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Amaqhawwe KaZulu Traditional Zulu Dancers welcoming guests at the Museum

### Council Members list

Mr. Jabulani Sithole	Chairperson
Advocate Motlatjo Ralefatane	Deputy Chairperson
Dr Albertinah Luthuli	Member
Prof. Nothando Luswazi	Member
Dr Mxolisi Mchunu	Member
Mr George Kgarume	Member
Mr Mthunzi Luthuli	Member
Mr Brian Xaba	Director (Ex Officio) *

### Luthuli Museum Staff

Mr Brian Xaba	Director
Ms Nana Mzoneli	PA to the Director
Mr Julanolwazi Ncwane	Financial Manager
Mr Thabani Nkosi	Executive Administration Assistant (1 Year Contract)
Mr Vusi Buthelezi	Curator
Ms Nolwazi Faku	Marketing Manager
Ms Nonhlanhla Mnguni	Finance Officer
Research Officer	Vacant (Position frozen)
Mr Njabulo Luthuli	Museum Officer: Design Technician
Mr Clinton Taylor	Education Officer
Mr Thulani Thusi	Heritage Educator
Ms Zinhle Nyembe	Public Relations Officer
Ms Petty Bhodoza	Maintenance Supervisor
Ms Bajabulisile Mngadi	General Assistant
Ms Sibongile Ngwane	General Assistant / Messenger
Ms Khanyisile Mhlongo	Parttime Maintenance Supervisor
Mr Siyabonga Dlamini	Groundsman / Gardner

### Luthuli Museum visiting hours

<b>Monday - Saturday</b>	<b>08h30 - 16h00</b>
<b>Sunday and Public Holidays</b>	<b>11h00 - 15h00</b>
	<b>The Luthuli Museum is closed on Good Friday, Christmas Day and New Year's Day</b>



# General Information



## A. GENERAL INFORMATION

### 1. Chairperson Statement



**Luthuli Museum Council Chairperson  
Mr Jabulani Sithole**

Our term as the Luthuli Museum Council comes to an end by the 30 November 2017. Therefore this reporting year's Annual Report will not only focus on the 2016/2017 Financial Year but will include highlights of achievements by this Council since its appointment by the Minister of Arts and Culture on 1 December 2014. As a newly appointed Council for the Luthuli Museum, we made a presentation on the 21 April 2015 to Parliament's Portfolio Committee on Arts and Council. Apart from maintaining positive audit outcomes for the Museum, we identified and presented to the Committee five (5) primary focus areas which we committed ourselves to achieve during our term of office. These were but not limited to; (1) the financial sustainability of the institution; (2) enhancing the profile of the Museum and the legacy of Chief Albert Luthuli; (3) continued compliance with legislative prescripts; (4) improved operational efficiency in terms of facility development and human capital; and (5) develop and strengthen stakeholder partnerships, particularly with the Shareholder.

Notwithstanding the inevitable challenges faced during the course of our term as Council, one can attest to the fact we have delivered on the strategic goals we set for ourselves two years ago. Our efforts at improved financial sustainability were successful considering that the Museum's operational baseline was improved with additional funding for the new MTEF beginning the 2017/2018 Financial Year. We have during our term ensured that the organisation's compensation budget is maintained within a specific threshold considering that the primary mandate of the Luthuli Museum is to deliver a public service. In recognition of the need to secure alternative funding for our organisation we have finalised the development of an innovative fundraising strategy and policy that will enable the Museum to appoint a professional fundraiser on a commission basis.

The profile of the Museum and the legacy of Chief Albert Luthuli were further enhanced when one considers the Chief Albert Luthuli Annual Memorial Lecture which addressed itself to themes or topics that were current in terms of the national discourse. The revisit of the lecture format enhanced public participation supported by the media partnership struck with the public broadcaster (SABC International Channel 404) whereby the lectures were broadcast live continentally. Other strategic projects we approved that increased the profile of Chief Luthuli included the proposed renaming of the main road (P492) from the N2 after Chief Albert Luthuli and the commemoration of 50 years of the meeting between Chief Albert Luthuli and the US Senator Robert F Kennedy on 8 June 1966. This commemoration event on the 30 May 2016 was honoured by the visit of the Kennedy Family led by his daughter Kerry Kennedy. The event received a fair amount of international coverage that it placed the Luthuli Museum on a global footing in terms of public knowledge. As Council we have also set in motion processes aimed at the reopening of the inquest into the death of Chief Albert Luthuli in anticipation of the 50<sup>th</sup> commemoration of the death of Chief Albert Luthuli. Other efforts at enhancing organisation's profile and also the legacy of the Chief included a resolution to establish an Education Fund whose role is to support scholarly work (i.e. Research Chair) and also provide for bursaries for qualifying learners and students aspiring to further their studies.

As an entity established under the Cultural Institutions Act (1998), compliance with the PFMA (2000) is paramount. Therefore we have duly complied with the GRAP 103 prescripts in terms of heritage

assets; we have signed off on the Museum's Information Communication Technology Governance Framework (as per DPSA Policy 2012) and Policies; the Language Policy in line with the Use of Official Languages Act (2012). We have embarked on a process to review a number of Museum policies and thus align them with national legislation, especially with respect to the Basic Conditions of Employment Act.

With respect to operational efficiency our Council focused on two main areas, namely the infrastructure or facility development and capacity development in terms of human resources. In both areas we recognised that the Luthuli Museum was operating not only within financial constraints (which we had resolved) but also in terms of operational space and staffing. In the context of improved operational space, we approved the design and development of a new building on site to provide additional accommodation for offices; ablution facilities; a boardroom; an auditorium and exhibition gallery. The building will be constructed on site since our efforts to purchase additional land had to be eventually abandoned due to unaffordability. However we managed to secure additional capital funding from the Department of Arts and Culture (DAC) for the building project. The appointment of a contractor for the building project was only concluded recently and currently (i.e. at the time of submitting this Annual Report) there is a pending site handover. On the basis of the construction programme, the new building (which will be named 'Nokukhanya Luthuli Resource Centre') will be completed and operational by the 1<sup>st</sup> quarter of the 2018/2019 Financial Year.

In terms of improved operational efficiency, we have approved as Council a 5 Year Growth and Development Strategy for the Museum which is aimed at ensuring that the institution's human capital needs are in tandem with its expected growth in terms of increased and diverse audience; public access; museum international standards; etc. To support this strategy, Council has already approved a human resource planning process that will be reviewing the organisation's organogram and evaluating some of the positions. This process will be implemented in line with applicable human resource management principles and prescriptions.

Of course we would not have achieved what we have as Council without strategic partnerships and stakeholders. We can name here the local KwaDukuza Municipality (KDM); the University of KwaZulu Natal (UKZN); the community of Groutville; the United Congregational Church of South Africa (UCCSA); the African National Congress (ANC); the Luthuli Family and lastly, our Shareholder, the DAC. These are primary stakeholders in the legacy of Chief Albert Luthuli and sustainability of the Luthuli Museum. As Council, we have embarked on a process to formalise relationships with these stakeholders (apart from the DAC with whom we have a structured formal relationship) in the form of Memorandums of Understanding (MOU). Such a structured relationship has become critically necessary as the profile and stature of Chief Albert Luthuli and the Museum gradually grows. It becomes important that this process is concluded by the end of the 2017/2018 Financial Year in order to maintain corporate governance and the integrity of the legacy of Chief Albert Luthuli.

On behalf of the Luthuli Museum Council, I am indeed honoured to present the 2016/2017 Annual Report where the Museum has again achieved an unqualified audit. It was indeed an honour and a privilege to work with my fellow Council members who with their diverse skills and personalities have taken the Luthuli Museum to a new level. The staff of the Luthuli Museum led by their Director has also been instrumental in ensuring that as Council our oversight responsibility is implemented accordingly. Despite the minor setbacks experienced during this reporting financial year, it is my belief that this organisation is destined for greater heights as long as it remains in capable hands.

Let the Spirit of Chief Albert Luthuli Speak to All!

**JABULANI SITHOLE**  
**CHAIRPERSON: LUTHULI MUSEUM**  
**DECEMBER 2014 – 31 NOVEMBER 2017**

## 2. Applicable Acts and other information

The Luthuli Museum was established by the Minister of Arts and Culture in terms of the Cultural Institutions Act, Act 119 of 1998 as amended. This Annual Report is submitted in compliance with the Constitution of the Republic of South Africa, Act 108 of 1996; the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999); Treasury Regulations; Employment Equity Act; the Labour Relations Act of 1995; the Basic Conditions of Employment Act; the Policy on Preferential Procurement Framework Act, including the King IV Code of Good Corporate Governance.

## 3. Vision and Mission

### The Vision:

The vision of the Luthuli Museum is: “*Let the Spirit of Luthuli speak to all.*”

### Mission:

The mission of the Luthuli Museum is:

To conserve, uphold, promote and propagate the life, values, philosophies and legacy of the late Chief Albert Luthuli in the struggle against Apartheid oppression, respect for human rights as well as life devotion to non-violent resolutions to world problems.

## 4. Values

The Luthuli Museum values the following:

- ☐ Conscientious Leadership
- ☐ Human Rights
- ☐ Integrity
- ☐ Equitable Society
- ☐ Freedom; Peace and Human Rights

To bring the institutional values above into practice, the Luthuli Museum commits itself to the following offerings:

- ☐ To provide a policy towards furthering the interest of the Albert Luthuli Legacy.
- ☐ To produce recommendations to further the interests of museums in South Africa, the Continent and the world.
- ☐ To produce; document and make accessible knowledge about the Legacy of Albert Luthuli and the Liberation Struggle of RSA and beyond.
- ☐ To empower and engage people and communities in the developing; collecting and distributing of the offering.





Chess players in the Chief Albert Luthuli Chess Club's Africa Rise Chess Tournament



The inaugural Chief Albert Luthuli Legacy Walk participants



Mr. Life Ngoma, Facilitator assisting learners from the North Coast Primary School in the Luthuli Museum Annual Creative Writing Workshop



Dr. Albertinah Luthuli, daughter of Chief Albert Luthuli; Mr. Thulani Thusi, Luthuli Museum Heritage Educator with learners at the #IAMCONSTITUTION Dialogue Session



Dr. Albertinah Luthuli laying wreath on Chief Albert Luthuli's grave. In the background L-R Mr. Jabulani Sithole, Chairperson of Luthuli Museum Council; US Ambassador Patrick Gaspard, Ms Kerry Kennedy, daughter of Senator Robert F Kennedy; Mr. Thulani Thusi, Museum Heritage Educator and Mr. Brian Xaba, Luthuli Museum Director.



L-R: Ms Kiki Mzoneli-local community activist, Mrs Yaa-Ashantewaa Ngidi from the Afrikology Institute, Dr. Umar Johnson and one of the members of the Harlem Youth Exchange



Senior Citizens from the Stanger Old Age Home and Thuthukani Day Care centre attending the Museum's Heritage Day Celebration during the September 2016



# Luthuli Museum

## Report of the Audit Committee

We hereby present for our report for the Financial Year ended 31 March 2017

### 1) Audit Committee Members and attendance

The Audit Committee, consisting of independent, external members listed below, is required to meet at least 4 times per annum as per the Audit Committee Charter, although additional meetings may be called as the need arises. The Committee held 3 meetings during the year under review.

<u>Members</u>	<u>Meetings attended</u>
B A Sutcliffe (Chairperson)	3
Adv. M J Ralefatane	2
Mr G Kgarume	2
Mr M Luthuli	2

### 2) Audit Committee Responsibility

The Committee has been set up in accordance with the Public Finance Management Act No 1 of 1999 and operates within the terms of the Audit Committee Charter approved by the Council of the Museum. It has ensured compliance with section 38(1)(a) of the PFMA and Treasury Regulation 3.1.

### 3) Review of the Annual Financial Statements

The Committee concurs with and accepts the unqualified audit opinion issued by the Auditor General, however notes that certain instances of irregular expenditure occurred, these being due to the non-alignment of the Museum's SCM policy with the Treasury Regulations. However, value was received for the payments. Management has undertaken to resolve this issue with urgency.

The Chairperson has:

Reviewed the Audited Annual Financial Statements

Reviewed the Accounting Policies

Reviewed Management responses to the management letters issued by the Auditor General.

The Committee is of the opinion that the Audited Annual Financial Statements be accepted and read together with the Report of the Auditor General.

### 4) Efficiency and Effectiveness of the Internal Audit Function

The Internal Audit Function was outsourced and an audit programme set up as a result of a risk assessment seminar conducted.

The report of the Internal Audit was presented at the meeting of 18 May 2016.

Items covered were Revenue, Compliance and Corporate Governance, HR and Payroll, Bank and Cash, Petty Cash, Accounts Payable.

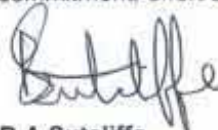
Whilst no items reported were significant, problems with certain policies were highlighted and management were requested to undertake a full review of all policies to ensure alignment with legislation and regulations.

### 4) Monthly Management Reports

Monthly Management Reports were reviewed by Audcom. These included income and expenditure reports, bank reconciliations and investment detail. No matters were found.

### 5) Conclusion

The Audit Committee is of the opinion that the Luthuli Museum and the finances related thereto are exceptionally well managed and wishes to compliment the Director and staff of the Museum on their commitment, effort and dedication in the performance of their duties.



**B A Sutcliffe**  
Chairperson  
30 July 2017





L-R: Dr B.U. Ngcobo, former Constitutional Judge Albie Sachs and Ms Coral Vinson at the Human Rights Lecture at the Luthuli Museum



Ms Kerry Kennedy and Dr. Albertinah Luthuli at the 50 years Commemoration event of the 1966 Senator Robert F. Kennedy's visit to Chief Albert Luthuli



Excitement from the learners from Intakemazolo Combined School which visited the Luthuli Museum



Children from the Groutville Community participated in the Luthuli Museum Annual Winter Holiday Programme



Dr B.W. Vilakazi Primary School learners attending attentively the National Children Theatre show at the Luthuli Museum



Dr. Gcina Mhlophe and Mrs Jane Ngobese, daughter of Chief Albert Luthuli at the inaugural Nokukhanya Luthuli Lecture which was held at the Luthuli Museum and broadcast live on UKHOZI FM radio



A delegation from the One Africa Museum in Ghana visiting the Luthuli Museum pictured with them is Mrs Yaa Ashantewaa Archer-Ngidi, Dr. Albertinah Luthuli and Luthuli Museum staff in the background

## B.1 Introduction by the Head of the Institution



Head of Institution  
**Mr Brian Xaba**

As the Accounting Officer I hereby present the 2016/2017 Annual Report of the Luthuli Museum which has again achieved an unqualified audit outcome. The organisation remains sound in terms of financial performance; compliance with legislation; accounting for heritage assets; internal controls; risk management and strategic leadership. This is all thanks to the effective oversight role of the Museum Council and the continued commitment shown by staff to the mandate of the Luthuli Museum.

This reporting year becomes important because the Museum commemorated 50 Years of the historic meeting between Chief Albert Luthuli and the United States Senator Robert F Kennedy on 8 June 1966 (the Senator was on a visit to apartheid South Africa by invitation of NUSAS). This event becomes more significant as it brought together the families of the two leaders on the 30 May 2016 at the Luthuli Museum, formerly the original home of Chief Albert Luthuli and his wife, Mrs Nokukhanya Luthuli. The gathering of the two families not only strengthened the legacy of Chief Albert Luthuli, but also reinforced his stature as an international icon.

During this reporting year the Museum also participated in a partnership event of significance, the inauguration of the Chief Albert Luthuli Commemorative Walk where South Africans retraced the last steps of the Chief before he died on 21 July 1967. This event brought again to the public eye the mysterious death of Chief Albert and the need for the inquest to be reopened so that his family can achieve closure.

On the human resources front, the Museum managed to fill the vacant positions of Curator and Marketing Manager. The incumbents brought with them new approaches and eased on the existing workload. New partnerships and projects were introduced during this reporting year taking the Museum and the legacy of the Chief to new heights. As a Museum we have realised the importance of collaborations in achieving mutually beneficial goals and objectives. The 2016 Chief Albert Luthuli Memorial Lecture became a success because of the collaboration between the Department of Arts and Culture (DAC); the University of KwaZulu Natal (UKZN); the Chief Albert Luthuli Foundation (CALF) and the South African Broadcasting Corporation (SABC). The media partnership with the SABC yielded dividends in terms of the profile and promotion of the lecture which broadcasted the event live on its international Channel 404.

On the educational and public programming side the Museum continues to do well as it introduces new and exciting programmes and activities that enable the Museum to achieve its community upliftment and education enrichment objectives.

Our site repair and maintenance programme remains on track although with minor setbacks that necessitate review of project planning and procurement plans. Notwithstanding that the Museum managed to complete the repair and maintenance of the historic house and also the grave of Chief Albert Luthuli and the United Congregational Church (UCCSA) in Groutville, where the Chief is buried. Further infrastructure development work is planned in terms of improved operational space and also the memorial site in Charlottedale. Such capital works intensive projects are only achievable through the commendable support of the DAC which committed further funding towards the construction of the Nokukhanya Luthuli Resource Centre building which will be completed in the 2018/2019 financial year.



Overall the 2016/2017 financial year was a fair success considering that the Museum maintained good visitor numbers; the profile of the legacy of Chief Albert Luthuli was taken to new heights and organisational stability was maintained despite financial and capacity constraints. The 2017/2018 promises to be another positive financial year as the Museum will achieve new milestones in its quest to collect; research; preserve and promote the legacy of Chief Albert Luthuli.

**BRIAN XABA**

**DIRECTOR: LUTHULI MUSEUM**

**2016 / 2017**



**Groutville Community children participating in the Chess Workshop held at the Luthuli Museum as part of the Luthuli Museum Winter Holiday Programme.**



The KZN Philharmonic Orchestra performed at the Luthuli Museum for the Tribute Concert in honour of Chief Albert Luthuli in July 2016



Aspiring poets and musician from Ilembe come together to perform at the Museum, uHuru Poetry in Motion: Poetry Sessions.



L-R: US Ambassador Patrick Gaspard, KwaDukuza Mayor Councillor Ricardo Mthembu, Prince Mangosuthu Buthelezi and Minister of Arts and Culture Mr. Nathi Mthethwa (MP) during the Luthuli Kennedy Meeting 50<sup>th</sup> Commemoration



Local artists work on a mosaic piece of the Museum's logo at the Visual Arts Workshop which was done in partnership with KZN Department of Arts and Culture



L-R: Dr. Wally Serote, Advocate Busisiwe Mkhwebane and Minister Jeff Radebe (MP) who were speakers at the Chief Albert Luthuli Annual Memorial Lecture 2016



Ms Zinhle Nyembe, Luthuli Museum Public Relations Officer and Mr Zakhele Gumede, local community activist with the winners of the Luthuli Museum Netball Tournament 2016



L-R: Ms Nolwazi Faku, Luthuli Museum Marketing Manager, Ms Dumile Cele, Prof Thenjiwe Meyiwa, Ms. Xoliswa Bam and Ms. Ela Gandhi at the Women's Month Panel Discussion in August 2016



## C. REPORT / PROGRAMME / ACTIVITY PERFORMANCE

### 1. Director's Report

This section provides a general overview of the Museum's achievements and challenges during the financial year reporting.

#### 1.1 General Review

##### □ Curatorial / exhibitions

The appointment of a Curator on 1 November 2015 provided an opportunity for the Museum to address the backlogs within the Programme: Business Development. The work backlog within this subprogramme included; updating the site narrative and installation of a permanent exhibition; temporary exhibitions; continued work on the Oral History Project; collections development and management; conversion of analogue tapes into digital; digitizing of collections; implementation of phase two of GRAP 103; mapping of public and private collections on Chief Albert Luthuli; book publishing and setting of a new Research Agenda for the Museum.

On the temporary exhibitions side the Museum installed three exhibitions; namely, the *Bill of Rights Exhibition* during Human Rights Month; *The Soldiers of Luthuli*; *Kennedy Luthuli Exhibition* and the June 16 40<sup>th</sup> Anniversary Exhibition. Museum purchased a new dehumidifier to improve on climate control in the collections room. Site narrative project is work in progress and is intended to be completed by the next financial year. In addressing the backlogs in collections management the Museum has since the previous financial year conducting in house training for a member of staff to assume this responsibility as a Collections Officer. The staff member has attended a series of training programmes including digitisation and in this regard had begun the initial process scanning collections into classified folders. There remains still much work to be completed within the programme Business Development but much progress has been achieved.

##### □ Museum Education and events

The educational programmes at the Museum continue to receive much support from the schools and youth in the area. The Museum has over the years invested much effort in organising events involving various partnerships and collaborations. As a developing institution it is these events that have profiled; created and sustained public awareness about the museum's existence and also the legacy of Chief Albert Luthuli both nationally and internationally. Of the events worthy of mention, there was the Luthuli Kennedy 1966 Meeting commemorative event; the Chief Albert Luthuli Annual Memorial Lecture; the monthly Concert SA sponsored music concerts; and also commemorative days like Human Rights; International Museums Day; Women's Month, etc. This reporting we added new events like the Nokukhanya Luthuli Public Lecture (which we hope it becomes an annual event) and also children's theatre by the National Children's Theatre.

##### □ Visitors (Notable / International; tour groups and school groups)

Notable visitors or tour groups hosted this year at the Museum include a visit to the Deputy President of the Republic of South Africa, Mr Cyril Ramaphosa during the month of April when the country celebrates Freedom Day; the Premier of KwaZulu Natal Mr Willies Mchunu during Africa Month; the KZN Provincial Chair of the African National Congress, Mr Sihle Zikalala during the 105 year birthday celebration of the organisation; Prince Mangosuthu Buthelezi

attending the Luthuli Kennedy Meeting commemoration event; Senator Robert F Kennedy's Family led by his daughter Kerry Kennedy. The Museum much appreciates such visits as they profile the legacy of the Chief.

#### □ **Research and Collections**

On this front the Museum has not made significant progress due to the fact that the Curator was only recently appointed in his position. The Museum however continues to attend to research inquiries. A significant number of research inquiries we have received from learners' research on the life of Chief Albert Luthuli and also general research related to their school subjects. The most significant achievement for the Museum with respect to research has been the process resuscitated by Council's Marketing and Research Committee with respect to setting the Research Agenda for the Luthuli Museum. Furthermore the Museum Council has resolved to set up a Luthuli Research Chair and appointed a Task Team to pursue this strategic objective. A proposal has already been drafted for further deliberation and refinement with the intention to have the Chair implemented by the 2018/2019 financial year.

#### □ **Partnerships**

The Museum has maintained the partnerships that it has had for several years, namely, the Centre for the Creative Arts (CCA); the Provincial Department of Basic Education; the eThekweni Municipality; Enterprise Ilembe, etc. However, it worth mentioning that this reporting year new partners established include the PHANSI Museum (Human Rights Schools Essay Competition); the Mzala Nxumalo Centre (research projects); the Provincial Cooperative Governance and Traditional Affairs Department (convening of a colloquium); the Institute of Afrikology (heritage workshops); the Groutville Intuthuko Yethu (Luthuli Commemorative Walk); the South Africa History Online (exhibitions and research). The Museum has planned to continue with these new partners during the MTEF period involving new programmes that will be mutually beneficial.

#### □ **Presentations**

There were no presentations made by the Museum in this reporting year.

#### □ **Marketing**

The Museum work backlog in the Public Engagement Programme was not that significant. The backlog include the revival of the Museum's Promotional Shop (sales and accounting infrastructure; merchandise; design of the shop); the update of the Museum Website; finalisation of the marketing standard operational procedures (i.e. Events; Advertising; Social Media; Procurement of services); fundraising and sponsorship for museum activities; and marketing research to measure the museum impact and provide guidance on the way forward, particularly with respect to new audience development strategies. With the newly appointed Marketing Manager, some of the backlog was eased, especially with respect to social media; fundraising and sponsorships; the update of the Museum Website. The profile of the Museum was further enhanced as new partners and projects implemented; the integration of the organisation in the tourism channel was achieved with the registration in the Southern Africa Tourism Services Association (SATSA); the Museum achieved the FABMAGS 2016 Best of the Best Award in recognition of the Museum's 'extra ordinary contribution to the community through acts of kindness, service and exemplary attitude'; advertising in new publications like UMZANSI Travel.

□ **Networking Forums**

The South African Museums Association; the International Council on Museum and the University of KwaZulu Natal continued to be information platforms for the Museum and other sectoral organisations.

□ **Constraints**

The Museum still continues to find itself constrained in terms of financial sustainability and the high staff turnover.

□ **Income and staff costs**

	2013/2014	2014/2015	2015 / 2016	2016 / 2017
	7,465,000	9,773,000	11,561,000	9 560, 000

□ **Annual Visitors stats**

	2013/2014	2014/2015	2015 / 2016	2016 / 2017
	28, 592	37,143	35,945	36, 252

# Performance against Objectives



## D. PERFORMANCE AGAINST OBJECTIVES

### PROGRAMME 1: ADMINISTRATION

Sub Programme 1 (A)						
I. GOVERNANCE						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
Promote good governance and efficient management of the Museum in line with the applicable legislation, policies; procedures; sectoral best practice standards & strategic vision.	1. Achieved Museum financial sustainability & accountability in line with the principle of good governance & applicable compliance legislation.	<ul style="list-style-type: none"><li>Council meetings took place on the 27 June 2015; 3 October 15; 12 December 2015.</li><li>Quarterly Reports were submitted to the DAC for the 4 quarters. Although some were submitted 5 days after the deadline date.</li><li>Monthly reports received from Finance Manager, Marketing and Curator reports not received as positions were vacant. Reports for curatorial and marketing received from the PRO and Research Officer on contract</li></ul>	<ul style="list-style-type: none"><li>4x Council meetings and Committee meetings per year</li><li>4x quarterly reports to the DAC</li><li>12 x monthly Reports from Managers</li></ul>	<ul style="list-style-type: none"><li>Council meetings took place on the 16.04.16; 17.07.16; 13.11.16 ; 22.01.17 and 19.02.17</li></ul>	No Deviation	None
				<ul style="list-style-type: none"><li>Quarterly reports were submitted to the DAC ON THE 4.08.16; 3.11.16; 2.02.17; 2.05.17</li></ul>	No Deviation	None
				<ul style="list-style-type: none"><li>Monthly reports were submitted by managers during quarter 1; 2; 3 and not quarter 4. The FM submits month financial recons as part of his reporting.</li></ul>	Deviation	The Marketing Manager resigned as from 30.11.16 and the Curator as from 31.03.17 and therefore there were no reports from them.

		<ul style="list-style-type: none"> <li>The Annual Report 2014/2015 was submitted as prescribed</li> </ul>	<ul style="list-style-type: none"> <li>1x Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>The Annual Report was submitted and tabled in Parliament accordingly. Confirmation letter received from the DAC re: confirmation of tabling</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>The draft &amp; the final Strategic Plan was submitted to the DAC &amp; other prescribed repositories.</li> </ul>	<ul style="list-style-type: none"> <li>2x Draft Strategic Plans and 1x final Strategic Plan submitted to DAC</li> </ul>	<ul style="list-style-type: none"> <li>Strategic Plan was compiled not submitted to DAC.</li> </ul>	Deviation	<p>The AO was to attend a DAC Strategic Plan (SP) Workshop on 10.11.11.16 but it was cancelled. Seemingly the new SP is due for compilation in the 2018/2019 FNYR.</p>
		<ul style="list-style-type: none"> <li>2015/2016 Internal Audit achieved</li> </ul>	<ul style="list-style-type: none"> <li>1x Internal Audit</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit commenced by the 4<sup>th</sup> quarter. Retesting done and audit continued to 1<sup>st</sup> quarter of the 2017/2018 FNYR.</li> </ul>	No Deviation	None

<b>Sub Programme 1 (B)</b>						
<b>SUPPORT SERVICES</b>						
<b>Financial Management</b>						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Ensure effective; efficient and sustainable financial management and reporting of the Museum in line with applicable compliance legislation	1. Legislative compliance with financial prescripts and supply chain management framework	<ul style="list-style-type: none"> <li>All financial reconciliations regarding credit card expenditure; current account; cash book; assets; inventories; staff leave; payroll; subsistence &amp; travel claims &amp; PAYE implemented within deadlines</li> </ul>	<ul style="list-style-type: none"> <li>12x finance monthly reconciliations signed by AO</li> </ul>	<ul style="list-style-type: none"> <li>Monthly recons were signed by the Director at end of each month</li> </ul>	<b>No Deviation</b>	<b>None</b>
		<ul style="list-style-type: none"> <li>Financial quarterly reports submitted to the DAC as prescribed</li> </ul>	<ul style="list-style-type: none"> <li>4x quarterly financial reports submitted to DAC</li> </ul>	<ul style="list-style-type: none"> <li>The Quarterly Reports were submitted on the set date with the non-financial information report</li> </ul>	<b>No Deviation</b>	<b>None</b>
		<ul style="list-style-type: none"> <li>Unaudited AFS &amp; management report submitted to AGSA &amp; NT by the prescribed date of 31 May 2014</li> </ul>	<ul style="list-style-type: none"> <li>1x unaudited Annual Financial Statements to AGSA and NT on prescribed date</li> </ul>	<ul style="list-style-type: none"> <li>The unaudited AFS were submitted on the 31.05.16</li> </ul>	<b>No Deviation</b>	<b>None</b>
		<ul style="list-style-type: none"> <li>Audited AFS submitted to the NT</li> </ul>	<ul style="list-style-type: none"> <li>1x Audited Annual Financial Statements submitted to NT</li> </ul>	<ul style="list-style-type: none"> <li>Achieved</li> </ul>	<b>No Deviation</b>	<b>None</b>
		<ul style="list-style-type: none"> <li>Auditors Report submitted to the DAC</li> </ul>	<ul style="list-style-type: none"> <li>1x Auditors Report submitted to DAC</li> </ul>	<ul style="list-style-type: none"> <li>Achieved</li> </ul>	<b>No Deviation</b>	<b>None</b>

		<ul style="list-style-type: none"><li>Fiscal asset counting completed</li></ul>	<ul style="list-style-type: none"><li>1x Museum fiscal asset counting and report completed</li></ul>	<ul style="list-style-type: none"><li>Achieved</li></ul>	No Deviation	None
		<ul style="list-style-type: none"><li>Virements were implement by the Director as per PFMA Section 49 subsection 2 (b)</li></ul>	<ul style="list-style-type: none"><li>1x Midyear Virements implement by the Director as per PFMA Section 49 subsection 2 (b)</li></ul>	<ul style="list-style-type: none"><li>Achieved</li></ul>	No Deviation	None
		<ul style="list-style-type: none"><li>Cost of living adjustments implemented as per DPSA reference / guidelines @ 7% for levels 1 – 12</li></ul>	<ul style="list-style-type: none"><li>1x Cost of living adjustments implemented</li></ul>	<ul style="list-style-type: none"><li>Achieved</li></ul>	No Deviation	None
		<ul style="list-style-type: none"><li>ENE was submitted to the NT complete</li></ul>	<ul style="list-style-type: none"><li>1x ENE Template completed and submitted to NT</li></ul>	<ul style="list-style-type: none"><li>Achieved</li></ul>	No Deviation	None
		<ul style="list-style-type: none"><li>Audit &amp; Risk Committee meetings attended</li></ul>	<ul style="list-style-type: none"><li>1x Audit action plan implemented</li></ul>	<ul style="list-style-type: none"><li>Achieved</li></ul>	No Deviation	None



Sub Programme 1 (B)						
SUPPORT SERVICES						
Human Resources Management						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
2. Ensure effective; efficient and sustainable financial management and reporting of the Museum in line with applicable compliance legislation	2. Legislative compliance with financial prescripts and supply chain management framework	<ul style="list-style-type: none"> <li>No policies amended during this FNYR</li> </ul>	<ul style="list-style-type: none"> <li>5x policies amended and approved by Council</li> </ul>	<ul style="list-style-type: none"> <li>Council approved &amp; signed off on 4x policies, i.e. the Charters of the Finance &amp; Human Resources Committees Museum; Language Policy and the ICT Governance Framework</li> </ul>	Deviation	The review of some of the HRM Policies could not be completed on time due to capacity challenges on the AO
		<ul style="list-style-type: none"> <li>15x performance agreements signed by the 1<sup>st</sup> quarter</li> </ul>	<ul style="list-style-type: none"> <li>15x performance agreements signed</li> </ul>	<ul style="list-style-type: none"> <li>Performance Agreements signed by 30.06.16</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x training for 3 staff members on photography; film preservation &amp; registry</li> </ul>	<ul style="list-style-type: none"> <li>1x training of staff members</li> </ul>	<ul style="list-style-type: none"> <li>No training of staff members took place in this reporting year</li> </ul>	Deviation	No training programme in place
		<ul style="list-style-type: none"> <li>1x compendium of amended policies circulated to all staff</li> </ul>	<ul style="list-style-type: none"> <li>1x policies and procedure training workshop for staff</li> </ul>	<ul style="list-style-type: none"> <li>Policies &amp; procedures circulated to staff for review 06 / 16</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x staff half yearly assessments implemented by 10.11.14</li> </ul>	<ul style="list-style-type: none"> <li>2x performance assessment for staff</li> </ul>	<ul style="list-style-type: none"> <li>On 1x assessment of staff performance occurred in the 1<sup>st</sup> quarter. Midyear assessments did not take place.</li> </ul>	Deviation	Work overload on the part of the Director / management & delayed adaptation of Job Profiles resulting in some staff members documents not signed
		<ul style="list-style-type: none"> <li>1x renewal of safety officers training implemented</li> </ul>	<ul style="list-style-type: none"> <li>1x safety officer training</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	No Deviation	Management oversight

<b>Sub Programme 1 (B)</b>						
<b>SUPPORT SERVICES</b>						
<b>Information Communication Technology</b>						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Provide effective leadership in the management of Museum to achieve its strategic goals & performance objectives	Protected, preserved Museum physical assets & resources in line with applicable legislative prescripts	<ul style="list-style-type: none"> <li>1x museum ICT Governance Framework not Developed</li> </ul>	<ul style="list-style-type: none"> <li>1x developed museum ICT Governance Framework</li> </ul>	<ul style="list-style-type: none"> <li>ICT Governance Framework including the IT Security and Change Management Policies; and Online User Agreement signed by Council</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x ICT SLA signed with service provider</li> </ul>	<ul style="list-style-type: none"> <li>1x ICT SLA signed with service provider</li> </ul>	<ul style="list-style-type: none"> <li>ICT SLA signed with Virtuenet for 12 months</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x ICT security &amp; administration procedural plan not implemented i.e. patch management; formal request doc.; monitor of administrator activities; vendor access monitor; disaster continuity plan</li> </ul>	<ul style="list-style-type: none"> <li>1x ICT security &amp; administration procedural plan implemented, i.e. patch management; formal request docs; monitor of administrator activities; vendor access monitor; disaster continuity plan</li> </ul>	<ul style="list-style-type: none"> <li>ICT Security addressed in a Policy; Change Management / Patch Management compiled but the formal request docs for administrator activities; vendor access monitor and disaster business continuity plan not implemented</li> </ul>	Deviation	The drafts of the documents compiled by the Museum were found inadequate by the Internal Auditors

Sub Programme 1 (B)						
SUPPORT SERVICES						
Legal Services						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
2. Provide effective leadership in the management of Museum to achieve its strategic goals & performance objectives	Protected, preserved Museum physical assets & resources in line with applicable legislative prescripts	<ul style="list-style-type: none"><li>1x review of SLAs with service providers</li><li>1x renewal of lease agreements for staff parking &amp; offsite storage</li><li>1x review &amp; sign of MOU with partner organisations for public programmes</li></ul>	<ul style="list-style-type: none"><li>1x review of SLAs with service providers</li><li>1x renewal of lease agreements for staff parking and offsite storage</li><li>1x review &amp; sign of MOUs with partner organisations for public programmes</li></ul>	<ul style="list-style-type: none"><li>Service Level Agreements with service provider review by AO and the Personal Assistant</li></ul>	No Deviation	None
				<ul style="list-style-type: none"><li>Lease Agreements with Mrs Guma and the offsite storage implemented</li></ul>	No Deviation	None
				<ul style="list-style-type: none"><li>MOU with Phansi Museum reviewed</li></ul>	No Deviation	None

Sub Programme 1 (B)						
SUPPORT SERVICES						
Safety and Security Services						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
3. Provide effective leadership in the management of Museum to achieve its strategic goals & performance objectives	Secured and hospitable campus for staff and visitors	<ul style="list-style-type: none"> <li>8x safety &amp; security reports submitted</li> </ul>	<ul style="list-style-type: none"> <li>12x safety and security reports submitted</li> </ul>	<ul style="list-style-type: none"> <li>The reports were implemented based on the security OB Reports re: entries by officers</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>2x RAMP reports compiled</li> </ul>	<ul style="list-style-type: none"> <li>4x RAMP Reports submitted</li> </ul>	<ul style="list-style-type: none"> <li>Achieved as based on the RAMP Register and reports at Council meetings</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x back power generator service achieved</li> </ul>	<ul style="list-style-type: none"> <li>1x backup power generator service implemented</li> </ul>	<ul style="list-style-type: none"> <li>Service achieved</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>1x health &amp; safety inspection</li> </ul>	<ul style="list-style-type: none"> <li>1x health &amp; safety inspections implemented</li> <li>1x service of CCTV surveillance system</li> </ul>	<ul style="list-style-type: none"> <li>Museum engaged the services of NOSA where first consultative meeting took place on the 20.02.17 re: contracting and scope of inspection.</li> </ul>	Deviation	Museum and NOSA could not agree on the scope of the safety inspection audit and costs thereof.



<b>Sub Programme 1 (B)</b>						
<b>SUPPORT SERVICES</b>						
<b>Supply Chain Management</b>						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
4. Legislative compliance with financial prescripts and supply chain management framework	Compliance with PFMA and National Treasury Regulations and Practice Notes	<ul style="list-style-type: none"> <li>1x appointment of contractor to repair museum house</li> <li>1x appointment of contractor to repair UCCSA church building and Luthuli grave</li> </ul>	<ul style="list-style-type: none"> <li>1x appointment of security company on a 3 year term for guarding services</li> </ul>	<ul style="list-style-type: none"> <li>New Security Company called MNR appointed and commenced work by 1 April 2017.</li> </ul>	No Deviation	None

Sub Programme 1 (B)						
SUPPORT SERVICES						
Design Development						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
5. Application of innovative design approaches to support Museum strategic objectives	Applied technological innovation & design for timely production of promotional material and displays	<ul style="list-style-type: none"> <li>2x Museum newsletters designed &amp; published</li> <li>1x Annual Report produced &amp; deposited accordingly</li> <li>1x temporary exhibition designed</li> <li>3x magazine adverts designed &amp; placed in national newspapers</li> <li>1x learner certificates produced</li> </ul>	<ul style="list-style-type: none"> <li>4x museum newsletters designed and published</li> <li>1x Annual Report produced and deposited accordingly</li> <li>2x temporary exhibition designed &amp; installed</li> <li>1x permanent exhibition designed &amp; installed</li> <li>2x magazine adverts designed and placed in publications</li> <li>4x museum learner certificates produced</li> </ul>	<ul style="list-style-type: none"> <li>2x Newsletters were designed and printed</li> <li>Confirmation Letter of Annual Report tabling and deposit to libraries and DAC</li> <li>16 June 1976 40th Anniversary Exhibition; Kennedy Luthuli 50th Anniversary; ANC 100 Years of Selfless Struggle designed and installed</li> <li>Research; Conceptualisation and planning achieved by the Curator but there was no production and mounting</li> <li>Advert placed on the New Agenda Issue 63 publication and other 2 magazines (names to be confirmed)</li> <li>Certificates produced for local Aldenville Primary School</li> </ul>	<p>Deviation</p> <p>No Deviation</p> <p>No Deviation</p> <p>Deviation</p> <p>No Deviation</p> <p>No Deviation</p>	<p>Capacity problems within the museum in delivering the publication on time</p> <p>None</p> <p>None</p> <p>Curator resigned by 31 March 2017 before he completed the exhibition</p> <p>None</p> <p>None</p>

Sub Programme 1 (C)						
FACILITIES MANAGEMENT AND DEVELOPMENT						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
6. Protection & sustainability of museum physical assets through an efficient repair & maintenance programme	Implemented Repair and Maintenance Programme (RAMP)	<ul style="list-style-type: none"> <li>12x RAMP implementation &amp; monitoring reports (building; electrical; mechanical)</li> </ul>	<ul style="list-style-type: none"> <li>12x RAMP implementation and monitoring reports (building; electrical; mechanical)</li> </ul>	<ul style="list-style-type: none"> <li>Wendy house purchased; Garden maintenance equipment acquired; visitor access project; Ablutions lights; Historic building indoor painting</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>4x quarterly inventories on equipment &amp; consumables</li> </ul>	<ul style="list-style-type: none"> <li>4x quarterly inventories on equipment and consumables</li> </ul>	<ul style="list-style-type: none"> <li>Inventories compiled include the offsite storage equipment; onsite equipment and also consumables</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>12x cleaning checklist &amp; inspection reports (toilets; garden; kitchen; offices; exhibition gallery)</li> </ul>	<ul style="list-style-type: none"> <li>12x cleaning checklist &amp; inspection reports (toilets; garden; kitchen; offices; exhibition gallery)</li> </ul>	<ul style="list-style-type: none"> <li>Checklists maintained as part as the maintenance supervisor responsibility</li> </ul>	No Deviation	None

	Implemented User Asset Management Plan (UAMP)	<ul style="list-style-type: none"><li>▪ 1x planned maintenance repainting of museum historic building &amp; UCCSA church</li><li>▪ 1x service of admin building roof &amp; gutter system</li><li>▪ 1x maintenance of museum historic building wooden doors &amp; frames replacement</li></ul>	<ul style="list-style-type: none"><li>▪ 1x planned maintenance of the solar power system and batteries</li><li>▪ 1x replacement of asbestos roof in museum outbuilding offices</li><li>▪ 1x electrical &amp; IT network cabling</li><li>▪ 1x admin building emergency door replacement</li><li>▪ 1x admin building cracks and floor levelling</li><li>▪ 1x museum security system alarm upgrade</li><li>▪ 1x backup power generator exhaust system replacement and fit proper reserve fuel tank</li></ul>	<ul style="list-style-type: none"><li>▪ System maintenance not implemented</li><li>▪ Asbestos roof replacement not implemented</li><li>▪ Specifications for the cabling completed by service provider by the 31 March 2017</li><li>▪ NOSA recruited to assist Museum to be safety and security compliant</li><li>▪ DPW 2012 building structural inspection and report secured by the Museum</li><li>▪ New alarm system installed by G4S. This include new control panels and signal equipment</li><li>▪ Inspection done by co. Generator Control and they submitted project quote in April 2017</li></ul>	Deviation  Deviation  Deviation  Deviation  No Deviation  Deviation	Capacity constraints  Project delayed by the procurement process where the tender submissions found to non-compliant. Also the building structural integrity required further investigation.  Procurement process to appoint cabling contractor will commence by the 1st quarter of the new FNYR  Meeting with NOSA to be set in the 1st quarter of the new FNYR  Further actioning on the report delayed due to other work prioritisation. Museum to engage with appointed structural engineers for another project to assist in further investigation of the building and the DPW Report.  None  Quote accepted and project to commence in the new FNYR
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			<ul style="list-style-type: none"> <li>1x museum main building access door replacement with glass sensor doors</li> </ul>	<ul style="list-style-type: none"> <li>Project not executed</li> </ul>	Deviation	Capacity constraints Project to commence in the new FNYR
			<ul style="list-style-type: none"> <li>1x museum main building access security gate replacement with 'Trellidoor' roller gate</li> </ul>	<ul style="list-style-type: none"> <li>Project not executed</li> </ul>	Deviation	Capacity constraints Project to commence in the new FNYR
			<ul style="list-style-type: none"> <li>2x feasibility studies for the upgrade of the 'accident site' monument and the integration of memorial sites related to Chief Albert Luthuli</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	Deviation	Capacity constraints Project to commence in the new FNYR



## PROGRAMME 2: BUSINESS DEVELOPMENT

Sub Programme A						
COLLECTIONS MANAGEMENT						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Globally map; accession and document collection and heritage material on Chief Albert Luthuli	1.1 Increased Museum collections through fieldwork research; general research and acquisitions	<ul style="list-style-type: none"> <li>10x Artefacts &amp; documents collected include, URL donation (Luthuli Nobel Voice file); 11 Posters on Satyagraha (In Pursuit of Truth); DVD titled Gandhi; King; Ikeda (Community Builders); DVD titled A force more powerful (A Century of Non Violence); Copies of papers on Luthuli; correspondence with Helen Joseph; Freedom Charter; Congress of the People; copies on ZK Matthews papers; 10x copies of Ilanga newspapers; 13x Eli Weinberg papers on Congress of the People; 2x copies of the Gandhi documentary; 11x posters on Gandhi's life in South Africa. For the 3<sup>rd</sup> quarter, 1x paper on 'State vs. Ngakane and others; 1x article titled, 'Foe of Apartheid' from Activist Archive; 2x books and CD voice recordings 5x on Luthuli and Kennedy from SABC Radio Archives.</li> <li>Not Achieved due to Capacity challenges within the organisation in terms of sourcing the requisite skill to implement the training</li> </ul>	<ul style="list-style-type: none"> <li>40x artefacts and documents collected</li> <li>80x artefacts &amp; documents digitally accessioned on Past Perfect System</li> </ul>	<ul style="list-style-type: none"> <li>16x historic photographs the 50's; 60's and 70's collected; 2x book donations one from Dr M Buthelezi (Biography) and another from Adv. Omar Moosa SC (History Islamic Education in SA); 1x DVD collected titled; '6 Days in SO WETO'. 80 newspaper articles of Ilanga and Drum magazine collected</li> <li>Only scanning of the new collection material implemented and 56 items digitally accessioned onto collections computer register for the reporting year</li> </ul>	<ul style="list-style-type: none"> <li>No Deviation</li> <li>Deviation</li> </ul>	<ul style="list-style-type: none"> <li>None</li> <li>Digital accessioning into the Past Perfect System did not take place due to lack of training on the system</li> </ul>

2. Preserve, protect and maintain museum collections & heritage material in line with the best collection management and preservation standards, policies and ethical practice	2.1 Accurately digitised and documented museum collection	<ul style="list-style-type: none"> <li>Not Achieved as Training on the Online Catalogue not implemented due to capacity challenges within the organisation to execute the work</li> </ul>	<ul style="list-style-type: none"> <li>50x artefacts &amp; documents uploaded on the Online Catalogue</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved as there was no available digitised data to work with</li> </ul>	Deviation	Planning capacity challenges and budget constraints. AO to personally intervene and work with assisting collections officer
	2.2 Performance monitoring of preservation and conservation policies		<ul style="list-style-type: none"> <li>2x reports on the implementation of the preservation and conservation policies</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	Deviation	Capacity challenges. AO to personally intervene and work with assisting collections officer in the new FNYR
	2.3 Maintained collections filing system	<ul style="list-style-type: none"> <li>The Institutional Memory File is updated with museum event video recordings; images; publications; etc.</li> </ul>	<ul style="list-style-type: none"> <li>2x reports on the museum institutional memory file</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	Deviation	Capacity challenges. AO to personally intervene and work with assisting collections officer in the new FNYR
	2.4 Maintained collections to acceptable international standards	<ul style="list-style-type: none"> <li>Temperature levels monitored by management in the collections room and the museum historic house</li> </ul>	<ul style="list-style-type: none"> <li>12x collections room access control register inspection reports</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	Deviation	Register ineffectively managed / controlled
			<ul style="list-style-type: none"> <li>12x pest control and fumigation reports on the museum buildings and environmentally controlled areas</li> </ul>	<ul style="list-style-type: none"> <li>Achieved. Pest control visits by RENTO KIL take place on the 15<sup>th</sup> of each month</li> </ul>	No Deviation	None

			<ul style="list-style-type: none"><li>▪ 4x collections rooms maintenance status reports</li><li>▪ 12x RH and temperature control reports for collections room and historic house exhibit</li></ul>	<ul style="list-style-type: none"><li>▪ Not Achieved</li><li>▪ Achieved. Temperature control and RH levels inspected every day and recorded by Curator monthly</li></ul>	<p>Deviation</p> <p>No Deviation</p>	<p>Reporting not effectively managed</p> <p>None</p>
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## Sub Programme B

### RESEARCH & EXHIBITIONS

Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Broaden and deepen the national and international appreciation of the life; times and legacy of Chief Albert Luthuli	1.1 Conceptualised; implemented and accurately verified museum exhibitions	<ul style="list-style-type: none"> <li>1x travelling exhibition not installed. Capacity challenges where the position of the Curator remained vacant during the reporting year until 3<sup>rd</sup> quarter</li> <li>1x Temporary exhibition installed. Capacity challenges where the position of the Curator remained vacant during the reporting year until 3<sup>rd</sup> quarter</li> <li>1x Permanent exhibition not installed. Capacity challenges where the position of the Curator remained vacant during the reporting year until 3<sup>rd</sup> quarter</li> <li>2x Conference / seminar papers not presented. Capacity challenges where the position of the Curator remained vacant during the reporting year until 3<sup>rd</sup> quarter</li> </ul>	<ul style="list-style-type: none"> <li>1x travelling exhibition installed</li> <li>1x temporary exhibition installed</li> <li>1x permanent exhibition installed</li> <li>2x conference / seminar papers presented</li> </ul>	<ul style="list-style-type: none"> <li>Achieved. 1x biographical exhibition on Chief Albert Luthuli installed in Newcastle, Carnegie Art Gallery</li> <li>1x temporary exhibition installed on Human Rights, titled, 'Bills of Rights.</li> <li>Not Achieved as there was no available digitised data to work with</li> <li>Plans to present paper at forthcoming SAMMA conference in March 2017. Presentation of paper cancelled due to work overload</li> </ul>	<ul style="list-style-type: none"> <li>No Deviation</li> <li>No Deviation</li> <li>Deviation</li> <li>Deviation</li> </ul>	<ul style="list-style-type: none"> <li>None</li> <li>None</li> <li>Resignation of the Curator. Director to personally intervene and reconcile work done by the Curator</li> <li>Resignation of the Curator.</li> </ul>

	<p>1.2 Produced; managed and promoted new knowledge on Chief Albert Luthuli</p> <p>1.3 Accurately researched; verified and managed museum collections and artefacts</p>	<ul style="list-style-type: none"> <li>• 1x Publication on Chief Albert Luthuli achieved where Publication produced for the Chief Albert Luthuli Memorial Lecture and also a Learners Manual produced</li> <li>• No achievement in 50x Artefacts and documents researched; verified and documented.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1x publication on Chief Albert Luthuli</li> <li>▪ 40x artefacts and documents researched and verified</li> </ul>	<p>▪ Not Achieved</p> <p>▪ Not Achieved</p>	<p>Deviation</p> <p>Deviation</p>	<p>Lack of planning &amp; implementation capacity</p> <p>Lack of planning &amp; implementation capacity</p>
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Sub Programme C						
EDUCATION						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
2. Broaden and deepen the national and international appreciation of the life; times and legacy of Chief Albert Luthuli	2.1 Conceptualised; & implemented Chief Albert Luthuli Education Fund	Not Applicable	<ul style="list-style-type: none"> <li>1x Chief Albert Luthuli Education Fund established</li> </ul>	<ul style="list-style-type: none"> <li>Draft concept document only developed &amp; no cost estimate done</li> </ul>	Deviation	Capacity constraints and Curator resigned 31 March 2017. New Project Plan to be redesigned
	2.2 Convened public seminar / colloquium or dialogue promoting public discourse	Not Applicable	<ul style="list-style-type: none"> <li>1x themed public seminar / colloquium / dialogue organised</li> </ul>	<ul style="list-style-type: none"> <li>Youth dialogue and Women Dialogue took place respectively during month of June &amp; August in the 2nd quarter</li> </ul>	No Deviation	None

## PROGRAMME 3: PUBLIC ENGAGEMENT

Sub Programme A						
MARKETING						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Increase the profile and awareness of the museum through print; electronic media; marketing strategies and product development	1.1 Implemented; sustained and strategically focused marketing campaigns	<ul style="list-style-type: none"> <li>Campaigns implemented include promotions at TOURISM INDABA; 21 July commemoration of CAL death; Chief Albert Luthuli Memorial Lecture; Valentine Day celebration event; Africa Meet Tourism event</li> </ul>	<ul style="list-style-type: none"> <li>4x marketing &amp; promotions campaigns</li> </ul>	<ul style="list-style-type: none"> <li>Media campaigns implemented for events, i.e. Africa Month Music Concert 27/05/16, Chief Albert Luthuli Tribute Concert; Luthuli Walk; Women's Month Live Music Concert. Chief Albert Luthuli Memorial Lecture held 26/11/16</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>Reports from the Marketing Manager achieved regarding promotions</li> <li>Only 3x surveys implemented at the Music Live Concerts and the 16 June Youth Day Dialogue</li> </ul>	<ul style="list-style-type: none"> <li>4x marketing assessment reports</li> <li>12x museum visitors satisfactory surveys</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> <li>6x monthly surveys achieved totalling 381 visitor satisfactory positive comments on the visitors' book for the 1<sup>st</sup> and 2<sup>nd</sup> quarter. Surveys for the 3<sup>rd</sup> and 4<sup>th</sup> quarters not implemented</li> </ul>	Deviation	Assessments not in the form of formal report
		<ul style="list-style-type: none"> <li>Museum staff members wore branded T-shirts on Fridays and at events; also they circulate museum promotional material at functions</li> </ul>	<ul style="list-style-type: none"> <li>2x customer services and corporate branding campaigns</li> </ul>	<ul style="list-style-type: none"> <li>Campaign organised on 31/05/16 Kennedy Luthuli 50th commemoration event in terms of support for the event and staff branded wear for the occasion. Also throughout the year staff wore branded T= Shirts on Fridays</li> </ul>	No Deviation	Resignation of the Marketing Manager in the 3 <sup>rd</sup> quarter

		<ul style="list-style-type: none"> <li>Achieved where promotional shortened version of Luthuli documentary video screened special for SADC delegation</li> </ul>	<ul style="list-style-type: none"> <li>1x museum 5 minute promotional video</li> </ul>	<ul style="list-style-type: none"> <li>Promotional video shot included footage of interview of student on CAL legacy; International Museums Day and uploading of the content on YOUTUBE</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>Brochures reprinted for promotional purposes</li> <li>Media coverage achieved in the North Coast Courier; Isolezwe; Ilembe Eyethu; Primary News; Sunday Tribune and social media</li> </ul>	<ul style="list-style-type: none"> <li>2x museum promotional brochure and / publication</li> <li>4x print and electronic media reports</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> <li>4x Reports submitted by the Education Subprogramme included coverage of events on ECR; Ukhozi FM; SABC TV News; ETV News; Newspapers incl. the Mercury; Daily News; SOWETAN; Citizen; Times; City Press; Pretoria News; The Star; North Coast Courier; Stanger Weekly and Online News like, VO A News; IOL News Live. These were collated by the Education Subprogramme</li> </ul>	Deviation  Deviation	Capacity challenges  Reports submitted but YouTube and Radio Live Reads were not collected at time of audit for POE
		<ul style="list-style-type: none"> <li>Listing on Brabys and KZN Tourism publications</li> <li>Advertising PAN African 10 Year Anniversary and SOWETAN Soccer Anniversary publications</li> </ul>	<ul style="list-style-type: none"> <li>3x listing in local; regional; national &amp; international directories</li> <li>3x museum advertising in publicity magazines</li> </ul>	<ul style="list-style-type: none"> <li>Listing in the North Coast Courier Fast Finder.</li> <li>Advertising achieved in New Agenda &amp; African Safaris publications and a Durban community magazine</li> </ul>	Deviation  No Deviation	Resignation of Marketing Manager  None

		<ul style="list-style-type: none"><li>▪ Museum participated and promoted at the UHURU Arts Festival in Groutville; Grahamstown National Arts Festival; Africa Meets Conference in Sandton; Tourism IN DABA in Durban; AWESOME Ilembe Festival in Mandeni</li><li>▪ Not achieved as only 3 media releases were implemented</li></ul>	<ul style="list-style-type: none"><li>▪ 4x participation in promotional fairs / tourism events / festivals</li><li>▪ 40x media releases promoting public programmes &amp; profiling events</li></ul>	<ul style="list-style-type: none"><li>▪ Participated in the Durban Tourism IN DABA from 7 -9 May 2016 and the Ballito Surf PRO from 22 June - 3 July 2016 and the Awesome Ilembe Festival on 27 December 2016</li><li>▪ 7 media releases one for CAL Prayer Concert; Women's Day Dialogue; National Children's Arts Performance; Spring &amp; Heritage Month Concert; Call out for Music Business Education Programme; UHURU Committee candidates nomination; Ilembe Supplement</li></ul>	No Deviation	None
1.2 Effectively managed museum promotional shop operations	<ul style="list-style-type: none"><li>▪ 48x Museum shop sales reconciliation report not achieved as the shop remains closed</li><li>▪ 4x Quarterly museum shop financial report not achieved as the shop remains closed</li><li>▪ 2x Museum shop controls; monitoring; sales; products; financial reconciliation status report not achieved as the shop remains closed</li><li>▪ 2x museum shop stock control and purchase report not achieved as the shop remains closed</li></ul>	<ul style="list-style-type: none"><li>▪ 48x shop sales recon report not achieved</li><li>▪ 4x shop quarterly reports</li><li>▪ 2x shop controls; monitoring; sales; financial recon status report</li><li>▪ 2x shop stock control &amp; purchase report</li></ul>	<ul style="list-style-type: none"><li>▪ Museum promotional shop not operational</li><li>▪ Museum promotional shop not operational</li><li>▪ Museum promotional shop not operational</li><li>▪ Museum promotional shop not operational</li></ul>	Deviation	Promotional Shop Project Implementation Plan with a revised schedule developed	
				Deviation	Promotional Shop Project Implementation Plan with a revised schedule developed	
				Deviation	Promotional Shop Project Implementation Plan with a revised schedule developed	
				Deviation	Promotional Shop Project Implementation Plan with a revised schedule developed	



Sub Programme B						
SOCIAL MEDIA						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Manage the museum website and associated social media as important portals to inform; educate and profile the museum	1.1 Increased and sustained social media presence	<ul style="list-style-type: none"> <li>Only 2x Social Media Meetings took place in the 4<sup>th</sup> quarter with newly appointed Marketing Manager</li> </ul>	<ul style="list-style-type: none"> <li>12x social media committee meetings &amp; reports</li> </ul>	<ul style="list-style-type: none"> <li>12x Social Media Committee meetings did not take place as planned</li> </ul>	Deviation	Challenges in convening the meetings and the resignation of the Marketing Manager in the 3 <sup>rd</sup> quarter
		<ul style="list-style-type: none"> <li>Reports for the reporting year received from WSI website hosting and service provider</li> </ul>	<ul style="list-style-type: none"> <li>12x website and online catalogue reports</li> </ul>	<ul style="list-style-type: none"> <li>Achieved as reports submitted by service provider every month</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>Facebook uploads achieved and implemented by the Education Officer for all programmes and promotional activities</li> </ul>	<ul style="list-style-type: none"> <li>144x Facebook uploads</li> </ul>	<ul style="list-style-type: none"> <li>Achieved.</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>Electronic reports received from WSI for the website administration and monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>4x website administration &amp; monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>Achieved. Reports submitted by the Education Officer</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>Online catalogue reports received as part of the WSI monthly reports</li> </ul>	<ul style="list-style-type: none"> <li>4x museum online catalogue upload &amp; monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>Not Achieved</li> </ul>	Deviation	Planning and capacity challenges

Sub Programme C						
EDUCATION & TOURS						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Organise an annual calendar of dynamic educational programmes; tours and public events	1.1 Managed and increased public access to educational programmes	<ul style="list-style-type: none"> <li>Poetry sessions took place at the Museum every 2<sup>nd</sup> week of the month and included excursions for the members to other poetry sessions in the Province</li> </ul>	<ul style="list-style-type: none"> <li>12x UHURU Poetry club sessions</li> </ul>	<ul style="list-style-type: none"> <li>10x Poetry sessions took place on 16/04/16; 7/05/17; 8/10/16; 29/10/16; 3/12/16; 11/03/17; 2/07/16; 30/07/17; 10/08/16</li> </ul>	Deviation	Sessions reviewed in consideration of reduced numbers of participants
		<ul style="list-style-type: none"> <li>3x Holiday programmes for children took place during the; Easter Holidays; June / July Holidays; September holidays and also December / January holidays with varied stimulating activities that are physical; creative &amp; also educational</li> </ul>	<ul style="list-style-type: none"> <li>4x children holiday programmes</li> </ul>	<ul style="list-style-type: none"> <li>Holiday programmes took place with local children during the school breaks in the year</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>The festivals include 'Time of the Writer'; 'Durban International Film Festival'; 'Poetry Africa'; which were partnership events with the Centre for the Creative Arts</li> </ul>	<ul style="list-style-type: none"> <li>3x arts and culture festivals</li> </ul>	<ul style="list-style-type: none"> <li>Time of the Writer Festival; Poetry Africa Festival; and Awesome Llembe Music Festival</li> </ul>	No Deviation	None
		<ul style="list-style-type: none"> <li>18x Learner educational programmes during this reporting year include; creative writing for primary schools; Spell BEE; International Museums Day heritage education; International Literacy Day 'African Classics'; International Environment Day street cleaning campaign; IsiZulu Creative Writing Workshop; Live Music Workshops.</li> </ul>	<ul style="list-style-type: none"> <li>18x educational programmes</li> </ul>	<ul style="list-style-type: none"> <li>Creative Writing Workshop took place on 12 - 14/10/16; Chess Tournament on 17/12/16; Object Cultures in Museums on 9/12/16; 'It starts with a heartbeat' Research Launch on 2/12/16; Poetry Africa Exchange Workshop 13/10/16. Phansi Museum Human Rights Arts and Essay Competition; Music Business Awards Ceremony; Black History Month celebration</li> </ul>	No Deviation	None

Sub Programme D						
PUBLIC RELATIONS AND PROGRAMME						
Strategic Objective	Performance Indicators	Actual Achievement 2015/2016	Planned Target 2016/2017	Actual Achievement 2016/2017	Deviation from planned target to Actual Achievement for 2016/2017	Comment on deviations
1. Enhance the status of the Luthuli Museum through community outreach programmes	<p>1.1 Implement public relations and outreach programmes</p> <p>1.2 Informed museum stakeholders and interest groups</p>	<ul style="list-style-type: none"> <li>Programmes achieved included, 'Night at the Museum' educational programme for young girls; Heritage Day Dialogue under the theme; 'Our indigenous knowledge, our heritage'; Careers EXPO aimed at career counselling and guidance for learners; Food production project for the physically disabled; Music Business workshop education programme for youth.</li> <li>Museum Chess Club established for youth and learners and book club convened 1 meeting during this reporting year</li> <li>Museum participated in the Robben Island Summer Camp Programme and also the Germany education exchange programme</li> <li>Partially Achieved. 3x copies of 'Ishashalazi' Newsletters for the reporting year published</li> </ul>	<ul style="list-style-type: none"> <li>8x youth / learner or community capacity building programme</li> <li>2x museum youth clubs established &amp; programmed</li> <li>2x youth camps attended</li> <li>4x Quarterly Newsletters printed and distributed</li> </ul>	<ul style="list-style-type: none"> <li>6x Programmes achieved incl. the Careers EXPO and the Youth Dialogue hosted with Vukani MaAfrika. 'Night at the Museum' young girls' sleepover and Heritage Day Celebration event. Women's Knitting Project &amp; the Community Food Garden Project</li> <li>Chess Club continues to function including school children</li> <li>No Youth Camps attended</li> <li>Partially Achieved. Only 2x Newsletters were published and distributed</li> </ul>	<p>Deviation</p> <p>No Deviation</p> <p>Deviation</p> <p>Deviation</p>	<p>Challenges with planning and documenting of the events</p> <p>None</p> <p>Nelson Mandela Museum and Robben Island Museum did not organise the camps this reporting year</p> <p>The last two were in preparatory stage and not published due to capacity challenges in the organisation</p>

	1.3 Developed and sustained Luthuli Museum strategic partnerships	<ul style="list-style-type: none"> <li>10x partnerships established / maintained</li> </ul>	<ul style="list-style-type: none"> <li><b>10x partnerships established / maintained</b></li> </ul>	<ul style="list-style-type: none"> <li>Partnership established with Stanger Hospital Choral Music Choir which performed at the 2016 Chief Albert Luthuli Memorial Lecture; &amp; the AWESOME Africa Music Festival which took place on the 27 December 2016. Ukhozi FM which broadcast the Nokukhanya Luthuli Lecture live on 24 March 2017; Gcina Masiko Heritage where its founder Dr Gcina Mhlophe gave keynote address at the Nokukhanya Luthuli Lecture; Mzala Nxumalo Centre. (where Museum is negotiating an MOU) Partnerships maintained with Enterprise Lembe which gave us platform to promote Museum at DURBAN IN DABA stand; EThekweni Municipality which participates in Luthuli Museum events. Partnership created with Phansi Museum for the Human Rights Day and MOU signed.</li> </ul>	No Deviation	None
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# Human Resources



## E. HUMAN RESOURCES

### 1. Personnel Expenditure

The total staff complement of the Luthuli Museum is:

**Table 1: Personnel costs for the financial year under review (R'000)**

Total Budget	Total Staff Expenditure	Training Expenditure	Pension Fund contribution	Staff Expenditure as a % of Budget	Average personnel cost per employee
9,773	4,442	72	513	45%	296

**Table 2: Amount and % of key personnel costs (R'000)**

Salaries (basic)		Casual Wage		Housing Allowance		Medical Aid	
Amount	Salary as a % cost of personnel cost	Amount	As a % of personnel cost	Amount	As a % of personnel cost	Amount	As a % of personnel cost
3,588	80.8%	8	0.2%	10	0.2%	333	7.5%

## 2. Employment and Vacancies

**Table 3:** Employment and Vacancies for the financial year under review

Number of posts	Number of posts filled	Vacant posts as of 31 March 2015	Vacancy rate %
17	2	2	11.8%

## 3. Employment changes

**Table 4:** Annual turnover rates by salary levels for the period under review

Number of employees as at April 2015	Appointments	Terminations and Resignations	Turnover rate	Number of employees at 31 March 2015
14	2	1	5.9%	15

#### 4. Employment Equity

The Luthuli Museum has to comply with the Employment Equity Act because it is a public institution. The Museum is registered with the Department of Labour as such.

**Table 5:** Total number of employees

Description	Total	African		Coloureds		Indians		Whites	
		M	F	M	F	M	F	M	F
Senior Management	1	1		-	-	-	-	-	-
Middle Management	3	2	1	-	-	-	-	-	-
High level specialists	6	3	2	1	-	-	-	-	-
Supervisor and high level skilled / clerical	4	3	1	-	-	-	-	-	-
Craft and related trades	3	1	2	-	-	-	-	-	-
TOTAL	17	10	6	1	-	-	-	-	-

**Table 6:** Recruitment, promotion and termination

Type	Number	Africans	Coloureds	Indians	Whites	% Total
Death	-	-	-	-	-	-
Resignation	-	1	-	-	-	-
Expiry of contract	1	1	-	-	-	-
Dismissal – operational changes	-	-	-	-	-	-
Promotion	-	-	-	-	-	-
Discharged due to ill health	-	-	-	-	-	-
Retirement	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Number of employees who left as a % of the total employment	17	-	-	-	-	0



**Table 7:** Disciplinary Action

Description	Total	African		Coloureds		Indians		Whites	
		M	F	M	F	M	F	M	F
Senior Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Middle Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
High level specialists	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Supervisor and high level skilled / clerical	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Craft and related trades	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL									

**Tale 7.1** Outcomes of Disciplinary Hearings

Description	Number
Correctional counselling	0
Verbal warnings	0
Written warnings	0
Final written warning	0
Suspension without pay	0
Fine	0
Demotion	0
Dismissal	0
Not guilty	0
Case withdrawn	0
Total	0

**Table 8: Skills Development**

Description	Total	African		Coloureds		Indians		Whites	
		M	F	M	F	M	F	M	F
Senior Management	1	1							
Middle Management	1	1							
High level specialists	6	4	2						
Supervisor and high level skilled / clerical	4	3	1						
Craft and related trades	3	1	2						
<b>TOTAL</b>	<b>15</b>	<b>10</b>	<b>5</b>						

**1. Utilisation of leave**

Annual leave is not accumulated, it is forfeited if it is not utilised within the specified period

**2. Injury on duty**

In this financial year there were no injuries on duty.

**3. Utilisation of consultants**

The Luthuli Museum made use of the following consultants: MRB to upgrade Pastel Accounting; Ngubane Incorporated Consulting for internal audit; HR Torque for payroll and human resource management; Virtuenet for IT Support; WSI for website hosting & Support; GTI Marketing for collections Online Catalogue hosting & support; Harber & Associates for project oversight study for the repair & maintenance work on Luthuli's original 1927 home; Mikula & Wilson Architects for technical assistance in repair & maintenance of the UCC Groutville Church & Luthuli's grave.

# Auditor General's Report



## **AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2017 LUTHULI MUSEUM**

## Report of the auditor-general to Parliament on Luthuli Museum

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of Luthuli Museum set out on pages 57 to 85, which comprise the statement of financial position as at 31 March 2017, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Luthuli Museum as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

#### Basis for opinion

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

#### Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the SA 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.
7. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting authority intends to either liquidate the entity or cease operations, or has no realistic alternative but to do so.



## Auditor-general's responsibilities for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

## Report on the audit of the annual performance report

### Introduction and scope

10. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
11. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 – business development	30 - 35
Programme 3 – public engagement	36 - 42

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid,

## **Leadership**

30. The accounting authority did not exercise oversight responsibility over the preparation of the financial statements, annual performance report and compliance with key legislation.

## **Financial and performance management**

31. The accounting officer and management did not implement a proper record management system for the reporting of performance information and supply chain management.

32. Supply chain management, financial reporting and reporting on predetermined objectives were not adequately reviewed and monitored.

## **Governance**

33. The audit committee and internal audit unit did not adequately review reporting on predetermined objectives and the financial statements.

*Auditor General*

Pietermaritzburg

31 July 2017



**AUDITOR - GENERAL  
SOUTH AFRICA**

*Auditing to build public confidence*

### **Communication with those charged with governance**

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



# **Annual Financial Statements for Year Ending 31 March 2017**

## LUTHULI MUSEUM

### FINANCIAL STATEMENTS

for the year ending 31 March 2017

## Contents

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### (a) Approval of the annual financial statements

The annual financial statements for the year ended 31 March 2017, set out on pages three to eighteen, were approved by the Council on 25 May 2017 and are signed on its behalf by:



Julandlwazi Newane  
Finance Manager

Brian Xaba  
Director

Jasulani Sithole  
Council Chairperson

## **Luthuli Museum Annual Financial Statements for the year ended on 31 March 2017**

### **Council members:**

#### **Council members for the reporting period:**

Mr Jabulani Sithole	Chairperson
Advocate Motlatjo Ralefatane	Deputy Chairperson
Dr Albertinah Luthuli	Member
Mr Mthunzi Luthuli	Member
Dr Mxolisi Russel Mchunu	Member
Prof Nomfundo Luswazi	Member
Mr Maupe George Kgarume	Member

#### **Director**

Mr Brian Xaba

#### **Secretary**

Mrs Nana Mzoneli

#### **Audit committee**

Mr Bruce Sutcliffe	Chairperson
Mr Mthunzi Luthuli	Member
Advocate Motlatjo Josephine Ralefatane	Member
Mr Maupe George Kgarume	Member

#### **Bankers**

First National Bank

#### **Auditors**

Auditor General

#### **Registered office**

PO Box 1869, Stanger 4450

3233 Nokukhanya Luthuli  
Street, Groutville, 4450



# Annual Financial Statements for the year ended 31 March 2017

## LUTHULI MUSEUM STATEMENT OF FINANCIAL POSITION as at 31 March 2017

### Assets

#### Non-current assets

		<b>6,051</b>	6,258
Property, plant and equipment	16	<b>903</b>	1,099
Intangibles	18	<b>19</b>	35
Heritage Assets	19	<b>5,129</b>	5,124

#### Current assets

		<b>12,567</b>	7,857
Loans and receivables	11	<b>65</b>	288
Cash and cash equivalents	12	<b>12,452</b>	7,565
Inventory	17	<b>50</b>	4

#### Total assets

<b>18,618</b>	<b>14,115</b>
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### Funds and liabilities

#### Funds and reserves

Accumulated surplus		<b>6,543</b>	8,800
Revaluation Reserve	19.2	<b>4,818</b>	4,818
		<b>11,361</b>	13,618

#### Current liabilities

		<b>7,257</b>	497
Accounts Payable	13	<b>214</b>	88
Provisions	14	<b>576</b>	409
Unspent Conditional Grant	27	<b>6,467</b>	-

#### Total funds and liabilities

<b>18,618</b>	<b>14,115</b>
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# Annual Financial Statements for the year ended 31 March 2017

## **LUTHULI MUSEUM STATEMENT OF FINANCIAL PERFORMANCE as at 31 March 2017**

Revenue			
Government and other grants	2	<b>9,560</b>	9,477
Income from investments	10	<b>484</b>	434
Sales of DVD's	4	<b>1</b>	1
Other Income	3	<b>26</b>	5
Total income		<b>10,071</b>	9,917
Expenditure			
Admin expenses	5	<b>1,046</b>	875
Staff Costs	6	<b>5,868</b>	5,152
Marketing	7	<b>1,509</b>	1,440
Audit fees	8	<b>705</b>	653
Operating expenses	9	<b>3,200</b>	2,425
		<b>12,328</b>	10,545
(Deficit)/Surplus for the year		<b>-2,257</b>	-628

## Annual Financial Statements for the year ended 31 March 2017

### STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2017

	NOTES	Accumulated Surplus	Total Net Assets
		R '000	R'000
Balance as at 1 April 2015		9,265	9,265
Prior Year error		163	163
Balance as at 1 April 2015		9,428	9,428
Deficit		-628	-628
Balance as at 31 March 2016		8,800	8,800
Deficit for the year		-2,257	-2,257
Balance as at 31 March 2017		6,543	6,543

## Annual Financial Statements for the year ended 31 March 2017

### CASH FLOW STATEMENT for the year ended 31 March 2017

	NOTES	2016/17 R'000	2015/16 R'000
<b>Cash flow from operating activities</b>			
Cash receipts		16,537	9,914
Transfers and subsidies		16,027	9,477
Income from investments		480	431
Sale of DVD's		1	1
Other operating income		29	5
Cash payments		-11,630	-10,333
Compensation of employees		-5,868	-5,123
Goods and services		-5,762	-5,210
<b>Net cash generated from operating activities</b>	15	<u>-4,907</u>	<u>-419</u>
<b>Cash outflow from investing activities</b>			
Acquisition of :			
Property, plant and equipment	16	-15	-175
Heritage Assets	19	-5	-4
<b>Net cash flows from investing activities</b>		<u>-20</u>	<u>-179</u>
Net( decrease) in cash and cash equivalents		4,887	-598
Cash and cash equivalents at beginning of year		7,565	8,163
<b>Cash and cash equivalents at the end of the year</b>	12	<u><u>12,452</u></u>	<u><u>7,565</u></u>

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## 1 Accounting policies

### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standard Board in accordance with Section 55(1)(b) of the Public Finance Management Act, (Act, No. 1 of 1999 as amended by No. 29 of 1999). Assets, liabilities, revenues and expenses have not been offset except where is required or permitted by a Standard of GRAP. The accounting policies are applied consistently with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for financial instruments that have been measured at fair value.

These accounting policies are consistent with the previous years.

Standard of GRAP approved by the Accounting Standard Board and applicable to The Luthuli Museum.

GRAP 1 Presentation of financial statements

GRAP 2 Cash flow statements

GRAP 3 Accounting policies, changes in accounting estimates and errors

GRAP 6 Consolidated financial statements and accounting for controlled entities

GRAP 9 Revenue from exchange transactions

GRAP 12 Inventories

GRAP 13 Leases

GRAP 14 Events after the reporting date

GRAP 17 Property, plant and equipment

GRAP 19 Provisions, contingent liabilities and contingent asset

GRAP 100 Non-current Assets Held for Sale and Discontinued Operations

GRAP 31 Intangible Assets

IPSAS 20 Related Party Disclosures

GRAP 23 Revenue from Non-exchange Transactions (Taxes and Transfers)

GRAP 24 Presentation of Budget Information (principle of policy applied)

GRAP 25 Employee Benefits

GRAP 26 Impairment of Cash-generating Assets (not applicable to The Luthuli Museum)

GRAP 103 Heritage Assets

GRAP 104 Financial Instruments

The following statements of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board are in issue but not applicable to The Luthuli Museum:

GRAP 4 The effects of changes in foreign exchange rates

GRAP 5 Borrowings

GRAP 6 Consolidated financial statements and accounting for controlled entities

GRAP 7 Accounting for investments in associates

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

GRAP 8 Financial reporting of interest in joint ventures

GRAP 10 Financial reporting in Hyperinflationary Economies

GRAP 11 Construction Contracts

GRAP 16 Investment Property

GRAP 26 Impairment of Cash-generating Assets(not applicable to The Luthuli Museum) GRAP 100 Non-current Assets Held for Sale and Discontinued Operation

GRAP 27 Agriculture

IFRS 4 Insurance Consultants

IAS 12 Income Taxes

IGRAP 3 Determine whether an Arrangement contains a Lease

IFRIC 12 Service Concession Arrangements

IGRAP 6 Customer Loyalty Programmes

IGRAP 7 The Limit on a Define Benefit Asset, Minimum Funding Requirements and their Interaction

IGRAP 8 Agreements for the Construction of Assets from Exchange Transactions

GRAP 21 Impairment of Non-cash generating Assets(not applicable to The Luthuli Museum)



# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies** **1.1 Basis of preparation (Continued)**

### **1.2 Property, plant and equipment and intangibles**

**1.2.1** Property, plant and equipment are stated at historical cost less depreciation and accumulated impairments losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to The Luthuli Museum and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance should be expensed in the Statement of Financial Performance in the financial period in which they are incurred.

The useful life and depreciation method of assets is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining depreciation and amortisation charges. The residual value of property, plant and equipment is zero where the assets are to be used for the entire economic life.

#### **1.2.2 Inventories**

Inventories are measured at the lower of cost or net-realisable value.

#### **1.2.3 Depreciation**

Depreciation is calculated on the straight line method to write off the cost of each asset to its estimated residual values over its estimated useful life as follows:

Equipment	16.66%	(6 years)
Furniture and fittings	16.66%	(6 years)
Computer equipment	33.33%	(3 years)
Machinery	25%	(4 years)
Motor Vehicles-cars	25%	(4 years)
-bakkie	25%	(4 years)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating surplus/deficit.

The Department of Public Works is the legal owner of the Land and Building occupied by The Luthuli Museum. The Department of Public Works is responsible for all major capital repairs to the buildings; the current threshold is R100, 000. All expenditure less than this amount is done by The Luthuli Museum.

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

#### **1.2.4 Intangible assets**

The useful life and amortisation method of intangible asset is reassessed on an annual basis and any change in estimate is taken into account in the determination of remaining amortisation charges. The residual value of intangible asset is zero where the assets are to be used for the entire economic life.

Intangible assets are shown at costs less accumulated amortisation and impairment losses. The amortisation method is as follows;

Software-straight-line over the useful life of 3 years.

#### **1.2.5 Heritage assets**

Heritage assets are assets that are in the form of documents, photographs, books, audio-visuals, paintings and other artefacts, and are held indefinitely for the benefit of present and future generations. Heritage assets are recognised as an asset if, and only if: (a) it is probable that future economic benefits or service potential association with the asset will flow to the entity, and (b) the cost or fair value of the asset can be measured reliably.

After recognition as an asset, a class of heritage assets, fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

Revaluation shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair valued at the reporting date.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in surplus or deficit. However, the decrease shall be debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of the heritage assets.

#### **1.2.6 Inventories**

Inventories are valued at the lower of cost or net realisable value. Inventory comprises Goolam Suleman Books and DVD's. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. Books and DVDs are used for sale and promotion. Books and DVDs given to guest as promotion or donation are written off as an expense in the in the statement of financial performance under Adverts and Promotions.

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## 1.4 Financial Instruments

### **Measurement**

Financial Instruments are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

Financial assets and financial liabilities are recognised on the Museum's Statement of Financial Position when the Museum becomes a party to the contractual provisions of the instrument.

### **Loans and receivables**

Loans and receivables are non-derivate financial assets that are not quoted in an active market and with no intention of trading. They are included under current assets in the statement of financial position.

### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and other short term high liquid investments with maturity of less than three months.

### **Trade and other payables**

Trade and other payables are stated at cost. Trade and other payables are discounted using the effective interest rate where applicable.

### **Gains and Losses on subsequent Measurement**

Gains and Losses arising from a change in the fair value of financial instruments that are not part of a hedging relationship are included in net profit or loss in the period in which the change arises.

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

#### **1.5 Revenue**

##### **Grants**

Revenue related to operational expenditure is recognised as revenue when it is probable that the transfer payment will be received and the amount can be estimated reliably, unless, an obligation exists to use the transferred resources in a certain way or return the resources to the transferor. Where it is a requirement to only use the resources in a certain way with no corresponding requirement to return those resources, then no obligation exists and the revenue is recognised. Where an obligation exists, the resource is recognised as deferred revenue until the obligations are met and then recognised as revenue.

##### **Interest**

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

##### **Other Income**

Other Income is recognised when it is probable that the future economic benefits will flow to the enterprise and it can be measured reliably.

#### **1.6 Provisions**

Provisions are recognised when The Luthuli Museum has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying financial benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate the risks specific to the liability.

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

#### **1.7 Employee Benefits**

##### **Retirement benefit plans**

It is the policy of The Luthuli Museum to provide retirement benefits for the employees. The Luthuli Museum's contributions in respect of defined contribution plan are expensed as incurred.

##### **Other post-employment benefits**

The Luthuli Museum does not provide post-employment healthcare benefits to their retirees.

##### **Termination benefits**

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Luthuli Museum recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

#### **1.8 Revenue from non-exchange Transactions**

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

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

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies** **1.1 Basis of preparation (Continued)**

### **1.9 Revenue from Exchange Transactions**

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

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

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

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

#### **Interest Income**

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

#### **Other Income**

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

### **1.10. Contingent Liabilities**

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



# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

#### **1.11 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 the risk and rewards incidental to ownership.

**Finance leases** are recognised as assets and liabilities in the Statement of Financial Position at amounts equal to 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

The **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.

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to the use of the asset. The classification of the lease is determined using GRAP 13-Leases.

#### **Operating leases**

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 asset/liability.

This liability is not discounted.

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

The Luthuli Museum is the lessee of the rental lease agreement.

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## **1 Accounting policies**

### **1.1 Basis of preparation (Continued)**

#### **1.12 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.

#### **1.13 Related Parties**

##### **1.13.1 Department of Arts and Culture**

Grants received for the financial year amounted to R 15,842,000 and for the year 2017/2018 will amount to R 14,364,000.

##### **1.13.2 Department of Public Works**

The Department of Public Works is the legal owner of the Land and Building occupied by The Luthuli Museum. The Department of Public Works is responsible for all major capital repairs to the buildings; the current threshold is R100, 000. All expenditure less than this amount is done by The Museum.

##### **1.13.3 Council**

The Council has been appointed by the Minister of Arts and Culture to oversee and ensure corporate governance. Council has various sub-committees such as Finance, Audit, Human Resources and Curatorial that guide and assist management which is appointed by Council.

## Notes for the Annual Financial Statements for the year ended 31 March 2017

### 2. NON EXCHANGE REVENUE

National Departments-Grant received	9,348	9,329
Municipal Charges Funded by DAC	212	148
	<u>9,560</u>	<u>9,477</u>

### 3. EXCHANGE REVENUE

Tender deposits	25	3
Ticket and book sales	1	2
	<u>26</u>	<u>5</u>

### 4. Dvd Sales

1	1
---	---

### 5. Administrative expenses

Computer expenses	152	143
Courier and Postage	35	24
Asset written off	5	-

#### Fees for services:

-Administrative	91	69
-Board members	214	145
Stationery and printing	62	116
Communication costs	184	135
Bank charges	31	28
Training and staff development	34	43
Rental Parking	26	24
Municipal Charges	212	148
<b>Total</b>	<u>1,046</u>	<u>875</u>

### 6. Staff costs

Wages and salaries	3,449	3,239
-Basic salaries	3,282	2,830
-Leave provision	167	409

### Senior Management Emoluments

	2,419	1,913
Director	877	910
Finance Manager	684	615
Curator	514	194
Marketing Manager	344	194
<b>Total</b>	<u>5,868</u>	<u>5,152</u>

## Notes for the Annual Financial Statements for the year ended 31 March 2017

### 7. Marketing costs

Advertising and Promotions	144	168
Exhibitions	20	17
Public Programmes	1,345	1,255
<b>Total</b>	<b>1,509</b>	<b>1,440</b>

### 8. Audit fees

	705	653
Statutory	505	408
Internal Audit	200	245

### 9. Other operating expenses

	1,582	1,143
Consultants, contractors and special services	1,369	956
Entertainment and Refreshments	25	12
Insurance	171	164
Subscriptions	17	11
Other expenses	1,618	1,282
-Machinery & Equipment	210	251
-Other maintenance, repairs and running costs	44	45
Depreciation -Assets carried at cost	205	219
Amortisation	16	-16
Municipal services	15	8
Travel and subsistence	913	759
Interest Paid	-	16
Debt Written off	215	-
<b>Total</b>	<b>3,200</b>	<b>2,425</b>

### 10. Finance Income

-Short-term investments	484	434
<b>Total</b>	<b>484</b>	<b>434</b>

### 11. Loans and receivables

Accrued income(interest)	29	25
Staff debtors	36	263
<b>Total</b>	<b>65</b>	<b>288</b>

### 12. Cash and cash equivalents

Cash and balances with banks	207	7,349
Short-term deposit/investments	12,245	216
<b>Total</b>	<b>12,452</b>	<b>7,565</b>

## Notes for the Annual Financial Statements for the year ended 31 March 2017

### 13.Accounts Payable

Accruals	214	88
<b>Total</b>	<b>214</b>	<b>88</b>

### 14.Provisions

<b>Opening balance</b>	<b>409</b>	<b>383</b>
Utilisation of provisions during the year	-	-
Unused amounts reversed during the year	-409	-380
Provisions made during the year	576	409
Less: current portion of provisions	-	-
<b>Closing balance</b>	<b>576</b>	<b>409</b>
<b>Analysis for reporting purposes:</b>	<b>576</b>	<b>409</b>
Non-current provisions	-	-
Current provisions	576	409

#### 14.1Provisions

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

### 15 Reconciliation of surplus/(deficit) for the year to cash generated by operations

Surplus /(deficit) for the year	-2,257	-628
Non-cash movements/working capital:	697	209
Depreciation	205	219
Amortisation	16	-16
Increase/ (decrease) in receivables	222	-138
(Increase)/decrease in provisions	167	29
Decrease/Increase in inventory	-47	1
Decrease/(increase) in payables	126	-49
(Decrease)/increase in the unspent conditional £ grants	6,467	-
Other non-cash item	8	163
Cash (utilised in) operations	4,907	-419

**Notes for the Annual Financial Statements for the year ended 31 March 2017**

16. Property, plant and equipment	Equipment	Motor Vehicles	Computer Hardware	Office Furniture & Fittings	Total
	R'000	R'000	R'000	R'000	R'000
Balance at 01/04/2015	115	316	379	334	1,144
Gross carrying amount	384	487	721	996	2,588
Accumulated depreciation	-269	-171	-342	-662	(1,444)
Additions	118	-	46	11	175
Depreciation & Write up/prior error	-1	-122	5	-101	-219
Carrying amount at 31/03/2016	231	194	430	244	1,099
Gross carrying amount	501	487	767	1,007	2,762
Accumulated depreciation	-270	-293	-337	-763	(1,663)
Additions	11	-	4	-	15
Depreciation & Write up/Prior error	-113	-23	-141	66	-211
Carrying amount at 31/03/2017	129	171	293	310	903
Gross carrying amount	512	487	771	1,007	2,777
Accumulated depreciation	-383	-316	-478	-697	(1,874)
	2017		2016		
	R'000		R'000		
17. Inventory					
Goolum Suleman Books	47		1		
Dvd's	3		3		
	50		4		

## Notes for the Annual Financial Statements for the year ended 31 March 2017

<b>18.Intangibles(Software)</b>	<b>2017 R'000</b>
<b>Opening net carrying amount 01 April 2015</b>	<b>34</b>
Gross carrying amount	54
Accumulated amortisation	-20
Additions	-
Amortisation & Write up	16
<b>Closing net carrying amount at 31 March 2016</b>	<b>35</b>
Gross carrying amount	54
Accumulated amortisation	-19
Additions	-
Amortisation	-16
<b>Closing net carrying amount at 31 March 2017</b>	<b>19</b>
Gross carrying amount	54
Accumulated amortisation	-35
<b>19 Heritage assets</b>	
<b>Opening net carrying amount at 01 April 2015</b>	
Gross carrying amount	<b>5,120</b>
Accumulated impairment	5,128
	-8
Additions	-
Revaluation	4,823
<b>Closing net carrying amount at 31 March 2016</b>	
Gross carrying amount	<b>5,124</b>
Accumulated impairment	5,132
	-8
Additions	
Impairment	5
	(-)
<b>Closing net carrying amount at 31 March 2017</b>	
Gross carrying amount	<b>5,129</b>
Accumulated impairment	5,137
	-8

## Notes for Annual Financial Statements for the year ended 31 March 2017

### 19.1 Heritage Assets

Luthuli Museum is in custody of items of heritage assets in the form of documents, photographs, books, audio-visuals, paintings and other artefacts which were evaluated by independent valuer: Gillian Scott-Berning Fine And Decorative Arts Consultants. The evaluation certificate was received by Luthuli Museum on the 11 of April 2014. These assets were evaluated using the current market value determine by market and cost to replace those assets. The total monetary value for all the items as at 31 March 2017 amounted to R 5,128,921.75(2016: R 5,123,789.30).

### 19.2 Revaluation Reserve

	2017 R'000	2016 R'000
Revaluation Reserve was determine as follows:		
Opening Balance	4,818	4,818
Revaluation Increase	-	-
Impairment Losses	-	-
Closing Balance	4,818	4,818

### 20. Tax exemption

The Luthuli Museum is exempted from taxation in terms Section 10 (1) (cA) (I) of the Income Tax Act.

### 21. Financial Instruments

#### 21.1 Overview

The Luthuli Museum has exposure to the following risks from its use of financial instruments.

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

The note presents information about Luthuli Museum's exposure to each of the risks, Luthuli Museum's objectives, policies and processes for measuring and managing risk, and Luthuli Museum's management of capital. Further quantitative disclosures are included throughout these financial statements. In terms of Treasury Regulations 27.2.1, issued in terms of the PFMA, the accounting authority (Council) must ensure that a risk assessment is conducted regularly to identify emerging risks in the entity. The Council has established an Audit Committee which is responsible for and monitoring Luthuli Museum's risks management policies.

Luthuli Museum's risk management policies are established to identify and analyse the risks faced by Luthuli Museum, to set appropriate risks limits and controls and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Luthuli Museum's activities.



## **Notes for the Annual Financial Statements for the year ended 31 March 2017**

Audit committee oversees how management monitors compliance with Luthuli Museum's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by Luthuli Museum. The Audit Committee is assisted in the oversight role at operations level by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risks management controls and procedures, results of which are reported to the Audit Committee.

### **21.2 Credit risk**

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

#### **21.2.1 Trade and other receivables**

Luthuli Museum has no significant exposure to credit risk. The credit risk applicable to Luthuli Museum as at 31 March 2017 amounted to: R 29,081(2016: R 25,000.00) Luthuli Museum policy is to monitor its exposure to credit risk on a monthly basis. At year end, the maximum exposure to credit risk is represented by carrying amount of each financial asset.

#### **21.2.2 Investments**

Luthuli Museum limits its exposure to credit risk by investing only in liquid securities and with approved banks and financial institutions.

#### **21.2.3 Liquidity risk**

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

An assessment is made of the payments due in advance. Monies are transferred to the current account to bi-monthly obligations. Any surpluses are invested on a Call Account. It is the policy of Luthuli Museum, not to borrow monies. There are thus no credit facilities available.

### **21.3 Market risk**

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

Luthuli Museum policy is to invest surplus cash. Optimal rates and policies are received from various institutions. Luthuli Museum is exposed to fluctuating market prices inherent in the trading of listed investments. The fair value of traded instruments is based on the market prices of those instruments. The exposure of Luthuli Museum to these investments as at 31 March 2017 amounted to R12,245,522.00(2016: R 7,349,008.00).

## Notes for the Annual Financial Statements for the year ended 31 March 2017

### 21.3.1 Currency risk

Luthuli Museum does not engage in foreign currency transactions and is thus not exposed to this risk.

### 21.3.2 Inherent rate risk

It is the policy of Luthuli Museum, not to borrow monies. There are thus no credit facilities available. There is thus no risk relating to changes in the interest rate.

### 21.3.2 Inherent rate risk

It is the policy of Luthuli Museum, not to borrow monies. There are thus no credit facilities available. There is thus no risk relating to changes in the interest rate.

### 21.4 Fair values

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

## 22 Commitments

At the reporting date, Luthuli Museum had no outstanding commitments.

## 23 Subsequent events

There were no significant events that occurred between reporting date and the date of this report.

## 24 Fruitless or wasteful expenditure

Reconciliation of the fruitless or wasteful expenditure:

	R'000	R'000
Opening balance	16	-
Fruitless and wasteful expenditure condoned by Council	-	16
	<u>16</u>	<u>16</u>

## 25. Lease

Operating lease rentals are expensed as they become due. The operating lease payments are recognised as an expense during the period that is disclosed in the statement of financial performance.

	31-Mar 2017 R'000	31-Mar 2017 R'000
<b>Operating lease commitments:</b>		
Due in year two year	26	24
Due between three and five years	96	122
	<u>122</u>	<u>146</u>

## 26 Contingent Liability

In terms of section 7.1 of the National treasury instruction note 6 of 2017/2018: “Public entities in Schedules 3A and 3C to the PFMA must, through their designated departments, surrender for re-depositing into the relevant Revenue Fund, all surpluses that were realized in a particular financial year where application was made to the relevant treasury to accumulate the surplus in terms of section 53(3) of the PFMA and was granted by the relevant treasury.

The accumulated surplus is disclosed as follows:

	<b>31-Mar 2017 R'000</b>	<b>31-Mar 2016 R'000</b>
<b>Details</b>		
Cash and cash equivalents	<b>12,452</b>	-
Add: Receivables	<b>65</b>	-
Less: Current liabilities	-	-
Less: Commitments	<b>7,257</b>	-
	-	-
<b>Surplus</b>	<b>5,260</b>	-

	<b>31-Mar 2017 R'000</b>	<b>31-Mar 2016 R'000</b>
<b>27 Unspent Conditional Grants</b>		
Balance unspent at the beginning of the period	-	-
Conditions met transferred to revenue	-	-
Current year receipts	<b>6,467</b>	-
Conditions still to be met at the	-	-
	<b>6,467</b>	-

Grant for capital works: these funds will be utilized to build Nokukhanya Luthuli Resource Centre.

## 28 Irregular Expenditure

There is potential irregular expenditure incurred by the entity and its validity is yet to be confirmed.

## Notes for the Annual Financial Statements for the year ended 31 March 2017

### 29 Budget STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: 2016/17

The budget was approved by the Council and submitted to the executive authority in terms of section 53 (1) of the PFMA. The Luthuli Museum presents its approved budget and the financial statements on the accrual basis.

The approved budget covers the period 1 April 2016 to 31 March 2017. The budget is approved by functional or programme classification in line with Luthuli Museum's strategic objectives and the Annual Performance Plan approved by its Council.

#### Budget Adjustment

The approved budget was revised based on the actual income and expenditure up to 30 September 2016, and projections were made for the period 1 October 2016 to 31 March 2017. Council of KwaZulu-Natal Museum.

	Actual	Budget	Variance		
SALES					
Sales - DVD's	500		500		
COST OF SALES				Variance	No.
OTHER INCOME				%	
Subsidy Income	9559704.24	8937704	806262.24	-100	1
Transfer from Investments		1888083	-1888083		
Luthuli Lecture		1122000	-1122000		
Interest - STANLIB	324383.04		324383.04		
Interest - FNB Money Market	150529.18		150529.18	9.21	1
Book Sale	1560		1560	-100	2
Interest on 32 Days' Notice					
Deposit	8939.87		8939.87	-100	3
Tender Deposits	24900		24900	-100	4
Other Income	410		410	-100	4
Donations Received		1000	-1000	-100	5
	10070426.33	11948787	-1694098.67		
EXPENSES					
Audit Fees - Internal Audit	199800.99	250000	50199.01	20.08	6
Audit Fees - External Audit	505236.43	351845	-153391.43	-43.6	7
Other Projects	848583.45	483996	-364587.45	-75.33	8
Security - OOE	519137.58	409128	-110009.58	-26.89	9
Adverts & Promotions	144243.24	152844	8600.76	5.63	10
Exhibitions	20343.3	39168	18824.7	48.06	11
Public Programs - Marketing	750882.74	678192	-72690.74	-10.72	12

## Notes for the Annual Financial Statements for the year ended 31 March 2017

Luthuli Lecture 2016	593924.27	513834	-80090.27	-15.59	<b>13</b>
Debt Written Off	215231.34		-215231.34	-100	<b>14</b>
Bank Charges - AE	30849.14	32233	1383.86	4.29	<b>15</b>
Cleaning - OOE	43633.43	35930	-7703.43	-21.44	<b>16</b>
Computer Expenses - AE	152417.19	174381	21963.81	12.6	<b>17</b>
Consultation Fees - OOE	549	1098	549	50	<b>18</b>
Courier & Postage - AE	34561.61	26661	-7900.61	-29.63	<b>19</b>
Depreciation - OOE	220796.79	563545	342748.21	60.82	<b>20</b>
Donations	555		-555	-100	<b>21</b>
Water and Electricity	226805.96	67876	-158929.96	-234.15	<b>22</b>
Refreshments - OOE	25283.97	17875	-7408.97	-41.45	<b>23</b>
HR - Administration Costs	90711.19	99000	8288.81	8.37	<b>24</b>
Asset Written Off	5190.06		-5190.06	-100	<b>25</b>
Insurance - OOE	170937.28	185064	14126.72	7.63	<b>26</b>
Rental Paid	26347.2		-26347.2	-100	<b>27</b>
Legal Fees		50000	50000	100	<b>28</b>
Motor Vehicle Expense- OOE	74702.98	66280	-8422.98	-12.71	<b>29</b>
Print-Annual Rep.& Broch	8475.9	11616	3140.1	27.03	<b>30</b>
Stationery -AE	53797.82	42888	-10909.82	-25.44	<b>31</b>
Repairs & Maint- OOE	210031.52	163068	-46963.52	-28.8	<b>32</b>
Salaries	5865965.42	6451491	585525.58	9.08	<b>33</b>
Casual Wages	2520	3360	840	25	<b>34</b>
Training & Development - AE	34086	33576	-510	-1.52	<b>35</b>
Protective Clothing - AE		5350	5350	100	<b>36</b>
Subscriptions/Affiliations to institution	16582.02	1332	-15250.02	-1144.9	<b>37</b>
Telephone & Fax - AE	102473.55	82776	-19697.55	-23.8	<b>38</b>
Cellphone Expenses - AE	81100.63	68688	-12412.63	-18.07	<b>39</b>
Travel & Accom.-Staff	227585.49	144528	-83057.49	-57.47	<b>40</b>
Honoraria - AE	214301.22	140910	-73391.22	-52.08	<b>40</b>
Travel & Accom-Council	610443.21	415992	-194451.21	-46.74	<b>40</b>
	<u>12328086.92</u>	<u>11764525</u>	<u>-563561.92</u>		
NET PROFIT / (LOSS) BEFORE TAX	-2257160.59	0	-2257160.59		

# Notes for the Annual Financial Statements for the year ended 31 March 2017

## Notes on explanations:

1. Grant from DAC is made off R 8,937,704 + R 1,122,000-R 9,559,704 = R 500,000.00
2. This R 500, 000.00 was budgeted for capital expenditure and is included in the unspent capital grant.
3. Was not transferred during the year.
4. Included in the actual received of the R 9,559,704.00
5. All these funds were not included in our original budget due to the uncertainty of the amounts.
6. Donations receive during the year.
7. Savings in the internal audit because they only performed one visit and this is due to the financial constrain.
8. General increase in the Auditor General fees and the exclusion of the museums in the refunds.  
Increase in events that demanded the museum to do the projects and the funds to be sourced from other
9. line items
10. General increase and additional services when there are special events.
11. Savings as a result that the Marketing Manager resigned in November 2017.
12. Savings as there was a decrease in the number of exhibitions during the year.
13. Overspending as result of the increase in the events and as result curatorial performed fewer exhibitions.
14. Increase in Lecture spending as this event is increasing in the size and attracting more visitors.
15. There was a need for this item and it was not budgeted for hence is not a cash item.
16. General savings as the museum is relying more on internet banking than the use of cheques.
17. Increase in the cleaning services goes hand in hand with the increase in the events
18. General savings as there were fewer visits by the IT consultant.
19. Decrease in contact with the Pastel support.
20. Increase postage done as the museum is using more of this service to send APP etc. when reporting.
21. Decrease due to the write-back of some of the assets.
22. This was a small amount and was not budgeted for.
23. Increase as a result of the DAC allocating this service to the museum
24. General increase because of the increase in the number of events.
25. Savings due as they were no interviews conducted by HrTorque during the year.
26. This is small amount and was not budgeted during the year.
27. Savings in the insurance because it is paid in advance.
28. General increase in the rental for parking
29. This amount was not spent during the year.
30. General increase in the repairs and maintenance in the motor vehicles as they are becoming old.
31. Savings as the annual report and other documents were printed in house.
32. General increase as the number of events increases  
Increase goes hand in hand with the increase in the number of events as there is more maintenance is
33. required.
34. Savings as they were two vacant positions at the end of the year.
35. Fewer casuals were hired during the year due to the decrease in the community garden services.
36. General increase as the staff require training and as when the need arise.
37. Savings, no staff uniform purchased during the year  
General increase as per the demand of the more subscription to these institution by the curatorial
38. department
39. General increase as per the increase with the number of events
40. General increase as per the increase with the number of events  
Increase in the Council spending as they are require to attend the meeting and to attend the events

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