	10,299,529
Accumulated amortisation	1,298,758	(315,663)	983,095
Accumulated surplus	1,626,029	865,147	2,491,176
Cash and cash equivalents	295,685,828	1,894	295,687,722
Trade and other payables	419,366	1,894	421,260

Statement of financial performance

2023-Restated

	As previously reported	Adjustment	Restated
Repairs and maintenance	861,382	7,245	868,627
Depreciation	1,151,793	(870,815)	280,978
Surplus for the year	**2,013,175**	**(863,570)**	**1,149,605**

23. 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.

24. Events after the reporting date

In the Government Gazette no. 50708 dated 24 May 2024, the Minister of the Department of Sport, Arts and Culture declared the KwaZulu-Natal Museum amalgamated into Ditsong Musuems of South Africa (Flagship Institution established in terms of section 6(1) and 6(2) of the Cultural Institutions Act).

- In terms of Section 14 of the Cultural Institutions Act, the KwaZulu-Natal Museum has been abolished as at the date of the Government Gazette.
  All the assets, rights and liabilities of the KwaZulu-Natal Museum will vest in Ditsong Museums of South Africa as at amalgamtion date.
- As result, the KwaZulu-Natal Musuem will no longer prepare its Annual Financial Statements as a standalone entity and will form part of Ditsong Museums reporting.


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2023


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