— NATIONAL MUSEUM —

ANNUAL REPORT



"Museums Uniting a Divided World"

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PART A:

GENERAL INFORMATION

National Museum's
GENERAL INFORMATION

The National Museum* is a Declared Cultural Institution with framework autonomy which resorts under the Department of Sport, Arts and Culture and is governed by a Council. The Museum is a natural history, cultural history and art museum which systematically and selectively collects examples and information relevant to these fields over the whole spectrum of prehistory up to the present. It is its task to document, preserve, conserve, restore, make available, study and promote such items, specimens, examples, collections and information.

*Incorporating the satellites: First Raadsaal Museum; Florisbad Research Station; Freshford House Museum; Oliewenhuis Art Museum; Wagon Museum; and Artbank.

NATIONAL MUSEUM, BLOEMFONTEIN



The National Museum in Bloemfontein was established in 1877 and initially its collections and displays consisted mainly of rarities from around the world. Subsequently the Museum has developed into an omnibus institution with international stature. Intensive research is being done and significant study collections have been assembled in the fields of acarology, arachnology, botany, entomology, herpetology, mammalogy, ornithology, palaeo-ecology, palaeontology, anthropology, archaeology, cultural history, rock art and fine arts. Education is a further core function of the Museum and is embedded in every Museum activity. Through its displays and programmes the Museum renders a public service for its diverse audiences, engaging them in enjoyable and enlightening experiences and enriching the learning opportunities of all individuals.

OLIEWENHUIS ART MUSEUM

(Satellite of the National Museum)



On 19 July 1985 the former State President, Mr P.W. Botha, handed Oliewenhuis to the National Museum to be developed into an art museum. Oliewenhuis was erected in 1941 as residence of the Governor-General of the Union of South Africa. It was also used by the State Presidents of the Republic of South Africa as residence when on official visits to Bloemfontein. Later, however, Oliewenhuis was no longer used and it was thus made available to the National Museum.

Several structural changes had to be made to develop Oliewenhuis into an art museum, which on completion was officially opened on 11 October 1989.

Oliewenhuis Art Museum collects exclusively South African art and its collection consists of paintings, sculpture and graphic art. The pride of the collection are the Pierneef paintings, especially the magnificent Rustenburg Kloof, and the paintings of Bloemfontein done by Thomas Baines in 1851, only five years after the establishment of the town. The Art Museum obtains artworks through donations and acquisitions. The City Council of Bloemfontein made important donations, which were first housed at the A.C. White Gallery, and Mrs Dora Scott donated the F.P. Scott Trust Collection. The latter includes 24 artworks of the Bloemfontein Group.

FLORISBAD QUATERNARY RESEARCH STATION

(Satellite of the National Museum)



Florisbad is an internationally important fossil locality which has produced an archaic modern human skull in addition to valuable archaeological and palaeontological material. It is a key site for information not only on the physical development of modern humans, but also on their environment and subsistence behaviour. In September 1912 an earthquake opened up a new spring at the Florisbad mineral spring, and fossil bones and stone artefacts were brought to the surface with the water. Robert Broom investigated the find and in 1913 published an article on the material.

The discoveries prompted further investigations in the 1920s and 1930s by Prof. T.F. Dreyer from the Grey University College in Bloemfontein. This culminated in the discovery of the Florisbad human cranium in 1932. Dr A.C. Hoffman, Director of the National Museum in Bloemfontein, carried out further work in 1952. In 1980 Florisbad was bought by the South African Government for research purposes and was placed under the administration of the National Museum, Bloemfontein.

WAGON MUSEUM

(Satellite of the National Museum)



The Wagon Museum is situated on the same premises as the First Raadsaal Museum. It houses a collection of historical wagons and carriages, such as a spring wagon, Voortrekker ox wagon, transport wagon, stage coach, mule wagon, spider and Cape cart. In the exhibition area are various panels depicting the development of transport through the ages and the making of a wagon wheel. A miniature diorama gives the visitor an impression of a team of oxen in front of a Voortrekker ox wagon. An exhibit of modes of transport used by black people has recently been included in the Museum.

ART BANK



The Art Bank of South Africa is a national programme of the Department of Sport, Arts and Culture as part of the Mzansi Golden Economy (MGE) strategy implementation and is hosted by the National Museum Bloemfontein, an agency of the Department of Sport, Arts and Culture. The vision of the Art Bank is to promote, foster and stimulate a vibrant market for the collection of South African contemporary visual art. It is tasked with purchasing artworks from South African artists, particularly that of emerging artists in order to lease and sell the artworks to South African government departments, private companies and private individuals.

FRESHFORD HOUSE MUSEUM

(Satellite of the National Museum)



Freshford is one of the few houses of the upper middle class of the Edwardian period that still exists in Bloemfontein. The house was designed and built by the architect, John Edwin Harrison. Born and trained in England, Harrison immigrated to South Africa in 1894.

Freshford House was completed in 1897, i.e. during a transition between the Late Victorian and Edwardian periods. With its asymmetrical facade, unplastered red brick walls, bay windows, veranda with carved wood and galvanised iron roof with cast-iron finishes, Freshford House is a typical example of a residence during this period in Bloemfontein.

The house was acquired by the National Museum in 1982, restored to its former glory and was opened to the public in 1986.

FIRST RAADSAAL MUSEUM

(Satellite of the National Museum)

The British Resident, Maj. H.D. Warden, built this typical South African pioneer's building in 1849. It was the first school building north of the Orange River. It served as a church until 1852 and it was used by the Legislative Council of the Orange River Sovereignty and, from 1854, by the Orange Free State Republic as Assembly Hall and offices. When the Assembly moved to larger premises in 1856, the building reverted to its use as a school, which it remained until 1877. The little building was put to a different use once again when in that year it housed the newly established National Museum. It was vacated in 1915 when the Museum moved to its present premises, and it was proclaimed a National Monument in 1936. In 1975 the wheel had turned full circle when the old Raadsaal was once again vacated and transferred to the National Museum.



Registered Name:	National Museum Bloemfontein
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Postal Address:	PO Box 266, Bloemfontein, 9300
Telephone Number/s:	+27 51 447 9609
Fax Number:	+27 51 447 6273
Email Address:	direk@nasmus.co.za
Website Address:	www.nasmus.co.za
External Auditors:	Auditor-General of South Africa
Bankers:	ABSA
Physical Address:	ABSA Towers West, 7th Floor, 15 Troye street, Johannesburg, 2001, South Africa
Company Secretary:	None

List of **ABBREVIATIONS/ACRONYMS**

AGSA	Auditor-General of South Africa
ArtBankSA	Art Bank of South Africa
AU	African Union
BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DSAC	Department of Sport, Arts and Culture
GRAP	Generally Recognised Accounting Practice
HOD	Head of Department
ICOM	International Council of Museums
ICT	Information and Communications Technology
OHS	Occupational Health & Safety
PESP	Presidential Employment Stimulus Programme
PPPFA	Preferential Procurement Policy Framework Act
PFMA	Public Finance Management Act
NDP	National Development Plan
NEHAWU	National Education, Health and Allied Workers' Union
NRF	National Research Fund
SAPTU	South African Parastatal and Tertiary Institutions Union
SCM	Supply Chain Management
SMME	Small Medium and Micro Enterprises
UN	United Nations
UNESCO	United Nations Education, Scientific and Cultural Organisation
UNIDROIT	International Institute for the Unification of Private Law

Foreword
BY THE CHAIRPERSON

Museums are not simply custodians of the past; they are vital agents for connection, understanding, and peace in the present. At a time when social, cultural, and geopolitical divisions are increasingly impact societies, museums stand as spaces where differences are approached with respect rather than suspicion, and where shared humanity finds expression through objects, stories, and meaningful dialogue.

Antonio Rodríguez
President, International Council of Museums (ICOM)



Mr Frans Kraalshoek

Museums uniting a divided world

The National Museum is a centre of knowledge, discovery and cultural stewardship, playing a vital role in promoting mutual respect, social cohesion and peaceful coexistence. Through excellence in research, conservation, education and exhibitions, the Museum fulfils its mission of providing accessible heritage information, enriching visitor experiences and serving as an invaluable tourism and educational resource for all South Africans.

In 2025, the National Museum joined the global museum community in commemorating International Museum Day under the theme, *"Museums Uniting a Divided World."* This theme recognises the unique role museums play as trusted public institutions where people engage with history, culture, science and one another. At a time marked by social fragmentation, polarisation and unequal access to knowledge and culture, museums provide inclusive spaces that foster dialogue, understanding and reconciliation across generations, communities and borders.

Museums do not seek to erase differences; rather, they create opportunities for those differences to be understood, respected and appreciated. By preserving heritage and collective memory, promoting lifelong learning, and providing welcoming platforms for diverse perspectives, museums strengthen social cohesion and contribute to building more inclusive, resilient and sustainable societies. The National Museum remains committed to this vision, ensuring that its collections, research and public programmes continue to inspire curiosity, deepen understanding and connect people through our shared heritage.

Performance Highlights

This report presents the financial and non-financial performance of the first year of the National Museum's Five-Year Strategic Plan (2025–2030). I am pleased to report that the Museum delivered a strong performance, achieving or exceeding 50 of the 53 performance targets set for the year, representing an overall achievement rate of **94%.** Of the remaining targets, two were partially achieved and one was not achieved. Corrective measures have been incorporated into the operational plans for the new financial year to ensure continued progress. Detailed performance information is provided in Part B of this report.

I am equally pleased to report that the Museum received an unqualified audit opinion (a clean audit) from the Auditor-General for the 2025/26 financial year. This achievement reflects the Museum's continued commitment to sound governance, robust financial management and effective internal controls. Our prudent financial management is further demonstrated by maintaining an audited average payment period of just two days for creditors and suppliers, consistent with the previous financial year.

The Museum's financial position remains sound, with an accumulated surplus of **R227 million** at year-end. Visitor numbers decreased during the reporting period and the annual visitor target was not fully achieved. Schools continue to represent the Museum's largest visitor stakeholder group, underscoring the importance of our educational mandate. During the year, the Museum successfully delivered all planned temporary exhibitions and fully implemented its annual research programme, further strengthening its contribution to knowledge generation, heritage preservation and public engagement.

Research and Conservation highlights

The National Museum is proud to launch the **South African Oral History Liberation Heritage Project**, a landmark initiative to preserve the voices of ordinary South Africans whose lived experiences are an integral part of our nation's history. While much has been written about apartheid, the personal stories of those who endured, challenged, and ultimately overcame its injustices remain an invaluable national resource. Through interviews conducted across the country, the project captures first-hand accounts of everyday life under apartheid, the resilience of individuals and communities, and the many ways in which people resisted oppression and fought for a democratic South Africa.

SOUTH AFRICAN ORAL HISTORY LIBERATION
HERITAGE PROJECT
NATIONAL MUSEUM
BLOEMFONTEIN
an agency of the
Department of Sport, Arts and Culture

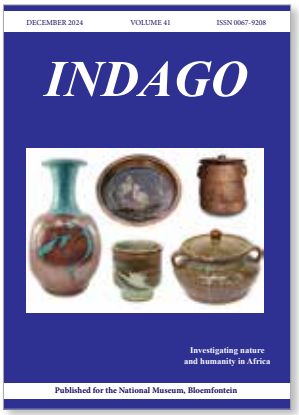
The project seeks to answer fundamental questions: How did apartheid shape people's daily lives? How did families and communities survive under a system of institutionalised discrimination? In what ways did ordinary South Africans

respond to injustice and contribute to the struggle for freedom? By recording these memories now, before they are lost forever, the National Museum is preserving an irreplaceable legacy for future generations. The interviews will be digitised and incorporated into the Museum's heritage database, creating a permanent archive that will support research, education, and public understanding, while ensuring that these voices can be heard by scholars and audiences around the world for generations to come.

It is pleasing to report that the Museum received ethical clearance for all new research projects initiated during the year. This achievement aligns with the Museum's strategic objective to conduct research in accordance with ethical standards while producing high-quality outcomes across its various research disciplines.

The Museum actively undertakes and promotes research in multiple natural and human science fields. During the financial year, **11** research studies were conducted using the Museum's existing collections. Research output continued to grow, with **28** scientific articles published in peer-reviewed journals and **33** popular articles published in journals and magazines.
Museum scientists shared their research at **19** national and international conferences. They also contributed to academic development by supervising **two** postgraduate students at Doctoral and Masters level. In support of the broader scientific community, a total of **44** manuscripts were peer-reviewed by Museum scientists, including journal articles, research theses, scientific reports, and researcher evaluations. Additionally, they delivered **30** lectures to the public and higher education institutions during the year.





Scientists of the Museum were involved in the description of **8** new species in the last financial year. These new species were described in international journals. Through our collections and research, the Museum is connected to the national and international scientific community. Our scientists registered **5** new collaborative research projects and were awarded **2** new research grants. Edition 80 of **CULNA Magazine** was produced and **20** articles were published online. The **Indago Journal** was published in hardcopy and online.

The Museum engages in conservation by building and curating representative collections of Natural and Human Science, including Fine Arts. The Museum added **10 232** new specimens to our natural science and human science collections in the year. The **ArtBankSA** purchased **52** artworks during the year.
Annually the Collections Department audits the heritage collections for compliance with the Collections Policy and GRAP. The audit outcomes show that the Museum has an excellent compliance rate with procedures for conservation, curation, and management of collections. The Museum made additional equipment purchases in line with its strategy for **Digitisation of Heritage Collections** and **4933** heritage items were digitised**.**

Employment Equity

The National Museum has an approved Employment Equity Policy and Plan in place which is aligned to national and regional demographics. The Employment Equity Plan has established equity targets which guide recruitment.

Challenges Faced by Council

The Museum's biggest challenges faced by Council are the high cost of employment expenditure and the over-reliance on DSAC grant funding. Treasury continued to make budget cuts to funding allocated to government entities in response to demands on the fiscus. Unfortunately, the Museum's budget was reduced during the year under review. The Museum recognises that it needs to generate more income which will be done by increasing visitor numbers, promoting increased use of its venues, and attracting more research grants.

The Year Ahead

The Museum has signed a new five-year plan (2025- 2030) with the Minister. In the 2026.27 financial period, the Museum will focus on exploiting new opportunities and improving in the following areas:

- Implementing the existing PESP projects.
- Improving the roll out of CAPEX projects which will see urgent renovations to the premises of the National Museum and satellites.
- Fundraising and sourcing alternative grant funding for research due to ongoing budget cuts imposed by DSAC and Treasury.
- Implement its Employment Equity Plan and Development of Black Scientist programme.
- Expanding the digitisation of the collections.
- Improving its contract management and supply chain management.
- Overall strengthening of the governance of the organisation.

Acknowledgements / Appreciation

Following the gazetting of the reversal of the amalgamation in October 2024, a new Council for the National Museum was appointed in December 2024. I assumed the role of Acting Chairperson following the resignation of Dr Blennies. I was formally appointed by the Honourable Minister as Chairperson in October 2025. The formalisation of this appointment has provided continuity and stability to the governance of the Museum, enabling the Council to strengthen its oversight role and provide strategic direction as the institution embarks on the implementation of its Strategic Plan.

I am grateful to my fellow Council members for their commitment, expertise and dedication in strengthening the governance of the National Museum. Their collective stewardship has ensured that the Council continues to uphold the highest standards of accountability, transparency and ethical leadership.

The National Museum's achievements during the year are a testament to the professionalism, dedication and expertise of its staff. The Museum is privileged to employ a highly skilled team whose commitment to excellence continues to uphold its reputation as one of South Africa's leading research and heritage institutions. I extend my sincere congratulations to the Chief Executive Officer, management and all employees for delivering an outstanding performance during the year, culminating in the achievement of another clean audit.



National Museum signs a Shareholder Compact with Minister.



National Museum celebrates International Museum Day.

On behalf of the Council, I express our sincere appreciation to the Honourable Minister of Sport, Arts and Culture for his leadership, guidance and continued support of the heritage sector. I also extend our gratitude to the officials of the Department of Sport, Arts and Culture for their ongoing collaboration, advice and support throughout the reporting period. Together, these partnerships continue to strengthen the National Museum's ability to fulfil its mandate in preserving our heritage, advancing research and serving the people of South Africa.

Conclusion

Research expertise remains one of the Museum's most valuable assets, with many of its scientific positions classified as scarce and critical skills. The ageing profile of the research workforce continues to present a strategic challenge, making succession planning a key organisational priority. During the reporting period, the Museum undertook a review to identify positions requiring scarce and critical skills, providing the foundation for targeted succession planning and future talent development. It is encouraging that the Museum continues to attract and appoint highly qualified researchers, including National Research Foundation (NRF)-rated scientists, thereby strengthening its research capacity. Looking ahead, the Museum will introduce postdoctoral fellowship opportunities to develop the next generation of researchers and ensure the sustainability of its scientific excellence.



Ms Peace Mabe, Deputy Minister of Sport, Arts and Culture visits Oliewenhuis Art Museum.

Our satellite site, Freshford House Museum, remained closed throughout the reporting period to allow for essential repairs and renovations. These works, undertaken by the Department of Public Works and Infrastructure, represent significant progress on a long-awaited project. The Council and management appreciate the Department's support in advancing these upgrades, and we look forward to reopening Freshford House Museum to the public once the renovations have been completed.

Visitor trends continue to demonstrate the Museum's important educational role, with school groups and families remaining our largest visitor segments. Through its exhibitions, educational programmes and outreach initiatives, the Museum continues to provide curriculum-aligned learning experiences that inspire curiosity, support formal education and promote lifelong learning. These programmes remain central to the Museum's public mandate and its commitment to making science, history and heritage accessible to all.

F. Kraalshoek

Mr F Kraalshoek
National Museum
31 July 2026

Chief Executive Officer's **OVERVIEW**

The prominence of museum references in peer-reviewed publications serves as a testament to their substantial contribution to scientific knowledge. While museums are acknowledged for their role in taxonomic work, their significance extends beyond, offering raw data, logistical support, and financial assistance. Scientific publications, particularly in prestigious journals within ecology and evolutionary biology, frequently rely on museums for data, funding, and reference materials.

Ana Rita Pimenta Carneiro



Chief Executive Officer
Sharon Snell

Introduction

As a museum veteran I was excited to see several noteworthy developments in the museum sector, offering important lessons for our museum.

- Nothing signalled the post-COVID-19 recovery of the museum sector more clearly than the high-profile opening of the largest museum in the world on the African continent. The opening of the Grand Egyptian Museum (GEM) has provided a significant boost to cultural tourism and is expected to attract millions of visitors to Giza. At a time when our local museums are experiencing **declining visitor numbers**, we must draw important lessons from our sister institution in Egypt. The opening of this new museum has also intensified public calls for the repatriation of significant Egyptian artefacts housed in museums elsewhere in the world back to Africa.

- It warmed our collective hearts to witness the reopening of the National Museum of Brazil in 2025 after it was devastated by fire in 2018 and remained closed for several years. The maintenance of our museum buildings and infrastructure received increased attention from Management during the year under review. Museums face ever-increasing risks associated with damage to heritage buildings and the potential loss of invaluable collections. During the reporting period, **Freshford House Museum** was closed for renovations managed by the Department of Public Works. Site handover took place in February 2025 and as I write this message, Freshford House Museum has been closed for more than 18 months. These long-overdue renovations will, once completed, ensure the long-term preservation of both this historic building and the heritage collections it houses.

- The high-profile heist at the Louvre Museum prompted museum curators around the world to reassess security measures and review insurance coverage for their collections. During the period under review, one of our off-site storerooms was broken into and heritage items containing valuable materials, such as brass and copper, were stolen. Fortunately, the suspects were apprehended quickly and vigilant officers at Park Police Station recognised the items as belonging to our collections. Following the incident, we assessed the vulnerabilities at the off-site storage facility and strengthened security





Renovations at Freshford House Museum

measures. Crime, urban decay and neglect continue to undermine the city centre environment, creating additional risks for museums located in the Bloemfontein CBD.

General Review

The Museum's principal source of revenue was the transfer payment received from DSAC, amounting to **R 79,77 million** (2024/25: R 81.58 million). Other significant revenue comprised interest income of **R 9,2 million** (2024/25: R 10,3 million).

The Museum recorded an operational surplus of **R 9,98 million** for the financial year (2024/25: R 12,67 million). Employee costs remained the most significant expenditure category, amounting to **R 42,33 million** (2024/25: R 41,7 million). The Museum closed the financial year with an accumulated surplus of **R 227 million** (2024/25: R 217 million).

Through the PESP, DSAC continued to provide funding to the cultural and creative sector to stimulate growth and contribute to economic recovery and reconstruction. Following the successful implementation of the initial programme in 2020, the National Museum, in partnership with the Art Bank of South Africa, continued to implement a range of initiatives under the programme. During the reporting period, PESP funding revenue amounted to **R 11,3 million**.

The Museum did not experience any capacity constraints or challenges during the reporting period, and several vacant positions were successfully filled. No activities were discontinued, and no new or proposed activities were introduced. There were no events subsequent to the reporting date.

Research and Exhibition Highlights

The Museum has built strong research capabilities across significant fields with **four NRF rated** researchers on the team. A total of **28** peer-reviewed articles were published, and the full list of publications appears in Part B. The Museum recognised three scientists for research excellence in the financial period viz. Dr Gimo Daniels; Dr Michael Bates and Dr Lizel Hugo-Coetzee. They excelled in the number of academic publications they authored/ co- authored in the 12-month period.
The National Museum contributes to South Africa's scholarly output and participates in multiple national and international research collaborations. The vision of the National Museum is to be known as the best heritage centre in Africa, and it intends to achieve this by excelling in its conservation, research, and educational functions across a broad spectrum of disciplines in the Natural Sciences, Human Sciences and Fine Arts.



Top scientists acknowledged by the National Museum: Dr Gimo Daniels (inset); Dr Lizel Hugo-Coetzee; Dr Mike Bates with Museum CEO, Sharon Snell (middle).

Oliewenhuis hosted 14 exhibitions during the review period and more information about these exhibitions can be found in Part B of this report. We continued with our programme to host the **Top 20 South African visual artists** who were selected to present solo exhibitions at Oliewenhuis Art Museum. South African visual artists were invited through an open call to submit their solo exhibition proposal for placement on the exhibition calendar of Oliewenhuis Art Museum.



A new permanent exhibition of Firearms is now on display at the First Raadsaal and Wagon Museum. The exhibition tells the story of the history of firearms. The exhibition was opened by Sharon Snell, CEO of the National Museum, on 3 October 2025.

Request for Rollover of Funds

The Museum applied for rollover of surplus funds from the 24/25 financial period, and this was granted by Treasury. Treasury approval was granted in terms of PFMA section 53(3) for the National Museum to retain the cash surplus of **R 81,66 million** to be used:

- To enhance and upgrade its ICT infrastructure;
- Replacement of ageing tools of trade (computers/laptops);
- Upgrading CCTV cameras for Oliewenhuis art museum to enhance security as it houses significant valuable heritage assets;
- Replacement or total overhaul of the National Museum and Oliewenhuis generators, with the significant power outages being experienced, the National Museum and the Oliewenhuis generators have experienced mechanical failure which had left the museum without backup for a number of weeks. Solar light and other solutions;

- Maintenance and repairs of the National Museum and its Satellite museums;
- Replacement of the National Museum aging fleet; the National Museum auctioned old vehicles that were over a decade, and maintenance was becoming an issue;
- A project to develop black scientist by training black upcoming scientist;
- Payments of municipal charges, over the year there has been a significant increase in our municipal charges but a decrease in our operation grant;
- Replacement of Museum exhibitions that have deteriorated including animal specimens in the Mobile Museum;
- Upgrading of the dust extraction for the preservation of collections in the store room; and
- Contracted commitments

Employee Benefits

The Museum has proactively converted from a self-managed fund to an Umbrella fund to reduce costs and associated risks. Transfer of Unclaimed benefits was finalised and transferred to the Umbrella Fund and the Museum is in the process of finalising the closure of the self-managed fund with the Financial Sector Conduct Authority.

Supply Chain Management

Internal Audit identified SCM-related findings during the year under review, and these are being addressed. Contract management has improved as a result of enhanced processes that were introduced; however, this area will remain a key focus going forward. The Museum has implemented a training plan for SCM officials and management to address identified gaps. The SCM Policy was reviewed and updated during the reporting period. The Museum did not conclude any unsolicited bid proposals during the year under review.

Audit Report Matters from the prior period

The Museum received a clean audit report in the prior period and had in place an Audit Tracking Register to track the resolution of all findings. Progress was reported quarterly to the Audit and Risk Committee. Currently all findings have been resolved.

The National Museum in the Triennium

The cost of employment amounted to **R42,3 million** (2024/25: R 41.6 million) and is expected to remain the Museum's largest cost driver going forward. The National Museum is projected to employ approximately 120 staff members over the triennium. This presents a budgetary challenge that will require careful attention if the Museum continues to attract and retain top research talent, including NRF-rated researchers. Notwithstanding these challenges, the Museum remains a financially viable institution. Council and Committee remuneration decreased to **R 286,211** (2024/25: R320,142).



The Museum has embedded Enterprise-Wide Risk Management into its strategy and operations. It is important to note that significant progress has been made over the period in the management of risks at the Museum, resulting in tangible improvements in the Museum's overall performance, as well as its audit and governance outcomes.

Acknowledgements

The Museum has successfully completed the first year of its Five-Year Strategic Plan (2025–2030), and I am proud of the strong foundation we have established for the years ahead. The excellent performance achieved during the reporting period reflects the dedication, professionalism and collective commitment of our Heads of Department and every member of staff. Their loyalty to the Museum, passion for our mandate, spirit of innovation and commitment to teamwork have been instrumental in delivering these results.

I extend my sincere appreciation to all employees for their outstanding contribution to the Museum's continued success. Their expertise and unwavering commitment ensure that the National Museum remains a leading institution in research, heritage conservation, education and public engagement.

I also wish to express my sincere gratitude to our Council Chairperson, Mr Frans Kraalshoek, who made himself available to support Executive Management throughout the year. My appreciation is equally extended to the members of the National Museum Council for the work they completed during the year.



Chief Executive Officer
National Museum
31 July 2026

Statement of responsibility and confirmation of accuracy for the **ANNUAL REPORT**

To the best of our knowledge and belief, we confirm the following:

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

The Annual Report is complete, accurate and is free from any omissions.

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

The Annual Financial Statements (Part F) have been prepared in accordance with the 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 public entity for the financial year ended 31 March 2026.

Yours faithfully



Chief Executive Officer
Name: S Snell
Date: 31 July 2026

F. KRAALSHOEK

For: Chairperson of the Council
Name: F Kraalshoek
Date: 31 July 2026

The National Museum is a Natural History Museum, a Cultural History Museum and an Art Museum. Against the background of the international definition of a museum as a non-profit-making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment, the National Museum performs its conservation, research and educational functions in a broad spectrum of disciplines in the Natural Sciences, Human Sciences and Fine Arts.



Vision

To be known as the best heritage centre in Africa.

Mission

To provide heritage information, an enjoyable experience and an invaluable tourism resource to all people through quality research, conservation, education and exhibitions. The Museum's functions are:

- *Conservation*: To build and curate representative collections of natural science, human science and art objects which are consistent with the objectives and activities of the Museum.
- *Research:* To undertake and promote research in the approved disciplines of the Museum.
- *Education*: To disseminate information on nature, culture and art, through publications, exhibitions and a variety of educational programmes.
- *Tourism*: To provide an invaluable tourism resource in the central interior of South Africa.

Values

The National Museum is driven by the following values:

Excellence	Respect	Teamwork	Innovation
Professionalism	Co-operation	Commitment & Passion	Community empowerment

Cultural Institutions Act

The National Museum was established in terms of section 3 of the Cultural Institutions Act (Act 119 of 1998) and in terms of section 5 is governed by a Council appointed by the Minister of Arts and Culture.

Parliament has the power to conduct oversight of all organs of state, including those at provincial and local government level. Portfolio committees exercise oversight over a particular government department or "portfolio" and deal with bills within that portfolio.

Parliamentary committees are established as instruments of the Houses in terms of the Constitution to facilitate oversight and monitor the government. These committees are the "engine rooms" of Parliament's oversight and legislative work. Committees scrutinise legislation, oversee government action, and interact with the public. One of the most important aspects of the oversight function is the consideration by committees of annual reports of organs of State, and reports of the Auditor-General. Depending on the purpose of the oversight, the Committee will either request a briefing from the organ of State or visit it for fact-finding.

National Living Heritage Policy

The DSAC has developed the National Living Heritage Policy with the objective of the safeguarding of living heritage and ensuring compliance with the 2003 UNESCO Convention on Intangible Cultural Heritage Convention.

National Policy on Digitisation of Heritage Resources

The Policy recognises and takes account of the implications of the rapid advances in the evolution of Information and Communication Technologies for "notions and practices of collective memory and heritage". The Policy identifies the key risks to the future preservation of collections, including the fragmented character of current digitisation initiatives; the financial resources available to support digitisation; the lack of consistency in the standards and guidelines; and the threat of the proliferation of digital archives containing important national content that is largely uncontrolled and unconnected to the national memory systems. The Policy seeks to address these risks.

Ratification / Accession to International Conventions

Various international conventions and protocols govern the culture and heritage landscape. The DSAC has developed policies in line with the applicable conventions and initiated the ratification/accession process by submitting the following international conventions to Parliament for tabling:

a) UNESCO Convention (2001) on the Protection of the Underwater Cultural Heritage;

b) Second Protocol to the 1954 Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict (1999); and

c) UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects (1995).

The Use of Official Languages Act

The Use of Official Languages Act, which seeks to regulate and monitor the use of official languages by government, came into operation with effect from 2 May 2013.

Review of the White Paper on Arts and Culture

The Revised White Paper seeks to align the Arts Culture and Heritage space with the broader shifts in government policy and priorities and to elevate the contribution that arts, culture and heritage might make towards social cohesion, nation-building and economic empowerment. It also seeks to address the challenges that the Sector faces, to remove duplication and overlaps in mandate, and to rationalise the number of entities falling under the DSAC and their associated institutional activities.

The Revised White Paper recommends a substantial restructuring of institutional support for the Sector. Key questions arising from this approach include the detailed programming of these institutions and how they will be able to meet their mandates with the available financial and human resources.

National Development Plan

The *National Development Plan* – Vision 2030 (2011) outlines a vision for the country, aiming, *inter alia*, to eliminate poverty and reduce inequality by 2030. Chapter 15 of this plan asserts that the Arts, Culture and Heritage Sector is viewed as a potentially powerful driver for creating a sense of inclusiveness and for encouraging interaction between South Africans from different social backgrounds. Importantly, too, it is viewed as capable of contributing to the mobilisation of active and responsible citizenry. Furthermore, the NDP highlights that the economic value and contribution of the Sport, Arts, Culture and Heritage Sector is increasingly recognised, and that strategies must be developed and implemented to exploit its potential on a global scale.

The NDP aspires to arrive at a situation in which South Africans will be more conscious of that which they have in common, rather than the differences that separate people. This implies that interventions need to facilitate an experience by all South Africans that cuts across the divisions of race, gender, and class. Accordingly, a central focus of the NDP is on creating opportunities that equalise the life chances of South Africans. The NDP further emphasises the importance of redress through measures such as employment equity and black economic empowerment as a means to righting the wrongs of the past as part of this process of equalising opportunities. The NDP calls for the promotion of social cohesion across society that is based on respect and appreciation for constitutional values enshrined in the Constitution.

Sustainable Developmental Goals

The UN has emphasised that arts and culture will play an important role in pursuing each of the 17 Sustainable Development Goals. The safeguarding and promotion of culture is an end in itself, and at the same time it contributes directly to many of the SDGs — safe and sustainable cities, decent work and economic growth, reduced inequalities, the environment, promoting gender equality and peaceful and inclusive societies. The indirect benefits of culture are accrued through the culturally-informed and effective implementations of the development goals.

Cultural diversity is necessary for sustainable development for two reasons: the first is human survival as a means of cultural existence. The coexistence of various cultures leads to humans being able to better adapt to the environment. It is because of the coexistence of diverse cultures that the human race has overcome change and continued to survive. The emergence of differing cultures and maintenance of cultural diversity has raised the possibility of the human race adapting to environmental change in the future. Furthermore, in order for culture itself to retain its creativity and vitality, the existence of other cultures is a must. New ideas are born from other cultures, and the source of cultural creativity lies within constant encounters between different cultures.

Agenda 2063

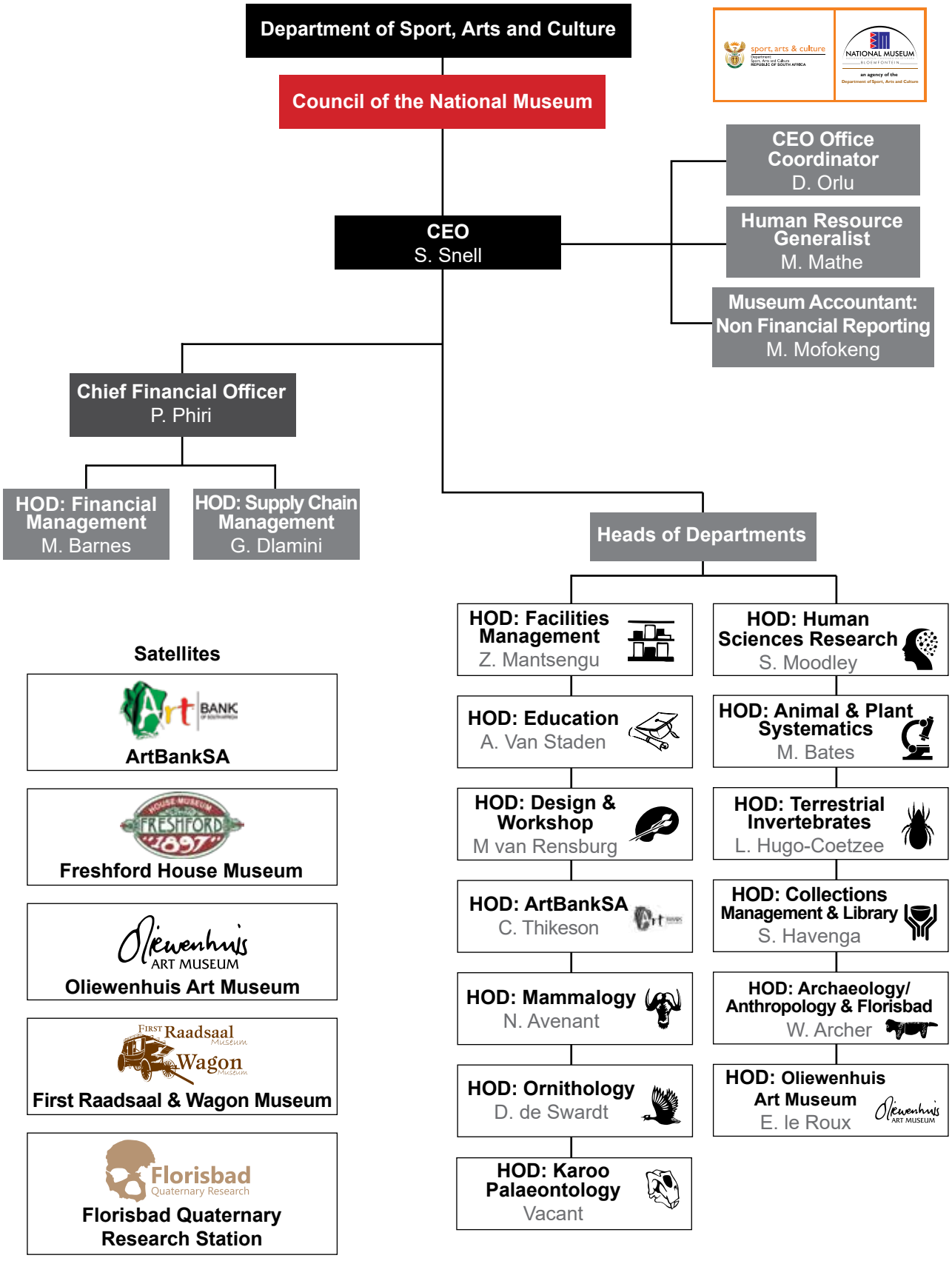
At a continental level, sport, arts and culture contribute to the **Agenda 2063**, a forward-looking continental framework. Agenda 2063 is anchored on the AU vision of “a shared strategic framework for inclusive growth and sustainable development “and based on 7 aspirations derived from consultations. Three of the aspiration have particular relevance to the Museum:

a) An Africa with a strong cultural identity, common heritage, shared values and ethics;

b) An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children and

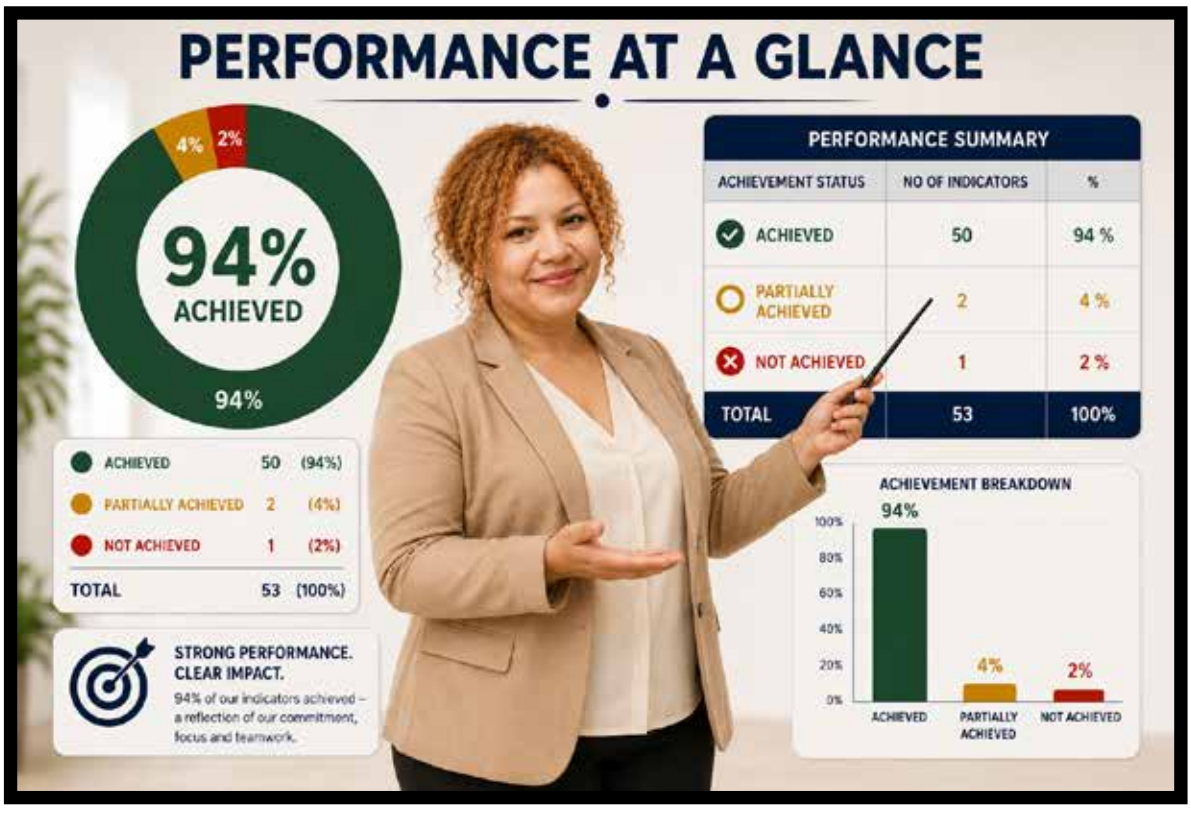
c) An Africa of good governance, democracy, respect for human rights, justice and the rule of law.

Organisational **STRUCTURE**



PART B

PERFORMANCE INFORMATION



Auditor's Report:
PREDETERMINED OBJECTIVES

The AGSA/auditor currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on 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 53 of the Auditors Report, published as Part F: Financial Information.

1. SITUATIONAL ANALYSIS

1.1. Service Delivery Environment

The National Museum provides professional services in the curation and conservation of heritage-based collections, in research and education, of benefit to a broad spectrum of the community. Outputs and standards have either been maintained or improved upon by the Museum. Where targets have not been achieved, measures will be considered in future to address these aspects.

The Museum strives to address transformation, in a broad sense, across the range of its processes and activities, from policy development and recruitment, through to its collections, research, education and community outreach programmes. There is an ongoing emphasis on the important role the Museum must play in contributing to the transformation of the heritage sector.

1.2. Organisational environment

From the performance outcomes published in this report, it is apparent that the National Museum experienced many organisational successes in the year under review. Most of our performance targets were overachieved. We maintained a low vacancy rate and experienced low staff turnover. The challenges that we experienced are articulated in the message from our Chairperson. There were no significant developments in our internal or external environment that impacted on our ability to deliver on our Strategic Plan and Annual Performance Plan.

1.3. Key policy developments and legislative changes

There were no significant changes to the National Museum's legislative and other mandates. The pending White Paper on Arts, Culture and Heritage, as well as the National Museum's policy, the draft versions of which are still under discussion, will doubtless impact on the Museum's operations.

1.4. Strategic Objectives

Below are the approved Strategic Objectives:

PERFORMANCE INFORMATION BY PROGRAMME

Summary:

Achievement Status	No of Indicators	%
Achieved	50	94 %
Partially achieved	2	4 %
Not achieved	1	2 %
Total	**53**	**100%**

1. **Programme 1: Compliance and Administration**

Programme 1: Compliance and Administration	
Purpose	To provide the necessary professional support and compliance services to ensure the achievement of the Museum's Primary objectives of carrying out quality research, expanding and managing diverse heritage collections and communicating this to all, through educational programmes, exhibitions and publications, to emphasise the importance of this diverse heritage to the South African nation.
Sub Programmes (if Applicable)	**Sub – Programme Purpose**
Support Services	To provide support through Human resources, information technology, security, risk management, supply chain management to enable the Museum to achieve its mandate
Compliance Services	To provide support to the Museum to ensure compliance with Legislation, guidelines, frameworks to avoid audit Findings

Key performance indicators, planned targets and actual achievements

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
1	Achieve an unqualified audit report	Unqualified audit report for 2023/24	Achieved clean audit	Achieve an unqualified audit report for 2024/25	Achieved clean audit	Maintained achievement	Maintained governance and compliance
2	No. of staff attend training to support capacity development	3 staff training opportunities to support governance	Achieved 3	10 staff attend training to support capacity development	Achieved 56	+46	There was intensive internal and external training undertaken to support capacity development especially among the interns.
3	No. of policies reviewed in a 3-year cycle	All policies must be reviewed in a 3 year cyclical schedule	Achieved 100%	100% policies reviewed in a 3-year cycle	Achieved 1	0	No deviation
4	No. of initiatives to enhance Information technology governance with investment in IT infrastructure or relevant IT policies	Investment in new IT infrastructure	0	1 initiatives to enhance information technology governance with investment in IT infrastructure or relevant IT policies	Achieved 1	0	No deviation
		IT policies and SOPS review	Not achieved 0	Not applicable	Not applicable	Not applicable	This was not an indicator in the APP for 2025/26

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
5	No. of quarterly performance and financial reporting submitted timeously	Quarterly performance reports submitted on time	Achieved 4	Quarterly performance and financial reporting submitted timeously	Achieved 4	0	No deviation
6	Annual Report submitted on time	Annual report submitted on time	Achieved 1	Annual report submitted on time	Achieved 1	0	No deviation
7	% implementation of consequence management for non- compliance with PFMA and policy	100% on all matters identified to implement consequence management	Achieved 100%	100% implementation of consequence management for non-compliance with PFMA and policy	Achieved 100%	0	No deviation
8	No. of Risk Management register updates	Risk Management Registers (Operational, Strategic and Fraud Risk Registers) updated quarterly	Achieved 4	4 Risk management register updates	Achieved 4	0	No deviation
9	No. of Annual Risk Treatment Plans in place	Annual Risk Treatment Plan	Achieved 1	1 Annual Risk Treatment Plans in place	Achieved 1	0	No deviation
10	No. of combined assurance plans approved	Combined Assurance Plan in Place	Achieved 1	1 Combined assurance plans approved	Achieved 1	0	No deviation
11	Council decision register updated quarterly	Council decision register updated quarterly	Achieved 4	Council decision register updated quarterly	Achieved 4	0	No deviation
12	No. of updates to contract register	Contract register updated quarterly and approved by CEO	Achieved 4	4 updates to contract register	Achieved 4	0	No deviation
13	No. of days on average to pay supplier invoices	n/a	n/a	20 days on average to pay supplier invoices	Achieved 2 days	+18	The museum obtained a 2 days average as per the audit outcomes. Increased emphasis is placed by Management in processing supplier invoices timeously in line with government directives in this regard.
14	No. of BBBEE compliance reports	n/a	n/a	1 BBBEE compliance reports	Achieved 1	0	No deviation

Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

	2024/25			2025/26		
Programme/activity/objective	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Compliance and Administration	67 330	52 896	14 434	71 969	63 254	8 715
Total	**67 330**	**52 896**	**14 434**	**71 969**	**63 254**	**8 715**

Programme 2: Business Development

Programme 2: Business Development	
Purpose	**Programme purpose:** • To properly manage and maintain the natural and cultural heritage and art 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, often collaborating with other national or international researchers; and • Building human and research capacity.
Sub Programmes	**Sub – Programme Purpose**
Curation and Conservation of Collections	To collect and conserve materials and objects of natural and cultural heritage relevant to the disciplines of the National Museum, which represent an important part of the collective national estate. In addition, to give attention to expanding collections where appropriate to include materials, objects and information to promote an enhanced sense of national pride in the diverse cultural and natural heritage shared by all South Africans.
Research and Information Management	To undertake research according to ethical standards to produce high quality results relating to the various research disciplines of the National Museum and to communicate the relevance and meaning of these results, including contributing data to current important debates and trends of research, to as broad an audience as possible. Research programmes will incorporate aspects relevant to promoting a greater awareness of the importance and role of previously marginalized communities in contributing to South Africa as a nation.

Key performance indicators, planned targets and actual achievements

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
15	No. of new acquisitions (heritage items)	10 000 new heritage items added to natural science collections	Achieved 16 897	10 000 New acquisitions (heritage items)	Achieved 10 232	+232	The appointment of a new scientist in lead to the numbers being increased.
		300 new heritage items added to Human Science Collection	Partially achieved 244	Not applicable	Not appl icable	Not applicable	No longer a stand-alone indicator.
		2 new heritage items added to Oliewenhuis Art Collections	Achieved 2	Not applicable	Not applicable	Not applicable	No longer a stand-alone indicator.
16	No. of audits conducted to determine % compliance with conservation policy and GRAP	Collections Department audit of Heritage Collection for compliance with Collections Policy	Achieved 1	1 Audit conducted to determine % compliance with conservation policy and GRAP	Achieved 1	0	No deviation
17	No of heritage items digitised	1000 heritage items digitised	Achieved 4515	1 000 Heritage items digitised	Achieved 4 933	+3 933	Museum staff received digitisation training which led to an increase in digitisation.
18	No of loans of collections items and data	5 new outgoing loans	Achieved 11	10 Loans of collections items and data	Achieved 18	+8	More external loan requests than expected.

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
19	No of research studies conducted on existing collections	10 research studies on existing Museum collections	Achieved 13	5 Research studies conducted on existing collections	Achieved 11	+6	More scientists are using the Museum's collections for research studies.
20	No of popular research articles published	30 popular research articles published	Achieved 30	30 Popular research articles published	Achieved 33	+3	History Department contributed to more than anticipated popular research articles being published.
21	% of new research projects receive ethical clearance	When needed research projects to have ethical clearance 100%	Achieved 100%	100% of new research projects receive ethical clearance	Achieved 100%	0	No deviation
22	No of new research grants awarded to Museum Scientists	5 research grants awarded to Museum scientist	Achieved 5	2 New research grants awarded to Museum Scientists	Achieved 2	0	No deviation
23	No of NRF rated Museum scientists	2 NRF rated Museum scientists	Achieved 4	3 NRF rated Museum scientists	Achieved 5	+2	During the year a NRF rated scientist was appointed which led to an increase.
24	No of research fieldtrips conducted	15 per annum research field trips conducted	Achieved 28	10 Research fieldtrips conducted	Achieved 25	+15	More projects required as part of their deliverables to go on a research fieldtrip.
25	No. of academic papers accepted and delivered at conferences	15 research papers or posters delivered at research conferences	Achieved 21	10 Academic papers accepted and delivered at conferences	Achieved 19	+9	More local and online conference opportunities were available in the 2025/26 financial year.
26	No. of lectures delivered to the public or higher education institutions	15 per annum of public lectures	Achieved 20	15 Lectures delivered to the public or higher education institutions	Achieved 30	+15	The Museum received more requests for our scientist to provide public lectures.
		15 per annum public lectures/ practicals delivered to students at Higher Education Institutions	Not achieved 8	n/a	n/a	n/a	No longer a stand-alone indicator.
27	No. of articles published in peer reviewed journals by museums scientists and associates	25 per annum articles published in peer reviewed journals	Achieved 26	25 Articles published in peer reviewed journals by museums scientists and associates	Achieved 28	+3	There were delays in the peer-review process, which postponed the approval and publication of articles. In addition, certain articles submitted in previous years were only approved and published during the current reporting period due to extended journal review timelines.
28	No. of new natural science species and fossils identified and described	5 new species described	Achieved 15	5 New natural science species and fossils identified and described	Achieved 8	+3	It could not be anticipated that more natural species could be identified and described from the existing collections.
29	No. of reviews conducted by Museum Scientists	50 reviews conducted	Achieved 57	40 Reviews conducted by Museum Scientists	Achieved 44	+4	Four more external requests for reviews were received unexpectedly.

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
n/a	No. of Technical Reports/ Impact Assessments conducted by Museum Scientist	1 CRM/EIA/Bio monitoring and site reports.	Achieved 2	Not applicable	Not applicable	None	No longer an indicator
30	No. of new international and national collaborative projects registered	2 new international and national collaborative projects	Achieved 2	2 New international and national collaborative projects registered	Achieved 5	+3	The museum has placed increased focus on collaborative research and museum scientists were able to achieve more collaborations than anticipated.
31	No. of articles published by CULNA	CULNA 1 hardcopy issue produced	Achieved 1	Not applicable	Not applicable	None	No longer an indicator
		15 online CULNA articles	Achieved 24	15 Articles published by CULNA	Achieved 20	+5	History department produced far more CULNA articles than anticipated.
32	No. of articles published by Indago	Indago 2 online articles	Achieved 3	2 Articles published by Indago	Achieved 4	+2	The museum's strategy to attract external researchers has been gaining momentum and increased output is related to unexpected submissions from external auditors.
33	No. of Staff serving on the Council/Board or Committees of Professional Bodies	5 professional staff serving on committees of professional bodies	Achieved 9	5 Staff serving on Council/Board or Committees of Professional bodies	Achieved 10	+5	There were additional appointments made mid-year for staff to be part of committees.
34	% Progress achieved on deliverables of research projects	Progress on 70% of research projects per annum	Achieved 73%	70% Progress achieved on deliverables of research projects	Achieved 78%	+8%	Over the past few years the museum has increasingly focused on tightening project management around research projects, and the completion rate has been increasing steadily

Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

	2024/25			2025/26		
Programme/activity/objective	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 2: Business Development	1 525	1 493	32	1 602	877	725
Total	**1 525**	**1 493**	**32**	**1 602**	**877**	**725**

2. **Programme 3: Public Engagement**

Programme 3: Public Engagement	
Purpose	Programme purpose: to inform, consult, involve, collaborate and empower the Museum's stakeholders in the diverse cultural and natural heritage.
Sub Programmes	**Sub- Programme Purpose**
1. Marketing	To promote a greater awareness and better understanding of South Africa's diverse cultural and natural heritage through relevant formal and informal activities and exhibitions.
2. Public Educational Programmes	To provide informative and enjoyable educational experiences through relevant formal and informal activities and public outreach programmes, thereby contributing to promoting a greater awareness and better understanding of South Africa's diverse cultural and natural heritage.

Key performance indicators, planned targets and actual achievements

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
35	No. of reviews of Permanent and Temporary Exhibition Plans for the following year	Permanent Exhibition Plan is reviewed and approved by CEO and Council	Achieved 1	1 Reviews of Permanent and Temporary Exhibition Plan for the following year	Achieved 1	0	No deviation
36	No. of permanent exhibitions curated	1 inclusive permanent exhibition at National Museum	Achieved 1	1 Permanent Exhibitions curated	Achieved 5	+4	More permanent exhibitions were held than expected
		2 Rotation of permanent exhibition artworks at Oliewenhuis	Achieved 2	Not applicable	Not applicable	Not applicable	No longer an indicator.
		Text of Exhibitions at NM IN 3 languages	Achieved 100%	Not applicable	Not applicable	Not applicable	No longer an indicator.
37	No. of temporary exhibitions curated	4 temporary internal exhibitions per year (including virtual exhibitions)	Achieved 7	12 Temporary Exhibitions curated	Achieved 27	+15	More than anticipated temporary exhibitions were curated.
		2 temporary external exhibitions	Achieved 3	Not applicable	Not applicable	Not applicable	No longer an indicator.
		12 Temporary Art Exhibitions at Oliewenhuis and the Reservoir of which 66% of solo exhibits shall be Black artist and 33% women (including virtual exhibitions)	Achieved 13 of which 25% of solo exhibits were black artists and 75% women	Not applicable	Not applicable	Not applicable	No longer an indicator.
38	No. of Special Days celebrated with communities (including anti-GBV, persons with disabilities, Youth, Children and Women)	Hosting celebrations with community for International Museum Day, Women's Day, Youth Day and International Day of Persons with Disabilities (including virtual celebrations)	Achieved 9	9 Special days celebrated with communities (including anti-GBV, persons with disabilities, Youth, Children and Women)	Achieved 10	+1	There was an additional special day hosted to be celebrated with the community.
n/a	Conduct a facilities audit	50% implementation of UAMP projects funded by DSAC/DPW	Achieved 53%	Not applicable	Not applicable	Not applicable	This was not an indicator in the APP for 25.26

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
39	No. of visitors to the Museum	100 000 to National Museum and the satellites	Partially achieved 92 684	100 000 Visitors to the Museum	Partially Achieved 90 955	-9 045	Fewer visitors were received than anticipated
40	No. of people reached through social media platforms	100 000 people reached through social media platforms	Achieved 908 645	100 000 People reached through social media platforms	Achieved 867 157	+767 157	There is a growing trend of people using social media and the museum has intensified using social media.
41	No. of social media posts providing scientific/ heritage information	300 social media posts made providing scientific/ heritage information	Achieved 2 391	300 Social media posts providing scientific/heritage information	Achieved 3 646	+3 346	The museum has intensified using social media.
42	No. of events to celebrate excellence in the Heritage Sector	Host Free State Young Artist Competition	Achieved 1	1 Event to celebrate excellence in the Heritage sector	Achieved 1	0	No deviation
n/a		1 New Breed Competition	Not achieved 0	Not applicable	Not applicable	Not applicable	No longer an indicator
n/a		1 ArtBank SA Competition	Achieved 1	Not applicable	Not applicable	Not applicable	No longer an indicator
43	No. of PHD or master's students supervised	2 per annum PHDs or Masters students supervised	Achieved 2	1 PhD or Master's students supervised	Achieved 2	+1	1 more student is being supervised than expected.
n/a	No of post doc opportunities provided	0 per annum of post doc opportunities provided	 n/a	Not applicable	Not applicable	Not applicable	No longer an indicator
44	No. of internships/ WBE provided for learners/ students	10 internships provided per annum	Achieved 16	5 Internships/ WBE provided for learners/ students	Achieved 19	+14	More departments required to be capacitated with interns.
45	No. of vacation work experience provided for learners	5 per annum vacation work experience opportunities provided for learners/students	Achieved 5	5 Vacation work experience provided for learners	Not achieved 1	-4	Less external requests were received for vacation work.
46	No. of curriculum-based lessons and guided tours	350 lessons and guided tours school groups received curriculum-based lessons by NM and 100 by Oliewenhuis	Achieved 467 by NM 177 by Oliewenhuis	450 Curriculum-based lessons and guided tours	Achieved 531	+81	More lessons and guided tours than anticipated.
n/a		5 educator training workshops	Achieved 5	Not applicable	Not applicable	Not applicable	No longer an indicator
n/a		2000 educational brochures distributed by Oliewenhuis	Achieved 2151	Not applicable	Not applicable	Not applicable	No longer an indicator
47	No. of career guidance initiatives	Participation in 3 career guidance initiatives	Achieved 4	2 Career guidance initiatives	Achieved 3	+1	One more career initiative opportunity arose than expected.

No	Output indicator	Planned Target 2024/25	Actual Achievement 2024/25	Planned Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement for 2025/26	Comment on deviations
48	No of mobile museum trips including to rural school	NM conduct 20 mobile museum trips including rural schools	Achieved 27	20 Mobile museum trips including to rural schools	Achieved 39	+19	More opportunities and requests were received due to the visibility of the mobile museum.
n/a		Oliewenhuis conduct 10 mobile art museum curricu-lum-based lessons on visual arts including rural schools	Achieved 10	Not applicable	Not applicable	Not applicable	No longer an indicator
49	No of school holiday workshops provided	8 No of school holiday work-shops provided	Achieved 11	8 School holiday workshops provided	Achieved 11	+3	There was an oppor-tunity for extra days to be carried out for the long Christmas holiday period.
50	No. of artworks purchased by ArtBank	100 No of artworks purchased	Achieved 100	100 Artworks purchased by ArtBank	Partially achieved 52	-48	The ArtBankSA manager resigned and the acting ended with no new acting appointment as EXCO was not functional. Purchases will be completed in Q1.
n/a	No of artworks purchased, leased and sold	5 artworks leased or sold per annum	Achieved 15	Not applicable	Not applicable	Not applicable	No longer an indicator
n/a	No of ArtBank Exhibitions held	2 ArtBank Exhibitions held annually.	Achieved 3	Not applicable	Not applicable	Not applicable	No longer an indicator
n/a		2 000 people attend ArtBank exhibitions per annum	Achieved 25 656	Not applicable	Not applicable	Not applicable	No longer an indicator
51	No of electronic marketing brochures created and circulated	New indicator	New indicator	4 Electronic marketing brochures created and circulated	Achieved 4	0	No deviation
52	No. of research and popular articles published about ArtBank collections	5 research or popular articles published about the ArtBank collections	Achieved 5	5 Research and popular articles published about ArtBank collections	Achieved 5	0	No deviation
53	Amount of own income generated by ArtBank	R 50k per annum amount of income generated.	Achieved R128 122	R80 000 of own income generated by ArtBank	Achieved R460 619	+R380 619	1. One university made a large purchase. 2. A number of artworks were designated as heritage artworks and were purchased by Oliewenhuis
n/a	ArtBank Sales and Marketing Strategy and MOU with DSAC	No target for 2024/25	n/a	Not applicable	Not applicable	Not applicable	No longer an indicator. Achieved as a once off.

Linking performance with budgets

The links between the Museum's budget and its core programmes are indicated in the table below:

	2024/25			2025/26		
Programme/activity/objective	Budget	Actual Expenditure	Under Expenditure	Budget	Actual Expenditure	Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 3: Public Engagement	1 070	1 017	53	1 246	1 071	175
Total	**1 070**	**1 017**	**53**	**1 246**	**1 071**	**175**

MUSEUM PUBLICATIONS FOR 2025 - 2026

Below is a list of peer-reviewed articles published by National Museum scientists. A total of 28 peer-reviewed articles were published for 2025/26.

Archaeology, Anthropology and Florisbad Quaternary Research Station



Dr Will Archer
B3 NRF rated Researcher



Dr James Brink
Former HOD: Florisbad

David R. Braun, Dan V. Palcu Rolier, Eldert L. Advokaat, **Will Archer**, *et al. "Early Oldowan technology thrived during Pliocene environmental change in the Turkana Basin, Kenya."* https://doi.org/10.1038/s41467-025-64244-x

Mattias Jakobsson, Carolina Bernhardsson, James McKenna, Nina Hollfelder, Mario Vicente, Hanna Edlund, Alexandra Coutinho, Per Sjödin, **James Brink**, *et al.* "*Homo sapiens*-specific evolution unveiled by ancient southern African genomes" https://doi.org/10.1038/s41586-025-09811-4

Human Sciences Research



Dr Derek du Bruyn



Dr Hendrik Snyders
Research Associate

M. Botes & **D. du Bruyn. 2025**. Die bewaring van die historiese sinkhuis te Florisbad: 'n Restourasie-gevallestudie, *South African Journal of Cultural History* 39(1): 67-104

Hendrik Snyders. "More exciting than curate's croquet" — reconstructing the origins of South Africa's lawn tennis tradition, 1860–1900. Indago, Vol. 42, 17 September 2025, pp. 39–50.

Du Bruyn, D., "to make a shape in a tree",: Mondelinge beskrywings van tuine, tuinstyl en tuinmaak in die Batho-township, Bloemfontein, Journal of Humanities 65(3), pp. 741-775.

Mammalogy



Dr Nico Avenant
C2 NRF rated Researcher

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Mr Dawie de Swardt

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Dr Michael Bates



Dr Cora Stobie



Dr Lydia Madika

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Terrestrial Invertebrates



Dr Lizel Hugo-Coetzee



Dr Gimo Daniel
Y1 NRF rated Researcher



Dr Genevieve Theron
Y1 NRF rated Researcher



Mr Burgert Muller



Mr Jan- Andries Neethling



Ms Jarmaine Magoai

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Exhibitions Hosted at
OLIEWENHUIS ART MUSEUM 2025 - 2026

Oliewenhuis Art Museum hosted 14 exhibitions during the financial year.

1. ***Learning through Art: The museum as classroom*****,** 16 May – 7 December 2025, Permanent Collection Exhibition Space





2. ***Qula Kwedini*****: A solo exhibition by Mzie Gojo,** 8 May – 16 June 2025, Main Building





3. ***ONE THING LEADS TO ANOTHER: A solo exhibition by Bronwen Findlay,*** 26 June – 17 August 2025, Main Building





4. ***what remains through time, slowness and stillness,* a decolonising collaborative exhibition by Sonya Rademeyer with community and more-than-human-kin as epistemic partners,** 15 July – 24 August 2025, Reservoir Gallery





5. ***Soliloquy: the untold story of Sleeping Beauty's dreams* - a solo exhibition by Lisa Ledwick,** 15 July – 24 August 2025, Annex Gallery





6. ***On the arm of every woman…,*** *9 August – 16 November 2025,* Permanent Collection Exhibition Space





7. **36th Annual Sophia Gray Memorial Exhibition: *Seeking Sunshine* | *Heinrich & Ilze Wolff* | *Wolff Architects,*** 28 August – 28 September 2025, Main Building





8. ***Sutha Ke Fete: The Art of the Basotho Blanket*,** 19 September - 16 November 2025, Reservoir Gallery




9. **PREKARIA: A solo exhibition by Kilmany-Jo Liversage,** 9 October – 23 November 2025, Main Building




10. ***The Co-Incidence of Conditions:* A solo exhibition by Wessel van Huyssteen,** 6 November 2025 – 8 February 2026. Annex Gallery




11. ***Beyond Walls: Emerging Contemporary Voices: Curated from the ArtbankSA Collection***, 4 December 2025 – 6 April 2026. Main Building




***12. Timeless*, 12 December 2025 – 6 April 2026, Permanent Collection Gallery**





13. Marks of Mastery: Celebrating the Lives and Legacies of Justinus Khoalibe, Ben Botma, Christiaan Diedericks and Andries Gouws, 12 December 2025 – 6 April 2026. Main Building





***14. A is for ART*, Curated from the Permanent Collection,** 6 March – 27 April 2026, Annex Gallery





PART C:
GOVERNANCE

INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King Report on Corporate Governance. Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

The National Museum strives to be committed to sound corporate governance and is primarily guided by generally accepted corporate governance practices, as well as Corporate Governance in the public sector. These seek to ensure that the Museum's mandate is fulfilled with due consideration to responsive decision making, accountability, effective and ethical leadership, as well as fairness and transparency whilst monitoring performance and compliance with statutory requirements.

1. PORTFOLIO COMMITTEES

The Museum did not attend any meetings for the period.

2. EXECUTIVE AUTHORITY

All compliance reports were submitted to DSAC by the due date. No issues have been raised.

3. THE ACCOUNTING AUTHORITY / BOARD

The full report is tabled in the Annual Financial Statements.

4. RISK MANAGEMENT

The National Museum is required to maintain an effective, efficient and transparent system of financial, risk management and internal control measures in accordance with the provisions of the PFMA. Council has identified risk management as a focus area and its current practices were enhanced by the strengthening of the policy environment and risk reporting. The Council approved a Risk Management Framework and Policy in 2019.

Risks are continuously identified, assessed, evaluated, mitigated, monitored and reviewed. As each risk was identified it was allocated to a relevant person in the respective Department responsible for the day-to-day management thereof and recorded in a risk register that contains the descriptions, causes, controls in place, assessments and mitigating actions of all risks identified. The identification was both at operational and strategic levels and regular assessments were performed to determine the effectiveness of the risk management and to identify emerging risks.

The Audit and Risk Committee advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. They also advise the Council on risk management and independently monitor the effectiveness of the system of risk management.

Enterprise-Wide Risk Management has been fully implemented at the Museum. There has been significant progress in the reporting period in the management of risks, and this has translated into improvements in the Museum's performance.

5. INTERNAL CONTROL UNIT

There is no separate Internal Control Unit. Management is responsible for the maintenance of internal controls.

6. INTERNAL AUDIT & AUDIT AND RISK COMMITTEES

6.1. Internal Audit

Strategic Role and Purpose of Internal Audit

The internal audit function is a fundamental component of the Museum's governance and accountability system. The Museum has outsourced this function to an independent service provider.

The internal audit function is established in terms of section 51(1)(a)(ii) of the PFMA read together with Treasury Regulations 27.2.2. In light of Treasury Regulation 27.2.6, which stipulates that internal audit must be conducted in accordance with the Standards™ set by the Institute of Internal Auditors, the IAF is required to comply with the International Professional Practices Framework® comprising the Global Internal Audit Standards™, Topical Requirements, and Global Guidance published by the Institute of Internal Auditors. The International Professional Framework establishes the foundation upon which the internal audit function acts independently and objectively in providing assurance and advisory services in respect of the Museum's overall governance, risk management, and internal control processes. The internal audit function operates in terms of the Internal Audit Charter, which is approved by the Audit and Risk Committee and endorsed by the Accounting Authority.

The internal audit function functions independently from management and is empowered with a functional reporting line directly to the Audit and Risk Committee and an administrative reporting line to the Council. The internal audit function has functional reporting to the Audit and Risk Committee which is prescribed in section 51(1)(a)(ii) of the PFMA and is intended to protect the independence and objectivity of individual internal auditors. They have unrestricted access to the Chairperson of the Audit and Risk Committee. The independence of the internal auditors is actively protected at all times, with safeguards formally documented, monitored and reviewed by them to ensure that the internal auditors remain free from undue influence in the execution of its mandate.
During the period under review, the Internal Audit Charter, the Internal Audit Annual Plan and the rolling 3-year Strategic Internal

Audit Plan were reviewed and approved. All activities in terms of the Annual Plan were completed. A tracking register was maintained and as at year end, there were no outstanding findings not addressed.

6.2. Audit and Risk Committee

The Audit and Risk Committee is established by the Council as prescribed by the PFMA and its core functions and responsibilities are set out in the Treasury Regulations and the Audit and Risk Committee Charter approved by the Council. The Audit and Risk Committee plays a pivotal role in assessing operations, and based on such assessment, advising the Council regarding the effectiveness of the Museum's overall governance, risk management and internal control system, the effectiveness of the internal audit function; the adequacy, reliability and accuracy of financial and performance information produced by the public entity; accounting and auditing concerns identified through internal and statutory audits; and the Museum's compliance with legal and regulatory provisions. The Audit and Risk Committee thus assists the Museum in enhancing its integrity and operational effectiveness through good governance and adherence to the legislative, accounting and auditing frameworks. The Audit And Risk Committee provided quarterly reports to the Council which detail its work, its meetings, key findings emerging therefrom and recommendations. The Chairperson of the Audit and Risk Committee met with the Council during the reporting period to communicate any concerns he deemed necessary. During the period under review the Audit and Risk Committee was properly constituted and fulfilled its functions and responsibilities as set out in the PFMA, Treasury Regulations, Global Internal Audit Standards™ and the Audit and Risk Committee Charter. The Audit and Risk Committee did not conduct a self-assessment survey, and one is scheduled for the new financial year.

The Table below provides relevant information about the Audit and Risk Committee**:**

Name of Member	Appointment Date	Term / Capacity	Number of Meetings Attended
Mr TK Mothudi (Chairperson)	25/11/2024	3-year term – Independent Member	5
Ms D Ewertse	25/11/2024	3-year term – Independent Member	5
Ms M Myeza	25/11/2024	3-year term – Independent Member	5
Ms L Marais	09/12/2024	1-year term – Council Representative, subject to a rotation review every 12 months	5
Ms B Dlamini	09/12/2024	1-year term – Council Representative, subject to a rotation review every 12 months	5

7. COMPLIANCE WITH LAWS AND REGULATIONS

The National Museum has developed policies and procedures aligned to laws and regulations that govern the industry in which the Museum operates, in order to ensure compliance. The policies and procedures were reviewed and approved by Council. The National Museum complied with laws and regulations and no material non-compliance was identified by the AGSA during the audit. Compliance is reported on quarterly through the Audit and Risk Committee.

8. FRAUD AND CORRUPTION

The National Museum developed a Fraud Prevention Plan. Training and sensitisation of reporting fraud was highlighted to the staff and how to make use of the DSAC Fraud hotline. No cases were reported. Management and the Audit and Risk Committee held a scheduled Fraud Risk Workshop and identified fraud risks. A Fraud Risk Register is maintained and tabled to Council on a quarterly basis.

9. MINIMISING CONFLICT OF INTEREST

Service providers depending on the threshold as determined in the Museum's Supply Chain Management Policy, are required to declare their interest and knowledge of Museum's officials that are or could be involved in the respective procurement process in an SBD4 form in accordance with National Treasury Practise Note 7 of 2009/2010.

10. CODE OF CONDUCT

As a public entity the Museum subscribes to both the Code of Conduct for Public Servants and the International Council of Museums (ICOM) Code of Ethics for Museums. The reason for adopting these two Codes is to help Museum employees to understand the standards of personal and professional behaviour required to enable the Museum to fulfil its public mandate in terms of the Cultural Institutions Act of 1998 and the Public Service Act of 1994.

11. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The National Museum's multi-disciplinary Occupational Health and Safety Committee meets once a month to oversee all OHS related issues and risks. A special Health and Safety Report was procured to review the Museum's fire hazards. The OHS committee systematically attended to all the recommendations from this report.

12. AUDIT AND RISK COMMITTEE REPORT

Full report is tabled in the Annual Financial Statements, Part F.

13. BBBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard 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 licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate
Developing and implementing a preferential procurement policy?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate, however the Museum has developed and is currently implementing an SCM policy that applies 80/20 preferential point system that is based on PPPFA
Determining qualification criteria for the sale of state-owned enterprises?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate
Developing criteria for entering into partnerships with the private sector?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The entity was assessed for BBBEE status and obtained Non-compliant BBBEE certificate

PART D:
HUMAN RESOURCE MANAGEMENT

HUMAN RESOURCE MANAGEMENT

INTRODUCTION

Employment Equity and Transformation at the Museum

The Museum's transformation agenda is guided by an approved Employment Equity Policy and Plan, which takes into account both national and regional demographics. Based on this, equity targets were established to drive the recruitment and development of a more representative workforce. While progress has been made, the Museum continues to face challenges in attracting and retaining black scientists and Heads of Research Departments—an area identified as critical to transformation. These gaps are expected to be addressed as relevant vacancies arise.

During the financial year, the Museum successfully recruited skilled black professionals, improving demographic representation within the institution.

The staff demographic profile is as follows:

- African: 65%
- White: 25%
- Coloured: 9%
- Indian: 1%

The Museum's Employment Equity Plan continues to guide recruitment processes in line with these targets.

In terms of gender representation, staff are comprised of 54% females and 46% males. Gender equity targets have been met and exceeded, largely due to the over-representation of white females in the professionally qualified and skilled categories.

The breakdown of female staff is:

- African: 63%
- White: 23%
- Coloured: 12%
- Indian: 2%

Despite the overall representation, black females (African, Coloured, and Indian) remain underrepresented compared to national demographics. To address this, the Museum has set a target to increase their representation by 10% in the professional and skilled categories, as vacancies arise.

Male staff demographics are:

- African: 67%
- White: 27%
- Coloured: 6%
- Indian: 0%

Similarly, black males are underrepresented relative to national benchmarks. The Museum aims to increase their representation in professional and skilled roles by 10%, subject to vacancies.

To support transformation, the Museum has implemented a **Programme to Develop Black Scientists**, which received Treasury approval for funding in previous periods. Two black aspiring scientists are currently enrolled in development plans and are being mentored by the Head of Department. Additionally, a black intern in the Terrestrial Invertebrates section is gaining workplace experience as part of this initiative.

Maintaining research excellence remains a key objective. However, the Museum competes with universities and well-funded institutions for a limited pool of highly skilled scientists. Ongoing budget constraints have made it increasingly difficult to attract top talent.

Lastly, the Museum implemented its performance management policy during the year, ensuring that staff performance targets are aligned with job descriptions and the Museum's Annual Performance Plan.

Unionisation at the workplace

The Museum has a formalised unionised environment. There are two (2) unions that enjoy the support of staff members at the Museum.

Union Name	**Number of members as of 31 March 2026**
NEHAWU	16
SAPTU	1
TOTAL UNIONISED STAFF	**17**

The Council formally recognised NEHAWU in 2019, and in terms thereof a signed Recognition Agreement was concluded between the employer and the Union. Pursuant to this agreement, shop stewards were appointed at the Museum workplace to represent staff in their dealings with management. The recognition agreement expired due to effluxion of time and as at year end no new agreement was concluded.

HUMAN RESOURCE OVERSIGHT STATISTICS

Below are our key Human Resource Oversight Statistics:

Personnel Cost by programme/ activity/ objective -Financial

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
Programme 1: Business development: Curation and Conservation of Collections, Research and Information Management	1,276	19,711	1,545%	43	458
Programme 2: Public engagement: Marketing, Public Educational Programmes	1,113	11,735	1054%	37	317
Programme 3: Administration: Support services	56,649	12,484	22%	27	462

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Top Management	1,794	4%	1	1,794
Senior Manager	1,267	3%	1	1,267
Professional qualified	7,482	17%	11	680
Skilled	19,329	44%	28	690
Semi-skilled	5,711	13%	10	571
Unskilled	8,347	19%	46	181
TOTAL	43,930	100%	97	5,184

*The above figure includes temporary and fixed term staff that are not on the organogram.

Performance Rewards as of 31 March 2026

Programme//activity/objective	Performance rewards (R'000)	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost
Top Management	22	1,772	1%
Senior Management	0	1,267	0%
Professional qualified	150	7,332	2%
Skilled	580	18,749	3%
Semi-skilled	228	5,482	4%
Unskilled	250	8,096	3%
TOTAL	1,230	42,698	3%

Training Costs

The Museum provided 48 staff members with external training opportunities as detailed below.

EXTERNAL TRAINING CONDUCTED 2025/26		
Course	**No. of staff**	**Per unit cost R**
Beginners to digitization	2	2,000.00
Handlingand storage of dangerous goods	10	7,760.96
Fire Fighting	10	8,034.80
First Aid Level 1 & 2	11	16,034.15
Firearm training	4	2,200.00
Venomous snake training	3	9,000.00
Bursaries	8	349,211.50
Total staff trained	**48**	

Employment and vacancies

The Museum had a 8.18% vacancy rate as at 31 March 2026 for the permanent staff category.

Programme/activity/objective	2024/25 No. of Employees	2024/25 Vacancies	2025/26 No. of Employees	2025/26 Vacancies	% of vacancies
Permanent	85	8	78	6	7.6%
Fixed Term	27	2	6	1	0.6%
Casuals (Relief Staff)	30	0	2	0	0%
Interns	9	0	22	0	0%

Programme/activity/objective	2024/25 No. of Employees	2024/25 Vacancies	2025/26 No. of Employees	2025/26 Vacancies	% of vacancies
Top Management	1	0	1	0	0%
Senior Management	0	1	1	0	0%
Professional qualified	10	1	13	1	7.69%
Skilled	51	5	54	5	9.26%
Semi-skilled	17	0	20	0	0%
Unskilled	71	3	74	3	4.05%
TOTAL	151	10	**163**	**9**	**5.52%**

Employment changes

Table below reflects information on changes in employment over the financial year.

Salary Band	Employment at beginning of period 1 April 2025	Appointments	Terminations	Employment at end of the period 31 March 2026
Top Management	1	0	0	1
Senior Management	1	1	0	1
Professional qualified	10	6	3	13
Skilled	51	5	2	54
Semi-skilled	17	3	0	20
Unskilled	71	5	2	74
Total	**150**	**20**	**7**	**163**

*The above table excludes interns and casual staff not on the organogram.

Reasons for staff leaving

Reason	Number
Death	1
Resignation	2
Dismissal	0
Retirement	4
Ill health	0
Expiry of contract	0
Other	0
Total	**7**

Staff turnover is very low at the Museum and was primarily driven by retirements.

Labour Relations: Misconduct and disciplinary action as at 31 March 2026

There were no pending CCMA or Labour Court matters at the end of the period.

Nature of disciplinary Action	Number
Verbal Warning	1
Written Warning	4
Final Written warning	1
Dismissal	0

Equity Target and Employment Equity Status as at 31 March 2026

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Professional qualified	1	2	0	1	0	1	5	3
Skilled	6	10	0	0	0	0	6	5
Semi-skilled	2	6	1	1	0	0	0	0
Unskilled	21	12	2	2	0	0	1	2
SUB TOTALS	**30**	**30**	**3**	**4**	**0**	**1**	**12**	**10**
TOTAL MALES								**45**

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	1	1	0	0	0	0
Senior Management	1	1	0	0	0	0	0	0
Professional qualified	0	4	0	1	1	1	4	2
Skilled	9	12	1	2	0	1	6	10
Semi-skilled	4	4	1	1	0	0	2	2
Unskilled	19	18	3	1	0	1	0	1
SUB TOTAL	**33**	**39**	**6**	**6**	**1**	**3**	**12**	**15**
TOTAL FEMALES								**52**

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

PART E:
PFMA COMPLIANCE REPORT

Information on Irregular, **FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES**

Information on Irregular, Fruitless and Wasteful Expenditure and Material Losses

Irregular expenditure

a) **Reconciliation of Irregular expenditure**

Description	2025/26	2024/25
	R'000	R'000
Opening balance	23	23
Add: Irregular expenditure confirmed	79	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**102**	**23**

- *The irregular expenditure amounting to R23 000 was investigated and confirmed in the previous financial years and has not yet been condoned.*
- *The irregular expenditure amounting to R79 000 relates to the award of quotations to suppliers whose tax compliance status was non-compliant, in contravention of National Treasury SCM Instruction No. 4A of 2016/17. The matter is currently undergoing a determination assessment in accordance with the National Treasury Compliance and Reporting Framework.*

Reconciling notes

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to 2024/25 and identified in 2025/26	-	-
Irregular expenditure for the current year	79	-
Total	79	**-**

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

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure under assessment	364	-
Irregular expenditure under determination	79	-
Irregular expenditure under investigation	-	-
Total	443	-

- *The procurement of security guarding services is currently under assessment in accordance with the National Treasury Compliance and Reporting Framework to determine whether any irregular expenditure occurred. At the reporting date, the assessment had not been concluded, and no final determination had been made. Management will take the appropriate action based on the outcome of the assessment and implement any necessary corrective measures.*

c) **Details of current and previous year irregular expenditure condoned**

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

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

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

e) **Details of current and previous year irregular expenditure recovered**

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

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

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

g) **Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken
A warning was issued to the employee who permitted irregular expenditure amounting to R13,267.00
An employee who permitted irregular expenditure of R10,000.00 subsequently resigned before any disciplinary steps could be taken. Based on the investigation, there was value for money; hence, no recovery process was instituted.
The irregular expenditure amounting to R79 000 relates to the award of quotations to suppliers whose tax compliance status was non-compliant, in contravention of National Treasury SCM Instruction No. 4A of 2016/17. The matter is currently undergoing a determination assessment in accordance with the National Treasury Compliance and Reporting Framework.

Fruitless and wasteful expenditure

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

Description	2025/26	2024/25
	R'000	R'000
Opening balance	-	15
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable	-	(15)
Less: Fruitless and wasteful expenditure not recovered and written off	-	-
Closing balance	-	-

Reconciling notes

Description	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to 2023/24 and identified in 2024/25	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	-	-

b) **Details of current and previous year Fruitless and wasteful expenditure (under assessment, determination, and investigation)**

Description	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

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

Description	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	15
Total	-	15-

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

Description	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

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

Disciplinary steps taken
None

Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii))

a) **Details of material losses through criminal conduct**

Material losses through criminal conduct	2024/25	2023/24
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

b) **Details of other material losses**

Nature of other material losses	2024/25	2023/24
	R'000	R'000
None	-	-
Total	-	-

c) **Other material losses recoverable**

Nature of losses	2024/25	2023/24
	R'000	R'000
None	-	-
Total	-	-

d) **Other material losses not recoverable and written off**

Nature of losses	2024/25	2023/24
	R'000	R'000
None	-	-
Total	-	-

Information on late and / or non-payment of suppliers

Description	Number of Invoices	Consolidated Value
		R'000
Valid invoices received	2,249	25,845
Invoices paid within 30 days or agreed period	2,249	25,845
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

Information on Supply Chain Management

Procurement by other means

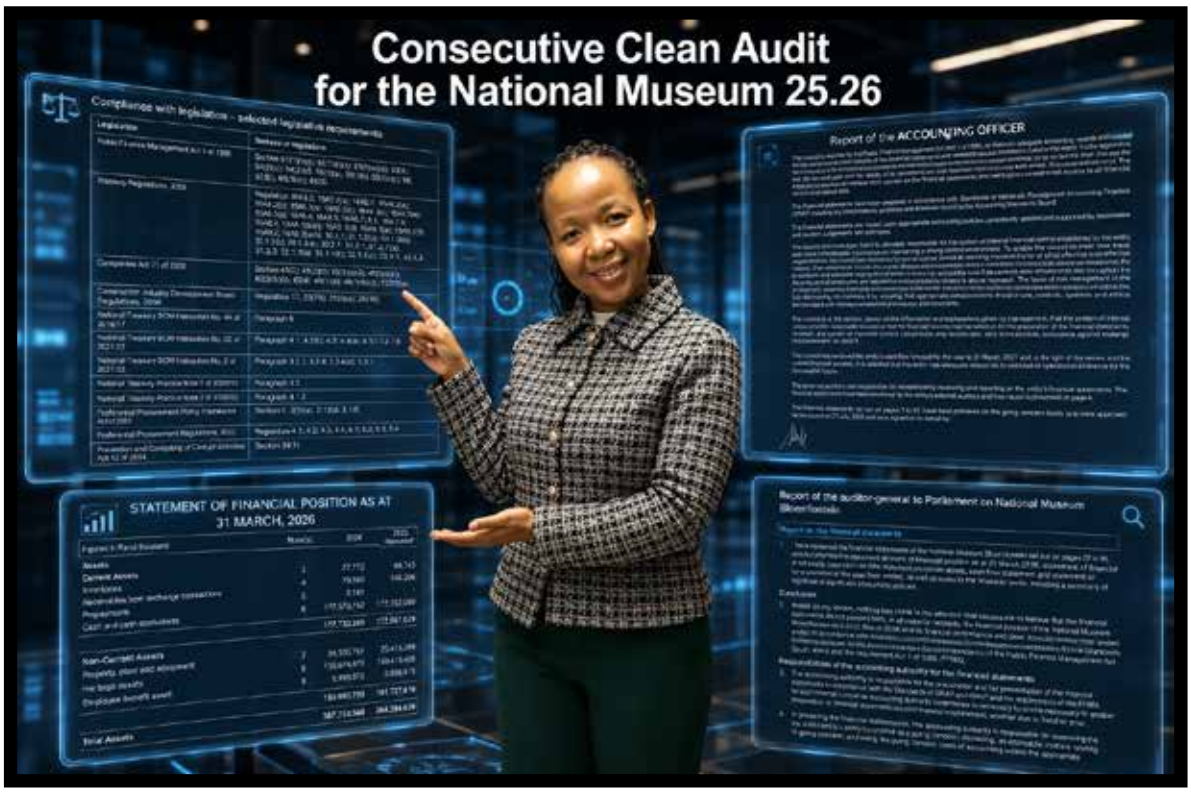
Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
				R'000
Venomous snake handling training	African snake institute	Sole provider	PO6854	9
Renewal of Caseware Annual licence	Caseware Africa(Adapt It)	Sole provider	PO7213	98
Emergency repair damaged electrical fence	Fensec SA	Emergency procurement	PO7530	10
DNA Extraction, PCR Amplification and Amplicon sequencing	Inqaba Biotechnical Industries	Sole provider	PO7339	3
Renewal of Humanities software licence	LogosFlow	Sole provider	PO7457	3
Humanities online training	LogosFlow	Sole provider	PO136771	2
Renewal of Mindex software licence	Mindex	Sole provider	PO136410	22
Mindex consultation	Mindex	Sole provider	PO7327	3
Renewal of Sage Pastel licence	Sage Pastel	Sole provider	PO6930	32
Renewal of TV licence	SABC	Sole provider	PO136493	4
A beginners guide to digitisation training	SAMA	Sole provider	PO6952	1
Renewal of Sabinet licence services	Sabinet online Ltd	Sole provider	PO7800	53
Renewal of Sage Pastel VIP	Sage VIP	Sole provider	PO7739	73
Consulting for mid year EMP 501 Tax returns	VIPROJECTS	Limited bidding	PO7080	5
Consulting for mid year EMP 501 Tax returns	VIPROJECTS	Limited bidding	PO6809	5
DNA Extraction, PCR Amplification and Amplicon sequencing	Inqaba Biotechnical Industries	Sole provider	PO7689	70
Total				**393**

Contract Variation and expansions

Project	Name of supplier	Contract modification type	Contract number	Original contract value	Value of previous contract expansion/s or variation/s	Value of current contract expansion or variation
				R'000	R'000	R'000
None						
Total				-	-	-

PART F:

FINANCIAL INFORMATION



Report of the auditor-general to Parliament on National Museum Bloemfontein

Report on the financial statements

1. I have reviewed the financial statements of the National Museum Bloemfontein set out on pages 61 to 148, which comprise the statement of financial position as at 31 March 2026, statement of financial performance, statement of changes in net assets, cash flow statement and 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 National Museum Bloemfontein as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Responsibilities of the accounting authority for the financial statements

3. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of 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.

4. In preparing the financial statements, the accounting authority is responsible for assessing the public 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 public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the review of the financial statements

5. 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.

6. 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.

7. 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

8. 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.

9. I selected the following material performance indicators related to Programme 2 Business Development presented in the annual performance report for the year ended 31 March 2026. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

   - No of new acquisitions (heritage items)
   - No of heritage items digitised
   - No of research studies conducted on existing collections
   - No of popular research articles published
   - % of new research projects receive ethical clearance

- No of new research grants awarded to museum scientists
- No of NRF rated museum scientists
- No of research fieldtrips conducted
- No of academic papers accepted and delivered at conferences
- No of lectures delivered to the public or higher education institutions
- No of articles published in peer reviewed journals by museums scientists and associates
- No of new natural science species and fossils identified and described
- No of new international and national collaborative projects registered

10. 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 public entity's planning and delivery on its mandate and objectives.

11. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
    - all the indicators relevant for measuring the public 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 underachievement of targets.

12. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

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

Other matters

14. I draw attention to the matters below.

Achievement of planned targets

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

Material misstatements

16. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 2 Business Development. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

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

18. 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.

19. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

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

Internal control deficiencies

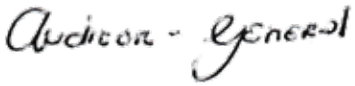
21. I considered internal control relevant to my engagement on the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

22. I did not identify any significant deficiencies in internal control.

Professional ethics and quality control

23. I am independent of the public 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.

24. 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.



Bloemfontein
31 July 2026

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

General **INFORMATION**

Country of incorporation and domicile	South Africa
Legal form of entity	Schedule 3A Public Entity
Nature of business and principal activities	To collect, preserve, interpret and display objects of artistic, cultural or scientific significance for the education of the public
Council Members	Mr F Kraalshoek (Chairperson of the Council) Mr M Radebe (Deputy Chairperson of the Council) Dr H Snyders Mrs L Marais Mr A Latchu Mr A Thompson Ms B Dlamini Ms T Mngadi Ms L Matlala
Registered office	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
Business address	36 Aliwal Street Bloemfontein Central Bloemfontein 9301
Bankers	ABSA Bank Ltd South African Reserve Bank
Auditors	Auditor-General of South Africa
Chief Executive Officer	Ms S Snell
Chief Financial Officer	Ms P Phiri (CA)SA
Relevant Legislation	Public Finance Management Act (PFMA) (Act No. 1 of 1999) Generally Recognised Accounting Practice (GRAP) Employment Equity Act (No. 55 of 1999) Skills Development Levies Act (Act No. 9 of 1999) Unemployment Insurance Act (Act No. 30 of 1966) Basic Conditions of Employment (Act No. 75 of 1997)

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Abbreviations used:

CPD	Corporation for Public Deposits
CRR	Capital Replacement Reserves
DBO	Defined Benefit Obligation
GRAP	Generally Recognised Accounting Practice
PFMA	Public Finance Management Act
Yr	Year
yrs	Years

Report of the **ACCOUNTING OFFICER**

The Council is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the Council to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and were given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council acknowledges that it is ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, the Council sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Council has reviewed the entity's cash flow forecast for the year to 31 March, 2027 and, in the light of this review and the current financial position, it is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the entity's financial statements. The financial statements have been examined by the entity's external auditors and their report is presented on page 53.

The financial statements set out on pages 61 to 148, have been prepared on the going concern basis, and were approved by the Council on 31 July, 2026 and were signed on its behalf by:



Sharon Snell
Chief Executive Officer
National Museum Bloemfontein
31 July 2026

Audit and Risk **COMMITTEE REPORT**

We are pleased to present our report for the financial year ended 31 March, 2026.

Audit and Risk Committee members and attendance

The Audit and Risk Committee consists of five members, three of which are external members as listed hereunder. The Committee is required to meet a minimum of two times per annum as per the provisions of the Public Finance Management Act (PFMA). In terms of the approved Audit and Risk Committee Charter, a minimum of 4 (four) meetings shall be held during a year, supplemented by other meetings and discussions which may be determined by the Committee or upon request by Management. Special meetings of the Committee may be convened as required

Name of member	Number of meetings attended
Mr TK Mothudi (Chairperson) (appointment: 25/11/2024)	5 (3-Year term appointed as an independent member)
Ms D Ewertse (appointment: 25/11/2024)	5 (3-Year term appointed as an independent member)
Ms M Myeza (appointment: 25/11/2024)	5 (3-Year term appointed as an independent member)
Ms L Marais (appointment: 09/12/2024)	3 (1-Year term appointed as a council representative, subject to a rotation review every 12 months)
Ms B Dlamini (appointment: 09/12/2024)	5 (1-Year term appointed as a council representative, subject to a rotation review every 12 months)

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 PFMA and Treasury Regulation 3.1. The Audit and Risk Committee 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 Audit and Risk Committee has performed the following key responsibilities:

- Adopted the Audit and Risk Management Charter and proposed approval to Council.
- Reconfirmed the appropriateness of the Internal Audit Charter and methodology.
- Evaluated the findings raised by internal and external audit and made recommendations on addressing those matters.
- Performed a review of financial information submitted to the committee and commented specifically on concerns raised based on year-to-date information and accuracy of projections.
- Liaised with the Auditor-General of South Africa on matters relating to communication with those charged with governance.

The effectiveness of internal control

The system of internal controls applied by the entity over financial and risk management is effective, efficient and transparent. In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit and Risk Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the internal auditors, the audit report on the financial statements, and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The Audit and Risk Committee is satisfied with the content and quality of quarterly reports prepared and issued during the year under review.

Evaluation of financial statements

The Audit and Risk Committee has:

- reviewed changes in accounting policies and practices;
- reviewed the entities compliance with legal and regulatory provisions;

The Audit and Risk Committee concur with and accept the Auditor-General of South Africa's report on the financial statements, and are of the opinion that the audited financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

Internal audit

In terms of the PFMA, the Accounting Officer needs to ensure that the entity has a system of internal audit under control and direction of the Committee. The internal audit function has been outsourced.

The Audit and Risk Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the entity. The Audit and Risk Committee is satisfied that the internal audit function maintains an effective internal quality assurance and programme that covers all aspects of the internal audit activities.

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



Mr TK Mothudi
Chairperson of the Audit Committee
31 July 2026

Statement of **FINANCIAL POSITION AS AT 31 MARCH, 2026**

Figures in Rand thousand	Note(s)	2026	2025 Restated*
Assets			
Current Assets			
Inventories	3	77,772	68,743
Receivables from exchange transactions	4	79,580	146,206
Prepayments	5	2,141	-
Cash and cash equivalents	6	177,570,752	172,352,080
		177,730,245	**172,567,029**
Non-Current Assets			
Property, plant and equipment	7	24,305,751	25,415,389
Heritage assets	8	159,674,676	159,413,408
Employee benefit asset	9	5,999,872	6,898,813
		189,980,299	**191,727,610**
Total Assets		**367,710,544**	**364,294,639**
Liabilities			
Current Liabilities			
Finance lease obligation	10	86,757	94,778
Payables from exchange transactions	11	3,210,362	3,931,663
Employee benefit obligation	9	2,816,100	2,641,300
Unspent conditional grants and receipts	12	73,582,950	83,549,622
		79,696,169	**90,217,363**
Non-Current Liabilities			
Finance lease obligation	10	-	85,757
Employee benefit obligation	9	38,849,900	35,003,000
		38,849,900	**35,088,757**
Total Liabilities		**118,546,069**	**125,306,120**
Net Assets		**249,164,475**	**238,988,519**
Reserves			
Revaluation reserve	14	19,838,212	19,798,801
Capital replacement reserves	15	2,294,516	2,139,618
Accumulated surplus		227,031,747	217,050,100
Total Net Assets		**249,164,475**	**238,988,519**

* See Note 38

Statement of **FINANCIAL PERFORMANCE**

Figures in Rand thousand	Note(s)	2026	2025 Restated*
Revenue			
Revenue from exchange transactions			
Sale of goods	16	98,040	86,247
Rendering of services	17	211,208	234,290
Rental income	18	75,281	86,275
Recoveries	19	5,077	11,088
Project income	20	-	1,057,000
Interest received	21	9,265,798	10,321,907
Gain on disposal of assets and liabilities	22	-	485,509
Total revenue from exchange transactions		**9,655,404**	**12,282,316**
Revenue from non-exchange transactions			
Transfers from capital replacement reserve	15	-	1,155,433
Transfer revenue			
Transfers and subsidies received	23	79,776,133	81,580,056
Free use of buildings	24	6,056,312	3,343,384
Public contributions and donations	25	20,612	48,568
Total revenue from non-exchange transactions		**85,853,057**	**86,127,441**
Total revenue	26	**95,508,461**	**98,409,757**
Expenditure			
Staff costs	27	(42,334,006)	(41,635,289)
Remuneration of councillors and audit & risk committee		(396,378)	(343,571)
Depreciation	7	(1,756,713)	(2,170,971)
Impairment loss	28	(3,475)	(42,528)
Finance costs	29	(4,007,221)	(4,221,923)
Debt Impairment		-	(4,000)
Loss on disposal of assets and liabilities	22	(64,840)	-
Fair value adjustments	30	-	(753,773)
Actuarial losses	9	(2,338,224)	(346,563)
Other operating expenses	31	(34,625,958)	(36,224,619)
Total expenditure		**(85,526,815)**	**(85,743,237)**
Surplus for the year		**9,981,646**	**12,666,520**

* See Note 38

Statement of **CHANGES IN NET ASSETS**

Figures in Rand thousand	Revalution reserve	Capital replacement reserves	Total reserves	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	-	3,043,625	3,043,625	202,608,555	205,652,180
Adjustments					
Correction of errors 38	-	-	-	1,775,025	1,775,025
Balance at 1 April, 2024 as restated*	**-**	**3,043,625**	**3,043,625**	**204,383,580**	**207,427,205**
Changes in net assets					
Revaluation of heritage assets	19,798,801	-	19,798,801	-	19,798,801
Interest earned on capital replacement reserves	-	251,426	251,426	-	251,426
Withdrawals on capital replacement reserves	-	(1,155,433)	(1,155,433)	-	(1,155,433)
Net income (losses) recognised directly in net assets	19,798,801	(904,007)	18,894,794	-	18,894,794
Surplus for the year	-	-	-	12,666,520	12,666,520
Total recognised income and expenses for the year	19,798,801	(904,007)	18,894,794	12,666,520	31,561,314
Total changes	19,798,801	(904,007)	18,894,794	12,666,520	31,561,314
Restated* Balance at 1 April, 2025	**19,798,801**	**2,139,618**	**21,938,419**	**217,050,101**	**238,988,520**
Changes in net assets					
Revaluation of property, plant and equipment	39,411	-	39,411	-	39,411
Interest earned on capital replacement reserves	-	154,898	154,898	-	154,898
Net income (losses) recognised directly in net assets	39,411	154,898	194,309	-	194,309
Surplus for the year	-	-	-	9,981,646	9,981,646
Total recognised income and expenses for the year	39,411	154,898	194,309	9,981,646	10,175,955
Total changes	39,411	154,898	194,309	9,981,646	10,175,955
Balance at 31 March, 2026	**19,838,212**	**2,294,516**	**22,132,728**	**227,031,747**	**249,164,475**
Note(s)	14	15			

* See Note 38

Figures in Rand thousand	Note(s)	2026	2025 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		473,751	528,743
Grants		68,644,866	91,227,971
Interest income		10,082,239	10,321,907
		79,200,856	102,078,621
Payments			
Employee costs		(44,079,768)	(43,968,867)
Suppliers		(29,036,232)	(33,355,442)
Finance costs		(10,321)	(16,923)
		(73,126,321)	(77,341,232)
Net cash flows from operating activities	34	**6,074,535**	**24,737,389**
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(1,086,080)	(1,954,565)
Proceeds from sale of property, plant and equipment	7&16	170,000	379,410
Purchase of heritage assets	8&25	(903)	(1,419)
Interest Income transferred to Capital replacement reserves		154,898	251,426
Net cash flows from investing activities		**(762,085)**	**(1,325,148)**
Cash flows from financing activities			
Finance lease payments		(93,778)	(88,175)
Net increase/(decrease) in cash and cash equivalents		**5,218,672**	**23,324,066**
Cash and cash equivalents at the beginning of the year		172,352,080	149,028,014
Cash and cash equivalents at the end of the year	6	**177,570,752**	**172,352,080**

Statement of **COMPARISON** of **BUDGET** and **ACTUAL AMOUNTS**

Budget on Cash Basis						
Figures in Rand thousand	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						
Other income	215,000	-	**215,000**	473,751	**258,751**	1
Interest received - investment	7,820,000	-	**7,820,000**	10,082,239	**2,262,239**	2
Total revenue from exchange transactions	**8,035,000**	**-**	**8,035,000**	**10,555,990**	**2,520,990**	
Revenue from non-exchange transactions						
Transfer revenue						
Transfers and subsidies received	66,782,000	-	**66,782,000**	66,782,000	**-**	3
Other grant revenue	-	-	**-**	1,862,518	**1,862,518**	4
Public contributions and donations	-	-	**-**	348	**348**	5
Total revenue from non-exchange transactions	**66,782,000**	**-**	**66,782,000**	**68,644,866**	**1,862,866**	
Total revenue	**74,817,000**	**-**	**74,817,000**	**79,200,856**	**4,383,856**	
Expenditure						
Staff costs	(50,396,749)	-	**(50,396,749)**	(43,683,390)	**6,713,359**	6
Remuneration of councillors and audit & risk committee	(520,000)	-	**(520,000)**	(396,378)	**123,622**	7
Finance costs	-	-	**-**	(10,321)	**(10,321)**	8
Other operating expenses	(23,900,251)	-	**(23,900,251)**	(17,517,741)	**6,382,510**	9
Total expenditure	**(74,817,000)**	**-**	**(74,817,000)**	**(61,607,830)**	**13,209,170**	
Surplus before taxation	**-**	**-**	**-**	**17,593,026**	**17,593,026**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**-**	**-**	**-**	**17,593,026**	**17,593,026**	

Statement of **COMPARISON** of **BUDGET** and **ACTUAL AMOUNTS**

Budget on Cash Basis						
Account description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Reconciliation						
Basis difference						
Free use of buildings				6,056,312	**6,056,312**	10
Public contributions and donations				20,264	**20,960**	11
Interest earned on Employee Benefit Asset				348,502	**348,502**	12
Staff costs				(1,247,443)	**(1,247,443)**	13
Depreciation				(1,756,713)	**(1,756,713)**	14
Impairment loss/ Reversal of impairments				(3,475)	**(3,475)**	14
Finance costs				(3,996,900)	**(3,996,900)**	15
Loss on disposal of assets and liabilities				(64,840)	**(64,840)**	16
Actuarial losses				(2,338,224)	**(2,338,224)**	17
Timing difference						
Actual-based grant revenue				12,994,133	**12,994,133**	18
Other operating expenses				(17,622,996)	**(17,634,422)**	19
Actual Amount in the Statement of Financial Performance				**9,981,646**		

Statement of **COMPARISON** of **BUDGET** and **ACTUAL AMOUNTS**

Budget on Cash Basis						
Account description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

Below explanations are provided for variances between the approved budget and actual results.

1. Other income
The variance on other income is due to additional revenue realised by the museum exceeding its expectations as a result of an increase demand in the rental of the museum's facilities, and revenue yielded from collaborations with external research and scientific institutions.

2. Interest received
The variance in interest from investments is in line with the financial market performance year ending 31 March 2026, based on the balances of the cash and cash equivalents with financial institutions.

3. Transfers and subsidies received
The is no variance on transfers and subsidies received.

4. Other grant revenue
The variance is due to funds received in the current year for ArtBank and and Max Plank, of which there were no budget provisions thereon.

5. Public contributions and donations (cash)
The variance is due to cash donations received by the museum, of which there were no budget provisions thereon.

6. Staff cost (cash)
The saving realised correlates with the critical posts' resignations that took place during the year and filling thereof is still underway. Coupled by the contribution break towards the employee's pension contributions, which is utilised from the employee benefit assets.

7. Remuneration of councillors
The variance was due to cost containment measures, whereby most meeting are held virtually, coupled by non-attendance of few members in certain meetings.

8. Finance costs
The variance is due to the interest paid on finance lease obligations which is not budgeted as a single line item, but included in the total budget for other operating expenses.

9. Other operating expenses
The variance is due to delays in the finalization of procurement (General expenditure: Procurement of Boxes, Medical testing, vehicle maintenance & Zip bags) and cancelations (R&M: Electric water storage heater; GenEx: Printing of 3D Dinosaurs, printing of indago, procurement of Stationery & pins), also coupled by savings realised on the following expenditure line items: Bursaries, printing of culna (as fewer copies were requested), S&T, audit fees, internal audit, operating lease expense, and council and ARC costs. Including an embargo by treasury on procurement of goods and service from 15 December to 15 January.

Basis differences

10. Free use of buildings (non-cash)
The entity recognised a non-cash revenue in its financial statements resulting from the free of use of the buildings it occupies, owned by the Department of Public Works, of which rental thereon is paid by the Department of Sport, Arts and Culture directly to the Department of Public Works. There are no budget provisions made by the entity on this non-cash item.

11. Public contributions and donations (non-cash)
The entity received donated heritage assets from external doners, of which the non-cash revenue thereon was recognised when capitalising the assets. There are no budget provisions made by the entity on this non-cash item.

12. Interest earned on Employee Benefit Asset (non-cash)
The entity earned interest on the employee benefit assets held with Old mutual, being a non-cash item the entity did not make budget provisions on this item.

Budget on Cash Basis						
Account description	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

13. Staff costs (non-cash)
The entity incurred expenses relating to employee costs, being the current service cost arising from the employee benefit actuarial calculations. The entity did not make budget provisions for this expense.

14. Depreciation and Impairment loss (non-cash)
The entity incurred expenses on depreciation and impairment loss of its non-current assets, a non-cash expense which is as a result of a systematic allocation of depreciation and impairment losses in terms of the provision GRAP 17 and GRAP 103.
There were no budgeted provisions thereon.

15. Finance costs (non-cash)
The entity incurred non-cash finance costs expenses arising from the employee benefit actuarial calculations. The entity did not make budget provisions for this expense.

16. Loss on disposal of assets and liabilities (non-cash)
The entity realised an accounting loss on the disposal of its assets, an unbudgeted non-cash item.

17. Actuarial losses (non-cash)
The entity realised an actuarial loss as a result of the actuarial valuations of the employee benefit obligations, an unbudgeted non-cash expense.

Timing differences

18. Actual-based grant revenue
The entity earned revenue arising from the conditions met on the conditional grants, in terms of the provisions of GRAP 23 - Revenue from non-exchange transactions. Budget provisions were not made for this revenue.

19. Other operating expenses
The entity incurred expenses forming part of other operating expenses, being expenses relating to conditional grants, where funds were received thereon in the prior financial year. Budget provisions were not made for these expense, as funding thereon is based prior year unspent grants.

Figures in Rand thousand	Note(s)	2026	2025 Restated*

1. Significant accounting policies

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation and presentation of annual financial statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

1.2 Going concern assumption

These financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

Funds were obtained and used in accordance with a legally adopted budget.

1.3 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

Where the presentation or classification of items in the financial statements is amended, prior period comparative amounts are also restated and reclassified. The nature of and reason for the reclassification will be disclosed.

Where accounting errors relating to prior periods have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. The presentation and classification of items in the current year is consistent with prior periods, unless specified otherwise.

1.4 Critical accounting estimates and judgements in applying policies

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

The use of judgement, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in the future periods.

Judgements

In the process of applying these accounting policies, management has made certain judgements that may have a significant effect on the amounts recognised in the financial statements.

Estimates

The entity makes estimates and assumptions that affect the reported amounts of assets and liabilities at date of financial position as well as the reported revenue and expenses for the year.

Estimates and judgements are evaluated annually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1.4 Critical accounting estimates and judgements in applying policies (continued)

Receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the national entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to receivables balances in the portfolio and scaled to the estimated loss emergence period.

Impairment testing

The recoverable (service) amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The museum reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Provisions

Provisions are measured as the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in the future to settle the provision management considers the weighted average possibility of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are of a provision as well as the financial impact of each of those potential outcomes. Management then assigns a weighting factor to each of these outcomes that will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions.

Post-retirement benefits

The costs of the benefits and the present value of the post retirement benefit liabilities depend on a number of factors that are determined by an actuarial valuation using a number of assumptions.

These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is hugely sensitive to changes in these assumptions.

Any changes in these assumptions will impact the charge to the performance statement and the position statement. All assumptions are reviewed at each reporting date.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Allowance for impairment

For receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 Critical accounting estimates and judgements in applying policies (continued)

Value in use of cash generating assets

The museum reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors such as inflation and interest.

Cash-generating assets are assets used with the objective of generating a positive cash flows where cash inflows are expected to be significantly higher than the cost of the asset.

Value in use of non-cash generating assets

The museum reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Non-cash-generating assets are assets other than cash-generating assets

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

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.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

1.5 Property, plant and equipment (continued)

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for Appreciative Artworks which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value, except for Appreciative Artworks which have an indefinite useful life.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Appreciative Artworks	Straight-line	Indefinite
Fixtures	Straight-line	10 - 20 years
Furniture and fittings	Straight-line	5 - 10 years
Vehicles	Straight-line	4 - 18 years
Equipment	Straight-line	5 - 10 years
Computers	Straight-line	3 - 10 years
Library books	Straight-line	7- 10 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

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

1.5 Property, plant and equipment (continued)

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 7).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 7).

Impairment

The entity assesses at each reporting date whether there is an indication that property, plant and equipment may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the property, plant and equipment.

In assessing whether there is an indication that an asset may be impaired, the Museum shall consider, as a minimum, the following indications:

i. Internal sources of information

An asset is considered impaired when:
- There are new indications of physical damage or deterioration on it.
- A decision is made to halt the construction of the heritage asset before it is complete or in a usable form.

ii. External sources of information

An asset is considered impaired when:
- During the period, a property, plant and equipment market value has declined significantly more than would be expected as a result of the passage of time or normal use.

Derecognition

The entity derecognises property, plant and equipment 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 a property, plant and equipment is included in surplus or deficit when the item is derecognised.

1.6 Heritage assets

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

Classes of Heritage assets

The following are classes of Heritage assets held by the museum:
- Natural History (which includes: Natural Science Collection and Human Science Collection);
- Cultural History (which includes: Firearms, Coins, Objects, Textiles, etc.);
- Library Collections (which includes: Library books, Library Science Journals and Other Library Materials); and

1.6 Heritage assets (continued)

- Artworks

i. Natural Science collection

The nature of the collection is unique (all of its categories) and is purely held for its scientific and educational value to advance the objectives of the Museum, also for future generations. Collections include: Acarology, Arachnology, Botany, Entomology, Fossils, Herpetology, Mammology, Ornithology, Mineralogy, Geology, Shell collection, etc.

The collection dates back many years and was largely internally developed with no cost records kept as it was standard practice at the time. Therefore the Museum is unable to determine historic cost in line with the cost model.

There is no active market where quoted prices could be sourced to determine fair values in line with the revaluation model. In fact, many of the items have no commercial value at all, only a scientific one. Perhaps the most valuable specimens would be the name-bearing ones (holotypes), but since such specimens are always housed in museums and it is illegal for any museum to sell them, there is no existing data available upon which to base a valuation.

Collections where an active market exists and where value will be determined, have been identified as follows:

- Taxidermy (Mammology, Ornithology, Herpetology);
- Geology; and
- Shell collection

ii. Human Sciences Collection

It is submitted that the Human Sciences collection is held only for its scientific and educational value, to advance the objectives of the Museum. The collection is currently subdivided into four parts: Archaeology, Anthropology, History and Rock Art. The collection dates back many years and no known cost records were kept during its accumulation. Therefore the Museum is unable to determine historic cost in line with the cost model.

The Archaeological collection - there is no legal trade in these items within South Africa and thus their monetary value cannot be reliably measured.

The Anthropology collection - There is potentially commercial values for a few specific items. These items require identification and assessment by independent specialists in the trade (buying and selling) of scientific and cultural materials. Should any assets prove to have a monetary value, they should be valued in terms of the elected measurement model.

Rock Art collection - There is no legal trade in these items within South Africa and thus their monetary value cannot be reliably measured.

Items within the History collections do have a monetary value. These items require identification and assessment by independent specialists in the trade (buying and selling) of scientific and cultural materials. These assets should be valued in terms of the revaluation model.

1.6 Heritage assets (continued)

iii. Library Collection

The museum library collection is diverse in its composition. Some of its collection items meet the definition of a heritage asset and some do not. The Library has conducted an assessment to determine whether various classes of its collection fall within the ambit of GRAP 103: Heritage Assets. In cases where the library material falls outside the definition; appropriate accounting treatment shall be applied.

Library books /materials that are held to provide a service to the public and may be used for more than one reporting period; such library books are classified as property, plant and equipment in accordance with GRAP 17 – Property, Plant and Equipment. If library books/materials meet the definition of heritage assets, they are recognised in accordance with GRAP 103: Heritage Assets.

Library Scientific Journals

Scientific journals volumes are published once to four times a year and the publishers would produce a new volume the following year. It is on this basis that library scientific journals are regarded as an expense.

- The Museum shall continue expensing the publication costs.

Library Books

Library Books – Rare Books

The Library houses a collection of rare scientific books which meet the definition of a heritage asset and also the recognition criteria. The rare books are:

- Scarce with limited copies available;
- Available for research purposes; and
- Held for an indefinite period, unless destroyed by circumstances beyond human control.

Library Books – Staff training

This category is comprised of books purchased during the reporting period to serve a particular need; i.e. as part of staff development and training, the Museum sponsors textbook costs for the recipients, from the training budget. These books are expensed in the period in which they are acquired.

Library Books – Other

This category comprises books purchased to be used for more than one period. These books should be accounted for in terms of GRAP 17: Property Plant and Equipment.

Other Library Material (Newspaper cuttings, Maps, Photographs, etc.)

The Library houses a variety of newspaper cuttings, maps and photographs as part of its diverse collection. The collection is of research significance and is deemed instrumental in advancing the research objects of the Museum. While commercially not valuable, the collection meets the definition of a heritage asset and also the recognition criteria as it is largely:

- Available for research purposes, and
- Held for an indefinite period, unless destroyed by circumstances beyond human control.

Artwork (Oliewenhuis Art Museum)

This category is comprised of Artwork collection kept at Oliewenhuis Art Museum exhibition display, and they meet the definition and recognition criteria of a heritage asset in terms of GRAP103.

An active market exists, therefore quoted price or fair value will be used.

1.6 Heritage assets (continued)

Recognition

The entity 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 the cost or fair value of the asset can be measured reliably.

The museum will assesses the degree of certainty attached to the flow of future service potential or economic benefits as follows:

- If 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 of the need to analyse the proposed collection items to determine if they conform to the set collection criteria through evaluation and research.
- 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, bequeath or transfer.
- Particularly within the Natural History/Science 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.

Initial measurement

Heritage assets are initially measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

In accordance with GRAP 103, an entity should choose either the cost model or the revaluation model for subsequent measurement of each class of heritage assets.

Cost Model

When the cost model is used, heritage assets are subsequently carried at cost less any accumulated impairment losses.

Revaluation Model

For subsequent measurement, if the fair value of a class of heritage assets can be measured reliably, then the Museum should carry that class of heritage assets at a revalued amount. The revalued amount is the fair value less any subsequent impairment losses at the date of the revaluation. The frequency of revaluations depends upon the changes in the fair values of the heritage asset being revalued. When the fair value of a revalued heritage asset differs materially from its carrying amount, a further revaluation is required. Some heritage assets experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary, however, for a heritage asset which shows insignificant changes in fair value. It may then be necessary to revalue the heritage asset only every three years.

If a heritage asset is revalued, the entire class of heritage assets to which that asset belongs shall be revalued. If a class of heritage assets is stated at revalued amounts, the following shall be disclosed:

- the effective date of the revaluation;
- the method used to determine the heritage asset's fair value;
- the significant assumptions applied in estimating the heritage assets' fair values;
- the extent to which the heritage assets' fair values were determined directly by reference to observable prices in an active market or recent market transactions on arm's length terms, or were estimated using other valuation techniques; and
- the revaluation surplus, indicating the change for the period and any restrictions on the distribution of the balance to owners of net assets.

The museum has elected the Cost Model and shall apply this policy to the following classes of heritage assets:

- Natural History;
- Cultural History; and
- Library books

The museum has elected the Revaluation Model and shall apply the policy to the following class of heritage asset:

- Artwork (An independent revaluation will be conducted after every 3 years)

1.6 Heritage assets (continued)

Heritage assets are carried at cost less accumulated depreciation and any impairment losses except for Artworks which are carried at revaluation amount, being the fair value at the date of revaluation less any subsequent accumulated impairment losses.

Depreciation rates:

Item	Depreciation method	Average useful life
Shell Collection	Straight-line	Indefinite
Minerology	Straight-line	Indefinite
Documents	Straight-line	Indefinite
Firearms	Straight-line	Indefinite
Herpetology Taxidermy	Straight-line	Indefinite
Library books	Straight-line	Indefinite
Coins	Straight-line	Indefinite
Mammology Taxidermy	Straight-line	Indefinite
Objects	Straight-line	Indefinite
Ornithology Taxidermy	Straight-line	Indefinite
Anthropology	Straight-line	Indefinite
Photographs	Straight-line	Indefinite
Textiles	Straight-line	Indefinite

Impairment

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

A heritage asset shall not be depreciated but the Museum shall assess at each reporting date whether there is an indication that it may be impaired, this will be reflected as a deficit or surplus in the financial statement.

In assessing whether there is an indication that an asset may be impaired, the Museum shall consider, as a minimum, the following indications:

i. Internal sources of information

An asset is considered impaired when:

- There are new indications of physical damage or deterioration on it.
- A decision is made to halt the construction of the heritage asset before it is complete or in a usable form.

ii. External sources of information

An asset is considered impaired when:

- During the period, a heritage asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.

Transfers

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

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The entity derecognises heritage asset 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 a heritage asset is included in surplus or deficit when the item is derecognised.

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The entity recognises a financial asset or a financial liability in its Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

The entity has the following categories of financial instruments

- Cash and cash equivalents;
- Receivables from exchange transactions;
- Payables from exchange transactions; and
- Finance lease obligations.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and for financial assets, adjusted for any loss allowance.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit-impaired financial asset is a financial asset that is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event — instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). An entity shall estimate cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The cash flows that are considered shall include cash flows from the sale of collateral held (where applicable) or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the entity shall use the remaining contractual term of the financial instrument.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk rating grades are the ratings of credit risk based on the risk of default occurring on the financial instrument.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is the method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of interest revenue or interest expense in surplus or deficit in the relevant period.

1.7 Financial instruments (continued)

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but shall not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

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

A financial asset is:

- cash and cash equivalents;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Impairment gain or loss is a gain or loss that is recognised in surplus or deficit

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Loss allowance is the allowance for expected credit losses on financial assets measured in accordance with lease receivables and the provision for expected credit losses on loan commitments and financial guarantee contracts.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Modification gain or loss is the amount arising from adjusting the gross carrying amount of a financial asset to reflect the renegotiated or modified contractual cash flows. The entity recalculates the gross carrying amount of a financial asset as the present value of the estimated future cash payments or receipts through the expected life of the renegotiated or modified financial asset that are discounted at the financial asset's original effective interest rate (or the original credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). When estimating the expected cash flows of a financial asset, an entity shall consider all contractual terms of the financial asset (for example, prepayment, call and similar options) but shall not consider the expected credit losses, unless the financial asset is a purchased or originated credit-impaired financial asset, in which case an entity shall also consider the initial expected credit losses that were considered when calculating the original credit-adjusted effective interest rate.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Reclassification date is:

1.7 Financial instruments (continued)

- the first day of the first reporting period following the change in management model that results in an entity reclassifying financial assets; and
- the date on which a reliable measure of fair value ceases to be, or becomes, available for an investment in a residual interest that meets the criteria.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Finance lease obligation	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets and financial liabilities using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The entity measures a financial asset and financial liability initially at its fair value.

1.7 Financial instruments (continued)

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

The entity did not reclassify any of its financial instruments.

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectability of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

The Museum applies the expected credit loss (ECL) model in assessing impairment of financial assets measured at amortised cost.

Expected credit losses are recognised over the lifetime of a financial asset where there has been a significant increase in credit risk since initial recognition. Where credit risk has not increased significantly since initial recognition, impairment is measured based on 12-month expected credit losses.

In assessing expected credit losses, the Museum considers:

- Historical default experience;
- Current economic conditions;

1.7 Financial instruments (continued)

- Payment history;
- Creditworthiness of counterparties;
- Forward-looking information; and
- Probability of default and loss given default.

For receivables from exchange transactions, the Museum applies a simplified impairment approach and recognises a loss allowance based on lifetime expected credit losses.

Receivables are grouped based on shared credit risk characteristics and assessed collectively for impairment.

The Museum assesses at each reporting date whether a financial asset is credit impaired.

A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit impaired includes:

- Significant financial difficulty of the debtor;
- Default or delinquency in payments;
- Probability that the debtor will enter bankruptcy or financial reorganisation; or
- Observable data indicating measurable decreases in estimated future cash flows.

Cash and cash equivalents are held with reputable financial institutions with strong credit ratings. The Museum assessed the expected credit losses relating to cash and cash equivalents as immaterial due to the low credit risk associated with these institutions.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.7 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

Write-off

An entity shall directly reduce the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and short-term highly liquid investments with original maturities of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are measured at amortised cost.

The Museum holds cash and cash equivalents with reputable financial institutions, namely ABSA Bank Limited and the South African Reserve Bank.

Receivables from exchange transactions

Receivables from exchange transactions are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Receivables from exchange transactions are assessed for impairment at each reporting date.

1.8 Tax

Tax expenses

The entity is exempt from taxation in terms of section 10(1)(cA)(i) of the Income Tax Act. Donations made to or by the entity are exempt from Donations Tax in terms of section 56(1)(h) of the Income Tax Act.

The entity is exempt from payment of Estate Duty in terms of section 4(h) of the Estate Duty Act no. 45 of 1995. The entity is not registered for value added tax in terms of section 24(1) of the Value Added Tax Act of 1991.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

1.9 Leases (continued)

Finance leases - lessor

The entity recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the entity's net investment in the finance lease.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

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

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

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

1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

1.10 Inventories (continued)

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Short-term employee benefits

The costs of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. Consideration is given to any event that could impact the funds up to the 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.

Gains or losses on the curtailment or settlement of a defined benefit plan are 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.

1.11 Employee benefits (continued)

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 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the entity

1.12 Provisions and contingencies (continued)

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 47.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, an entity recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.13 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.14 Revenue from exchange transactions

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

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

1.14 Revenue from exchange transactions (continued)

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

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 nor 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 costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- 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;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised in surplus or deficit using the effective interest rate method.

1.15 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

1.15 Revenue from non-exchange transactions (continued)

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the 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 reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue.

Transfers and subsidies

Apart from Services in kind, which are not recognised, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and 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.

Services in-kind

The entity recognise 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 Cost of sales

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

1.17 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.18 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

1.19 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with the requirement of any applicable legislation, including -

(a) this Act; or

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or (c)any provincial legislation providing for procurement procedures in that provincial government. National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is derecognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

1.20 Research and development expenditure

Expenditure on research is recognised as an expense when it is incurred.

An asset arising from development is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

1.21 Budget information

The National Museum's budget is compiled on a cash basis with an economic classification. It covers the same period as the Financial Statements, namely 01 April to 31 March of each year.

Where there's a variance between the budget and actual amounts exceeding 10% of the budgeted amount, explanation to the variance is provided.

1.22 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

1.22 Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements.

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

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

1.24 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.25 Capital replacement reserve

The National Museum has set aside Capital replacement reserves in the CPD accounts held with the Reserve Bank, Transformation fund and Purchase of Art Works CPD. Interest earned on the funds is not utilised as it is compounded into the funds, and is accounted for as a movement into the reserve.

The balance as at year-end relating to these funds is disclosed in note 15.

Basis of Accounting

This accounting policy has been developed in accordance with the principles of the Standards of Generally Recognised Accounting Practice (GRAP), particularly GRAP 1 (Presentation of Financial Statements) and GRAP 3 (Accounting Policies, Changes in Accounting Estimates and Errors).

Nature and Purpose of the Reserve

The Capital Replacement Reserve (CRR) is a designated internal reserve established to provide funding for the acquisition or replacement of heritage artworks and maintenance of Oliewenhuis Art Museum. The objective is to ensure the sustainability and perseverance of our heritage artworks without relying solely on external funding sources such as government grants or donor funding.

Recognition

The CRR is recognised as a separate line item under Net Assets in the Statement of Financial Position.

No revenue or expense is recognised in the Statement of Financial Performance in respect of such transfers.

Utilisation of the Reserve

The CRR may only be utilised for the acquisition or replacement of capital assets. Withdrawals from the CRR must be:

- Approved by the accounting authority or delegated committee;

Measurement

The reserve is not subject to revaluation and is carried at the nominal value of funds transferred into or utilised from it.

Presentation

Interest earned and expenses incurred on the capital replacement reserves is recognised as revenue directly in the statement of net changes in net assets

Disclosure

Movements in the CRR are disclosed in the notes to the financial statements, and must include:

- Opening balance;
- Transfers into the reserve;
- Withdrawals from the reserve;
- Closing balance;
- Any restrictions imposed on the use of the reserve.

1.26 Prepayments

Prepayments are an advance payments made for goods or services that will be received in a future accounting period. The entity recognises prepayments as current assets in the statement of financial position. The expense thereof is deferred to the financial period it relates to, which will then be recognised in the statement of financial performance as an expense.

Account description	2026	2025

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 (as revised): Financial Instruments	1 April, 2025	The impact thereof is not material.

Refer to note 40 for detail disclosure on the initial adoption of GRAP 104.

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 1 April, 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 107 (as revised) Mergers	1 April, 2027	Unlikely there will be a material impact
• GRAP 106 (as revised) Transfer of Functions Between Entities Not Under Common Control	1 April, 2027	Unlikely there will be a material impact
• GRAP 105 Transfer of Functions Between Entities Under Common Control	1 April, 2027	Unlikely there will be a material impact
• GRAP 2023 Improvements to the Standards of GRAP 2023	No effective date yet	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	1 April, 2027	Unlikely there will be a material impact
• GRAP 103 (amended): Heritage Assets	1 April, 2027	Impact is currently being assessed

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 1 April, 2026 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	1 April, 2025	Unlikely there will be a material impact

3. Inventories

Inventories: Shop		48,778	35,694
Inventories: Stores		28,994	33,049
		77,772	**68,743**

Inventory pledged as security

There was no inventory pledged as security for the year ended 31 March 2026.

Inventory expensed

Inventory recognised as expense during the year	31	46,127	58,555

Account description	2026	2025
4. Receivables from exchange transactions		
Trade receivables from exchange transactions	7,486	111,013
Deposits paid	20,480	20,480
Creditors with debit balances	51,614	14,713
	79,580	**146,206**
Gross balance		
Trade receivables from exchange transactions	215,658	319,185
Deposits paid	20,480	20,480
Creditors with debit balances	51,614	14,713
	287,752	**354,378**
Less: Loss allowance		
Trade receivables from exchange transactions	(208,172)	(208,172)
Net balance		
Trade receivables from exchange transactions	7,486	111,013
Deposits paid	20,480	20,480
Creditors with debit balances	51,614	14,713
	79,580	**146,206**

Receivables from exchange transactions pledged as security

There were no receivables from exchange transactions that were pledged as security.

Credit quality of receivables from exchange transactions

The credit quality of receivables from exchange transactions that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Receivables from exchange transactions written-off

There were no receivables from exchange transactions written-off

Receivables from exchange transactions past due but not impaired

Receivables from exchange transactions which are less than 3 months past due are not considered to be impaired. At 31 March, 2026, R 249 (2025: R 89,000) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	249	89,000

Receivables from exchange transactions impaired

As of 31 March, 2026, receivables from exchange transactions of R 208,172 (2025: R 208,172) were impaired and provided for.

The amount of the loss allowance was R (208,172) as of 31 March, 2026 (2025: R (208,172)).

The ageing of these receivables is as follows:

Over 6 months	208,172	208,172

Account description	2026	2025

4. Receivables from exchange transactions (continued)

Reconciliation of provision for loss allowance of receivables from exchange transactions

Opening balance	(208,172)	(204,172)
Loss allowance	-	(4,000)
	(208,172)	**(208,172)**
Trade receivables from exchange transactions		
Current	7,237	21,769
120+ Days	208,421	297,416
Less: loss allowance	(208,172)	(208,172)
	7,486	**111,013**
Deposits paid		
120+ Days	20,480	20,480
Creditors with debit balances		
Current	51,614	14,713
Total		
Current	58,851	36,482
120+ Days	228,901	317,896
Less: loss allowance	(208,172)	(208,172)
	79,580	**146,206**

Summary of debtors by customer classification

Individuals		
120+ Days	4,000	21,800
Less: loss allowance	(4,000)	(4,000)
	-	**17,800**
Businesses / Commercial		
Current	51,614	18,851
120+ Days	224,652	224,652
Less: loss allowance	(204,172)	(204,172)
	72,094	**39,331**
Employees		
Current	7,237	17,631
120+ Days	249	71,444
	7,486	**89,075**
Total		
Current	58,851	36,482
120+ Days	228,901	317,896
Less: loss allowance	(208,172)	(208,172)
	79,580	**146,206**

Account description	2026	2025

5. Prepayments

The museum paid insurance premiums covering a period of 12 months in advance (01 December 2025 to 30 November 2026) for a total value of R 3,211.

Reconciliation		
Premium paid in the current year	3,211	-
Less: Expense recognised in the current year	(1,070)	-
Prepaid expense differed to the next financial year	**2,141**	**-**

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	20,771	16,891
Bank balances	1,718,184	18,890,827
Investments	65,805,524	61,473,376
Call accounts	110,026,273	91,970,986
	177,570,752	**172,352,080**

Cash and cash equivalents pledged as collateral

The are no cash and cash equivalents that were pledged as security/collateral.

The entity had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	31 March, 2026	31 March, 2025	31 March, 2024	31 March, 2026	31 March, 2025	31 March, 2024
ABSA Cheque	1,718,184	18,890,827	3,547,437	1,718,184	18,890,827	3,547,437
ABSA Call	109,546,895	91,524,022	88,184,721	110,026,273	91,970,986	88,184,721
Total	**111,265,079**	**110,414,849**	**91,732,158**	**111,744,457**	**110,861,813**	**91,732,158**

The entity had the following investment accounts

	Bank statement balances			Cash book balances		
Account description	31 March 2026	31 March 2025	31 March 2024	31 March 2026	31 March 2025	31 March 2024
Transformation fund CPD	2,287,390	2,132,482	1,969,623	2,287,390	2,132,482	1,969,623
Museum CPD	46,388,406	43,239,233	53,734,940	46,388,406	43,239,233	53,734,940
Purchase of Art Works CPD	-	7,136	1,074,002	-	7,136	1,074,002
Capital Works CPD	17,129,728	16,094,525	-	17,129,728	16,094,525	-
Subtotal	65,805,524	61,473,376	56,778,565	65,805,524	61,473,376	56,778,565

Account description	2026	2025

6. Cash and cash equivalents (continued)

The entity had the following cash items on hand

	Cash on hand		
Account description	31 March 2026	31 March 2025	31 March 2024
Petty Cash	18,891	14,561	14,600
Float	1,880	2,330	2,330
Subtotal	20,771	16,891	-

There are no cash and cash equivalent balances held by the entity that are not available for use by the entity.

Account description

7. Property, plant and equipment

	2026			2025		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Fixtures	16,014,671	(6,940,847)	9,073,824	16,014,671	(6,128,070)	9,886,601
Vehicles	5,268,615	(2,731,396)	2,537,219	5,268,615	(2,417,895)	2,850,720
Furniture & fittings	4,101,171	(3,896,024)	205,147	3,984,250	(3,783,172)	201,078
Computers	6,281,468	(5,120,961)	1,160,507	5,546,458	(5,004,417)	542,041
Leased equipment	439,581	(368,541)	71,040	439,581	(281,225)	158,356
Appreciative artworks	10,494,297	-	10,494,297	10,950,782	-	10,950,782
Equipment	4,529,843	(3,811,955)	717,888	4,278,214	(3,549,050)	729,164
Library books	3,709,219	(3,663,390)	45,829	3,709,219	(3,612,572)	96,647
Total	**50,838,865**	**(26,533,114)**	**24,305,751**	**50,191,790**	**(24,776,401)**	**25,415,389**

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Transfers	Revaluations	Depreciation	Total
Fixtures	9,886,601	-	-	-	-	(812,777)	9,073,824
Vehicles	2,850,720	-	-	-	-	(313,501)	2,537,219
Furniture & fittings	201,078	116,921	-	-	-	(112,852)	205,147
Computers	542,041	735,009	-	-	-	(116,543)	1,160,507
Leased equipment	158,356	-	-	-	-	(87,316)	71,040
Appreciative artworks	10,950,782	-	(235,000)	(260,896)	39,411	-	10,494,297
Equipment	729,164	251,630	-	-	-	(262,906)	717,888
Library books	96,647	-	-	-	-	(50,818)	45,829
	25,415,389	**1,103,560**	**(235,000)**	**(260,896)**	**39,411**	**(1,756,713)**	**24,305,751**

Account description

7. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Revaluations	Depreciation	Impairment loss	Total
Fixtures	10,764,098	-	-	-	(877,497)	-	9,886,601
Vehicles	3,164,220	-	-	-	(313,500)	-	2,850,720
Furniture & fittings	224,097	89,952	(12)	-	(112,959)	-	201,078
Computers	203,568	588,892	(27)	-	(250,392)	-	542,041
Leased equipment	246,672	-	-	-	(88,316)	-	158,356
Appreciative artworks	10,603,863	1,368,400	(70,608)	(950,873)	-	-	10,950,782
Equipment	981,281	277,043	(12)	-	(462,620)	(66,528)	729,164
Library books	162,334	-	-	-	(65,687)	-	96,647
	26,350,133	**2,324,287**	**(70,659)**	**(950,873)**	**(2,170,971)**	**(66,528)**	**25,415,389**

Account description	2026	2025

7. Property, plant and equipment (continued)

Other disclosures

Rental revenue generated from appreciative artworks	-	-

ArtBank did not generate revenue from the leasing of artworks in the current and prior year. However expenses were incurred in the daily operations of the programme with intentions of generating rental income revenue.

Expenses that generated rental revenue		
Direct operating expense	1,066,365	1,064,600

Artworks categorised as appreciative artworks are:

All kinds of artworks, art collections or individual pieces, including various paintings and statues acquired by the museum and are held primarily as a store of wealth.

The primary goal for acquiring these artworks is for investment purposes and for the purpose of storing value. In the period over which the artwork appreciates in value (usually a period of five years), the entity leases these artworks to obtain rental income in that period.

There are no restrictions on the realisation of Appreciative Artwork nor the remittance of revenue and proceeds of disposal.

After the “ArtBank” recognises the artwork as an item of Appreciative Artwork, the artwork shall be measured at fair value.

Through consideration of the following the “ArtBank” considers that the fair value of the Appreciative Artwork cannot reliably be determined on a continuing basis:

- All the artworks are unique, thus not comparable;
- The artworks comprise of emerging South African artists;
- The artworks serve the purpose of providing opportunities;
- No assurance that the artworks will be leased; and
- The artwork is held for the purpose to foster and appreciate.

In the current year, the entity only revalued appreciative artworks that are being transferred into Heritage asset at reporting. The effective date of the previously conducted revaluation was 31 March, 2026 (2025: 31 March, 2025), which were performed by the independent valuer, Rode The Valuator Advisory.

The method used to determine fair value is The Sales Comparison Approach to value. A procedure to conclude an opinion of value for an object by comparing it with similar objects that have been sold or are for sale in the relevant marketplace by making adjustments to prices based on marketplace conditions and the objects characteristics of value.

The Fair Value for the purpose of the valuation undertaken is defined as “Comparable”. The situation would be “arms’ length” with no undue pressure on purchaser or seller, and, in this definition, it is assumed that the transaction is based on cash or a cash equivalent consideration. Favourable or unfavourable terms of sale are bound to affect market prices in a normal trading environment, as would the source of the market – local or imported, wholesale or retail, direct or via an agent, boutique, or budget store, or on-line or at an auction, etc.

In the determination of the Fair Value of fine arts, antiques and collectables, influences such as market climate, sensitivity to exchange rate variances and sales history play an important role. As these factors are subjective, the determination of values is to a large degree based on judgment from experts like us and applies to the date of valuation.

Thus, it is expected that assessments of values made by different parties may differ from time to time, where no absolute value exists. Bearing in mind what is set out above, it is our opinion that the values assigned to the assets as per the schedule are fair and reasonable, thus fulfilling the requirements of all parties concerned.

The significant assumptions applied in estimating the assets’ fair values were as follows:

- Valuation is undertaken using the comparative methodology. The basic premise of the comparable approach is that an items value should bear some resemblance to other equities in a similar class.

Account description	2026	2025

7. Property, plant and equipment (continued)

- Where comparative methodology is not obtainable, Valuation using Multiple would be used. Identifying comparable assets (the peer group) and obtaining market values for these assets. Converting these market values into standardized values relative to a key statistic since the absolute prices cannot be compared. This process of standardizing creates valuation multiples. Applying the valuation multiple to the key statistic of the asset being valued, controlling for any differences between asset and the peer group that might affect the multiple.

- GRAP 17.92 (c) states 'The extent to which the appreciative artworks fair values were determining directly by reference to observable prices in an active market or recent market transaction on arm's length terms or were estimated using other valuation technique.

- Values of R3000 and less in value: Valuations of R3000 and below are reliant on the expertise and experience of the valuer, and no comparatives will be supplied for said values.

- Record Keeping: References in the work files to the location of documentation used to support the valuations are adequate. It is not always necessary for the work file to include all the documentation; references to the data source should be kept. All of these are electronic copies and adhere to the USPAP standards as per USAPAP 2018

- Valuation references and sources: The current market related auction values were determined via online research results, both locally and Internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.

- Valuation references and sources: The current market related auction values were determined via online research results, both locally and Internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.

- Research: Based on the above methodology, inspection and extensive research had to be undertaken for the collections. The valuer must also use primary and secondary markets to arrive at value. The primary market is a market for new items available for the first time. These secondary markets are a market in which items that are still being created by the producer are being sold to subsequent owners.
  Then there are items that are no longer being produced, our appreciative artworks, in this case the secondary market becomes the primary market. Items such as antiques, collectables, historical works of art, obsolete militaria, obsolete agricultural implements, unique documents, and photographs as well as any item no longer being produced. These items are only obtainable from auction houses, dealers, internet websites and in some case yard sales. These sources have now become the primary market for items that are no longer in production.

The revaluation surplus relating to property, plant and is as follows:

Revaluation increase/(decrease)	39,411	(753,773)

Account description	2026	2025

7. Property, plant and equipment (continued)

Depreciation rates

Item	**Depreciation method**	**Average useful life**
Appreciative Artworks	Straight-line	Indefinite
Fixtures	Straight-line	10 - 20 years
Furniture and fittings	Straight-line	5 - 10 years
Vehicles	Straight-line	4 - 18 years
Equipment	Straight-line	5 -10 years
Computers	Straight-line	3 - 10 years
Library books	Straight-line	7 - 10 years

Assets subject to finance lease (Net carrying amount)

Leased equipment	71,040	158,356

Property, plant and equipment in the process of being constructed or developed

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

Furniture and fixtures	26,970	-

Reconciliation of Work-in-Progress 2026

	Included within Furniture & fittings	Total
Additions/capital expenditure	26,970	26,970
Transferred to completed items	(26,970)	(26,970)
	-	-

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

Repairs and Maintenance	1,175,271	1,022,779

The depreciation relating to the leased asset was R 87,316 (2025: R88,316).

Account description	2026	2025

7. Property, plant and equipment (continued)

Artworks

The National Museum ("Lessor") agrees to lease and the Lessee agrees to lease the Art Works on the terms and conditions set out in the Lease Agreement.

The Parties have agreed that the Art Works will be leased on a temporary basis to the Lessee for the sole purpose of uninterrupted public display and appreciation at the premises of the Lessee.

The Lessor reserves the right to recall any Art Work at any time upon the giving of reasonable notice in writing to the Lessee.

The Lessor and the lessee will jointly prepare Condition Reports for each Art Work at the start and at the end of the Lease.

The Lessee must not carry out any changes to the Art Works specifically including cleaning, retouching, repairs, or restoration, without prior written notification from and/or consent of the Lessor.

The Lessor shall be responsible for arranging and paying for insurance cover (including any additional insurance required in relation to the transport) of the Art Works at all times ("the insurance").

Should there be any breach of the terms of the lease agreement, either Party may terminate this agreement by giving 30 days' notice to the other in writing with or without a claim for damages occasioned by such breach.

Pledged as security

No items of property, plant and equipment were pledged as security for the financial year ended 31 March 2026.

Account description

8. Heritage assets

	2026			2025		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Shell collection	135,710	-	135,710	135,710	-	135,710
Mineralogy	313,489	-	313,489	313,489	-	313,489
Documents	634,765	-	634,765	634,765	-	634,765
Firearms	1,751,400	-	1,751,400	1,751,400	-	1,751,400
Herpetology taxidermy	10,520	-	10,520	10,520	-	10,520
Library books	7,332,270	-	7,332,270	7,322,223	-	7,322,223
Coins	1,420,594	-	1,420,594	1,420,594	-	1,420,594
Mammalogy taxidermy	1,675,870	-	1,675,870	1,675,870	-	1,675,870
Objects	18,133,508	-	18,133,508	18,148,463	-	18,148,463
Ornithology taxidermy	590,614	-	590,614	590,614	-	590,614
Anthropology	6,572,870	-	6,572,870	6,572,870	-	6,572,870
Heritage assets which fair values cannot be reliably measured: (Para .94)						
Photographs	258,875	-	258,875	258,875	-	258,875
Textiles	2,772,295	-	2,772,295	2,767,015	-	2,767,015
Artworks	118,071,896	-	118,071,896	117,811,000	-	117,811,000
Total	**159,674,676**	**-**	**159,674,676**	**159,413,408**	**-**	**159,413,408**

Account description

8. Heritage assets (continued)

Reconciliation of heritage assets 2026

	Opening balance	Additions	Disposals	Transfers received	Impairment losses recognised	Impairment losses reversed	Total
Shell collection	135,710	-	-	-	-	-	135,710
Mineralogy	313,489	-	-	-	-	-	313,489
Documents	634,765	-	-	-	-	-	634,765
Firearms	1,751,400	-	-	-	-	-	1,751,400
Herpetology taxidermy	10,520	-	-	-	-	-	10,520
Library books	7,322,223	10,047	-	-	-	-	7,332,270
Coins	1,420,594	-	-	-	-	-	1,420,594
Mammalogy taxidermy	1,675,870	-	-	-	-	-	1,675,870
Objects	18,148,463	5,840	(17,320)	-	(3,475)	-	18,133,508
Ornithology taxidermy	590,614	-	-	-	-	-	590,614
Anthropology	6,572,870	-	-	-	-	-	6,572,870
Heritage assets which fair values cannot be reliably measured: (Para .94)							
Photographs	258,875	-	-	-	-	-	258,875
Textiles	2,767,015	5,280	-	-	-	-	2,772,295
Artworks	117,811,000	-	-	260,896	-	-	118,071,896
	159,413,408	**21,167**	**(17,320)**	**260,896**	**(3,475)**	**-**	**159,674,676**

Reconciliation of heritage assets 2025

	Opening balance	Additions	Revaluation increase/(decrease)	Impairment losses reversed	Total
Shell collection	135,710	-	-	-	135,710
Mineralogy	313,489	-	-	-	313,489
Documents	634,015	750	-	-	634,765
Firearms	1,751,400	-	-	-	1,751,400
Herpetology taxidermy	10,520	-	-	-	10,520
Library books	7,316,248	5,975	-	-	7,322,223
Coins	1,420,594	-	-	-	1,420,594

Account description					
8. Heritage assets (continued)					
Mammalogy taxidermy	1,675,870	-	-	-	1,675,870
Objects	18,140,978	7,485	-	-	18,148,463
Ornithology taxidermy	590,614	-	-	-	590,614
Anthropology	6,571,450	1,420	-	-	6,572,870
Heritage assets which fair values cannot be reliably measured: (Para .94)					
Photographs	258,875	-	-	-	258,875
Textiles	2,759,336	7,679	-	-	2,767,015
Artworks	97,962,200	26,000	19,798,800	24,000	117,811,000
	139,541,299	**49,309**	**19,798,800**	**24,000**	**159,413,408**

Account description	2026	2025

8. Heritage assets (continued)

Revaluations

Artworks

There were no revaluations of heritage assets in the current year. The effective date of the previously conducted of the revaluation was 31 March 2025, which were performed by the independent valuer, Rode The Valuator Advisory.

The method used to determine fair value is The Sales Comparison Approach to value. A procedure to conclude an opinion of value for an object by comparing it with similar objects that have been sold or are for sale in the relevant marketplace by making adjustments to prices based on marketplace conditions and the objects characteristics of value.

The Fair Value for the purpose of the valuation undertaken is defined as “Comparable”. The situation would be “arms’ length” with no undue pressure on purchaser or seller, and, in this definition, it is assumed that the transaction is based on cash or a cash equivalent consideration. Favourable or unfavourable terms of sale are bound to affect market prices in a normal trading environment, as would the source of the market – local or imported, wholesale or retail, direct or via an agent, boutique, or budget store, or on-line or at an auction, etc.

In the determination of the Fair Value of fine arts, antiques and collectables, influences such as market climate, sensitivity to exchange rate variances and sales history play an important role. As these factors are subjective, the determination of values is to a large degree based on judgment from experts like us and applies to the date of valuation.

Thus, it is expected that assessments of values made by different parties may differ from time to time, where no absolute value exists. Bearing in mind what is set out above, it is our opinion that the values assigned to the assets as per the schedule are fair and reasonable, thus fulfilling the requirements of all parties concerned.

The significant assumptions applied in estimating the assets’ fair values were as follows:

- Valuation is undertaken using the comparative methodology. The basic premise of the comparable approach is that an items value should bear some resemblance to other equities in a similar class.
- Where comparative methodology is not obtainable, Valuation using Multiple would be used. Identifying comparable assets (the peer group) and obtaining market values for these assets. Converting these market values into standardized values relative to a key statistic since the absolute prices cannot be compared. This process of standardizing creates valuation multiples. Applying the valuation multiple to the key statistic of the asset being valued, controlling for any differences between asset and the peer group that might affect the multiple.
- GRAP 103.95 (d) states ‘The extent to which the heritage assets fair values were determined directly by reference to observable prices in an active market or recent market transaction on arm’s length terms or were estimated using other valuation technique.
- Values of R3000 and less in value: Valuations of R3000 and below are reliant on the expertise and experience of the valuer, and no comparatives will be supplied for said values.
- Record Keeping: References in the work files to the location of documentation used to support the valuations are adequate. It is not always necessary for the work file to include all the documentation; references to the data source should be kept. All of these are electronic copies and adhere to the USPAP standards as per USAPAP 2018
- Valuation references and sources: The current market related auction values were determined via online research results, both locally and Internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.
- Valuation references and sources: The current market related auction values were determined via online research results, both locally and Internationally. In verifying some of the more specialised items, valuation was also often based on current research papers.
- Research: Based on the above methodology, inspection and extensive research had to be undertaken for the collections. The valuer must also use primary and secondary markets to arrive at value. The primary market is a market for new items available for the first time. These secondary markets are a market in which items that are still being created by the producer are being sold to subsequent owners.
  Then there are items that are no longer being produced, our heritage assets, in this case the secondary market becomes the primary market. Items such as antiques, collectables, historical works of art, obsolete militaria, obsolete agricultural implements, unique documents, and photographs as well as any item no longer being produced. These items are only obtainable from auction houses, dealers, internet websites and in some case yard sales. These sources have now become the primary market for items that are no longer in production.

Account description	2026	2025

8. Heritage assets (continued)

The revaluation surplus relating to the heritage asset is as follows:

Revaluation increase/(decrease)	-	19,798,800

There are no restrictions on the distribution of the balance to owners of net assets.

Heritage assets which fair values cannot be reliably measured

The following heritage assets were not recognised due to a reliable measurement not being possible on initial recognition is as follows:

Acarology

The Acarology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to the NMB. However neither the cost nor the fair value of the collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as a heritage with a zero monetary value.

Arachnology

Although there is a trade in certain large and/or rare arachnids, either pinned or alive, the collection housed at NMB is entirely a wet collection and does not contain any specimens with decorative aesthetic qualities. Thus the specimens have no commercial value and their cost cannot be reliably measured. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

Botany

The Botany collection meets the definition of a heritage asset as it is controlled by NMB and institutions, students, academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. There is a trade in pressed flowers that have aesthetic qualities as works of art and as antique items, but there is a total absence of trade for these scientific specimens. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as a heritage with a zero monetary value.

Account description	2026	2025

8. Heritage assets (continued)

Entomology

The Entomology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value.

Within this collection there is a collection of Colophon beetles. These are highly collectable and can fetch high prices on the black market, but there is no legal trade in them in South Africa. There is no commercial value to the rest of the collection and no reliable way to measure its cost.

Mammology

The Mammology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured, except in the case of the taxidermy specimens. These will be fair valued. The remaining sub-collections hold a scientific value and no market value. The collection with the exception of taxidermy will be declared as heritage assets with a zero monetary value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

Palaeontology & Geology

This collection consists of fossils and a collection of bones and skeletons used for comparative research purposes. It is illegal to trade in fossils and their value cannot be reliably measured. The collection will be declared as heritage with a zero monetary rating. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

Ornithology

The Ornithology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured, except in the case of the taxidermy specimens. These will be fair valued. The remaining sub-collections hold a scientific value and no market value. The collection with the exception of taxidermy will be declared heritage assets with a zero monetary value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

Herpetology

The Herpetology collection meets the definition of a heritage asset as it is controlled by NMB and offers scientific research value to other institutions, students and academics, thus bringing service benefits to NMB. However neither the cost nor the fair value of this collection or its parts can be reliably measured. The collection will be declared as a heritage asset as a whole with a zero monetary value. This collection consists of wet specimens preserved in alcohol and not displayed with any aesthetic sensibilities. There is record of a market for aesthetically displayed specimens in glass dioramas, but this is not the case with this collection which is of scientific value. The South African National Bioinformatics Institute (SANBI) supplied a letter recommending that the collection should be declared as heritage with a zero monetary value.

Pledged as security

There are no items of heritage assets pledged as security.

Account description	2026	2025

9. Employee benefit obligations

Changes in the present value of the defined benefit obligation are as follows:

Defined benefit obligation		
Opening balance	37,644,300	34,927,000
Interest costs	3,996,900	4,205,000
Current service cost	336,700	388,000
Benefits paid	(2,650,124)	(2,222,263)
Actuarial Loss	2,338,224	346,563
	41,666,000	**37,644,300**
Employee benefit asset (Defined benefit asset)		
Opening balance	6,898,813	6,898,813
Interest earned	348,501	-
Utilised in the current year - Contribution break	(1,247,442)	-
	5,999,872	**6,898,813**

Estimated future contributions	**Long Service Awards**	**Medical aid subsidy**	**Total**
Opening balance	289,000	41,377,000	41,666,000
Interest costs	25,500	3,875,000	3,900,500
Current service cost	25,000	262,000	287,000
Benefits paid (expected)	(30,900)	(2,922,000)	(2,952,900)
	308,600	**42,592,000**	**42,900,600**

The amounts recognised in the statement of financial position are as follows:

Non-current assets	5,999,872	6,898,813
Non-current liabilities	(38,849,900)	(35,003,000)
Current liabilities	(2,816,100)	(2,641,300)
	(35,666,128)	**(30,745,487)**

Employee benefit asset

The Pension Funds Second Amendment Act required all registered retirement funds to submit a Surplus Apportionment Scheme. The Fund complied with this requirement and a portion of the surplus was awarded to the Employer. It is housed in an Employer Surplus Account and as such the Entity can derive economic benefit from the asset and it can therefore be disclosed as an asset in the financial statements of the Entity.

GRAP 25 restricts the asset value that can be included in an Employer's financial statements to the asset from which the Employer can derive an economic benefit. This implies that only the asset to cover the defined benefit and pension liability as well as any asset allocated to the Employer Surplus account can be taken into consideration. The Solvency Reserve Account and the Data and Processing Error Account are not be included as assets on the Employers balance sheet.

The "surplus asset" as at 31 March 2026 was disclosed as R 5,999,872 (2025: R 6,898,813). There are no risks associated with it.

Account description	2026	2025

9. Employee benefit obligations (continued)

Post-Employment Medical Aid Subsidy

The post-employment medical aid subsidy is a defined benefit plan, that exist as a result of the employment agreement between the entity and all employees appointed prior to 31 December 2007. As a result of this agreement, the entity is liable to contribute 66,67% towards the medical aid of qualifying employees.

Employees appointed before 2009 will receive a post-employment subsidy of 2/3rds of the contribution payable if they complete a minimum of five years of uninterrupted medical aid membership at retirement. However, some employees appointed in 2007 and 2008 are not eligible for this benefit.

Continuation members and their eligible dependants receive a 2/3rds subsidy.

Upon a member's death-in-service, surviving dependants are not entitled to commence receipt of the subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

Notable benefit plan risks faced by the entity can be summarised as follows:

- Inflation: The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
- Longevity: The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.
- Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.
- Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of NASMUS.
- Future changes in legislation: The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the DBO for NASMUS.
- There is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.

The total DBO has increased by 11% (or R 4.028 million) (2025: 8% (or R 2.734 million)) since the last valuation.

The main reasons for the actual movement in the DBO are listed next.

In-Service Members

The average in-service member DBO has increased by 10% since the last valuation due to:
- an increase in the assumed proportion of in-service members who continue their medical aid membership at and after retirement; and
- a decrease in the net discount rate.

These impacts were partially offset by:
- a decrease in the assumed proportion of in-service members with a spouse dependant on their medical aid at retirement;
- a decrease in the average age which means members are further from retirement (more discounting);
- a decrease in the average past service; and
- a decrease in the average post-employment subsidy.

The total in-service member DBO has decreased by 6% due to the above being more than offset by a decrease in the number of in-service members.

Account description	2026	2025

9. Employee benefit obligations (continued)

Continuation Members

The average continuation member DBO has increased by 14% since the last valuation due to an increase in the average subsidy, a decrease in the net discount rate, and an increase in the proportion of members with a spouse dependant.

The total continuation member DBO has increased by 17% due to the above, combined with an increase in the number of continuation members.

Actuarial gains and losses arising from changes in demographic:

Component of Actuarial (Gain) / Loss For The Period	**Value**
Financial assumption changes	1,964,000
Demographic assumption changes: none	
Experience:	
Subsidy inflationary increases higher than assumed	(79,000)
Changes to membership profile different from assumed	457,000
Actual benefits vested, greater than expected	2,624
Total actuarial (gain) / loss	**2,344,624**

Past year and future projected defined benefit obligation:

	Year Ending 31/03/2026	**Year Ending 31/03/2027**	**Year Ending 31/03/2028**
Opening DBO	37,349,000	41,377,000	42,592,000
Current service cost	313,000	262,000	287,000
Interest cost	3,969,000	3,875,000	3,983,000
Expected subsidy (benefit) payments *	(2,596,000)	(2,922,000)	(3,137,000)
Projected closing DBO	39,035,000	42,592,000	43,725,000
Actuarial loss / (gain)	2,344,624	-	-
Actual closing DBO	**41,379,624**	**42,592,000**	**43,725,000**
Current portion (due in next 12 months)	**2,788,000**	**2,993,000**	**3,083,000**
Non-current portion	**38,589,000**	**39,599,000**	**40,642,000**

- These projections assume that the entity's subsidy policy will remain as outlined above, and that all the actuarial assumptions made are borne out in practice.
- Benefits paid refer to medical scheme contributions made by the entity with respect to its subsidy of current continuation members.
- There are no curtailments or settlements to reflect.
- The service cost is equal to the current service cost of the DBO as there are no past service costs or settlement gains / losses to consider.
- With no plan asset in place there is no interest revenue, and thus the net interest is equal to the interest cost of the DBO.
- Similarly, without a plan asset present, there is no return on plan asset nor change in the effect of the asset ceiling to consider, and as such the re-measurements component of the net defined benefit liability is equal to the actuarial loss / (gain) in respect of the DBO.

Account description	2026	2025

9. Employee benefit obligations (continued)

* This is an estimate of subsidies (benefits) paid in respect of continuation members, based on the data at the previous valuation date. If the actual amount of subsidies paid is used instead of this estimate, then the actuarial loss / (gain) must change to exactly offset the impact, such that the closing defined benefit obligation remains unchanged. For example, if the actual amount of subsidies paid is R100,000 less than the estimate, then the actuarial loss / (gain) would have to reduce by R100,000 to leave the closing defined benefit obligation as is.

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	9.70 %	11.00 %
Consumer price inflation	4.40 %	5.20 %
Health care cost inflation	6.20 %	7.00 %
Net discount rate	3.30 %	3.70 %
Mortality	SA 85-90	SA 85-90
Expected retirement age (in years)	62 years	62 years

Assumed health care costs trend have significant effect on the amounts recognised in surplus for the year. The value of the liability could also be overstated or understated, depending on the extent to which actual experience differs from the assumptions adopted

Government bond yields were used when setting the best-estimate discount rate assumption for health care cost and pension

Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

Sensitivity analysis

	One percentage point increase	**One percentage point decrease**
Effect on defined benefit obligation	45,979,000	37,470,000
Effect on the aggregate of the service cost	371,000	265,000
Effect on the aggregate of the interest cost	4,416,000	3,589,000
	50,766,000	**41,324,000**

The post-employment mortality adjustment “-1 yr”, for example, assumes that someone aged 70 will experience the mortality of someone aged 69. The DBO is expected to increase under this scenario because members are expected to live longer.

Amounts for the current and previous four years are as follows:

	2026 '000	**2025 '000**	**2024 '000**	**2023 '000**	**2022 '000**
Defined benefit obligation	41,377,000	37,349,000	34,615,000	30,799,151	32,899,000
Actuarial (gain)/loss	381,000	364,863	1,599,104	(4,226,000)	(826,000)
	41,758,000	**37,713,863**	**36,214,104**	**26,573,151**	**32,073,000**

Account description	2026	2025

9. Employee benefit obligations (continued)

Sensitivity analysis

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

Assumed discount rate have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed discount rate would have the following effects:

The DBO at this valuation was recalculated to show the effect of:

i. a one percentage point increase and decrease in the assumed medical aid contribution inflation rate;

ii. a one percentage point increase and decrease in the discount rate;

iii. a one-year age increase and decrease in the assumed rates of post-employment mortality;

iv. a one-year decrease in the assumed average retirement age; and

v. a decrease of ten percentage points in the assumed proportion of in-service members that remain members at retirement.

Sensitivity analysis on the defined benefit obligation:

Assumption	Change	In-Service Members	Continuation Members	Total DBO	% Change
Central assumptions		9,820,000	31,557,000	41,377,000	- %
Medical aid contribution inflation rate	+1%	11,407,000	34,572,000	45,979,000	11 %
	-1%	8,521,000	28,949,000	37,470,000	-9 %
Discount rate	+1%	8,549,000	28,982,000	37,531,000	-9 %
	-1%	11,392,000	34,577,000	45,969,000	11 %
Post-employment mortality	+1 yr	9,552,000	30,498,000	40,050,000	-3 %
	-1 yr	10,087,000	32,620,000	42,707,000	3 %
Average retirement age	-1 yr	10,362,000	31,557,000	41,919,000	1 %
Membership continuation	-10%	8,839,000	31,557,000	40,396,000	-2 %

The table above indicates, for example, that if the medical inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 11% higher than that shown.

The post-employment mortality adjustment “-1 yr”, for example, assumes that someone aged 70 will experience the mortality of someone aged 69. The DBO is expected to increase under this scenario because members are expected to live longer.

Sensitivity analysis on current service and interest costs for year ending 31/03/2026:

Assumption	Change	Current Svc. Cost	Interest Cost	Total DBO	% Change
Central assumptions		313,000	3,969,000	4,282,000	- %
Medical aid contribution inflation rate	+1%	371,000	4,416,000	4,787,000	12 %
	-1%	265,000	3,589,000	3,854,000	-10 %
Discount rate	+1%	269,000	3,923,000	4,192,000	-2 %
	-1%	367,000	4,012,000	4,379,000	2 %
Post-employment mortality	+1 yr	305,000	3,841,000	4,146,000	-3 %
	-1 yr	321,000	4,097,000	4,418,000	3 %
Average retirement age	-1 yr	289,000	4,051,000	4,340,000	1 %
Membership continuation	-10%	281,000	3,855,000	4,136,000	-3 %

Account description	2026	2025

9. Employee benefit obligations (continued)

The above table summarises the results of this analysis on the current service and interest costs for the year ending 31 March 2026. These figures were derived at the last valuation.

Account description	2026	2025

9. Employee benefit obligations (continued)

Key demographic assumptions

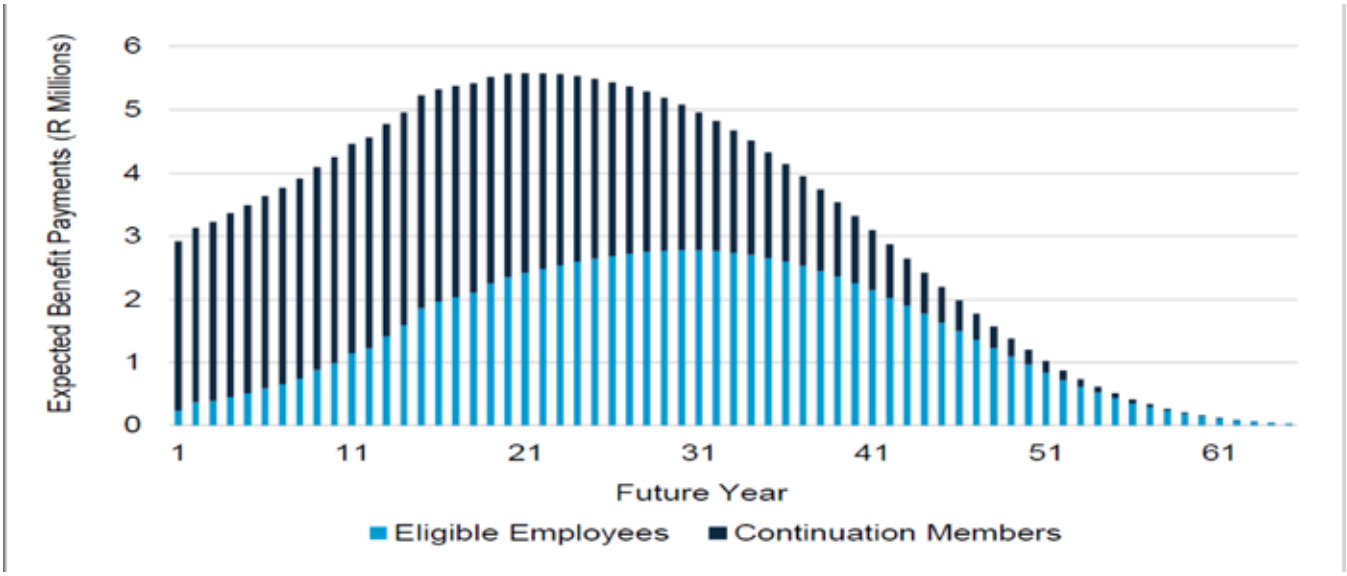
Assumption	**Value**
Average retirement age	62
Mortality during employment	SA 85-90
Mortality post-employment	PA(90) -1 with a 1% mortality improvement p.a. from 2010
Continuation of membership at retirement	100%
Proportion with a spouse dependant at retirement	25%

Maturity Analysis

The following figure shows the DBO's maturity analysis (undiscounted expected benefit payments) for the next 65 years. The benefit payments that are expected to occur thereafter are relatively insignificant and thus add little information to the graph.

Current continuation members' expected benefit payments are shown in a darker colour. The post-employment expected benefit payments of eligible members currently in active service is displayed in a lighter shade.

It is important to note that this graph does not show the total post-employment benefit payments that NASMUS will need to pay in each future year, but just the expected payments in respect of the current eligible in-service members and continuation members i.e. no allowance has been made for future new eligible employees.



Long-service award

The long service award is a defined benefit plan, that exist as a result of the employment agreement between the entity and its employees, excluding those in short-term contract employment and internships. As a result, the entity is liable to award its employees a bonus upon reaching every 5 years milestones in the employment with the entity, i.e. 5 years, 10 years, 15 years, etc. up to 45 years.

Notable benefit plan risk faced by the entity can be summarised as follows:

- Inflation: The risk that future CPI inflation is higher than assumed and present in an uncontrolled manner.
- Termination of service: The risk that fewer eligible employees terminate their service with the entity i.e. more long service awards vest than expected.
- Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.
- Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the entity.

Account description	2026	2025

9. Employee benefit obligations (continued)

- Future changes in legislation: The risk that changes to legislation with respect to long service awards, including tax legislation, may increase the DBO for the entity.
- The administration of this DBO poses a burden on the entity.
- There is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.

The total DBO has decreased by 2% (or R 6,300) since the last valuation.

The main reasons for the actual movement in the DBO are listed next:

- The average DBO decreased by 1% since the last valuation due to a decrease in the average past service, partially offset by a decrease in the net discount rate.
- A decrease in the number of eligible employees since the last valuation.

Actuarial gains and losses arising from changes in demographic:

Component of Actuarial (Gain) / Loss For The Period	**Value**
Financial assumption changes	7,300
Experience:	
Changes to employee profile different from assumed	(15,000)
Actual benefits vesting, greater than expected	1,300
Total actuarial (gain) / loss	**(6,400)**

Past year and future projected defined benefit obligation:

	Year Ending 31/03/2025	**Year Ending 31/03/2026**	**Year Ending 31/03/2027**	**Year Ending 31/03/2028**
Opening DBO	312,000	295,300	289,000	308,600
Current service cost	27,000	23,700	25,000	27,300
Interest cost	33,000	27,900	25,500	27,000
Benefits vesting	(58,400)	(51,500)	(30,900)	-
Projected closing DBO	313,600	295,400	308,600	362,900
Actuarial loss / (gain)	(18,300)	(6,400)	-	-
Actual closing DBO	**295,300**	**289,000**	**308,600**	**362,900**
Current portion (due in the next 12 months)	45,300	28,100	33,300	53,100
Non-current portion	250,000	260,900	275,300	273,200

- These projections assume that the LSA arrangements remain as outlined in Section 3, and that all the actuarial assumptions made are borne out in practice.
- There are no curtailments or settlements to reflect.
- The service cost is equal to the current service cost of the DBO as there are no past service costs or settlement gains / losses to consider.
- With no plan asset in place there is no interest revenue, and thus the net interest is equal to the interest cost of the DBO.
- Similarly, without a plan asset present, there is no return on plan asset nor change in the effect of the asset ceiling to consider, and as such the re-measurements component of the net defined benefit liability is equal to the actuarial loss / (gain) in respect of the DBO.

* If the actual amount of benefits vested in the current period needs to be updated, then the actuarial loss / (gain) must change to exactly offset the impact, such that the closing DBO remains unchanged. For example, if the actual amount of benefits vested is R 100,000 lower than the amount provided and used above, then the actuarial loss / (gain) would have to reduce by R 100,000 to leave the closing DBO as is.

Account description	2026	2025

9. Employee benefit obligations (continued)

Key demographic assumptions

Assumptions used at the reporting date:	**Value**	
Discount rates used	9.30 %	10.30 %
Consumer price inflation	4.00 %	4.60 %
Net discount rate	5.10 %	5.40 %
Mortality	SA 85-90	SA 85-90
Expected retirement age	62 years	62 years

Sensitivity analysis

The assumptions which tend to have the greatest impact on the results are:

- the inflation rate assumption;
- the discount rate assumption;
- the average retirement age of employees; and
- assumed service termination rates.

The DBO at this valuation was recalculated to show the effect of:

- a one percentage point increase and decrease in the assumed inflation rate;
- a one percentage point increase and decrease in the assumed discount rate;
- a two-year increase and decrease in the assumed average retirement age of eligible employees; and
- a two-fold increase and a 50% decrease in the assumed rates of termination of service.

Sensitivity analysis on the defined benefit obligation:

Assumption	**Change**	**DBO**	**% Change**
Central assumptions		289,000	
Inflation rate	+1%	304,800	5%
	-1%	274,500	-5%
Discount rate	+1%	273,200	-5%
	-1%	306,500	6%
Average retirement age	+2 yrs	322,900	12%
	-2 yrs	252,500	-13%
Rates of termination of service	x2	242,700	-16%
	x0.5	318,800	10%

The table above indicates, for example, that if the inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 5% higher than the actual results

Assumption	**Change**	**Current Svc. Cost**	**Interest Cost**	**Total**	**% Change**
Central assumptions		23,700	27,900	51,600	
Inflation rate	+1%	25,000	29,200	54,200	5%
	-1%	22,500	26,700	49,200	-5%
Discount rate	+1%	22,400	28,900	51,300	-1%
	-1%	25,200	26,700	51,900	1%
Average retirement age	+2 yrs	25,600	30,900	56,500	9%
	-2 yrs	21,700	23,900	45,600	-12%
Rates of termination of service	x2	18,700	23,500	42,200	-18%
	x0.5	27,100	30,700	57,800	12%

The table above summarises the results of this analysis on the current service and interest costs for the year ending 31 March 2026. These figures were derived at the last valuation and are presented herein.

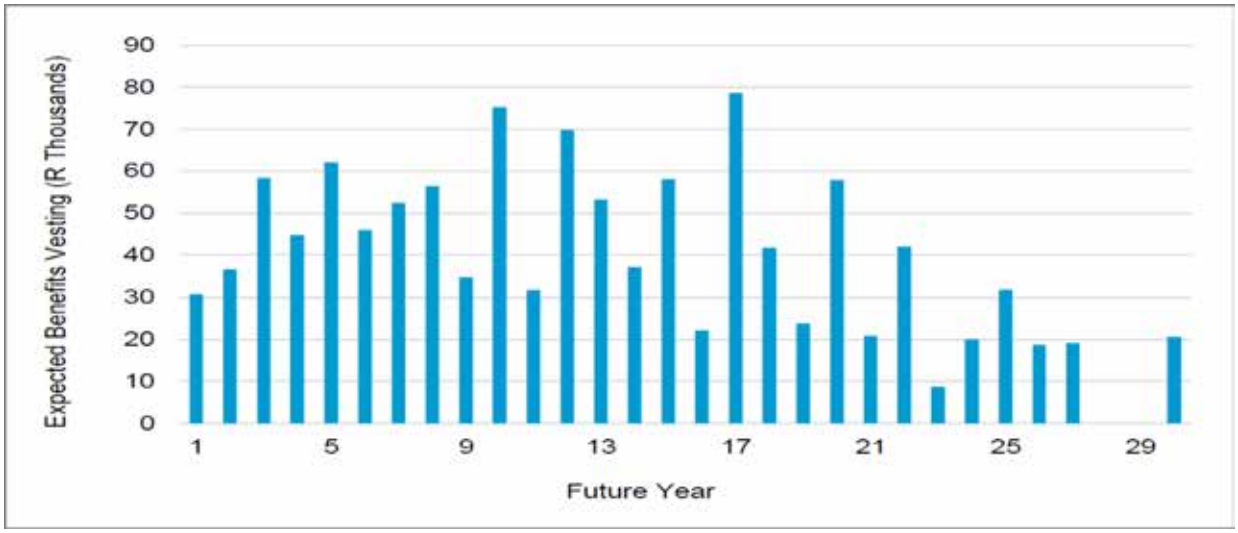
Account description	2026	2025

9. Employee benefit obligations (continued)

Maturity analysis

The following figure shows the DBO's maturity analysis (undiscounted expected benefits vesting) for the next 30 years. The expected benefits vesting thereafter are relatively insignificant and thus add little information to the graph.

It is important to note that this graph does not show the total benefits vesting in each future year, but just the expected benefits vesting in respect of the current eligible employees i.e. no allowance has been made for future new eligible employees.



Account description	2026	2025

10. Finance lease obligation

Minimum lease payments due		
- within one year	90,215	105,099
- in second to fifth year inclusive	-	89,214
	90,215	194,313
less: future finance charges	(3,458)	(13,778)
Present value of minimum lease payments	**86,757**	**180,535**
Present value of minimum lease payments due		
- within one year	86,757	94,778
- in second to fifth year inclusive	-	85,757
	86,757	**180,535**
Non-current liabilities	-	85,757
Current liabilities	86,757	94,778
	86,757	**180,535**

The National Museum is leasing a photo-copying machine on a finance lease for a period of 5 years (60 months).

The lease term is 5 years (60 months) and the implicit effective borrowing rate was 1%.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

Refer to note 7, for disclosure on depreciation charge relating to leased assets.

Refer to note 29, for disclosure on finance cost on the finance lease obligations.

The National Museum obligations under finance leases are secured by the lessor's charge over the leased assets.

11. Payables from exchange transactions

Payables from exchange transactions	365,954	186,282
Accruals at year end	-	639,111
Accounts payable: Leave	1,725,009	1,879,724
Accounts payable: Bonus	873,667	1,002,355
Deposits held	197,917	197,918
Debtors with credit balances	36,775	17,393
Social club: Employee contributions	11,040	8,880
	3,210,362	**3,931,663**

12. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Capital Works Allocation Grant	13,588,108	12,519,766
Art Bank Grant	11,716,886	10,797,126
National Research Foundation Grant	60,000	60,000
GRAP 103 Grant	44,076,122	44,465,350
LIA Project Grant	51,313	70,569
Presidential employment stimulus programme	4,070,621	15,394,646
Max Plank Grant	18,900	241,165
NRF: BothaBrink AOP Grant	1,000	1,000
	73,582,950	**83,549,622**

Account description	2026	2025

12. Unspent conditional grants and receipts (continued)

Movement during the year

Balance at the beginning of the year	83,549,622	74,959,386
Additions during the year	2,106,507	26,376,332
Other movements	1,164,941	941,959
Income recognition during the year	(12,994,133)	(18,728,055)
Refunded/paid back during the year	(243,987)	-
	73,582,950	**83,549,622**

The grants received and disclosed as deferred income (unspent conditional grants) are grants that have conditions and will be recognised as revenue when the conditions are met. Please refer to note 23 for details on the grants and for the brief summary on the specifications of the grant.

These amounts are invested in a ring-fenced investment until utilised.

13. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Utilised during the year	Total
Provision for Municipal Charges	1,039,377	(1,039,377)	-

The provision for municipal service charge relates to the legal obligation of the municipal services consumed by the National Museum and paid for by the Department of Public Works and Infrastructure (DPWI) and in turn the National Museum would reimburse DPWI based on the actual charge plus 5% management fee, the invoices provided were inaccurate and incomplete, the provision was determined using actual service charge received from DPWI-Free State. The balance has since been settled in the current year.

14. Revaluation reserve

Opening balance	19,798,801	-
Change during the year	39,411	19,798,801
	19,838,212	**19,798,801**

The entity has realised surpluses during the revaluation of its appreciative artworks within its property, plant and equipment class, held at fair value, which are directly recognised in net assets as revaluation reserves R 39,411 (2025: R -). These are non-distributable reserves. They can be utilised against any future revaluation losses.

The entity has realised surpluses during the revaluation of its artworks within its heritage assets class, held at fair value, which are directly recognised in net assets as revaluation reserves R 39,411 (2025: R 19,798,801). These are non-distributable reserves. They can be utilised against any future revaluation losses.

Revaluation surplus relating to property, plant and equipment

Movements in the reserve for the year	39,411	-

Revaluation surplus relating to heritage assets

Revaluation surplus beginning of period	19,798,801	-
Movements in the reserve for the year	-	19,798,801
	19,798,801	**19,798,801**

Account description	2026	2025

15. Capital replacement reserves

Reconciliation of movements		
Opening balance	2,139,618	3,043,625
Add: Interest accumulated	154,898	251,426
Less: Withdrawals	-	(1,155,433)
	2,294,516	**2,139,618**

The Capital Replacement Reserve (CRR) is a designated internal reserve established to provide funding for the acquisition or replacement of heritage artworks and maintenance of Oliewenhuis Art Museum. The objective is to ensure the sustainability and perseverance of our heritage artworks without relying solely on external funding sources such as government grants or donor funding.

A withdrawal from the capital replacement reserves of R - (2025: R 1,155,433) was realised and disclosed in the statement of financial performance

An interest in the capital replacement reserves of R 154,898 (2025: R 251,426) was earned and disclosed in the statement of changes in net assets.

There are no restrictions on the capital replacement reserves.

16. Sale of goods

Shop sales	68,477	86,247
Sale of reject artworks	29,563	-
	98,040	**86,247**

The museum operates a shop selling refreshments and collection items to the public.

The museum sold artworks which were created through the PESP Art Creation programme, and could not be kept assets held for appreciation as they were below the required standard, through a public auction.

17. Rendering of services

Museum entrance fees	95,600	82,309
Parking fees	55,275	58,310
Fees earned through collaboration and services rendered	35,353	75,421
Fees earned from entertainment games	24,980	18,250
	211,208	**234,290**

18. Rental income

Venue Hire National Museum	12,800	12,050
Venue Hire Oliewenhuis	27,200	38,135
Rental: Parking and housing	35,281	36,090
	75,281	**86,275**

The museum leases some of its hall facilities to the public upon request.

The museum, allocates parking and a house rental to its employees at a monthly fixed fee.

Account description	2026	2025

19. Recoveries

Telephone recoveries	3,364	-
Copies recoveries	1,713	788
Insurance claims received	-	10,300
	5,077	**11,088**

The museum recovers private telephone costs from staff.

The museum recovers copies on some of the library materials made by the public.

The museum recovered losses suffered from the damage of insured assets.

20. Projects income

Project management / administration fees	-	1,057,000

The museum received 4,4% of the allocation amount for the Presidential employment stimulus programme, as project management / administration fees.

21. Interest received

Interest revenue		
Interest: Current Account	671	440
Interest: Museum CPD	3,142,048	4,443,385
Interest: Employee Benefit Asset	348,502	-
Interest: Call account ABSA	5,774,577	5,878,082
	9,265,798	**10,321,907**

The amount included in Investment revenue arising from exchange transactions amounted to R8,917,296 (2025: R10,321,907).

22. Gains or (losses) on disposal of assets and liabilities

Property, plant and equipment	(64,840)	485,509

23. Transfers and subsidies

Operating grants		
Subsidy received: Annual	58,692,951	55,836,000
Subsidy received: Operating leases	2,998,491	3,545,000
Subsidy received: Municipal Services	5,090,558	4,528,000
DSAC Capital Works Subsidy	96,600	435,914
DSAC Artbank (Operations)	1,053,270	1,064,600
DSAC GRAP 103 grant	389,228	33,750
Presidential employment stimulus programme	11,324,025	14,764,266
Transfers to revenue: Other grants	104,040	125,079
	79,749,163	**80,332,609**
Capital grants		
DSAC Artbank (Artwork acquisitions)	26,970	1,247,447
	79,776,133	**81,580,056**

Account description	2026	2025

23. Transfers and subsidies (continued)

Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	12,994,133	17,671,056
Unconditional grants received	66,782,000	63,909,000
	79,776,133	**81,580,056**

Capital Works Grant

Balance unspent at beginning of year	12,519,766	12,013,721
Conditions met - transferred to revenue	(96,600)	(435,914)
Other - Interest earned	1,164,942	941,959
	13,588,108	**12,519,766**

The appropriated funds should be utilised for the implementation of the capital works programme (including project planning and consultation fees). Funds received should be transferred to a separate account which is dedicated only for the capital works budget. The detailed scope of work and cost breakdown should be submitted as soon as the professional team is appointed and the planning phase is completed.

National Art Bank Grant

Balance unspent at beginning of year	10,797,126	10,109,173
Current-year receipts	2,000,000	3,000,000
Conditions met - transferred to revenue	(1,080,240)	(2,312,047)
	11,716,886	**10,797,126**

The Art Bank funding is ring-fenced and is to be utilised for the following key performance areas:

- Curation of the Art Bank of South Africa Visual Art Collection
- Business Development of the Art Bank
- Public Relations and Marketing of the Art Bank
- Operations of the Art Bank

NRF Professional Development Grant

Balance unspent at beginning of year	60,000	60,000

The National Museum has the responsibility to verify and certify the appropriateness, completeness and correctness of all information submitted by their researchers to the NRF as part of applications for funding. The National Museum shall provide appropriate human resource, infrastructure and support services to ensure the effective operation of the NRF-funded research projects within the institution.

GRAP 103 implementation grant

Balance unspent at beginning of year	44,465,350	44,499,100
Conditions met - transferred to revenue	(389,228)	(33,750)
	44,076,122	**44,465,350**

The funds are ring-fenced and can only be applied to projects related to GRAP 103. The National Museum is expected to report quarterly regarding the utilisation of the funds and milestone(s) achieved.

Account description	2026	2025

23. Transfers and subsidies (continued)

National Geographic Grant

Balance unspent at beginning of year	-	16,324
Conditions met - transferred to revenue	-	(16,324)
	-	**-**

The funds are ring-fenced to the approved research projects “The undiscovered dung beetle fauna from Mabu forest – the large medium-altitude rainforest in Southern Africa”, awarded in June 2022. The grant funds have been fully utilised.

LIA Project grant

Balance unspent at beginning of year	70,569	102,251
Conditions met - transferred to revenue	(19,256)	(31,682)
	51,313	**70,569**

The purpose of the grant is to fund the carrying out multiple scientific projects conducted by Dr Avenant, under approval 2134 by the National Museum, as part of the global scientific project “Response to Drought, Climate Change and Climate Unpredictability: Social Flexibility, Adaptation, and Species Range Shifts” in the LIA agreement, with a planned completion date of December 2025. The fund are ring fenced to the approved research projects only.

Presidential employment stimulus programme

Balance unspent at beginning of year	15,394,646	7,915,912
Current-year receipts	-	23,300,000
Conditions met - transferred to revenue	(11,324,025)	(14,764,266)
Administration fee (income to the museum)	-	(1,057,000)
	4,070,621	**15,394,646**

The purpose of the grant is to fund the Art Creation project, intended to create employment, currently ran by the ArtBankSA, and funded by the Department of Sport, Arts and Culture. Unutilised grant funds may be required to be returned back to the department.

The museum is entitled to 4,4% project management / administration fee of the allocated amount which is disclosed in note 20.

Max Planck Grant

Balance unspent at beginning of year	241,165	241,905
Current-year receipts	106,507	76,333
Conditions met - transferred to revenue	(84,784)	(77,073)
Withdrawal / Reimbursed	(243,988)	-
	18,900	**241,165**

The funds are ring-fenced for the approved research projects by funded by Max Planck, unutilised funds on the grant may be required to be surrendered.

NRF: BothaBrink AOP Grant

Balance unspent at beginning of year	1,000	1,000

The Grant will be awarded for a period of One (1) Year Only for full-time research and may at the sole discretion of Centre of Excellence, be renewed for the subsequent year(s) depending on the availability of funds and academic progress by the Recipient. All Recipients are expected to submit posters and/or present their research. Participation in community engagement activities may also be required.

Account description	2026	2025

23. Transfers and subsidies (continued)

Municipal charges grant/subsidy

Current-year receipts	4,731,000	4,528,000
Conditions met - transferred to revenue	(4,731,000)	(4,528,000)
	-	-

The purpose of this grant/subsidy is for the payment of municipal services incurred by National Museum.

Operating leases grant/subsidy

Current-year receipts	3,704,000	3,545,000
Conditions met - transferred to revenue	(3,704,000)	(3,545,000)
	-	-

The purpose of this grant/subsidy is for the payment of the buildings and parking bays leased by the National Museum.

Annual subsidy

Current-year receipts	57,533,000	55,836,000
Conditions met - transferred to revenue	(57,533,000)	(55,836,000)
	-	-

The purpose of this grant/subsidy is to subsidise the National Museum on its operations.

Cost of compliance

Current-year receipts	647,000	-
Conditions met - transferred to revenue	(647,000)	-
	-	-

The purpose of this grant/subsidy is to subsidise the National Museum on the cost it incurs on compliance.

Appointment of unemployed graduates

Current-year receipts	167,000	-
Conditions met - transferred to revenue	(167,000)	-
	-	-

The purpose of this grant/subsidy is to subsidise the National Museum on cost it incurs for employing graduates.

24. Free use of buildings

Free use of buildings	6,056,312	3,343,384

The National Museum is housed in Department of Public Works Buildings. The use of these buildings is provided free of charge and the use is recognised at the estimated fair value. This has been the arrangement since inception of the National Museum, no agreements exist between the Department of Public Works, the Department of Sport, Arts and Culture and the National Museum.

The National Museum has the following buildings:

ERF 2124 Portion 0 of Bloemfontein - 36 Aliwal Street

ERF 3278 Portion 0 of Bloemfontein - 16 Harry Smith Street

Account description	2026	2025

24. Free use of buildings (continued)

ERF 3301 Portion 0 of Bloemfontein - 16 Harry Smith Street

SDF - Florisbad National Museum - Soutpan - 45km NW of Bloemfontein

SDF - Museum (Eerste Raadsaal) - 95 St Georges Street

Erven 26235 Portion 0 of Bloemfontein - 95 St Georges Street

25. Public contributions and donations

Donated assets	20,264	47,889
Donated cash	348	679
	20,612	**48,568**

The entity received asset donations from the public which were added into the heritage asset collections at fair-value. The entity also received cash donations deposited in the donations box.

Prior year adjustments:

In the current year there is a split in the disclosure note whereby donated assets and cash donations are separately disclosed, thus amounting to a change in the note when compared to the prior year disclosure, which resulted in a decrease in donated assets by R670 and an increase in donated cash by R670.

26. Revenue

Sale of goods	98,040	86,247
Rendering of services	211,208	234,290
Rental income	75,281	86,275
Recoveries	5,077	11,088
Projects income	-	1,057,000
Interest received - investment	9,265,798	10,321,907
Gain on disposal of assets and liabilities	-	485,509
Transfer of capital replacement reserve	-	1,155,433
Transfers and subsidies	79,776,133	81,580,056
Free Use of Buildings	6,056,312	3,343,384
Public contributions and donations	20,612	48,568
	95,508,461	**98,409,757**

The amount included in revenue arising from exchanges of goods or services are as follows:		
Artbank income	98,040	86,247
Rendering of services	211,208	234,290
Rental income	75,281	86,275
Gain on disposal of assets and liabilities	-	485,509
Fair value adjustments	5,077	11,088
Project income	-	1,057,000
Interest received	9,265,798	10,321,907
	9,655,404	**12,282,316**

Account description	2026	2025

26. Revenue (continued)

The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Transfers from capital replacement reserve	-	1,155,433
Transfer revenue		
Transfers and subsidies	79,776,133	81,580,056
Free Use of Buildings	6,056,312	3,343,384
Public contributions and donations	20,612	48,568
	85,853,057	**86,127,441**

27. Staff costs

Basic	30,527,829	29,765,753
Bonus	3,265,739	3,474,157
Medical aid and Pension - company contributions	5,900,653	5,814,757
UIF	222,072	215,292
SDL	38,945	-
Leave pay provision charge	61,010	17,836
Defined contribution plans	336,700	388,000
Overtime payments	431,413	421,289
Long-service awards	-	500
Housing benefits and allowances	1,472,633	1,468,678
Compensation Commissioner	77,012	69,027
	42,334,006	**41,635,289**

Refer to note 35 for the disclosure of senior management remuneration.

28. Impairment loss

Impairments		
Property, plant and equipment	-	66,528
During the physical asset verification, classes of property plant and equipment were noted to have suffered damaged and as a result are not in a usable state. These were assessed for impairment. The recoverable amount of these assets was based on their fair value less their value in use.		
Heritage assets	3,475	-
Classes of Heritage assets were noted to be physically damaged and are not in a usable state. These were assessed for impairment. The recoverable amount or of these assets was based on their fair value less costs to sell.		
	3,475	**66,528**
Reversal of impairments		
Heritage assets	-	(24,000)
A Heritage artwork which was previously damaged and impaired, was subsequently restored/repaired to its original position, as a result the reversal of the impairment loss was considered. The recoverable amount or of the asset was based on its fair value less costs to sell.		
Total impairment losses (recognised) reversed	**3,475**	**42,528**

The main classes of assets affected by impairment losses are:

Property Plant and Equipment - Equipment

The main classes of assets affected by reversals of impairment losses are:

Heritage assets - Artworks

Account description		2026	2025
29. Finance costs			
Employee Benefit Obligations		3,996,900	4,205,000
Finance leases		10,321	16,923
		4,007,221	**4,221,923**
30. Fair value adjustments gain/(loss)			
Property, plant and equipment		-	(753,773)
31. Other operating expenses			
Administrative expenses		212,904	339,583
Assets expensed		159,504	177,954
Audit expenses	32	993,004	1,297,191
Bank charges		114,936	112,993
Cleaning		160,009	145,156
Conferences and seminars		23,900	5,800
Consulting and professional fees		552,589	509,683
Entertainment and catering		225,165	258,604
Ethanol		43,777	-
Exhibitions		343,716	312,022
Free use of buildings		6,056,312	3,343,384
Fuel and oil		233,194	201,996
General expenses		462,762	534,713
IT expenses		325,873	320,920
Insurance		866,650	759,559
Interest transferred to grants		-	941,959
Inventory purchases		46,127	58,555
Licenses		253,780	347,135
Maintenance costs		1,175,271	1,022,779
Municipal expenses		5,126,872	4,255,375
Office expenses		93,950	117,163
Operating lease expenses		2,668,991	2,914,798
Photocopies and printing		166,142	139,614
Research expense		-	15,295
Security		840,701	839,837
Stationery consumables		6,979	12,007
Subscriptions and membership fees		55,279	20,547
Telephone and fax		158,176	177,204
Training and bursaries		399,304	257,374
Transfers and subsidies expense	33	11,566,684	15,927,875
Transport costs		321,527	132,502
Travelling, accommodation and subsistence expenses		749,032	643,969
Uniform and protective clothing		9,695	24,292
Vacancy adverts and vetting expenses		213,153	56,781
		34,625,958	**36,224,619**
32. Auditors' remuneration			
External Audit Fees		545,833	908,721
Internal Audit fees		447,171	388,470
		993,004	**1,297,191**

Account description	2026	2025
33. Transfers and subsidies expense		
Included in the line items is:		
Administrative expenses	-	57,480
Advert & marketing	56,059	43,988
Assets expensed	-	41,504
Courier and postage	-	52,134
Lease expense	68,628	-
Wages: minute taker	3,115	16,652
Fuel and oil	3,834	39,032
General expense	3,212	64,902
IT expenses	78,763	90,288
Materials	-	201,948
PESP hosts stipend	9,758,339	12,455,800
Phone allowance	24,127	23,920
Photocopies and printing	4,591	112,304
PESP Provincial co-ordinators stipends	1,489,938	1,916,476
Maintenance costs	7,694	39,645
Subsistence	-	45,266
Stipend, salaries and wages	2,000	612,072
Training	-	107,599
Uniform and protective clothing	-	3,001
Vacancy adverts and vetting expenses	-	3,864
Postage	1,158	-
Travelling, accommodation and subsistence expenses	15,261	-
Transport costs	49,965	-
	11,566,684	**15,927,875**
34. Cash generated from operations		
Surplus	9,981,646	12,666,520
Adjustments for:		
Depreciation and amortisation	1,756,713	2,170,971
Gain (loss) on sale of assets and liabilities	64,840	(529,261)
Revenue recognised on donated assets	(20,264)	-
Fair value adjustments	-	753,773
Finance costs - Finance leases	-	16,923
Impairment deficit	3,475	42,528
Movements in retirement benefit assets and liabilities	4,920,641	2,717,300
Movements in provisions	-	(1,039,377)
Transfers from capital replacement reserves	-	(1,155,433)
Changes in working capital:		
Inventories	(9,029)	5,575
Receivables from exchange transactions	66,626	71,377
Prepayments	(2,141)	-
Finance lease liability - Finance costs	-	(16,923)
Payables from exchange transactions	(721,300)	443,180
Unspent conditional grants and receipts	(9,966,672)	8,590,236
	6,074,535	**24,737,389**

35. Related parties

Relationships	
Associates	Department of Public Works
Controlling Department	Department of Sport, Arts and Culture

Land and buildings are made available to the National Museum in terms of section 9 of the Cultural Institutions Act, 1998 (Act No. 119 of 1998), in order for the National Museum to perform its functions.

Account description	2026	2025

35. Related parties (continued)

Lease agreement exists between the National Museum and the Department of Public Works, for the rental of storage facilities and Exporama Building offices. The National Museum does not pay rent for the use of the buildings, except for the leased properties.

The National Museum has been housed in buildings which are the property of the Department of Public Works. The use of the buildings is provided free of charge and recognised at the estimated fair value. No lease agreement exists between the National Museum and the Department of Sport, Arts and Culture.

Related party balances

Unspent conditional grants and receipts (DSAC)	73,451,737	83,176,887
Amounts outstanding in relation to the grants included in the balance sheet:		
Unspent grant included in the balance sheet in relation to GRAP 103 Implementation grants	44,076,122	44,465,350
Unspent grant included in the balance sheet in relation to Capital Works Allocation grants	13,588,108	12,519,766
Unspent grant included in the balance sheet in relation to Art Bank grants	11,716,886	10,797,126
Unspent grant included in the balance sheet in relation to Presidential employment stimulus programme	4,070,621	15,394,646

The condition of the grant is such that the grants be used for the purposes of the subsidy.

Related party transactions

Revenue		
Subsidy received: Annual	57,533,000	55,836,000
Subsidy received: Operating leases	4,731,000	3,545,000
Subsidy received: Municipal Services	3,704,000	4,528,000
Subsidy received: Cost of compliance	647,000	-
Subsidy received: Appointment of unemployed graduates	167,000	-
Free use of building	6,056,312	3,343,384
DSAC Capital Works Subsidy	96,600	435,914
DSAC Artbank	1,080,240	2,312,047
DSAC GRAP 103 grant	389,228	33,750
Presidential employment stimulus programme	11,324,025	14,764,266
Project income	-	1,057,000
Expenses		
Free use of building	6,056,312	3,343,384
Interest transferred to grants	1,164,943	941,959
Operating lease expenses	2,650,991	2,914,798

Remuneration of council

Refer to note 36 for details of councils' remuneration.

Key management information

Class	Description	Number
Executive management	Chief Executive Officer	1
Executive management	Chief Financial Officer	1
Council of the national museum	Chairperson of Council	1
Council of the national museum	Deputy Chairperson of Council	1
Council of the national museum	Ordinary Council Members	7

Account description

35. Related parties (continued)

Remuneration of management

Management class: Executive management

2026

	Basic salary	Service Bonuses (13th Cheque)	Housing allowance	Contributions to UIF, Medical and Pension funds	Total
Name					
Ms S Snell (CEO) -Appointed 1 April 2018	1,422,720	140,175	16,188	214,919	1,794,002
Ms P Phiri (CFO) - Appointed 01 April 2025	1,005,057	79,385	16,188	167,018	1,267,648
	2,427,777	**219,560**	**32,376**	**381,937**	**3,061,650**

2025

	Fees for services as a member of management	Basic salary	Service Bonuses (13th Cheque)	Housing allowance	Contributions to UIF, Medical and Pension funds	Termination benefits	Other benefits received	Total
Name								
Ms S Snell (CEO) -Appointed 1 April 2018	-	1,361,454	132,545	16,188	206,883	-	777	1,717,847
Ms G Simelane (CFO) - Appointed 01 January 2020, and resigned on 30 September 2024	-	581,403	64,600	8,094	84,233	111,966	-	850,296
Ms M Barnes (Acting CFO) - Appointed 01 November 2024 and term ended on 31 March 2025	41,807	-	-	-	-	-	-	41,807
	41,807	**1,942,857**	**197,145**	**24,282**	**291,116**	**111,966**	**777**	**2,609,950**

Account description	2026	2025

36. Councillors' emoluments

Remuneration to council members

2026

	Sitting allowances	Other allowances	Total
Mr F Kraalshoek (Chairperson of the Council) - Appointed on 09 December 2024	3,097	-	3,097
Mr M Radebe (Deputy Chairperson of the Council) - Appointed on 29 May 2025	45,885	500	46,385
Mrs L Marais - Appointed on 09 December 2024	33,721	948	34,669
Mr A Latchu - Appointed on 09 December 2024	36,878	-	36,878
Mr A Thompson - Appointed on 09 December 2024	39,946	448	40,394
Ms B Dlamini - Appointed on 09 December 2024	41,701	984	42,685
Dr H Snyders - Appointed on 09 December 2024	8,906	-	8,906
Ms T Mngadi - Appointed on 09 December 2024	50,335	500	50,835
Ms L Matlala - Appointed on 29 May 2025	21,862	500	22,362
	282,331	**3,880**	**286,211**

2025

	Sitting allowances	Other allowances	Total
Adv J Leshabane (Chairperson of Council) - Term ended on 30 June 2024	62,981	4,800	67,781
Dr E Mohatlane (Deputy Chairperson of Council) - Term ended on 30 June 2024	55,362	1,950	57,312
Mrs M De Roche-Holmes - Term ended on 30 June 2024	11,052	360	11,412
Mr M Noge - Term ended on 30 June 2024	11,761	360	12,121
Mr M Mabalane - Term ended on 30 June 2024	-	360	360
Ms T Mosala - Term ended on 30 June 2024	8,930	360	9,290
Adv M Zulu - Term ended on 30 June 2024	-	240	240
Mr M Makhweyane - Term ended on 30 June 2024	7,623	360	7,983
Ms N Mbonambi	5,010	360	5,370
Ms T Jimana	500	360	860
Mrs E Nzimande	7,623	360	7,983
Mr Frans Kraalshoek (Chairperson of the Council)	41,885	1,200	43,085
Mr V Blennies (Former Chairperson of the Council)	2,000	2,600	4,600
Mr M Radebe (Deputy Chairperson of the Council)	17,823	480	18,303
Dr H Snyders	12,113	480	12,593
Mrs L Marais	17,943	480	18,423
Mr A Latchu	15,703	480	16,183
Mr A Thompson	2,500	480	2,980
Ms B Dlamini	22,783	480	23,263
	303,592	**16,550**	**320,142**

*Included in the statement of financial performance total is the remuneration of audit and risk committee of R87,623 (2025: R23,790) and the minute taker's earnings of R22,211 which do not form part of the disclosure in the table above for councillors' emoluments.

Council members were appointed by the Minister of Sport, Arts and Culture to serve for a period of three (3) years from 09 December 2024 to 08 December 2027.

Account description	2026	2025
37. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	3,201,168	3,191,000
Total capital commitments		
Already contracted for but not provided for	3,201,168	3,191,000
Authorised operational expenditure		
Already contracted for but not provided for		
• Other operating expenses - IT Expenses	827,172	200,000
• Other operating expenses - Security	2,924,962	631,000
• Other operating expenses - Maintenance costs	1,350,258	2,149,000
• Other operating expenses - Cleaning	9,416	37,000
• Other operating expenses - Vacancy adverts expenses	-	389,000
• Other operating expenses - Consulting and professional fees	984,557	1,083,000
• Other operating expenses - Transport costs	-	923,000
• Other operating expenses - Exhibitions	1,063,198	107,000
• Other operating expenses - Photocopies and printing	-	11,000
• Other operating expenses - Consumables	1,767,245	-
• Other operating expenses - Office expense	128,478	167,000
• Other operating expenses - Advertising	1,075,376	-
• Other operating expenses - Transport costs	619,969	-
	10,750,631	**5,697,000**
Total operational commitments		
Already contracted for but not provided for	10,750,631	5,697,000
Total commitments		
Total commitments		
Authorised capital expenditure	3,201,168	3,191,000
Authorised operational expenditure	10,750,631	5,697,000
	13,951,799	**8,888,000**

Commitments on leases detailed below is disclosed in note 10 - Finance lease obligations:

- Nashua - Leasing of copier machine- SCM & Olwnh (Contract ending 31 May 2027).
- COPYCOR - Leasing of photocopier machine (Contract ending 15 September 2026).

Account description	2026	2025

38. Prior period errors

Due to corrections and reclassification of prior year figures in the statement of financial performance and the statement of financial performance, the prior year figures which were disclosed on the cashflow statement have also been updated and the impact is as shown above.

Account description	2026	2025

38. Prior period errors (continued)

38.1 - Overstatement of Payables from exchange transactions

In the current year, we noticed the following errors which resulted in an overstatement in the previously reported balance on payables from exchange transactions.

Error 1

A payment on the outstanding creditor balance was incorrectly recorded as an expense instead of being allocated to the creditor's account balance, thus causing an overstatement in the expense and payables from exchange transactions. The error has since been rectified and comparative figures restated.

Error 2

A stores journal was raised whereby reallocating the fuel cost to respective departments upon the usage of the museum vehicles, utilising tariffs applied by the museum. However, this was done in excess of the actual fuel cost incurred. Thus overstating payables and expenses. The error has since been rectified and comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Decrease in Payables from exchange transactions - Trade payables	-	11,400
Decrease in Payables from exchange transactions - Deposits	-	202,162
Increase in Accumulated surplus	-	(213,562)
	-	**-**

38.2 - Overstatement of Property, plant and equipment

Error 1:

In the current year, we noted that balances of some of the assets which were disposed in the prior year were not removed, thus overstating the cost and accumulated depreciation in the financial statement. The error has since been rectified.

Error 2:

In the current year, we noted that included in the prior year balance of Equipment was a duplication of a capitalised leased asset, thus overstating the cost and accumulated depreciation in the financial statement. The error has since been rectified.

Error 3:

In the current year, we noticed that in the prior year some of the assets were depreciated in excess of their original cost, thus overstating depreciation and accumulated depreciation. The error has since been rectified.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Decrease in Property, plant and equipment - Equipment (Cost)	-	(1,986,764)
Decrease in Property, plant and equipment - Computers (Cost)	-	(62,607)
Decrease in Property, plant and equipment - Furniture & fittings (Cost)	-	(201,847)
Decrease in Property, plant and equipment - Equipment (Accumulated Depreciation)	-	1,986,751
Decrease in Property, plant and equipment - Furniture & fittings (Accumulated Depreciation)	-	192,117
Decrease in Property, plant and equipment - Computers (Accumulated Depreciation)	-	58,519
Decrease in Accumulated surplus	-	31,300
	-	**17,469**
Statement of financial performance		
Decrease in Depreciation	-	(17,468)

Account description	2026	2025

38. Prior period errors (continued)

38.3 - Understatement of employee benefit obligations

In the prior year we did not disclose the defined benefit liability arising from the Long-service award, thus understating the employee benefit obligations liability. The error has since been rectified and the comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Increase in Employee benefit obligations	-	(295,300)
Decrease in Accumulated surplus	-	312,000
	-	**16,700**
Statement of financial performance		
Decrease in Staff costs - Long-service awards	-	(58,400)
Increase in Staff costs - Defined contribution plans	-	27,000
Increase in Finance costs - Employee Benefit Obligations	-	33,000
Decrease in Actuarial losses	-	(18,300)
	-	**(16,700)**

38.4 - Disclosure on Deviation from supply chain management regulations

Included in the prior year financial statements disclosure note on deviations from supply chain management regulation, in terms of Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process. However, the regulation is not applicable for PFMA entities, and it is not a requirement for the entity to include this disclosure note in its annual financial statement, as a result have since been removed in the current year's annual financial statements.

38.5 - Misstatement in interest accrual

We noted that in the prior year, interest accrued at year-end on the call account was not correctly accounted for, thus causing a misstatement in the values disclosed in the financial statements. The error has since been rectified and the comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Increase in Cash and cash equivalents	-	446,964
Increase in Accumulated surplus	-	(500,363)
	-	**(53,399)**
Statement of financial performance		
Decrease in Revenue from exchange transactions - Interest received (Interest: Call account ABSA)	-	53,399

38.6 - Understatement on gains on disposal of assets and on receivables from exchange transactions

In the prior year, some of the proceeds on disposal of assets which were due at year-end were not accounted for nor a receivable raised thereon. The error has since been rectified and the comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Account description	2026	2025

38. Prior period errors (continued)

Statement of financial position		
Increase in Receivables from exchange transactions - Trade receivables from exchange transactions	-	4,135
Statement of financial performance		
Increase in Gain on disposal of assets and liabilities	-	(4,135)

38.7 - Understatement of the employee benefit asset

In the previous year the value disclosed on the employee benefit asset was understated due to the lack of information on the growth of the fund since the last evaluation performed in 2023 by Sanlam. In the current year, we obtained information of the transfer of the fund to Old mutual, and noticed that upon transfer the balance had since grown from the last disclosed value. The error has since been rectified and the comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Increase in Employee benefit asset	-	1,404,400
Increase in Accumulated surplus	-	(1,404,400)
	-	**-**

38.8 - Overstatement of Creditors with debit balances

In the previous financial year the published balance on creditors with a debit balance disclosed under receivables from exchange transactions was overstated due to a supplier's invoice that was not recorded against the supplier's account yet it was paid to the correct supplier's account, thus leaving the supplier's balance with a debit balance. This error also affected the balance disclosed on unspent conditional grants and the revenue thereon, as the expenditure related to a conditional grant. The error has since been rectified and the comparative figures restated.

The correction of the error(s) results in adjustments as follows:

Statement of financial position		
Decrease in Receivables from exchange transactions - Creditors with debit balances	-	(87,692)
Decrease in accumulated surplus	-	87,692
Decrease in unspent conditional grants - Presidential employment stimulus programme	-	87,692
Increase in accumulated surplus	-	(87,692)
	-	**-**

38.9 - Misstatement of the cash flow statement

Due to the above error noted in the financial statements, the cash flow statement was also impacted, thus the correction/restatements also resulted in the cashflow statement being recalculated and previously disclosed amounts restated.

The correction of the error(s) results in adjustments as follows:

Cash flows from operating activities		
Receipts		
Increase in Sale of goods and services	-	147,809
Decrease in Grants	-	(60,116)
Increase in Interest income	-	198,027
Payments		
Decrease in Suppliers	-	(87,692)
Decrease in Net cash flows from operating activities	**-**	**198,028**

Account description	2026	2025

39. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

39.1 - Reclassification of Other operating expenses line items

Misclassification on some of the expenditure line items within the financial statement note 31 Other operating expenses were noted, due to incorrect mapping of the trial balance expense accounts within the AFS note. These have since been reclassified in the current year, and the effect of the reclassification are as follows:

	Previously Reported	Reclassification	Reclassified Balance
Decrease in Administrative expenses	537,361	(197,778)	339,583
Increase in Assets expensed	128,606	49,348	177,954
Increase in Cleaning	108,972	36,184	145,156
Increase in Conferences and seminars	-	5,800	5,800
Increase in Exhibitions	177,066	134,956	312,022
Decrease in Fuel and oil	647,610	(445,614)	201,996
Decrease in General expenses	1,336,844	(802,131)	534,713
Increase in IT expenses	294,228	26,692	320,920
Increase in Maintenance costs	796,586	226,193	1,022,779
Decrease in Office expenses	216,073	(98,910)	117,163
Increase in Photocopies and printing	13,183	126,431	139,614
Decrease in Research expense	167,007	(151,712)	15,295
Increase in Subscriptions and membership fees	-	20,547	20,547
Increase in Stationery consumables	-	12,007	12,007
Increase in Telephone and fax	169,953	7,250	177,203
Increase in Training and bursaries	-	257,374	257,374
Increase in Transport costs	-	132,502	132,502
Decrease in Travelling expenses	211,142	(211,142)	-
Increase in Travelling, accommodation and subsistence expenses	-	643,968	643,968
Decrease in Uniforms	13,255	(13,255)	-
Increase in Uniform and protective clothing	-	24,292	24,292
Decrease in Vacancy adverts expenses	9,531	(9,531)	-
Increase in Vacancy adverts and vetting expenses	-	56,781	56,781
Increase in Entertainment and catering	-	258,604	258,604
Decrease in Entertainment	88,856	(88,856)	-
	4,916,273	**-**	**4,916,273**

39.2 - Reclassification Revenue line items

Misclassification on some of the revenue line items were noted in the statement of financial performance, due to incorrect mapping of the trial balance revenue accounts within revenue. These have since been reclassified in the current year, and the effect of the reclassification are as follows:

	Previously Reported	Reclassification	Reclassified Balance
Decrease in Revenue from exchange transactions - Trading revenue	271,510	(271,510)	-
Increase in Revenue from exchange transactions - Sale of goods	-	86,247	86,247
Increase in Revenue from exchange transactions - Rendering of services	-	234,290	234,290
Increase in Revenue from exchange transactions - Recoveries	-	11,088	11,088
Increase in Revenue from non-exchange transactions - Public contributions and donations	47,889	679	48,568
Decrease in Revenue from non-exchange transactions -	60,794	(60,794)	-
	380,193	**-**	**380,193**

Account description	2026	2025

40. Financial instruments disclosure

Categories of financial instruments

2026

Financial assets

	At amortised cost	Total
Receivables from exchange transactions	79,580	79,580
Cash and cash equivalents	177,570,752	177,570,752
	177,650,332	**177,650,332**

Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	337,874	337,874
Finance lease obligations	86,757	86,757
	424,631	**424,631**

2025

Financial assets

	At amortised cost	Total
Receivables from exchange transactions	146,206	146,206
Cash and cash equivalents	172,352,080	172,352,080
	172,498,286	**172,498,286**

Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	1,254,263	1,254,263
Finance lease obligations	180,535	180,535
	1,434,798	**1,434,798**

Prior period disclosure error:

In the previous financial year, the disclosure for financial liabilities included unspent conditional grants as financial liabilities, while they do not meet the definition of a financial instruments, in terms of GRAP104. Unspent conditional grants are not financial liabilities because the outflow of economic benefits associated with them is the delivery of goods and services rather than a contractual obligation to pay cash or another financial asset. In the current financial year, the error has since been ractified.

Decrease in Financial liabilities - unspent conditional grants by R 83,637,314

Initial adoption of GRAP 104

During the current financial year, the Museum adopted the revised Standard of GRAP 104 (2019): Financial Instruments for the first time in accordance with the applicable Directive issued by the Accounting Standards Board.

The adoption of the revised Standard did not result in any material changes to the classification, measurement or carrying amounts of the Museum's financial assets and financial liabilities. Accordingly, no adjustments to accumulated surplus were recognised on transition.

Account description	2026	2025

40. Financial instruments disclosure (continued)

Class of financial instrument	GRAP 104 (2009)	Carrying amount	GRAP 104 (2019)	Carrying amount	Change
Receivables from exchange transactions	Amortised cost	146,206	Amortised cost	146,206	-
Cash and cash equivalents	Amortised cost	172,352,080	Amortised cost	172,352,080	-
Payables from exchange transactions	Amortised cost	3,931,663	Amortised cost	3,931,663	-
Finance lease obligations	Amortised cost	180,535	Amortised cost	180,535	-

Reconciliation of changes in carrying amounts

The adoption of GRAP 104 (2019) did not result in any reclassification or changes in the carrying amounts of the Museum's financial assets or financial liabilities. Consequently, no adjustments were recognised on transition.

41. Risk management

Financial risk management

The entity is exposed to the following risks from its use of financial instruments:

- Market risk (e.g. currency risk, interest rate risk and price risk)
- Credit risk; and
- Liquidity risk.

This note presents information about the entity's exposure to each of the above risks and the entity's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Council has overall responsibility for the establishment and oversight of the entity's risk management framework.

The entity's risk management policies are established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the entity's activities. The entity, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the entity. The entity Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

Account description	2026	2025

41. Risk management (continued)

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments 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 entity's reputation.

The entity monitors its cash flow on a regular basis. Typically, the entity ensures that it has sufficient cash on demand to meet expected operational expenses within each quarter, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be predicted reasonably, such as natural disasters.

The following reflects the Museum's exposure to liquidity risk from financial liabilities, including interest payments:

Commitments		
Payables from exchange transactions	337,874	1,254,263
Finance lease obligations	90,215	195,313
	428,089	**1,449,576**

	2026		2025	
Maturity analysis for financial liabilities	Less than 12 months	Over 12 Months	Less than 12 months	Over 12 Months
Payables from exchange transactions	337,874	-	1,254,263	-
Finance lease obligations	90,125	-	105,099	90,215
Subtotal	427,999	-	1,359,362	90,215
	427,999	**-**	**1,359,362**	**90,215**

Account description	2026	2025

41. Risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It arises principally from the entity's bank balances deposits (i.e. bank balances, Investments and call accounts) and receivables from exchange transactions.

Bank balances and deposits

The entity only deposits cash with major banks with high quality credit standing and limits the exposure to any one counter-party.

Receivables from exchange transactions.

Receivables from exchange transactions are presented net of impairment losses. Credit risk with respect to receivables from exchange is limited due to a widespread customer base and their dispersion across different industries and geographical areas. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Exposure to credit risk

The carrying amount of financial assets exposed to credit risk at year end were as follows:

The maximum exposure to credit risk at the reporting date was:	2026	2025
Receivables from exchange transactions	27,966	131,493
Bank balances	1,718,184	18,890,827
Investments	65,805,524	61,473,376
Call accounts	110,026,273	91,970,986

Refer to note 4 for the maximum exposure to credit risk for trade receivables at the reporting date by type of customer, the aging of the entity's trade receivables and the movement in the allowance for impairment in respect of receivables from exchange transactions during the year.

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Account description	2026	2025

41. Risk management (continued)

Interest rate risk

Interest rate exposure and investment strategies are evaluated by management on a regular basis. Interest-bearing investments are held with several reputable banks and financial institutions in order to minimise exposure.

The National Museum's revenue earned operating cash flows are substantially independent of changes in the market interest rates.

At the reporting date the interest rate profile of the entity's interest-bearing financial instruments was as follows:

Variable rate instruments: Carrying amount		
Bank balances	1,718,184	18,890,827
Investments	65,805,524	61,473,376
Call accounts	110,026,273	91,970,986
	177,549,981	**172,335,189**

Sensitivity analysis

An increase of 100 basis points in interest rates at the reporting date would have increased profit or loss and equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2025.

Variable rate instruments	3,052,710	1,129,678

A decrease of 100 basis points would have had the equal but opposite effect to the amounts shown above.

42. Going concern

We draw attention to the fact that at 31 March, 2026, the entity had an accumulated surplus (deficit) of R 227,031,747 and that the entity's total assets exceed its liabilities by R 249,164,475.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the entity will continue in operation, it will meet its statutory obligations for the foreseeable future and 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.

Range of factors taken into account for the going concern assumption:

- The National Museum will continue its operations in the foreseeable future.
- The National Museum continues to receive the MTEF funding for the 3 years from 2025/26 to 2027/28.
- The National Museum's total assets exceeded its total liabilities which indicates that the entity is solvent and can meet its obligations as they become due.

The National Museum receives 98% of its funding from the Department of Sport, Arts and Culture to fund the ongoing operations for the entity.

Based on the above assessment, the National Museum will continue as a going concern for the foreseeable future.

43. Events after the reporting date

There were no events after reporting date to be reported.

44. Fruitless and wasteful expenditure

Add: Fruitless and wasteful expenditure identified - current	-	-

There were no fruitless and wasteful expenditure identified in the current year.

Account description	2026	2025

45. Irregular expenditure

Add: Irregular Expenditure - current period	79,277	-

Irregular expenditure is presented inclusive of VAT

Account description			

45. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

	Disciplinary steps taken/criminal proceedings		
Non-compliant tax status upon appointment date	Internal investigation in progress	79,277	-

46. Change in estimate

Property, plant and equipment

At the beginning of the financial year, management reviewed the useful lives of its property plant and equipment, as a result the useful lives of the entity's assets which were nearing their end of which the entity still intends to utilise for the next financial year, were revised in terms of the provisions of GRAP 17. The effect of the change has been affected prospectively, and the impact of the change is as follows:

- Fixtures

At the beginning of the financial year, some of the assets with an estimated useful life nearing year-end were stretched for the next 4 years, as the entity is still intending keeping them in use.

Effect of the change	**31 March 2026**	**31 March 2027**	**31 March 2028**	**31 March 2029**	**31 March 2030**
Increase / (decrease) in depreciation	(36,319)	9,080	9,080	9,080	9,080

- Furniture & fittings

The Average useful life for Furniture & fittings, as stated in the policy is 4 - 18 years, remained unchanged.

At the beginning of the financial year, some of the assets with an estimated useful life nearing year-end were stretched for the next 5 years, as the entity is still intending keeping them in use.

Effect of the change	**31 March 2026**	**31 March 2027**	**31 March 2028**	**31 March 2029**	**31 March 2030**
Increase / (decrease) in depreciation	(11,140)	2,785	2,785	27,845	2,785

Account description	2026	2025

46. Change in estimate (continued)

Computers

The Average useful life for computers as stated in the policy is 3 - 10 years, remained unchanged.

At the beginning of the financial year, some of the assets with an estimated useful life nearing year-end were stretched for the next 5 years, as the entity is still intending keeping them in use.

Effect of the change	**31 March 2026**	**31 March 2027**	**31 March 2028**	**31 March 2029**	**31 March 2030**
Increase / (decrease) in depreciation	(19,372)	3,229	3,229	3,229	3,229

- Equipment

The Average useful life for equipment as stated in the policy is 5 - 10 years, remained unchanged.

At the beginning of the financial year, some of the assets with an estimated useful life nearing year-end were stretched for the next 5 years, as the entity is still intending keeping them in use.

Effect of the change	**31 March 2026**	**31 March 2027**	**31 March 2028**	**31 March 2029**	**31 March 2030**
Increase / (decrease) in depreciation	(42,383)	10,596	10,596	10,596	10,596

47. Contingencies

Surrender of surpluses

The entity annually declares all surpluses or deficits to the relevant Treasury from the period 1 August to 30 September of each year, using its audited annual financial statements as the basis for calculation of surpluses or deficits.

The entity submits requests to the relevant Treasury to retain surpluses in terms of section 53(3) of the PFMA, as and when appropriate. Unless exempted by the National Treasury, the entity invests surplus funds with the Corporation for Public Deposits.

The entity surrenders for re-depositing into the relevant Revenue Fund, all surpluses that were realised in a particular financial year –

(a) which were not approved for retention by the relevant Treasury in terms of section 53(3) of the PFMA; or

(b) where no application was made to the relevant Treasury to accumulate the surplus in terms of section 53(3) of the PFMA.

The surpluses are surrendered for re-depositing into the relevant Revenue by no later than 30 November of each year, as prescribed.

Failure by the entity to submit a surplus retention request to the relevant Treasury by 31 August each year will result in the entity having to surrender the surplus to the relevant Revenue Fund by 30 November, unless there has been a delay in the finalisation of the audit.

Based on a formula prescribed by National Treasury, the entity has calculated that in the current year a cash surplus amounting to R 97,954,163 (2025: R 79,723,000) has arisen. A written application for the abovementioned amount to be retained, will be made to National Treasury on or before the stipulated due date. The approval of this application remains pending, and as such, the amount represents a contingent liability in terms of GRAP 19.

48. Segment information

The National Museum has assessed the requirements of GRAP 18 on Segment Reporting and determined that it does not have separately reportable segments as defined in paragraph .05 of the standard.

Although the Museum undertakes various programmes and operates from multiple physical sites, these activities are managed and reported as a single integrated operation, with no separate decision-making or performance evaluation occurring at the programme or site level.



COVER ART

African Praise, 2020 - Thembinkosi Ntuli

Thembinkosi Sinalo Ntuli (Sinalithemba) began his artistic career working with oil paints, depicting the lifestyles of South African people, particularly women adorned in traditional beadwork. A client encouraged him to pursue beaded painting full-time, and he embraced the idea. In 2009, he challenged himself to create artworks using only beads meticulously sewn onto canvas. Since then, this has become his primary artistic medium, one that he continues to refine and develop.

In African Praise (2020), Ntuli depicts two women engaged in worship. The woman on the left holds an igula in her hand, while the woman on the right is shown dancing, her dress adorned with beads arranged in the colours and patterns of pieced-together flags. Like many South African artists, Ntuli draws inspiration from everyday life, celebrating the country's people, culture, and lived experiences. The vibrancy of South African life is reflected in the diverse subjects he portrays and in his innovative use of materials.

Ntuli was born and raised in the Groutville area of Stanger, KwaZulu-Natal. His interest in art began during primary school, and he formally studied the subject at Estcourt High School from 1992. In 1995, an accident that nearly claimed his life resulted in serious head injuries, forcing him to leave high school. Despite this setback, he continued his artistic education by studying Fine Art at Durban Central College. In 1999, he moved to Johannesburg, where he completed Fine Art N3 at Dobsonville College in Soweto. In 2002, he completed a three-year Portfolio Development Programme at Artist Proof Studio in Newtown, Johannesburg. He pursued all of these studies on a part-time basis while simultaneously completing a three-year Visual Art programme at Funda College.

sport, arts & culture
Department:
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REPUBLIC OF SOUTH AFRICA

NATIONAL MUSEUM
BLOEMFONTEIN
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