

Annual Report

2019 - 2020




Robben Island
MUSEUM





ANNUAL REPORT

for the period 1 April 2019 to 31 March 2020

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the Robben Island Museum website at
<http://www.robben-island.org.za>

Acknowledgements

The managers and staff of all the departments
of Robben Island Museum are thanked for their contributions

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The images used throughout the report depicts a period in Robben Island's history where isolation, banishment and social distancing was enforced. At the time people with leprosy were treated like outcasts and was separated from society. Discrimination and separation continued on the Island where male and female patients we kept apart.

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Discrimination

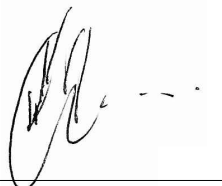
Pictured here is a patient suffering from tubercular leprosy which is a less severe form of leprosy. At that time leprosy was mistakenly believed to be highly contagious. Patients were forced to leave their homes and enter Government hospitals.

The background is a solid dark blue. Overlaid on this are several abstract, organic shapes in a lighter shade of blue. These shapes include a large, irregular shape on the left, a circular shape at the top right, and a large, curved shape at the bottom right. The text 'PART A: GENERAL INFORMATION' is centered in the middle-right area of the page.

PART A: GENERAL INFORMATION

1.1 Submission of the Annual Report to the Executive Authority

In accordance with the provision of the Public Finance Management Act (1 of 1999), we have the pleasure in submitting for presentation to Parliament this report of the activities of Robben Island Museum for the financial year ended 31 March 2020.



Mr Khensani Maluleka
Acting Chairperson of Council
31 October 2020

1.2 Robben Island Museum's general information

Registered name	Robben Island Museum
Registered office address	Nelson Mandela Gateway to Robben Island Clocktower V&A Waterfront Cape Town 8002
Postal address	P.O. Box 51806 Waterfront 8002
Telephonic contact number	021 413 4200
Email address	infoi@robben-island.org.za
Website address	www.robben-island.org.za
External auditors	Auditor General of South Africa
Bankers information	Nedbank and Standard Bank
Company secretary	Resolve Secretariat Services (Pty) Ltd

1.3 List of Abbreviations

AFS	Annual Financial Statements	PFMA	Public Finance Management Act
AGSA	Auditor General South Africa	PHED	Public Heritage Education Department
APMHS	African Program in Museum and Heritage Studies	PR	Public Relations
APP	Annual Performance Plan	RI	Robben Island
CEO	Chief Executive Officer	RIM	Robben Island Museum
CFO	Chief Financial Officer	RIWHS	Robben Island World Heritage Site
CHO	Chief Heritage Officer	SAHRA	South African Heritage Resource Agency
DAC	Department of Arts and Culture	SAMSA	South African Maritime Safety Authority
DEA	Department of Environmental Affairs	SAMA	South African Museums Association
DAFF	Department of Agriculture, Forestry and Fisheries	SARS	South African Revenue Services
DPW	Department of Public Works	SCM	Supply Chain Management
EPP	Ex-Political Prisoner/s	SETA	Sector Education Training Authority
GRAP	Generally Recognised Accounting Principles	SMART	Specific, measurable, achievable, realistic and timed
ICMP	Integrated Conservation Management Plan	UNESCO	United Nations Educational, Scientific and Cultural Organization
MoU	Memorandum of understanding	US	University of Stellenbosch
MSP	Maximum Security Prison	UWC	University of the Western Cape
NMG	Nelson Mandela Gateway to Robben Island	VAT	Value Added Tax

1.4 Foreword by the Chairperson of Council

Introduction

On behalf of the Council of Robben Island Museum (RIM), I am pleased to submit the Annual Report for the year ended 31 March 2020. This report is submitted in accordance with the Constitution of the Republic of South Africa (RSA) 1996; the Cultural Institutions Act of 1998; the Public Finance Management Act, Act 1 of 1999; Treasury Regulations, 2001 and other applicable Acts and Regulations.

This report coincides with the first term of the RIM Council, which was appointed mid 2019/20 Financial Year. RIM's Council, through the Executive Office, coordinated planning and reporting aligned to National Treasury requirements and ensured that all statutory meetings were timeously held. Performance reporting against predetermined objectives was 80% in 2019/2020.

Also, the continuous turnaround of RIM's financial health has been achieved by strengthening internal controls during the period under review.

For the first time after 10 years of unqualified audits including an award from Auditor-General (AG), I am displeased to report that RIM has obtained a qualified audit report from the AG. The matter on pertains to a disagreement with respect to the acquisition of the MV Krotoa in the 2019/2020 financial year, an expenditure that the AG wants to deem as irregular. This matter has been considered by RIM Council, which included obtaining legal advice. The matter has been reviewed by the AG's ethics department, however RIM will ensure all avenues are exhausted and as such escalate the matter on appeal to the Deputy Auditor General. RIM has to comply with the AG to disclose the potential irregular expenditure in the financial statements. RIM notes with concern the reputational impact of the disclosure following over half a decade of clean audits.

High Level Overview of Robben Island Museum's Strategy and performance in its respective sector

RIM's annual performance, albeit acceptable at 80%, was lower than expected for the 2019/2020 financial year. RIM was on track to achieve 92% annual performance before COVID-19 pandemic hit South Africa. This led to the shutting down of operational and administrative services from mid-March 2020 resulting in a negative impact on the achievement of certain targets. RIM will endeavour to complete outstanding targets over the current and subsequent years as the lockdown restrictions continue to ease.

Strategic relationships

During the period under review, RIM strengthened existing strategic relationships in South Africa and on the African continent through maintaining strategic relationships with Le Morne Cultural Landscape (Mauritius), Goree Island (Senegal), National Department of Tourism, Robert Sobukwe Foundation and the African World Heritage Fund (AWHF). The Partnership Agreement with the AWHF, a UNESCO Category II centre, witnessed the hosting of the Regional Workshop on World Heritage and Sustainable Development. New strategic partnerships include Memorandum of Understanding (MOU) signed with the Uprising National Museum of Slovakia and the on-going dialogue between RIM and INA (France) on the Digitisation of Mayibuye Archives which will culminate in a Funding Agreement to the tune of 1 million Euros. RIM continued to partner with industry players, both public and private partners, in order to capitalise on industry trends and developments.

Challenges faced by Council

During the period under review the Council faced the following challenges:

1. Impact of COVID

RIM, just like any other entity in South Africa was impacted unexpectedly by the outbreak of the COVID-19 Pandemic which induced premature closure of the tourism activities at the site. RIM remains vulnerable to the impact of this pandemic as it continues to deteriorate and lives have to be saved as a priority.

2. Funding and Organisational Structure in relation to the requirements of being a World Heritage Site

Funding for RIM remains unaligned to RIM's compliance requirements as a WHS thereby making it difficult to implement the 3rd Integrated Conservation Management Plan (ICMP) with certainty. Whilst alternative funding has been sourced for some programmes, financial support remains inadequate for the full implementation of the 3rd ICMP.

3. Implementing Infrastructure and Facilities Management Programmes

RIM has always experienced major challenge as relates the management, funding and implementation of the built environment, bulk services and landscaping on the island. This resulted in the implementation of the Tripartite agreement (signed in 2015 as a 5-year agreement) binding DSAC, DPWI and RIM, which expired in March 2019 and has not been renewed. In addition, the 4-year contract of the Implementing Agent appointed by DPWI to serve RIM also expired in 2018. As such, RIM has been without an implementing agent since March 2019. What DPWI relies on are short-term contracts for the operations and maintenance of the island's bulk services and also for reactive maintenance of the buildings.

In light of this, RIM has proposed, as a solution, and tabled to DSAC and DPWI a plan to take over the Facilities Management role as the Implementing Agent to DPWI with a view to arrest the slow delivery of the infrastructure programme and to support interpretation, visitor experience and to improve the state of conservation of the built environment. Aspects of RIM's proposal have been acceded to by DPWI however the main resource for the management of RIM infrastructure is still to be secured by DPWI. RIM as a matter of prudence continues to highlight these challenges with both DPWI and DSAC so that a long term solution is arrived at.

4. Governance of relationship between RIM and Ex Political Prisoners

Relationships between RIM and Ex Political Prisoners (EPPs) have at times proved challenging, as seen from negative media reports, resulting in DSAC commissioning an investigation on RIM. This investigation is now in the hands of RIM Council. To improve RIM's relationship with EPPs, an EPP Advisory Committee was established in 2017/18 as a sub-committee of the Heritage Committee of RIM's Council. While RIM has made these efforts to create dialogue with the EPPs (given their lifelong relationship with the island), it is critical that expectations of EPPs, which are broader than the mandate of RIM, be addressed through a holistic and inclusive approach involving other government departments and stakeholders. Addressing some of the EPP concerns such as beneficiation is a process beyond the competency of RIM as a cultural institution.

5. Boat capacity

The boat capacity has been insufficient for a number of years, with recent procurement attempts failing in recent years. I am pleased to confirm that the entity has successfully procured an additional new vessel from own resources. While the additional vessel will make a positive impact on tours, the entity will continuously review this capacity to ensure that public expectation and demand is met. The entity will explore also alternative methods to obtain additional capacity.

Medium to long term goals of the entity

Going forward, it is important for RIM to:

- Improve relations with the Ex Political Prisoners Association (EPPA) to ensure that (i) Employer-Employee Relations are maintained in the work place, (ii) socio-economic benefits of EPPs are addressed in a holistic manner as a stakeholder driven process with the support of other relevant government departments and, (iii) that EPPs continue to be a cardinal source of the narrative, including passing on this to future generations through a properly managed succession plan. The strategy is to build a new generation of guides with the EPPs as mentors for the prison narrative to ensure transmission of their social memory.
- Continuously improve tourism infrastructure in line with public demand.
- Focussed implementation of the newly developed 3rd ICMP and any other subservient plans by providing adequate financial resources, recruiting and retaining skilled personnel.
- Continued implementation of the Integrated Disaster Risk Plan (IDRP) and the Infrastructure programmes as priority areas.
- Improve the presentation and delivery of a holistic and inclusive narrative that takes into consideration the multi-layered values of the cultural landscape through the integrated tour guiding model and diversified tour options as part of product development strategy adopted by RIM.
- Implement the Adaptive re-use programme at Robben Island as a conservation strategy and towards diversification of product and revenue streams in order to augment the grant from DSAC. RIM Council has deliberately adopted this programme to assist towards creatively attaining sustainability for conservation, operations and staff costs at RIM. In the implementation of Adaptive re-use, RIM is conscious of the need to avoid destroying the site and to preserve its Outstanding Universal Value and unique heritage attributes of the Island.
- Broaden strategic partnerships to support the implementation of the 3rd ICMP and related Operations Plans. It is important for RIM to maintain excellent relations with all stakeholders, in particular South African Heritage resource Agency (SAHRA), Department of Environment, Forestry and Fisheries (DEFF), United Nations Educational, Scientific and Cultural Organisation (UNESCO) and Advisory Bodies, African World Heritage Fund (AWHF), including national chapters of Advisory Bodies such as International Council on Monuments and Sites (ICOMOS-SA).
- Proper infrastructural support for Mayibuye Archives through intensifying the process of researching alternative accommodation for RIM's archives in Cape Town. The purpose is to implement good archival practices and increase public access to the archive as part of product diversification for Robben Island. Negotiations on the relocation of Mayibuye from within the UWC campus remains important as part of expanding the influence of both RIM and UWC, similar to many other Universities who have satellite campuses that are social centres and within the reach of the greater public in Cape Town.
- Position the entity to be able to attract and retain talented and skilled workforce.

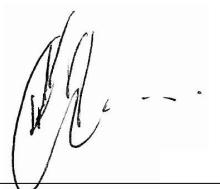
Acknowledgements / Appreciation

RIM Council is grateful to DSAC for its critical support of RIM. A special word of gratitude is due to the Parliamentary Portfolio Committee on Sport, Arts and Culture, the Department of Environment, Forestry and Fisheries, the National Department of Tourism, , the Department of Correctional Services, the African World Heritage Fund, the South African Heritage Resources Agency, the City of Cape Town, University of the Western Cape (UWC), University of Cape Town (UCT), Stellenbosch University, and the Consulates of the Republic of Namibia, France, Slovakia and Argentina in South Africa. RIM also thanks each one of its stakeholders for their crucial support.

We are grateful to the tireless RIM staff, without who this World Heritage site would not have achieved its strategic objectives. Lastly, a special note of thanks to the new Council, bringing vast governance, heritage, conservation and research expertise, infused with energy and inspiration.

Conclusion

Positioning RIM to become self-sustainable and responsive to contemporary needs without comprising the significance and outstanding universal value of the site as a national and World Heritage site remains important for the incoming RIM Council.



Mr Khensani Maluleka
Acting Chairperson of Council
31 October 2020

1.5 Chief Executive Officer's Overview

Introduction

I have great pleasure in presenting the Annual Report of Robben Island Museum (RIM) for the year 2019/2020. While financial stability has been attained in recent years, the entity still has the inability to allocate sufficient resources to research, interpretation, conservation and presentation of heritage in its diversity. The impact of COVID-19 has further negatively impacted available resources just as the entity was positioning itself to prioritise critical investment in these areas. Despite the numerous challenges, the Island is an outstanding asset and provides a number of exciting opportunities which remain untapped. Balancing sustainability and these competing imperatives are critical to ensure sustainability and unlock the potential of this iconic site.

General financial review of the public entity

The finances of the Museum are managed in accordance with the Public Finance Management Act and the internal auditors of the Museum, Nexia SAB&T, assisted with RIM Council and Management team in strengthening the control environment and risk management for the period under review.

For the first time in a decade RIM has received a qualified audit report. As stated in the Chairperson of Council's overview, the qualification refers to an unresolved disagreement with the Auditor-General (AG) in respect to the procurement of the MV Krotoa. It should be noted that should the entity have accepted the finding, the audit outcome would have been clean for the current year, however as a matter of principle; I believe the outcome and interpretation by the AG in this respect should be challenged. This disagreement arose during the 2018/2019 audit and as such a complaint was raised on the 8th of November 2019 to the AG's Ethics Business Unit after considering legal advice. The Ethics Unit only concluded their findings on the 28th of October 2020 which indicated to us that the matter was complex and open to interpretation. It however became apparent that from RIM's perspective, key issues were not taken into account by the Ethics Unit in reaching its findings and was still not in our estimation adequately considered by the ethics unit in their final determination. RIM's view is that it appears that the AG is merely taking a formalistic approach, with insufficient consideration to the following: materiality (legally and what has been considered as irregular in the courts); advice requested from National Treasury and subsequent correspondence not adequately considered; not considered whether or not principles of S217 of the Constitution were ultimately achieved. RIM will explore all AG internal processes in respect of challenging the finding and is in process of appealing the outcome with the Deputy Auditor General.

To note, there were two recent failed local build manufacturer tenders; RIM subsequently approached National Treasury (NT) requesting advice on its proposed approach which incorporated finding a solution by utilising an approach which would focus on three approaches simultaneously which would enable the entity to find a solution as soon as possible. This approach would not have been viable using normal procurement processes. NT advised that approach may be utilised as long as process was fair and transparent. The entity developed specification and subjected it to legal review taking into account correspondence with Treasury prior to advertising the tender. RIM's selection of a suitable vessel was based on evaluation criteria which primarily focused on value for money (most cost effective option) which is consistent with the 90/10 preference points system which is to give effect to the principle of cost effectiveness in section 217 of the Constitution. RIM could not merely pick the proposal with the lowest price when it was uncertain as to how market would respond with entity open to newly built, second hand and repurposed vessel; in addition to turnaround time being vital as well as the entity being open to leasing arrangements and entity pro-actively looking for solutions and the use of brokers. A company could then have submitted a bid for a second hand vessel or short term leasing option which would have been cheaper than a newer vessel, but ultimately less cost effective when considering maintenance, running costs, hiring additional vessels (to have supplement capacity available) and risks and benefits associated with different types of proposals. In addition, when considering cost for second hand or repurposed vessel, one would need to consider the risk of such an option. As such, when the bids were evaluated the following criteria was taken into consideration: cost effectiveness of option (what is entity receiving in relation to cost, capacity was a factor), lead time until the vessel was available (due to urgency of need); cost of running the vessel; direct cost of the vessel and whether the vessel was new or second hand. As such the vessel chosen cost R90,480,344 with a seating capacity of 280 (AGs second preferred choice). Based on the AG's audit and their interpretation and application of the 90/10 preferential point system, a different vessel from the same broker (different manufacturer) should have been chosen at a price of R87,064,844, however this vessel was a 200 seater. A R3,415,500 saving in costs would have resulted in

a loss of 80 seats which can easily amount to an annual opportunity loss of over R20 million if the vessel is utilised for all RIM tours on a daily basis. RIM will appeal the audit finding and outcome of the Ethics Unit via the Deputy Auditor General's office within the AG.

COVID-19 is likely to have adverse impacts on the current revenue generation, as the entity has not operated tours since the end of March 2020. RIM will monitor and assess the nature of impacts, and where possible take measures to ensure the sustainability of the entity in the short and long term.

It is important that the Museum's Annual Financial Statements are understood and interpreted within its overall strategic objectives. As a public entity the Museum is expected to generate sufficient income in order to make good on its commitments. The Museum also applies and requests permission from National Treasury to retain its surpluses annually in order to respond adequately to the demands of various business cycles and capital investment requirements.

During the greater part of the period under review and until the new vessel arrived, boat operation remained a critical operational risk due to insufficient boat capacity. With a lack of suitable vessels in the market for charter services to operate under the harsh weather conditions of the Atlantic Ocean. All these factors combined, have resulted in RIM cancelling tours thereby affecting revenue generation. These impacts, if not strategically mitigated, have the ability to impact future growth in tourist numbers and negatively impact the ability to diversify income streams. It is imperative that the boat capacity constraint risk be reduced to an acceptable level through strategic interventions around the ferry model and acquisition of new vessels. To this end a Ferry Feasibility Study was conducted and is being reviewed to ensure its recommendations are aligned to the needs of the institution. Despite the purchase of a new vessel (MV Krotoa) which came into operation in the 3rd quarter of the 2019/2020 financial year, the boat capacity remains a challenge for RIM. However, new mainland product development is being considered in order to salvage visitor numbers and diversify income streams. The impact of COVID has put back plans to purchase any additional vessel due to the financial impact on available resources as well as the expected decrease in demand of tourism in the short term.

Despite the above mentioned challenges coupled with exposure to fluctuating ferry maintenance costs and diesel prices which pose a significant risk for planning purposes, RIM has consciously aimed to keep ticket price increases for locals to a minimum. However, a dynamic and differential pricing model has been implemented in the 2019/2020 financial year which had a positive impact on the entities revenue generation for the year.

As in the previous years, RIM management has continued to intensify cost containment measures and to strengthen the control environment. A myriad of efforts is employed to identify and quantify existing commitments to ensure that these are matched with RIM's income generating capabilities. The current year was particularly challenging due to increase in cancellations primarily due to adverse weather, however the entity managed its resources such that the entity was still able to report a surplus for the year, despite enduring a very challenging period for the first 6 months of the year. Additional challenges were experienced as RIM suspended its operations mid-March 2020 due to COVID-19 and the national lockdown. This will result in an intensifying cost containment measures with entity having to further reprioritise limited resources going forward.

While RIM has managed to increase cash reserves in recent years, it should be noted that a substantial portion of the funds are ring-fenced for infrastructure capital projects (relate to infrastructure grants received from DSAC). The remaining cash reserves are inadequate to address all the entities resource requirements in order for entity to address all mandates/needs. Due to the COVID-19 pandemic which is likely to shut down the tourism sector, cash reserves earmarked will be reprioritised to ensure sustainability of the entity beyond COVID and aim to protect staff livelihoods.

It is also worth noting that RIM continues to face uncertainty with diesel funding, which is critical for power generation, and funding for horticultural services on the island. These two responsibilities were carried out by the Department of Public Works during prison times, and have been gradually retracted by DPW and transferred to RIM over time. The current shortfalls of R5M for diesel and R2M a year for horticultural services. Funding cuts to these essential services were imposed without the required long-term funding commitment to RIM. DSAC has however assisted with grants for diesel funding as an interim provision. This funding grant for diesel has now been fully utilised and funding for future years remains uncertain and there remains no solution for horticulture funding since 2018/19.

Spending trends of the public entity

An annual performance plan is developed in line with RIM's 5-year strategy with an accompanying budget and this informs the spending patterns. Spending for the year is closely monitored to ensure that set budgets are maximised. It is pleasing to report that while a budget deficit was expected for the period that the entity has managed to report a surplus for the year. As RIM is a service intensive institution, 58% of the budget relates to employment expenses. It should be noted that a high value recurring expense is hiring of vessels which is 15% of the budget as well as 7% on owned and leasehold improvements and 5% on fuel.

Capacity constraints and challenges facing the public entity

A considerable concern is the number of critical vacancies identified by the organizational especially within the heritage department and can only be filled once resources improve. Prioritizing the filling of these vacant positions, particularly in the light of the current financial constraints is critical in order to best strategically position the entity going forward.

Requests for roll over of funds

RIM requests surpluses realised annually to be retained in order to feed into the overall strategy of RIM in respect of acquiring much needed assets to enhance and streamline the tour experience.

Supply chain management

RIM has adequate SCM processes and systems in place to ensure that all procurement is compliant with National Treasury regulations and the PFMA.

All concluded unsolicited bid proposals for the year under review

RIM has an established unsolicited bid committee that is currently finalising one unsolicited bid received during the 2019/2020 financial year.

Challenges experienced and how they will be resolved

Built Environment: The Department of Public Works is the legal custodian of the island and is responsible for the maintenance of Island Infrastructure and the implementation of Capital works. A dedicated Infrastructure and Facilities Management (IFM) department has been put in place by RIM and has been resourced to ensure that the entity is capacitated to adequately review all built environment projects on the island and the mainland. This includes repairs and upgrades, new infrastructure, including operations of the plants and overall maintenance of buildings and plants. RIM's I&FM department also ensures that projects undertaken address the requirements of the entity, especially with respect to conservation, visitor experience and interpretation. This department plays a vital role in the Tripartite agreement with DAC and DPW, in looking after the interests of RIM in relation to Infrastructure projects and maintenance being performed on the Island.

RIM notes with concern issues that have not been properly addressed under the programme, which include:

- The huge backlog with respect to maintenance of the built environment, especially the buildings that are critical to interpretation.
- Delays with respect to the implementation of planned capex projects, a matter that has also affected the costs of implementing these projects.
- The high cost for Facilities Management paid to the Implementing Agent by DPW which greatly eroded the much needed funds to address maintenance upgrades resulting in greatly reduced allocation of funds for repairs and maintenance especially to buildings critical for interpretation. These costs amounted to 46% of the FM budget over a 4-year period. Heritage compliance and conservation of critical projects such as the blue stone quarry wall project.
- The lack of an integrated planning approach to water, waste and energy resources.

In addressing these challenges, and as presented by the Chairperson of RIM Council, RIM has proposed to take over the role of implementing agent on behalf of DPW. RIM is waiting for the final determination of DPW.

Human Resources: RIM has a challenge in having a balance between the strategic plan and organizational structure in view of the budget constraints. There are many critical vacancies that have been identified by the organizational review. Prioritizing the critical vacancies is vital in order to optimally and strategically position the entity going forward.

During the period under review, RIM would like to report that there is a recognised Union representing workers. RIM and the Union signed a recognition agreement to govern their relationship, including provisions for independent brokering in cases where both parties fail to agree.

Outlook/ Plans for the future to address financial challenges – Economic Viability

In order to diversify revenue streams to facilitate sustainability, RIM has planned to launch a walking tour experience as well as commence the development of a virtual tour in the 2020/2021. However due to COVID-19 and social distancing, RIM will prioritise virtual tours in order to generate revenue.

Events after the reporting date

The extended lockdown as a result of COVID 19 has negatively impacted the entities going concern status as it was declared a national disaster inducing unprecedented national lockdown, whose compliance to is being closely monitored by Government. The entity is currently utilising reserves to cover shortfalls, however the entity would not be able to cover the shortfall indefinitely. The entity is engaging DSAC with regard to reprioritising infrastructure funds and providing additional financial support in the short term. The resumption of tourism operations, supported by borders being opened to international travel, is key for the entity to be able to start generating adequate revenues. The entity is in discussions with DSAC with regard to reprioritising conditional grants and additional funding as well as working on alternate plans to ensure long term sustainability.

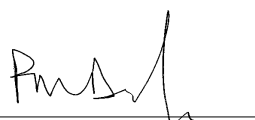
Acknowledgements

I wish to acknowledge the RIM Council for its continued support and strategic guidance to the Executive Management. This has ensured RIM to remain on a positive growth path and maintaining her fiduciary responsibilities and good corporate governance in 2019/20.

A special word of gratitude goes to the staff of RIM for their dedication and determination to assist RIM in achieving its strategic objectives in the face of extreme challenges. This support is embodiment in the Outstanding Universal Value (OUV) of the site: "the Triumph of the Human Spirit against adversity".

The Museum would not have managed to accomplish programmes and activities without the support of the following partners; tourism sector (especially tour operators and tourism bodies), various government departments (among them but not limited to; National Department of Tourism, Departments of Correctional Services, Department of Public Works etc.), heritage agencies (in particular, the African World Heritage Fund for the financial and technical support rendered to the institution and South African Heritage Resources Agency for their advisory role), the local municipality, local and international universities and the private sector at large.

Lastly but not least, I wish to thank the Department of Sport, Arts and Culture for their continued financial and policy guidance to Robben Island Museum and for their unwavering support in making RIM a recognised World Heritage Site through various bilateral promotional initiatives as part of cultural diplomacy.



Mr Mava Dada
Chief Executive Officer
31 October 2020

1.6 Statement of responsibility and confirmation of the accuracy of the annual report

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board which are the standards applicable to the public entity.

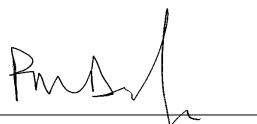
The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2020.

Yours faithfully



Mr Mava Dada
Chief Executive Officer
31 October 2020



Mr Khensani Maluleka
Acting Chairperson of Council
31 October 2020

1.7 Robben Island Museum in the Spotlight



HANDCRAFT

These are just some of the many crafts made on the Island by Unshackled Craft Co-operative.



Crafters Certificate Ceremony
(Group photo - 26 September 2019)



Govan Mbeki Memorial Lecture

This lecture uses the memory of Govan Mbeki and his outstanding contributions to the liberation struggle to illustrate his exemplary life as a fitting tribute to this 20th anniversary. (9 July 2019)



Robben Island World Heritage Site (RIWHS) annual memorial lecture series provides a platform for the accumulation of multiple ex-political prisoner voices within our narratives.



1.8 Strategic overview

Core Business of Robben Island Museum

The core business of Robben Island Museum is:

- To conserve and act as a custodian of the multi-layered tangible and intangible heritage of Robben Island;
- To offer an inclusive, holistic and balanced interpretation of the island to the visitors and showcase many of its possible experiences; and
- To present a responsible, ethical, environmentally-sensitive and inspirational tourism experience.

Government Department

Department of Sports, Arts and Culture

Legal form

The entity is established in accordance with the Cultural Institutions Act, 1998, is a schedule 3A public entity in terms of the Public Finance Management Act, 1999; and is also governed by the National Heritage Resources Act, 1999.

Vision

To preserve and promote Robben Island as an inspirational national treasure and World Heritage Site that symbolises the triumph of the human spirit over extreme adversity and injustice.

Mission

- To conserve and manage the cultural and natural resources in order to retain the significance and the Outstanding Universal Value of the site;
- To promote an inclusive and holistic understanding of the Island's multi-layered history;
- To develop responsible and sustainable tourism products and services that offer a unique visitor experience;
- To share, educate and communicate the values, experience and legacy of Robben Island; and
- To ensure Robben Island Museum adheres to good practices for managing a World Heritage Site.

Values (HEART)

In order to deliver a service-minded culture which focuses on integrity, excellence, education and quality customer experience, the following are Robben Island Museum's values:



1.9 Legislative and other mandates

The mandate and core business of Robben Island Museum is underpinned by the Constitution and other relevant legislation and policies applicable to government departments. In addition, Robben Island Museum performs its functions in accordance with its Integrated Conservation Management Plan (ICMP), a UNESCO compliance document which the museum updates every five years.

The specific mandate of Robben Island Museum is derived from the following Acts, Policies, Treaties and Conventions:

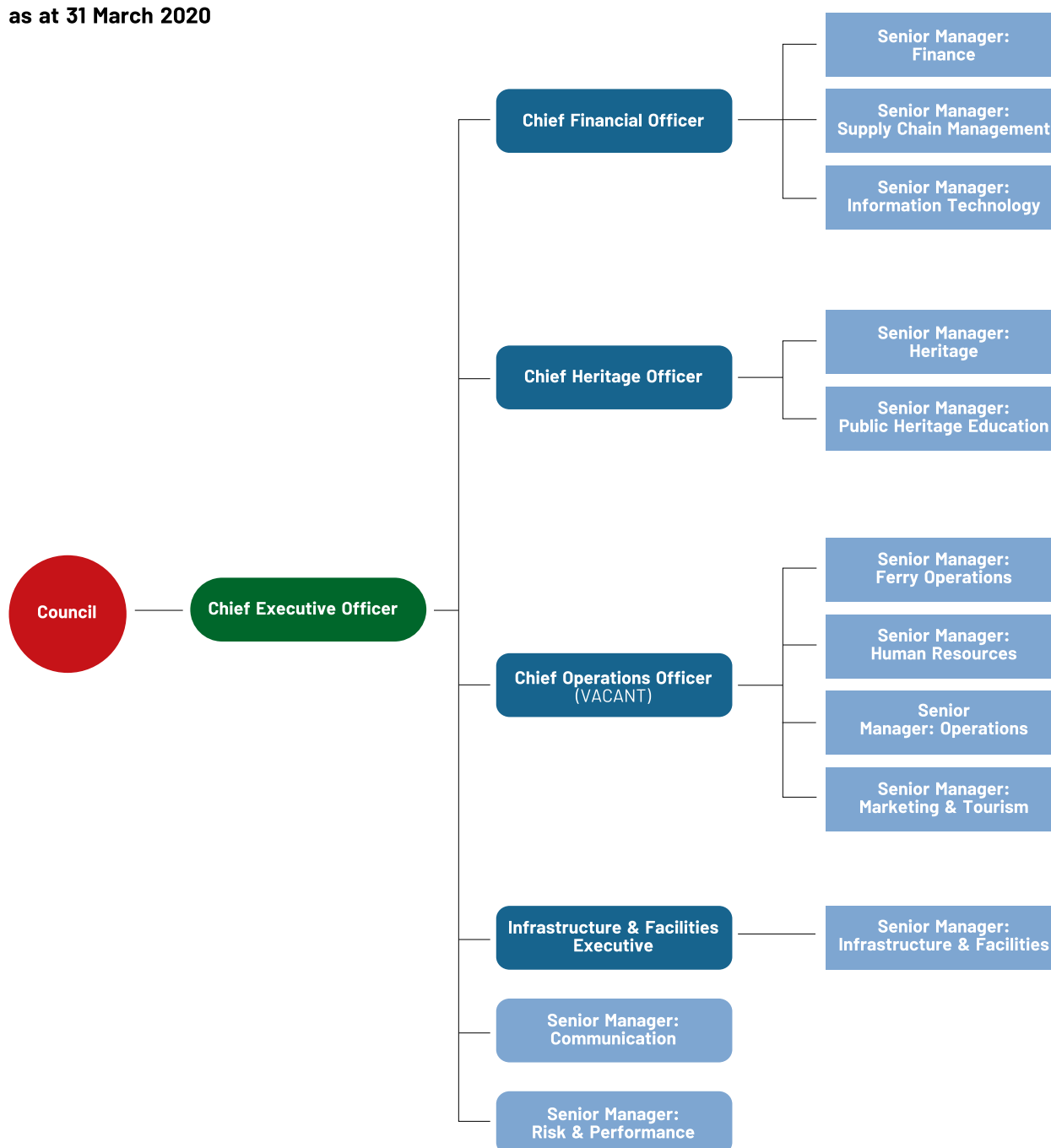
- National Heritage Resources Act, 1999
- The Cultural Institutions Act, 1998
- The National Monuments Act, 1969
- The South African World Heritage Convention Act, 1999
- The Public Finance Management Act, 1999 and National Treasury Regulations
- The National Environmental Management Act, 1998
- Cape Nature and Environmental Conservation Ordinance, 1974
- Conservation of Agriculture Resources Act, 1983
- Marine Living Resource Act, 1998
- Environment Conservation Act, 1989
- Sea-shore Act, 1935
- National Veld and Forest Fire Act, 1998
- National Water Act, 1998
- The South African Constitution Act 108 of 1996
- Promotion of Access to Information Act 2 of 2000
- Cultural Institutions Act 119 of 1998
- National Archives of South Africa Act 43 of 1996
- Ships Registration Act 58 of 1998
- Marine Pollution Intervention Act 64 of 1987
- Tourism Act 72 of 1993
- Government Immovable Asset Management Act
- Consumer Protection Act 1 of 2011
- Intellectual Property Laws Amendment Act
- Dumping at Sea Control Act 73 of 1980
- Admiralty Jurisdiction Regulation Act 1983
- Merchant Shipping Act 57 of 1951
- Maritime Zones Act 15 of 1994
- Disaster Management Act 57 of 2002
- Sea Birds and Seals Protection Act 46 of 1973
- International: The World Heritage Convention, 1972
- Basic Conditions of Employment Act No 75 of 1997
- Occupational Health and Safety Act No 85 of 1993
- Use of Official Languages Act, No 12 of 2012

1.10 Organisational structure

Executive Officers

Name of Executive	Position	Date appointed	Date Resigned
M Dada	Chief Executive Officer	1 July 2016	N/A
B Crocker	Chief Financial Officer	1 March 2018	N/A
P Taruvinga	Chief Heritage Officer	1 September 2013	N/A
GJ Manana	Infrastructure and Estates	1 August 2015	N/A

High level organisational structure as at 31 March 2020



Banishment

A black and white photograph showing two women with leprosy working in front of a shack. One woman is sitting on the ground, and the other is kneeling, working with a large bowl. The shack is made of wood and has a small window. The background is a rocky, hilly landscape.

Women with leprosy at work in front of a shack in the female leprosy settlement on Robben Island around 1887. They were brought from a hospital close to the waterfront on the mainland where they were housed for nearly twenty years.



PART B: PERFORMANCE INFORMATION

2.1 Auditor-General Report: Predetermined objectives

The AGSA currently performs the necessary audit procedures on performance information to express an opinion in the management report on the usefulness and reliability of the reported performance information for selected programmes, and report material findings in the auditor's report. Refer to the Report of the Auditor-General.

2.2 Overview of Robben Island Museum's performance

This section of the Annual Report provides a detailed overview of Robben Island Museum's (RIM) performance by highlighting the activities and involvement in projects, initiatives and partnerships during the 2019/2020 financial year, which contributed to meeting RIM's strategic objectives as a declared cultural institution and a World Heritage Site. The Performance Information Report presents strategic objectives, targets and achievements of RIM's programmes.

As a public entity in the heritage sector, National Treasury has provided prescribed Estimates of National Expenditure (ENE) programmes to which spend and objectives have to align.

Robben Island Museum has at a high-level allocated our departmental activities and budgets as close as possible to the ENE guidelines; however, having ferry operations, a tourism element and estates makes RIM unique when compared to other museums.

RIM's allocations of departments to ENE programmes are as follows:

ENE Programme	Sub-programmes
Business Development	Heritage Department Ferries Department Estates and Infrastructure Department Marketing and Tourism Department Operations Department
Public Engagement	Public Heritage Education Department
Administration	Office of the CEO Finance, Supply Chain and Information Technology Department Human Resources Department

2.3 Strategic outcome orientated goals:

The core business of Robben Island Museum as a heritage institution is outlined in the Integrated Conservation Management Plan (ICMP). The Strategic Goals/Objectives from the ICMP guide RIM's Strategic Plan and the APP 2019/2020:

- GOAL 1** To strengthen governance of Robben Island Museum to ensure effective management.
- GOAL 2** To conserve and maintain the natural and cultural heritage of Robben Island.
- GOAL 3** To disseminate information about Robben Island to a broad audience.
- GOAL 4** To develop and promote Responsible Tourism operations.
- GOAL 5** To foster stakeholder relations and partnerships.

2.4 Situational analysis:

Service delivery environment:

The core business of RIM is to promote research, education and tourism, the conservation of Robben Island's intangible and tangible heritage in line with National and World Heritage standards. Social responsibility towards ex political prisoners is becoming another pillar of RIM's business framework.

Key priorities:

- Professional customer services and quality interaction;
- Efficient public relations;
- Pro-active communication;
- Repeat visits of customers (through varied offerings);
- Maintenance of positive relationships with clients, stakeholders, and suppliers;
- Interactive and effective professional "meet and greet" services will be introduced;
- Professional ticketing and guiding services provided;
- Diversified interpretation built into the product design (e.g. customised tours, light-hearted side of RI);
- Use of technology for self-guided tours;
- Consistency and availability of the boat service will be improved;
- Media and social media will be used in public relations and marketing and it will be ensured that RIM has an effective and modern website; and
- Identification of brand ambassadors, including strategic partnerships to promote RIM.

The result will be more visitors, more diversified tours bought by visitors, more repeat visitors, and visitors prepared to pay higher prices for premium services. This will lead to higher income for RIM. Furthermore, sponsorships, events and new partnerships will further increase the income.

As far as the costs are concerned, certain investments will have to be made in maintenance of the Island, organisational refinement, filling key positions, training, marketing, PR, stakeholder relations, new partnerships and better systems. This is necessary to improve effective customer services (incl. "meet and greet" services), effective operations management, effective ticketing system, effective public relations, diversification tour offering, consistent ferry operations, performance management, quality control, and original and applied research for conservation and heritage purposes.

Most importantly, resources will have to be aligned to deliver according to the demands of the business model.

This will entail the following:

- A professional and qualified staff complement is needed.
- The organisational structure needs to be aligned to the value proposition.
- Human resources need to be effectively utilized.
- Professional tour guiding services must be offered with authentic tour packages/ tour offerings.
- The NMG building, Jetty 1 and the Mayibuye Archives (located at UWC) must be effectively utilized.
- An effective operations office
- An effective infrastructure management office
- Effective marketing and public relations office
- Effective heritage and conservation services
- Ferries to provide consistent ferry services
- Assets on the Island properly maintained (e.g. land, flora and fauna, historical buildings and other structures, collections, and exhibitions).

Additional costs will therefore have to be incurred in the short term – but in the long term these would be more than offset by the increased income and increased reputation of RIM that would result from this proposal.

Adaptive re-use of facilities at Robben Island

Adaptive reuse is defined as the process of reusing a building (s) for a purpose (s) other than which it was built or designed for but without comprising its integrity, significance and the architectural values. RIM is looking for creative proposals around the alternative sustainable use of the heritage facilities and landscape on the island.

The adaptive reuse of Robben Island will take into consideration the

- (i) the legal framework applicable to the site as national heritage and World Heritage site, in particular maintaining the significance/outstanding universal value, authenticity and integrity of the site as a cultural landscape;
- (ii) the need to position RIM as a competitive tourism destination of national and international significance but creating a synergy with the current and similar activities of RIM;
- (iii) the expectations and needs of local communities and visitors to the Island;
- (iv) beneficiation framework for local communities, and in particular the ex-political prisoners towards contributing to national imperatives on socio-economic development; and
- (v) the possibility of integrating green technology into the proposed adaptive reuse(s) of the Island and in particular promoting zero diesel on the island.

Integrated Conservation Management Plan

Robben Island Museum is a World Heritage Site which creates additional responsibilities for management in terms of compliance and reporting on performance, not only to the Department of Arts and Culture, but also to the Department of Environmental Affairs and UNESCO.

The implementation of the ICM requires dedicated funding and resources to ensure compliance to the World Heritage Convention Act, No.49 of 1999.

During the period 2010 to 2014 RIM was placed on UNESCO's reactive monitoring list and the World Heritage Committee Agenda, however, through management interventions RIM has been removed from both the monitoring process and as a discussion item on the Agenda.

UWC-Robben Island Museum Mayibuye Archives

The UWC-Robben Island Museum Mayibuye Archives is the repository of all acquired and donated collections (archival documents, artefacts, historical papers, photographs, artworks and audio-visual material) related to the struggle against Apartheid, the freedom struggle and political imprisonment in South Africa. The challenges facing Mayibuye Archives remain unresolved. These stem from the archives being located within the UWC campus. There is (i) no proper and adequate space for proper management of the collections, (ii) inappropriate infrastructure for the optimal conservation and safekeeping of collections and (iii) risk of destruction due to perennial student protests rocking Universities in South Africa. In mitigation, RIM continues to implement collections management strategies, including compliance with GRAP103 with the limited supportive infrastructure being installed to control access, security and movements of collections. Resolving the space allocated to Mayibuye Archives at UWC remains a priority, including exploring an alternative location outside the campus in whole or in part. Regarding the latter, RIM is exploring alternative sites, on the mainland for collections facility or one stop shop museum with capacity for interpretation, collections and public programming. Dialogue on this matter continues with UWC.

Research and knowledge production

Historically, research at RIM has been driven by various institutions and individuals based on their research topics. The researches undertaken have contributed but have also not necessarily been responsive to RIM's strategic intent around presenting an inclusive and holistic narrative. The RIM internal research has been limited to EPP Reference groups and the voluntary recording of EPPs when they visit the Island and at funerals of EPPs. The products produced include DVDs, leaflets and content filtering through in the current narrative of the island. As part of implementing, Strategic Research Agenda (SRA), RIM has conducted interviews with individual EPP's in Limpopo, transcribed reference materials, and recorded EPPs visiting the island. Priority in 2019/2020 will be placed on individual EPP's in other provinces of South Africa. RIM is exploring a partnership with the Cape Peninsula University of Technology (CPUT) on the same project. The aim is to document as many as possible EPPs before they pass on. Implementing the memorialisation project in order to enhance visitor experience remains a priority, with long hanging fruits implemented along the current visitor nodes. Going forward this will be supported through analysis of existing data. Developing exhibitions at Nelson Mandela Gateway and the Maximum Security Prison on the Island remains a priority as a by-product of research. Funding is needed to realise the full dream of memorialising Robben Island as a place of social memory.

Ferry operating model

The current boat operation is still at a critical stage and it has become imperative that the boat capacity constraint risk be reduced. Whilst RIM has adopted a hybrid approach with the use of RIM owned vessels and chartered vessels, some of the chartered vessels are slow and old. Vessels need to be removed regularly for maintenance and surveying, which means that other ferries need to be available during these times to ensure operations continue seamlessly.

The lack of suitable vessels within the current fleet, coupled with limited reliable vessels in the current hybrid approach, to operate under the harsh weather conditions, has meant RIM has had to cancel tours in some instances due to adverse weather conditions and insufficient vessel capacity. The insufficient vessel capacity negatively impacts RIM's operations and reputation. This has had a major impact on RIM's ability to generate budgeted revenues for the foreseeable future. The entity has had to turn away tourists in low season due to a lack of capacity when boats have gone out of commission in the quarter.

The new passenger ferry, Krotoa, has made an improvement to stability and reliability in RIM's operation, however it will not solve RIM's ferry transportation problems as RIM needs to expand its fleet to meet tourist demand. RIM is exploring various avenues to unlock further funds, to procure additional vessels, this will ensure RIM increases visitor numbers and brings more stability and reliability to its ferry operation.

Infrastructure and built environment

The Council and Management of RIM has since 2010 identified as an area of concern the inadequate strategic alignment between maintenance/capital works projects and the strategy of RIM.

During 2013-14 RIM took responsibility for the maintenance of the island and aimed to gradually build capacity. However, the uncertainty regarding long-term funding for infrastructure, especially the provision of electricity, water and waste removal, continued to pose problems and affected the museum's ability to achieve its strategic objectives, especially those outlined in the ICMP. RIM is the only museum in South Africa which had to assume the responsibility for municipal services. In September 2014, RIM entered into a relationship with the Department of Correctional Services, to assist with the maintenance and enhancement of Robben Island's narrative.

In February 2015 RIM was informed by DAC and DPW Directors General that DPW intends to resume its responsibility of facilities maintenance on the island. A Tripartite Agreement outlining the relationship between RIM and the other two departments has been concluded. DPW and its implementing agent, Coega Development Corporation, started executing the maintenance responsibilities on the Island from the beginning of the second quarter of 2015-16 financial year.

The implementation of this relationship has posed challenges for RIM who are at the receiving end of the services and visitor experience. To this end RIM proposes taking over the role of implementing agent for DPW. This proposal is to be followed by a comprehensive State of Readiness report to DAC.

Built environment

The built environment of Robben Island is an integral attribute of the conveyance of the significance of the multi-layered cultural landscape. This would include all the layers of the history, not only the political era, but all the layers of the history including the banishment period, World War 2, etcetera.

To date the built environment of Robben Island has not been properly maintained to the standard expected on a National and World Heritage Site.

Some of the major challenges experienced include:

- RIM has no built environment conservation manual;
- Inadequate technical skills to maintain the built environment;
- Difficulty experienced in the maintaining of the supportive municipal services;
- Complexity of ownership in relation to the buildings.

Tour guiding configuration and quality of narrative

RIM has become aware through market surveys and research that the current tour guiding configuration does not provide for the optimum service delivery expectations of the RIM visitors and market.

Complaints have been received of the quality of the service delivery, inconsistency of narrative, group sizes and delays in service.

RIM has prioritised two specific APP targets which will seek to address the challenges related to tour configuration which include the improvement of the narrative and the implementation of a new tour guiding model.

Matching performance to funding

RIM receives an annual grant from DAC which only covers a portion of the operational costs. RIM thus has to generate a significant portion of revenue to ensure costs are adequately covered for the entire financial year. Due to the seasonality of revenue (peak season falls in quarter 3 and 4), projects related to APP targets are sometimes deferred until the last quarter when management can determine whether there is sufficient funding to execute on the deferred targets.

2.5 Organisational environment:

Governance and leadership

The RIM Council, whose term started in July 2016, continues to provide governance and leadership to the institution in line with DAC mandate on behalf of the Presidency. During the period under review, DAC has appointed additional members to the Council in the areas of Tourism and Corporate Governance. This is strategic in ensuring that Council is responsive to the hybrid nature of Robben Island. Council received an induction and governance workshop during the period under review.

The process of organisational review undertaken by RIM has concluded that numbers on the current structure are justifiable given the business model of RIM. It also indicated salary scale discrepancies among staff and this matters needs to be resolved. The reconfiguration of RIM, with particular focus to reducing employee costs, aligning the structure with 3rd ICMP, particularly the business model, is a priority in 2019/20 and outer years.

There have also been significant changes in the Labour Relations Act during the past financial year resulting in some fixed term contracts becoming permanent except for Senior and Executive Management Teams.

Employees

RIM acknowledges the challenges of aligning the museum's strategic plan with the organisational structure, the budget and the 3rd ICMP. RIM absorbed a significant number of temporary employees into its permanent structure in the 2010/2011 financial year to stabilise operations. The absorption has created its own challenges as most of these employees lacked the necessary skills resulting in the current inefficiency and ineffectiveness in programmes delivery. To this end performance management system is now in place to provide a mechanism of addressing these challenges, including identifying skills capacitation programmes. In addition, the current subsidy grant received from DAC is not sufficient to cover the increasing employee expenditure of RIM.

The prevailing business environment is not geared towards the achievement of RIM's strategic goals. The current staff establishment, salary structure, and configuration of departments need to be reviewed in order for RIM to achieve its strategic objectives. Although efforts have been made to strengthen the managerial level by appointing staff in line with the business model, it is apparent that organisation-wide restructuring is required.

Relationship with Ex-Political Prisoners (EPPs)

The RIM Council and management recognise the importance of EPPs in the life history of Robben Island and the liberation struggle. As such the RIM Council has prioritised the finalisation of the museum's relationship with structures representing Ex-Political Prisoners through the establishment of an Ex Political Prisoners Advisory Committee. This will assist in ensuring that the museum delivers on its mandate to enhance the narrative and interpretation.

RIM Council recognises that Robben Island Ex-Political Prisoners from South Africa and Namibia are vital to the conservation of the multi-layered heritage of Robben Island.

2.6 Key policy developments and legislative changes:

Policy

RIM management has identified outdated organisational policies and procedures and has embarked on a project to review and update all RIM policies between 2019-2021 and thereafter annually. 24 policies have been updated and approved by 31 March 2020.

Legislative changes

It should be noted that the Use of Official Languages Act, no 12 of 2012 will have a possible impact on the organisational structure for RIM as a language practitioner and two translators shall be required to implement the Act.

2.7 Performance information per programme:

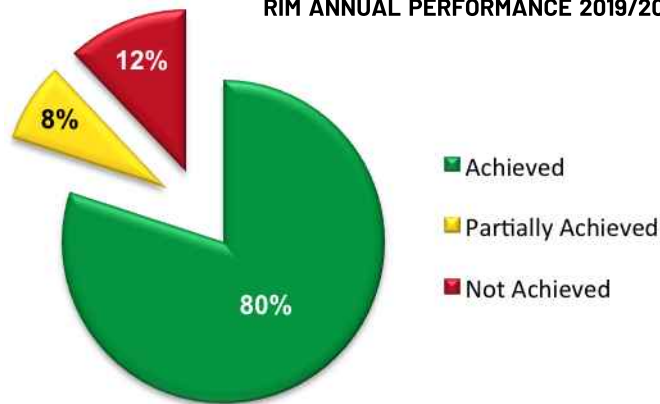
Overall performance:

During the financial year 2019/2020 RIM had a total of 25 performance targets per the APP.

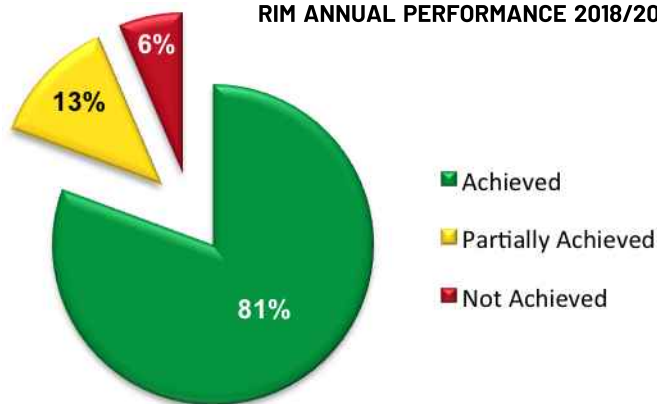
The overall performance for RIM was as follows:

- 20 targets were achieved;
- 1 target was partially achieved; and
- 4 targets were not achieved.

RIM ANNUAL PERFORMANCE 2019/2020



RIM ANNUAL PERFORMANCE 2018/2019



When performance is compared to 2018/2019 performance the following performance improvement can be detected:

- RIM has achieved 1% less of its targets than the prior year. In the prior year 81% of targets were achieved.

Measurement basis for targets:

- (1.) Over Achievement of targets refer to where greater than 100% of the required task was completed.
- (2.) Achievement of targets represents 100% completion of a task.
- (3.) Partial Achievement requires 50% and more achievement of targets.
- (4.) Non Achievement is recorded when less than 50% of the required outcome is realised.

Programme 1: Business Development

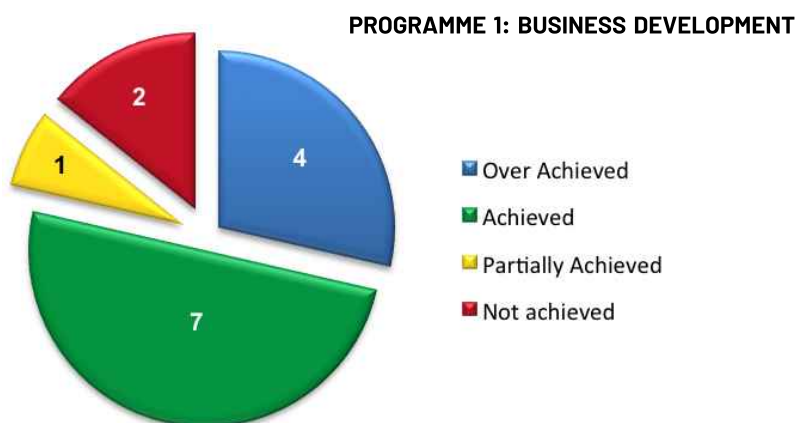
The Business Development programme fulfils the following strategic objectives of RIM: 2, 4 and 5 by providing strategic guidance and allocating resources for the implementation of the ICMP through the Strategic Plan.

The Business Development programme aims to:

- To protect and conserve the cultural (movable and immovable) and natural values of Robben Island.
- To maintain the outstanding universal value of Robben Island.
- To undertake continuous research in order to enhance interpretation.
- To promote and brand Robben Island as a Tourism Destination.
- To develop diversified products in order to expand the market base.
- To ensure effective public relations and communication.
- To establish and maintain effective partnerships with stakeholders.
- To protect and maintain the built environment of Robben Island.
- To provide and maintain supportive infrastructure and facilities.
- To maintain a safe, stable and reliable ferry service.
- To improve visitor experience through systems and service excellence.

The performance for the Business Development Programme was as follows:

- 4 targets were over achieved;
- 7 targets were achieved;
- 1 target was partially achieved; and
- 2 targets were not achieved.



The significant achievements for the programme related to:

- Heritage asset register has been updated and 4006 items of the Mayibuye Archives Collection have been digitised, in order to conserve and maintain the cultural heritage of RIM per Strategic Goal 2.
- Four (4) faunal censuses were conducted throughout the year, in order to conserve and maintain the natural heritage of RIM per Strategic Goal 2.
- Due to promoting and branding of RIM as a responsible Tourism Destination, 307 904 paying guests visited RIM. This number has been severely impacted by adverse weather conditions and availability of suitable ferries.
- In order to expand the market base one (1) new tour concept has been developed to diversify products.
- The overall visitor experience was improved through six (6) training sessions that was held with operational staff to improve operations as well as achievement of an average of 88% score on the mystery shopper reports.
- In order to further ensure responsible tourism operations through maintaining safe, stable and reliable ferry services, one (1) desktop drill checklist has been completed for an accident at sea and 51% of tours (fully or partially) were completed with RIM vessels through efficient implementation of the ferry maintenance plan.
- One (1) approved Built Environment Conservation Manual (BECM) has been developed to protect and maintain the built and cultural environment of Robben Island.

PERFORMANCE INFORMATION

Sub programme: Heritage Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To protect and conserve the cultural (movable & immovable) and natural values of Robben Island.	Annual update of heritage asset register	One (1) update of the heritage asset register for the 2018/2019 year end	Achieved One (1) update of the heritage asset register has been completed.	N/A	N/A	Achieved One (1) update of the heritage asset register has been completed.
	Number of new exhibitions installed per concept specifications in the year	Eight (8) Exhibitions installed per approved concept specifications	Not Achieved 12 instead of 8 exhibitions were initiated. 4 exhibitions were completed and installed however these were not part of the approved exhibitions. The approved 8 exhibitions have text panels, stanchions and cabinets outstanding.	The SA government announced a Lockdown due to Corona outbreak and as a result the service providers were unable to complete installation of the text panels and polycarb cabinets and vitrines and the stanchion rails.	Once the Lockdown restrictions are eased, the service providers will be able to access the island for completion of installation of text panels, polycarb cabinets and vitrines and the stanchion rails.	Achieved One (1) exhibition has been installed in the Hospital Section of the Maximum Security Prison (MSP).
To maintain the outstanding universal value of Robben Island.	Number of items digitised and preserved of the Mayibuye Archives Collection in the year	4000 items digitised	Over Achieved 4006 items have been digitised.	Additional staff capacity assisted in exceeding the target.	N/A	Over Achieved 4079 items have been digitised.
To undertake continuous research in order to enhance interpretation.	Number of reference group DVD's and transcripts generated in the year	One (1) reference group DVD and transcript generated	Partially Achieved One (1) reference group DVD production completed (not printed) and transcript completed.	The service provider completed the production but could not print the DVDs because of the national lockdown.	Printed DVDs will be submitted after lockdown.	Achieved Four (4) reference group DVD's and transcripts have been generated.
	Number of interviews of either ex-political prisoners, ex-warders and their families conducted in the year	One-hundred and fifty (150) interviews conducted	Not Achieved Zero (0) interviews have been conducted.	Appointment of service provider was only completed on 11 March 2020. This was due to postponements of the Finance Committee meetings.	Due to the national lock down, the unit will only be able to meet with the service provider and re schedule another project plan with dates after the national lockdown.	Not Achieved 59 out of 150 interviews have been conducted.
To maintain the outstanding universal value of Robben Island.	Number of faunal censuses conducted in the year	Four (4) faunal censuses conducted	Achieved Faunal censuses were conducted on the following four (4) groups: African Penguin, Springbok, Fallow Deer and Steenbok.	N/A	N/A	Achieved Faunal censuses were conducted on the following four (4) groups: African Penguin, Springbok, Fallow Deer and Steenbok.

Sub programme: Ferries Department						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To maintain a safe, stable and reliable ferry service.	Percentage (%) of running tours for which a RIM owned vessel is utilised from the Nelson Mandela Gateway (NMG)	35% of running tours carried out (fully or partially) by RIM commissioned vessels	Over Achieved 51% of tours were carried out, fully or partially, by RIM vessels.	Due to the new vessel, Krotoa, which came into operation in October 2019, it allowed for RIM vessels to be utilised more efficiently.	N/A	Over Achieved 43.5% of total tours have been carried out by RIM commissioned vessels.
	Number of desktop drill checklists completed for accidents at sea	One (1) desktop drill checklist completed for accidents at sea	Achieved One (1) desktop drill checklist has been completed in respect to accidents at sea based on the scenario that the vessel was taking on water and was in distress.	N/A	N/A	N/A

PERFORMANCE INFORMATION

Sub programme: Infrastructure & Estates						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To protect and maintain the built environment of Robben Island.	Approved Built Environment Conservation Manual developed in the year	One (1) approved Built Environment Conservation Manual developed	Achieved One (1) approved Built Environment Conservation Manual (BECM) was developed	N/A	N/A	N/A
To provide and maintain supportive infrastructure and facilities.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Sub programme: Marketing & Tourism						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To promote and brand Robben Island as a Tourism Destination.	Number of executive approved marketing campaigns	Four (4) executive approved marketing campaigns launched	Achieved Four (4) marketing campaigns were held namely: Africa Travel Indaba; RIM Open Day; Private Tours and 21 Reasons to Visit RIM.	N/A	N/A	Achieved Four (4) marketing campaigns were launched during the 2018/2019 year.
	Number of paying visitors to Robben Island Museum	300,000 paying visitors for the year	Over Achieved 307 904 paying visitors were received by RIM.	Due to the new vessel, Krotoa, which came into operation in October 2019, it allowed for RIM vessels to be utilised more efficiently.	N/A	Not Achieved A 3% decrease in paying visitors was realised for the 2018/2019 year.
To develop diversified products in order to expand the market base.	New tour concept developed in the year	One (1) new tour concept developed	Achieved One (1) new tour concept developed for a "walking tour".	N/A	N/A	N/A
To ensure effective public relations and communication.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A
To establish and maintain effective partnerships with stakeholders.	No performance indicator set for strategic objective due to budget and capacity constraints.	Target has been set in the future years for the strategic objective due to budget and capacity constraints in the current medium term period.	No achievement noted as no target set.	N/A	N/A	N/A

Sub programme: Operations						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To improve visitor experience through systems and service excellence.	Percentage(%)average score on the mystery shopper reports for the year	Eighty percentage (80%) average score on the mystery shopper reports	Over Achieved 88% average score on mystery shopper reports	Target has been overachieved due to improved operations as all operational units has been relocated into one department to assist with unity and enhanced training has been rolled out throughout the year.	N/A	N/A
	Number of training sessions held to improve operations	Six (6) training sessions held	Achieved Six (6) training sessions held to improve operations: 1. Problem Solving Methodology 2. Visitor Operations Leadership 3. Health and Safety Enhancement 4. Improved scheduling 5. Tour Guide Training 6. Cash Management	N/A	N/A	N/A

Programme 2: Public Engagement

The Public Engagement programmes include the targets of the Public Heritage Education Department.

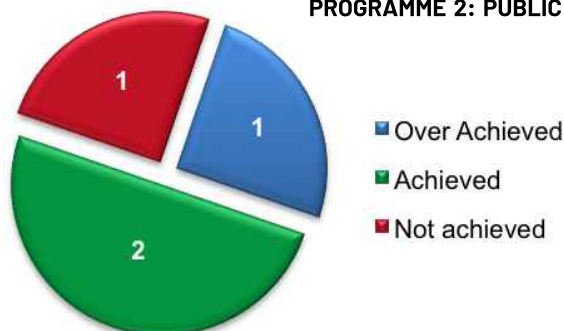
The programme aims to:

- To provide a visitor experience through an integrated and holistic narrative of the island.
- To provide access to academic scholarship, research and training through post graduate programme.
- To provide inclusive access to information through outreach programmes.

The performance for Programme 2: Public Engagement was as follows:

- 1 target was over achieved;
- 2 targets were achieved;
- 1 target was not achieved.

PROGRAMME 2: PUBLIC ENGAGEMENT



The significant achievements for the programme related to:

- Tour guiding manual has been reviewed and updated to ensure that an integrated and holistic narrative of the Island is achieved.
- Five (5) academic seminars and two (2) workshops were held to enable access to academic scholarship, research and training.
- Outreach programmes were held in nine (9) provinces to provide inclusive access to information across South Africa.

Sub programme: Public Heritage Education						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To provide a visitor experience through an integrated and holistic narrative of the island.	Review tour guiding manual	One (1) tour guiding manual reviewed in the year	Achieved The tour guiding manual has been reviewed.	N/A	N/A	Achieved The tour guiding manual has been updated with new research content relating to prisoner's diet scale and a narrative on Namibian nationals imprisoned on Robben Island. Additionally, tour guides received training on customer service.
To provide access to academic scholarship, research and training through post graduate programme.	Number of students to be selected for bursaries in either heritage studies or social sciences	Seven(7) students to be selected for bursaries	Not Achieved Seven (7) students were not selected and awarded bursaries for studies in Humanities and Social Sciences.	Due to the Covid-19 and subsequent lockdown, the final selection meeting could not take place. A virtual meeting could not take place either as not all of the Committee members have access to the internet.	Students will be selected after lockdown restrictions have been eased.	Achieved Seven (7) students were selected and awarded bursaries for studies in Humanities and Social Sciences.
To provide inclusive access to information through outreach programmes.	Number of provinces provided with educational outreach programmes at schools, in the year	Educational outreach programme sessions in 9 provinces	Achieved Educational outreach programmes were successfully provided in nine (9) provinces.	N/A	N/A	Achieved Educational outreach programmes were successfully provided in the Limpopo and Western Cape provinces.

Sub programme: Public Heritage Education						
Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To provide access to academic scholarship, research and training through post graduate programme.	Number of academic seminars and workshops held in the year	Five (5) academic seminars and one (1) workshop held	Over Achieved Five (5) academic seminars and two (2) workshops were held: 1. Africa Day Workshop 2. Academic Student Seminar 3. Govan Mbeki Seminar 4. Imbokodo Seminar 5. Sport and the struggle for social justice seminar 6. Reconciliation and RIM Workshop 7. AMPHS Interns Seminar	An additional workshop was held due to a request by the RIM Council to commemorate Reconciliation Day (16 December).	N/A	Over Achieved 7 academic seminars and 1 exhibition was executed namely: Africa Month Celebration; Nelson Mandela Centenary; Imbokodo Lecture; 12 hour Night Vigil including exhibition; African Youth Forum; Decolonising Education and The Lived Experiences of RIM Interns: 24 Years into democracy (RIM Think Tank)

Programme 3: Administration

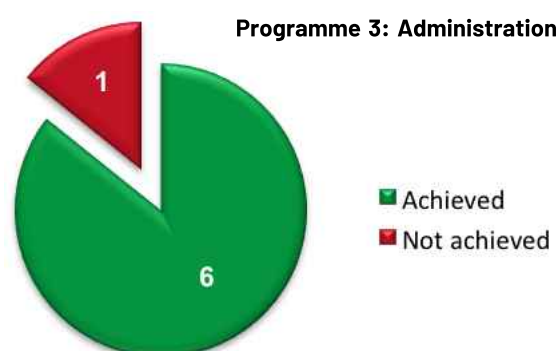
The Administration programmes include the targets of the Office of the CEO, Finance, Supply Chain Management, Information Technology and Human Resources Department.

The Administration programme aims to:

- To ensure the effective and efficient strategic management.
- To promote good governance.
- To monitor sustainability of RIM functional areas through using financial reporting systems.
- To ensure sustainable acquisitions of goods and services in compliance with regulations.
- To provide support of hardware and software within the organisation and user support.
- To recruit and retain top talent.
- To ensure an efficient and effective performance management system.
- To development skills.

The performance for Programme 3: Administration was as follows:

- 6 targets were achieved; and
- 1 target was not achieved.



The significant achievements for the programme related to:

- Two (2) governance workshops were attended by Council, Executives and Senior Management to promote good governance.
- Four (4) risk management were held to manage current risks and identify emerging risks to ensure effective and efficient strategic management.
- Four (4) reports were compiled on the financial overview and management account in order to monitor sustainability of RIM functional areas.
- One (1) digital notice system has been implemented to support the operational value chain of RIM.
- One (1) virtual tour plan has been developed in order to diversify products and enhance the financial sustainability of RIM.
- The Supply Chain Management policy has been reviewed in order to ensure sustainable acquisition of goods and services in compliance with regulations.

PERFORMANCE INFORMATION

Sub programme: Office of the CEO

Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To promote good governance.	Number of Governance Workshops attended by Council, Executive and senior management in the year	One (1) Governance Workshop attended by Council and Executives and one (1) Governance Workshop attended by Senior Management	Achieved One (1) governance workshop was held with Council and some Executives and one (1) governance workshop was held with Senior Management and Executives on 19-20 August 2019 and 7 February 2020 respectively.	N/A	N/A	Achieved Two governance and ethics workshops were held with Executives, Council and key staff on 26 October 2018 and 5 February 2019 by the Institute of Directors (IoD).
To ensure the effective and efficient strategic management.	Number of strategic risk workshops held in the year	Four (4) strategic risk management workshops held in the year	Achieved Four (4) risk management workshops were held to manage current risks and identify emerging risks. Workshops were held on 12 June 2019, 4 September 2019, 10 December 2019 and 11 March 2020.	N/A	N/A	Achieved Four (4) risk management workshops were held to identify emerging risks and to manage current risks. Workshops were held on 25 June 2018, 19 September 2018, 4 December 2018 and 12 March 2019.

Sub programme: Finance, SCM and ICT

Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To monitor sustainability of RIM functional areas through using financial reporting systems.	Number of reports on the financial overview and management accounts of RIM operations	Four (4) reports on the financial overview and management accounts of RIM	Achieved Quarterly (4) reports on financial overview and management accounts of RIM's operations were completed.	N/A	N/A	Achieved Quarterly (4) reports on financial overview and management accounts of RIM's operations were completed.
To provide support of hardware and software within the organisation and user support.	Number of ICT systems implemented in the year	One (1) ICT system implemented	Achieved A digital notice ICT system has been implemented in the NMG.	N/A	N/A	N/A
	Develop a plan on how to implement Virtual Tours	One (1) Virtual Tour plan developed in the year	Achieved A virtual tour plan has been developed.			N/A
To ensure sustainable acquisitions of goods and services in compliance with regulations.	Review of a Supply Chain Management policy specific to the needs of the Robben Island Museum	One (1) annual review of a Supply Chain Management policy	Achieved One (1) reviewed and updated Supply Chain Management policy was approved by RIM Finance Committee on 29 February 2020	N/A	N/A	Achieved One (1) reviewed and updated Supply Chain Management policy was approved by RIM Council on 8 February 2019.

Sub programme: Human Resources

Strategic objective	Performance indicator (KPI)	Target	Actual Achievement	Deviations from planned target	Comments on deviations	Actual Achievement prior year
To ensure an efficient and effective performance management system, develop skills, to recruit and retain top talent.	Percentage (%) of staff that have been performance evaluated once (1) in the year	90% of staff have been performance evaluated once (1) in the year	Not Achieved 88/265 (33%) of staff have been performance evaluated in 2019/2020 financial year.	This is the second year of implementation of a performance management system and there has been some resistance to the system and deadlines.	The submission date for performance appraisals shall be extended to mid-May due to COVID lockdown, thereafter disciplinary action will be taken against employees who do not comply	N/A

2.8 Strategy to overcome areas of under-performance:

RIM has faced the following high-level challenges which have had an impact on performance during the financial year:

- Diesel funding for power generation on the Island;
- Ferry operation challenges with vessels;
- Inappropriate organisational structure to execute targets successfully;

The following mitigating actions are currently being implemented to overcome areas of historical under-performance:

- Diesel for power generation had previously been funded by DPW as a result the matter will be resolved via dialogue between DAC and DPW, deciding on where the funding responsibility lies. Efficiencies realised as a result of commissioning of the Photo Voltaic plant is expected to reduce the initial budget shortfall by 40% per annum.
- Formal agreements have been entered into with service provider vessels to ensure that enough boat capacity is always available. The procurement processes have been ongoing for 36 months and NT has agreed to allow RIM to deviate from normal SCM procedures and procure a vessel from outside South Africa. The new 280 seater vessel was handed over to RIM on 10 June 2019 in Singapore.
- A service provider has assisted RIM in a restructuring process to align the organisational structure to the strategic objectives of the entity. The proposed structure has highlighted many vacant positions that need to be urgently filled.

2.9 Linkage performance with budgets:

2019/2020					
Description	Original Budget	Adjustment	Final Budget	Actual expenditure	(Over)/Under expenditure
EXPENDITURE FOR PROGRAMMES	R	R	R	R	R
Personnel	- 117 891 902	-	- 117 891 902	- 114 787 805	3 104 097
Depreciation and amortisation	- 13 784 635	-	- 13 784 635	- 11 310 408	2 474 227
Finance costs	-	-	-	-	-
Debt impairment	-	-	-	-	-
General Expenses	- 109 525 558	- 109 525 558	- 109 525 558	- 120 091 294	- 10 565 737
Total expenditure	- 241 202 095	- 241 202 095	- 241 202 095	- 246 189 507	- 4 987 413

Expenditure is mainly made up of General Expenses, followed closely by Personnel costs and the difference consists of the annual Depreciation and Amortisation.

The under expenditure of Depreciation and Amortisation mostly relates to the reassessment of useful lives of assets.

The under expenditure of Personnel costs relates to positions being vacant and staff movements.

2.10 Revenue collection:

2019/2020					
Sources of revenue	Original Budget	Adjustments	Final Budget	Actual amount collected	(Over)/Under collection
REVENUE	R	R	R	R	R
REVENUE FROM EXCHANGE TRANSACTIONS		-			
Sale of goods	2 747 055	-	2 747 055	2 326 210	(420 845)
Rendering of services	131 307 317	-	131 307 317	141 067 545	9 760 228
Rental of facilities and equipment	1 562 224	-	1 562 224	1 427 623	(134 601)
Other income	4 704 182	-	4 704 182	3 998 154	(706 028)
Recoveries	113 371	-	113 371	110 829	(2 542)
Finance Income	9 500 000	-	9 500 000	12 122 561	2 622 561
Gain on disposal of assets	-	-	-	350 000	350 000
Total revenue from exchange transactions	149 934 149	-	149 934 149	161 402 922	11 468 773
REVENUE FROM NON-EXCHANGE TRANSACTIONS					
Government grants	84 117 000	-	84 117 000	84 495 000	378 000
Deferred Revenue	0	-	0	10 710 542	10 710 542
Total Revenue From Non-Exchange Transactions	84 117 000	-	84 117 000	95 205 542	11 088 542
Total revenue	234 051 149	-	234 051 149	256 608 466	22 557 315

Revenue is mainly made up of Rendering of Services which is the Net Ticket Sales of Visitors to the Island and the Government Grants and Subsidies which is the unconditional and conditional grants received from the Department of Sports, Arts and Culture.

Sale of Goods, Rental of Facilities and Equipment and Other Income makes up all the other income generating services offered by the Robben Island Museum with the financial outcome in line with budget and the balance of Total Revenue is the Finance Income earned on the favourable bank balances maintained throughout the year.

Rendering of Services – Revenue and Visitor Performance – Tour Sales

- The 2019/20 revenue performance from rendering of services was 8% above budgeted revenue. The actual income is more than the budgeted income by R9.7m as a result of the favourable impact of the implementation of two tier pricing during the financial year.
- The overall year to date increase in revenue from ticket sales relating to RIM tours was 28% when compared to the prior year. The increase can be attributed to improved weather conditions for certain months and the implementation of 2 tier pricing structure from June 2019, with non- South African visitors making up a significant percentage of the total number of visitors.
- During 2019/20 financial year the number of cancelled tours have increased compared to prior year (38%) owing to severe weather conditions experienced during the year and furthermore the current COVID-19 resulted in suspension of tours during the March 2020. Overall visitor numbers were 3% below prior year and 1% below the budget.
- The sluggish performance in terms of visitor numbers is mainly attributable to inherent risks that are part of RIM's business model such as weather conditions, technical issues and tourism/customer footfall and tour operator discounts which is paradigm by the slow economic growth and fiscal constraints that are expected to persist over the medium term and further the impact of COVID-19. However, in contrast, improved revenue performance is due to the implementation of 2 tier ticket pricing.
- A more robust approach is currently being investigated and implemented in terms of an integrated approach across various functional areas in keeping with the golden thread to deepen and strengthen various stakeholders for maximum organizational impact.

Despite the significant increase in the number of YTD cancellations due to weather compared to the prior year and the current COVID-19 which impacted the number of visitors in March 2020 the results are positive given the challenges experienced during the financial year.

Current observations reflect a positive impact of a **two-tier ticket pricing approach and yields positive returns even when the visitor numbers are down.**

The marginal increase in local visitors is a positive sign for the country given the economic climate in which the country finds itself. (Depressed economic conditions and market sentiment). Furthermore, reflecting that ticket prices are accessible and affordable to both local and international visitors alike.

RIM remains relevant to the ever changing global tourism landscape and further contributes to the tourism economy provincially and nationally as a destination of choice.

Finance Income

In terms of finance income, the actual income exceeds the budgeted amount by R2.6m as a result of the investment of surplus funds due to the timing of spend in conditional grants relating to infrastructure and capital works.

Government Grant

Government Grant actual income is more than the budgeted income by R0.4m due to to an increase in the subsidy budget.

Deferred revenue actual income exceeds the budgeted income by R10.7m due to deferred income being recognised for NDT grant (R1.9m), Grap 103 grant (R4.7m), Infrastructure grant (R4m) and Diesel grant (0.1m).

2.11 Capital Investment:

RIM does not plan to close down or down-grade any current facilities. The COVID-19 pandemic and transport restrictions will have an impact on the public entity's current expenditure. The additional health and safety requirements have necessitated the review of project specifications.

RIM has an in-depth condition assessment and a Built Conservation Manual that dictates maintenance and specifications for all built assets that are situated on Robben Island. These documents also include the current state of the capital assets and ensures that the asset register is maintained up to date.

Infrastructure Projects	2018/2019			2019/2020		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
Harbour Precinct - New Floating Jetty	R 8 127 899	R 6 899 073	R 1 228 816	R 1 228 816	R 427 628	R 801 188
Harbour Precinct - Safety (Hand Rail)	R 3 033 059	R 255 545	R 2 777 514	R 2 777 514	R 1 313 485	R 885 786
Effluent Plant - New WWTW	R 21 111 789	R 0 00	R 21 111 789	R 21 111 789	R 0 00	R 21 111 789
Bluestone Quarry Wall	R 18 429 526	R 52 592	R 18 376 934	R 18 376 934	R 618 684	R 17 758 251
Desalination Plant (New Reverse Osmosis Plant)	R 7 754 583	R 68 644	R 7 685 939	R 7 685 939	R 0 00	R 7 685 939
Restoration and conservation of built environment	R 8 000 000	R 0 00	R 8 000 000	R 22 569 847	R 1 680 153	R 20 889 694
Installation of customised hospitalities fittings at JC hall	R 5 000 000	R 0 00	R 5 000 000	7 000 000	R 0'00	R7 000 000
Upgrades of Interpretation and Visitors Management	R 2 900 000	R 0 00	R 2 900 000	R 5 900 000	R 1 417 557	R 4 482 443
Restoration and repairs to helicopter landings and transport depot.	R 5 000 000	R 409 400	R 4 590 600	R 4 590 600	R 0 00	R 4 590 600
NMG Reconfiguration of space to accommodate exhibition & executive office space, Fire and OHS compliance	R 1 400 000	R 628 594	R 771 406	R 2 771 406	R 45 735	R 2 725 671
Mayibuye Archives alternative accommodation	R 1 500 000	R 0'00	R 1 500 000	R 1 500 000	R 241 500	R 1 258 500

PERFORMANCE INFORMATION

Infrastructure Project	Status	Comments/Reasons
Harbour Precinct - New Floating Jetty	Completed	
Harbour Precinct - Safety (Hand Rail)	Completed	
Effluent Plant - New WWTW	On hold	The project was assigned to DPWI's implementing agent as part of the Tripartite agreement. The agreement has since expired before the project could be implemented. RIM is awaiting feedback from DPWI in terms of the way forward.
Bluestone Quarry Wall	In progress	The project was handed over to RIM for implementation. A service provider has been appointed to execute the project. The project has been delayed due the COVID 19 Pandemic. However, it has now recommenced following the declaration of level 3 permissions. The estimated project completion date is December 2021.
Desalination Plant (New Reverse Osmosis Plant)	On hold	The project was assigned to DPWI's implementing agent as part of the Tripartite agreement. The agreement has since expired before the project could be implemented. RIM is awaiting feedback from DPWI in terms of the way forward.
Restoration and conservation of built environment	In progress	This project constitutes a number of projects that are currently being implemented: <ol style="list-style-type: none"> 1. Conditions assessment and conservation manual - Completed 2. Restoration of MSP sections - In progress 3. Restoration of 13 Buildings - In progress
Installation of customised hospitalities fittings at JC hall	In progress	Budget for this project has been reprioritised and included in "Restoration and conservation of built environment"
Upgrades of Interpretation and Visitors Management	In progress	This project constitutes a number of projects that are currently being implemented: <ol style="list-style-type: none"> 1. Painting and repairs to 19 Houses - Completed 2. Painting and repairs to 59 Houses - In progress 3. Restoration of the Visitors centre - Completed
Restoration and repairs to helicopter landings and transport depot.	In progress	The project is delayed due to the estimated budget being below the lowest tender price. Request for additional funding is pending.
NMG Reconfiguration of space to accommodate exhibition & executive office space, Fire and OHS compliance	In progress	Conditions assessment of the building has been conducted. Identified building compliance issues are currently being addressed. Was delayed due to approvals on the layout designs by the landlord.
Mayibuye Archives alternative accommodation	In progress	The project started with a feasibility study and business case which has been completed. The next phase is design development and implementation.

Segregation



As a result of the Leprosy Repression Act, 452 new patients were admitted to a newly-built compound at some distance from the village. Rigorous separation of lepers was enforced; the living area of women lepers was fenced and guarded. Segregation of races, previously not formalized, was now enforced among leper patients, although lunatics were not fully racially segregated.





PART C: GOVERNANCE



3.1 Introduction

Parliament, the Department of Arts and Culture, the Council and the Executive of Robben Island Museum are responsible for corporate governance.

Governance of Robben Island Museum is guided by the Cultural Institutions Act of 1998, the Public Finance Management Act of 1999, the King Report on Governance for South Africa 2009 ("King IV") and the World Heritage Convention Act.

3.2 Portfolio Committees

The portfolio committee did not meet with RIM management during the 2019/2020 financial year. Key issues raised revolved around infrastructure and the state of the Island as well as sustainability of the heritage site.

3.3 Executive Authority

Quarterly reports on the financial information, non-financial information and challenges are submitted to DSAC on a quarterly basis.

3.4 The Council

The Robben Island Museum Council is the Accounting Authority whom is appointed by DSAC. The Council provides strategic direction and is accountable for the performance of Robben Island Museum.

The responsibilities of the Council are as follows:

- exercise leadership, enterprise, integrity and judgment in directing RIM so as to achieve its objectives and at all times to act in the best interests of RIM in a manner based on transparency, independence, accountability, fairness and responsibility;
- ensure the effective use of all the resources of RIM;
- be the vehicle of last resort for complainants both internal and external to RIM;
- continually monitor the exercise of delegated power by management and ensure that effective goal-setting and programme monitoring is undertaken by management and communicated regularly to the Council;
- set in place mechanisms to monitor and manage all risks to RIM; to review these risks regularly and to take the necessary steps to contain and alleviate such risks;
- advise on significant financial matters and to ensure that full accountability for all financial matters is undertaken by management;
- ensure that a comprehensive system of policies and procedures is in place and that appropriate governance structures exist to ensure the smooth, efficient and prudent stewardship of the Company;
- exercise objective judgment on the business affairs of RIM, independent from management but with sufficient management information to enable a proper and informed assessment to be made;
- identify and monitor non-financial aspects relevant to RIM and ensure that RIM acts responsibly towards all relevant stakeholders of the Company; and
- ensure compliance by RIM with all relevant laws and regulations, audit and accounting principles and such other principles as may be established by the Board from time to time.

Council Charter and Sub-Committee Charters

The RIM Council's mandate, fiduciary duties and responsibilities is described in the Council's Charter which is reviewed and if required amended on an annual basis. The Charter sets out a requirement that the Governance, Ethics and Legal Sub-Council is responsible to review the effectiveness of Council, its committees, its individual members, including the Chairperson to be completed annually.

GOVERNANCE

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
SB Buthelezi	Chairperson	1 September 2012	30 June 2019	University of Western Cape, where I undertook the studies in economics, anthropology, mathematics, business economics and political science. After attaining my BA at that institution, I went to the University of the Witwatersrand, where I pursued studies in the theory and practice of town and regional planning.	African National Congress councillor	Sobobo Management Services CC Khor 6 Investments CC (deregistration process) Rapid Dawn Cloud Solutions (Pty) Ltd (deregistration process) Taxi Licenses and Transport Solutions (Pty) Ltd (deregistration process) Phumuntu Trading (Pty) Ltd Phumuntu Investment (Pty) Ltd (deregistration process) Nexxt Infrastructure and Capital Solutions (Pty) Ltd (deregistration process) Johannesburg Water SOC Rapid Dawn 100 (Pty) Ltd	1
S Webster	Member	24 March 2010	30 June 2019	In 1997 Callinicos was awarded the Order of the Phoenix from the Democracy of Greece, an Honorary Doctorate from the University of Fort Hare in 2005 and a Lifetime Achievement Award from wRite, in collaboration with the Department of Arts and Culture in 2008.	Social historian, lecturer, researcher and writer	JK Mohl Art Legacy Foundation (Pty) Ltd The Workers Library Resource Centre and Museum NPC (deregistration process) Mapungubwe Institute for Strategic Reflection NPC Busara Institute for Research and Publishing NPC	1
L Mpahlwa	Member	24 March 2010	30 June 2019	Dr Luyanda Mpahlwa, Cape Town based Architect and Urban Designer obtained his Masters in Architecture at the Technical University of Berlin. He is the Director of Luyanda Mpahlwa DesignSpaceAfrica, the architecture and design firm he founded in 2009. His architectural education in South Africa was interrupted when he was incarcerated on Robben Island Prison in 1981 for his anti-apartheid political activities. After his release from a 5 year prison term in 1986, he went into exile in Germany, where he spent 15 years in Berlin. He relocated back to South Africa in 2000 and established the Cape Town Studio of MMA Architects where he was Director/Partner for 12 years. He is a member of South African professional bodies: SACAP; SAIA; CiFA; UDISA and SABTACO. He has participated as a Thesis External Examiner in various Universities, UCT, UKZN, WITS and NMMU and also served in the Advisory Committee of CPUT. From 2004-2008 he served in the UCT University Council and is currently serving in the Council of Walter Sisulu University.	Architect and Urban Designer	Luyanda Mpahlwa Management Consulting CC Koekenaap Energy (Pty) Ltd Grahamstown Wind Farm (Pty) Ltd Plan 8 Infinite Energy (Pty) Ltd Luyanda Mpahlwa Designspaceafrica (Pty) Ltd	0
P Nefolovhodwe	Member	24 March 2010	30 June 2019	Nefolovhodwe then went to the University of the North (also known as Turfloop), where he continued with his political activism and became a member of the Student Representative Council (SRC) in 1971. When the university expelled SRC president Harry Ranwedzi Nengwekhulu and several other students propagating the Black Consciousness ideology, Nefolovhodwe and Abraham Onkgopotse Tiro emerged as leaders of the movement at the institution.	SASO President, teacher, trade unionist, AZAPO president and deputy president and Member of Parliament.	Is'baya Community Programmes (Pty) Ltd (deregistration process) Tshirundu Development Services (Pty) Ltd People's Agricultural Development NPC (deregistration process) Makhado Communications (Pty) Ltd (deregistration process)	1
L Robinson	Member	1 July 2016		Qualified from the University of Cape Town with an architect in 1980.	Architect	Cape Town Central City Improvement District NPC	1

GOVERNANCE

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
M Malapane	Member	1 July 2016	30 June 2019	Completed Certificate in Taxation with University of South Africa (UNISA), November 2011. Certificate in Economics and Public Finance, University of South Africa (UNISA), South Africa, March 2011 Master of Business Administration (MBA), University of Maryland College Park, USA 1999 Bachelor of Accountancy, the George Washington University, Wash., D.C., 1987 Certified Public Accountant (CPA) Part 1, Section 1 The Kenya Polytechnic, Nairobi Kenya, 1982 Accounts Clerk National Certificate (ACNC), The Kenya Polytechnic, Nairobi Kenya, 1981 Accounting / Auditor letsema Recycling Primary Cooperative Limited		Cangoflash (Pty) Ltd The ZA Domain Name Authority NPC	1
S Mokone-Matabane	Member	1 July 2016	30 June 2019	Ph.D. University of Texas, Austin, Texas. Educational Administration, 1986 M.S. Syracuse University, Syracuse, New York. Television and Radio, 1970 B.A. Syracuse University, Syracuse, New York. Political Science, 1968	Passionate about the ICT industry and the role it can play to transform society	Kemo-Leboga Bosele Agricultural Primary Co-Operative Limited Lehlabel Renewable Energy (RF) (deregistration process) LS Communications (Pty) Ltd Sky Solar Construction Solutions (Pty) Ltd (deregistration process) Communal Relaeance Solutions (Pty) Ltd (deregistration process) Edelweiss Investment Holdings (Pty) Ltd BP Southern Africa (Pty) Ltd Nahana Group (Pty) Ltd Mccann Worldgroup South Africa (Pty) Ltd The Market Theatre Foundation NPC (deregistration process) Southern African Broadcasting Association NPC (deregistration process) Znshine Solar SA (Pty) Ltd (deregistration process)	1
U Mdledle-Mkize	Member	1 October 2017		B.Juris, llb degrees Practical legal training Certificate in practice management Certificate in compliance management (Compliance in Financial Services Industry) 2009 Contracts Management Training 2009 Law of Contracts 2011 Consumer Protection Act 2011 Commercial Law Programme 2013 Compliance Management 2015 Attended Executive Coaching	Attorney and Lawyer practicing	His Will Farming CC Covenant Prosperity Investments CC (deregistration process) Uthango Legal and Corporate Placements CC (deregistration process) Mdledle-Mkize Vockerodt INC (deregistration process) Lamprey Investments (Pty) Ltd (deregistration process) Hapuka Investments INC (deregistration process) Bhungane Services and Supplying (Pty) Ltd (deregistration process) Fossa Trade and Invest (Pty) Ltd (deregistration process) Edmamark (Pty) Ltd (deregistration process) Mdledle Mkize Attorneys INC (deregistration process) Ntinga or Tambo Development Agency SOC Africa's Best 350 (Pty) Ltd	1
E Duminy	Member	1 October 2017	30 June 2019	Chartered Accountant (SA) - 1994 EDP, Wits Business School - 2004 MAP, Wits Business School - 1999 Diploma in Project Management, Damelin 1997 International Business Certificate, London Guildhall University - 1994 B Comm (Honours), University of Western Cape 1987 - 1990	Experienced Executive leader with a demonstrated history of working in the leisure, travel & tourism Information Technology and Financial Services industries. Skilled in Digital Strategy, Search Engine Optimization (SEO), Marketing Management, Negotiation, and Business Planning.	CTT Commercial (Pty) Ltd	0

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
B Muthien	Chairperson	1 July 2019 28	November 2019	MA Political Science, Stellenbosch University BSOC SC HONS, University of Cape Town BA: Political Studies, English Language & Literature, University of Cape Town	She is an accomplished facilitator, researcher and poet who designs, implements and evaluates projects for business, donors, government and NGOs	South African Broadcasting Corporation SOC	5
M Makgolo	Member	1 July 2019		MA (Honours) Archaeology: University of Auckland, New Zealand BA (Honours) Archaeology: University of Ibadan, Nigeria	Archaeology	Bakgotsi Investments CC (deregistration process) Digital Installer Training Program (Pty) Ltd (deregistration process) M M R D Transport Services (Pty) Ltd (deregistration process) Makgolo Heritage Management Consult (Pty) Ltd MM Distribution Agency (Pty) Ltd SA Gallery of Heroes NPC K2020161974 (South Africa) NPC South African Sports Arts and Culture Hall of Fame NPC	10
U Mdledle-Mkize	Member	1 July 2019		BAED: UNIN Post Graduate Diploma in Heritage and Museum Studies: University of Pretoria Post Graduate Diploma in Strategic Marketing: University of Hull	Heritage	Khensani Heritage Consulting (Pty) Ltd Makenzo Property Management CC (deregistration process) Sector Based Development Consulting (Pty) Ltd Phikhe SME Support Services (Pty) Ltd (deregistration process) IKS Strategic Advisers (Pty) Ltd (deregistration process) Khensani Media and Entertainment (Pty) Ltd (deregistration process) Khensani Holdings (Pty) Ltd (deregistration process) Khensani Properties (Pty) Ltd (deregistration process) Bafidile XIII Projects (Pty) Ltd (deregistration process) Azile Trading and Projects (Pty) Ltd (deregistration process)	8
K Maluleke	Member	1 July 2019		Admitted as a Notary and Conveyancer of the High Court of South Africa Post Graduate Diploma: Advanced Management Programme: Wits Business School Admitted Attorney of the High Court of South Africa B.Proc Degree (Law): University of Pretoria	Attorney	Azendaya CC Vilakazi Chilwane INC Elenasa (Pty) Ltd Azendaya Trustees (Pty) Ltd Tialea (Pty) Ltd	10
P Chilwane	Member	1 July 2019		Diploma: Human Resources: IPM South Africa BA Information Science: Ballarat University College Diploma: Library Studies: University of Botswana and Swaziland		MMD Investment Holdings CC Anysong Trading (Pty) Ltd (deregistration process) Adicare (Pty) Ltd (deregistration process) Ingolovane Women in Rail Trading and Projects (Pty) Ltd (deregistration process) Digital Landmark (Pty) Ltd Ainsdaal (Pty) Ltd On Digital Media (Pty) Ltd Makotulo Agricultural Company (Pty) Ltd Exclusive Access Trading 659 (Pty) Ltd (deregistration process) Nathola Investments (Pty) Ltd Rivamode (Pty) Ltd	10

GOVERNANCE

Name	Designation	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	No. of Council Meetings attended
T Dlamini	Member	1 July 2019		Project Management Certificate Diploma in Public Management and Development: Wits Business School-Kagiso Trust-CBDP Arts Management and Development Course: Wits School of Public Management 1 Computer Skills & Office Routine Course: Sached's Pitman School	Heritage	Equipped Events Allround CC Write Associates (Pty) Ltd The South African Literary Awards NPC Legapa Gallery Soweto NPC Mundolingua Solutions (Pty) Ltd (deregistration process) Friends of Nadine Gordimer Committee NPC Maritime Heritage Institute(Pty)Ltd One Africa FM NPC (deregistration process)	9
M Seakhoa	Member	1 July 2019		MBA: Henley Business School (To be completed in April 2019) Masters in Information: Technology at University of Pretoria (dissertation outstanding) BSC (computer science) Degree: University of the Western Cape International Investment Management Certificate: Fordham University (New York)	IT Executive Management	Okuhlekodwa Trading and Projects 74 CC (deregistration process) Mchenge Piggery and Crop Farming Co-op Centre for Courageous Authenticity in Leadership NPC Lisole2 Business Solutions(Pty)Ltd United Petroleum Solutions (Pty) Ltd Comms Cloud Managed Infrastructure (Pty) Ltd	10
V Menye	Member	1 July 2019	27 November 2019	B.A.: University of Natal B.A. Hons.: University of Natal M.A.: University of the Witwatersrand PH.D.: University of Natal Membership of Professional Association: member of the Institute of Directors of South Africa	Chief research specialist		9
G Houston	Member	29 November 2019			Advocate	CIE Investment Company Public Company	4
M Masutha	Chairperson	29 November 2019		Secondary Teachers Diploma (1985) BA (1991) UNISA Bachelor of Education. (1996) UNISA LCBP: Media Communication with Palama (2011) M Phil (economic policy) : Stellenbosch University(2013) Advanced Certificate in Governance and Public Leadership (2013) (Wits University) Post Graduate Diploma in Management (2015) (Wits University)	Audit General	Dirang Mmogo Motshetshe Co-Operative Limited Zatotouch Zatopath (Pty) Ltd Motshetsheke Trading (Pty) Ltd Lou and Ant (Pty) Ltd Lerutla Biohealth (Pty) Ltd	5
L Mabe	Member	1 September 2012	30 June 2019	University of Western Cape, where I undertook the studies in economics, anthropology, mathematics, business economics and political science. After attaining my BA at that institution, I went to the University of the Witwatersrand, where I pursued studies in the theory and practice of town and regional planning.	African National Congress councillor	Sobobo Management Services CC Khor 6 Investments CC (deregistration process) Rapid Dawn Cloud Solutions (Pty) Ltd (deregistration process) Taxi Licenses and Transport Solutions (Pty) Ltd (deregistration process) Phumuntu Trading (Pty) Ltd Phumuntu Investment (Pty) Ltd (deregistration process) Nexxt Infrastructure and Capital Solutions (Pty) Ltd (deregistration process) Johannesburg Water SOC Rapid Dawn 100 (Pty) Ltd	5

The governance structure is constructed as follows

Sub-committee	Members	Sub-committee	Members
Audit and Risk Committee	T Mosololi (Independent) J Williams (independent) B Tebogo-Matabane (independent) U Mdledle-Mkize V Menye	Heritage and Education Committee	K Maluleke L Robinson M Makgola M Seakgwa
Finance and Remuneration Committee	V Menye T Dlamini P Chilwana	Infrastructure and Facilities Committee L Robinson	L Robinson K Maluleke M Seakgwa
Finance and Remuneration Committee	M Makgolo P Chilwane L Mabe	Marketing, Tourism and Visitor Operations Committee	T Dlamini M Makgolo K Maluleke

Meeting attendance

Members of Council are required to attend full Council meetings and to attend the meetings of the Council Sub-committees to which they have been appointed. A new Council was appointed during the 2019/2020 financial year, thus the previous Council attended the first quarter's Council and Sub-Council Committee meetings and the new Council attended quarter 2 to quarter 4's committee meetings.

Name of Member	Audit and Risk Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
M Malapane	1	0
P Nefolovhodwe	1	1
T Mosololi (Independent)	4	4
T Ntshiza (Independent)	1	1
K Laubscher (Independent)	2	2
J Williams (independent)	2	2
B Tebogo Matabane	2	2
U Mdledle-Mkize	2	1
V Menye	3	3

Name of Council Member	Finance and Remuneration Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
M Malapane	1	1
S Buthelezi	1	1
L Robinson	1	1
U Mdledle-Mkize	1	1
V Menye	3	3
T Dlamini	3	3
P Chilwane	3	3
L Mabe	1	1

Name of Council Member	Heritage and Education Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
L Mpahlwa	1	1
S Webster	1	1
L Robinson	4	3
E Duminy	1	0
S Mokane-Matabane	1	1
P Nefolovhodwe	1	1
K Maluleke	3	3
M Makgolo	3	3
M Seakhoa	3	3

Name of Council Member	Infrastructure and Facilities Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
L Mpahlwa	1	1
S Webster	1	1
L Robinson	4	4
E Duminy	1	0
S Mokane-Matabane	1	1
P Nefolovhodwe	1	1
K Maluleke	3	3
M Seakhoa	3	3

Remuneration of board members

The remuneration of Council members is disclosed as per note 31 of the Annual Financial Statements.

The remuneration of the Council is determined per National Treasury regulation.

Name of Member	Marketing, Tourism and Visitor Operations Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
L Mpahlwa	1	0
S Webster	1	1
L Robinson	1	0
S Mokane-Matabane	1	1
E Duminy	1	1
P Nefolovhodwe	1	1
T Dlamini	3	3
M Makgolo	3	3
K Maluleke	3	3
G Houston	2	2

Name of Member	Governance, Ethics & Legal Sub-Committee Meeting	
	Number of meetings held	Number of meetings attended
P Nefolovhodwe	1	1
S Webster	1	1
S Mokone-Matabane	1	1
U Mdledle-Mkize	1	1
M Makgolo	3	3
P Chilwana	3	3
L Mabe	1	1
G Houston	2	2
B Muthien	1	1

3.5 Risk Management

The Public Finance Management Act, 1999 (Act No. 1 of 1999 as amended by Act No. 29 of 1999) requires Robben Island Museum to ensure it has and maintains effective, efficient and transparent systems of risk management. RIM thus implements a Risk Management Strategy and Risk Management Policy.

Executive and senior management engage with the Senior Manager Risk on a quarterly basis to update RIM's risks to achieving its strategic objectives and to identify any other emerging risks.

RIM has also developed departmental risk registers (operational and fraud risk) including mitigating actions to be taken to reduce risk to acceptable levels.

The Audit and Risk Council Sub-Committee further independently reviews the progress in addressing action mitigation plans on a quarterly basis.

Progress has been made in addressing risks, however 10% of risks cannot be mitigated due to either budget constraint, DPWI or external issues.

3.6 Internal Audit Unit

Nexia SAB&T (Nexia) was appointed as the internal auditors appointed on 31 March 2019 for a period of three years.

A risk-based three-year and one-year Internal Audit Plan was considered and adopted by the Audit Committee.

Nexia performed the following engagements during the year and delivered reports with findings and recommendations for improvements:

1. Performance Information Review
2. Annual Financial Statements Review
3. Human Resources Annual Report Review
4. Verification of Provident Fund Comparisons
5. OHS Policy and Plan Review
6. Ferry Operations Review
7. PDO and Strategic Alignment Review
8. Follow Ups on Prior Audit Findings Review

3.7 Compliance with laws and regulations

Robben Island Museum as a World Heritage Site has a significant amount of laws and regulations to comply with.

RIM has developed a number of policies and regulations in order to ensure compliance. The policies are reviewed regularly and where necessary, new policies are developed. RIM endeavours to adhere to the PFMA, Cultural Institutions Act, Treasury Regulations, Supply Chain Practise Notes and other relevant prescripts.

3.8 Fraud and corruption

Robben Island Museum management actively participates in DSAC's Fraud Awareness Campaigns and the Whistle-blowing Fraud and Corruption Hotline posters are visible in the entity's buildings. Employees are encouraged to report any instances of suspected fraud or corruption.

The fraud prevention plan at RIM focusses on awareness campaigns, training, internal audit projects and reviews of high risk areas.

Fraud cases are reported to senior management or directly to the Senior Risk Manager. The Senior Risk Manager will then perform a preliminary investigation and submit findings to the Executives as well as Human Resources Department. If the suspected fraud is confirmed, an external organisation is procured to perform an independent investigation and the case is taken from there.

3.9 Minimising conflict of interest

Procurement

According to National Treasury Practise Note Number 7 of 2009/2010, accounting officers and accounting authorities are required to utilize the attached revised SBD 4 when inviting price quotations, advertised competitive bids, limited bids or proposals. This SBD 4 should be used with minimum changes that are necessary to address contract and project specific issues.

In terms of the National Treasury Regulations, if a supply chain management official or other role player, or any close family member, partner or associate of such official or other role player, has any private or business interest in any contract to be awarded, that official or other role-player must –

- (a) disclose that interest; and
- (b) withdraw from participating in any manner whatsoever in the process relating to that contract.

According to the Code of Conduct for Bid Adjudication Committees, all members as well as the secretary of Bid Adjudication Committees, (including Bid Evaluation Committee and Bid Specification Committee members) should be cleared at the level of - "Confidential" by the accounting officer / authority and should be required to declare their financial interest annually. Each member as well as all officials rendering administrative support must sign a declaration form at each Bid Adjudication Committee meeting.

Employees

Employees are required to annually disclose their financial interests which are reviewed to identify any instances of conflict of interest.

3.10 Code of Conduct

The Robben Island Museum Code of Good Conduct is a guideline which is intended to formalise Robben Island Museum's approach to addressing misconduct and poor work performance and creating sound employee relations. Any breach of the code of conduct is investigated either by Human Resources or if it relates to fraud, by the Senior Risk Manager.

3.11 Health, Safety and Environmental matters

Health and Safety

Robben Island Museum has a dedicated SHEQ Officer and a Health and Safety Committee.

Robben Island Museum has approximately 21 employees which were trained on first aid to ensure that visitors and employees are attended to in case of an emergency. Furthermore, medical facilities with a dedicated medical team (paramedics) are available on Robben Island.

Environmental matters

Robben Island Museum has entered into strategic partnerships with academic and government institutions to ensure compliance with environmental legislative framework and assist with the site environmental monitoring.

Partnership with the University of Cape Town, Earthwatch, SANCCOB and Department of Environmental Affairs is important for close monitoring of avifauna on Robben Island, particularly threatened species i.e. African penguins.

Stellenbosch University Department of Conservation Ecology, in partnership with Robben Island Museum, focuses on environmental monitoring, particularly vegetation assessment and entomology.

RIM has mitigated fire hazards on the site through ongoing controlled burn projects that are annually conducted in partnership with the City of Cape Town's Fire and Rescue and Biodiversity Units.

Illegal harvesting of marine living resources around the site buffer zone has been a major concern. RIM has recently improved its buffering mechanism through a formal partnership with the Department of Agriculture Forestry and Fisheries' Monitoring, Control and Surveillance Chief Directorate, which ensures compliance and prevents illegal activities within the buffer zone.

3.12 Company Secretary

Resolve Secretariat (Pty) Ltd was appointed as the Company Secretary on 28 November 2017 for a period of 5 years.

3.13 Social Responsibility

Internships

Robben Island Museum facilitates internships to assist interns in gaining valuable work experience.

During the year 2019/2020, twenty-nine interns developed new skills by assisting in the Finance Department, Heritage Department and Marketing and Tourism Department.

Concession and complimentary tickets:

Robben Island Museum annually makes concession and complimentary tickets available to:

- Academic institutions;
- Schools,
- Adult educational groups,
- Cultural and social stakeholders; and
- Ex-political prisoners;

During 2019/2020 Robben Island Museum made a total of 6 890 concession and complimentary tickets available which promotes educational and social responsibility initiatives.

Bursaries

Robben Island Museum has offered 7 students bursaries to further their studies in Humanities and Social Sciences.

3.14 B-BBEE Compliance Performance Information

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

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy?	Yes	Robben island Museum's preferential procurement policy is embedded in the Supply Chain Management Policy. For all procurement of goods and services above R30k (all taxes included) Robben Island Museum applies the Broad Based Black Economic Empowerment principle. Companies are given preference in line with their BEE Certificate in terms of their level of contribution.
Determining qualification criteria for the sale of state-owned enterprises?	NO	
Developing criteria for entering into partnerships with the private sector?	NO	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	NO	

Separation



Christmas parties hosted for leprosy sufferers on the Island were kept separate for male and females. On Robben Island, husbands and wives were prevented from seeing each other and marriages between leprosy sufferers was prohibited.





PART D:

Human Resource Management

4.1 Introduction

Overview of HR matters

The Human Resources Department is responsible for providing Strategic and Operational Human Resources Support to embrace diversity, environmental sustainability, and social justice and contribute towards the delivery of South Africa's Qualifications Authority's (SAQA) mandate.

They are further responsible to provide comprehensive HR management processes and systems, and support business partners in delivering world class human resources management and training.

HR priorities for the year under review

1. Structural Realignment
2. Management of the Performance Management System
3. Implementation of new Job Grades
4. Management of Labour Relations

Employee performance management framework

All employees submitted signed performance contracts except seven employees. The performance evaluation for 2019/2020 financial year shall be conducted in the first quarter of the 2020/2021 financial year.

Employee Wellness Programmes

RIM's Employee Wellness Programme is managed by a service provider, Careways. RIM receives quarterly reports from Careways on the usage of the programme.

Policy development

RIM developed the Sexual Harassment policy.

The policy was benchmarked against the relevant legislative requirements.

Council approved the policy.

Highlight achievements

The vacant Senior Manager positions for Marketing Department, Heritage Department were respectively filled during the year.

RIM believes that the appointments will enhance the smooth management of the Marketing Department and the Heritage and Research Department.

RIM enabled 171 training opportunities for employees to attend training courses and assisted 12 employees with study bursaries to further their education.

RIM signed a wage agreement with NEHAWU for the 2019/20 salary increments and benefits.

Challenges faced by RIM

RIM employees went on a nine day strike action in January 2020. RIM is still faced with the issue of discipline as depicted by the number of warnings issued to employees. Disciplinary cases were held and dismissals were less as compared to the previous years. The issue of COVID 19 and the related lockdown restrictions are challenges faced by RIM.

Future HR plans /goals

The following targets have been set out for the Human Resources department to meet during 2020 – 2021 financial year:

1. Develop a Human Resources Strategy.
2. Manage performance management system in accordance with relevant legislation.

Human Resources Oversight Statistics

1. Total Employee cost

Programme	Total Expenditure for the Entity	Total Personnel Expenditure (N2)	Personnel Expenditure as a % of total expenditure	No of employees (N1)	Average personnel cost per employee
All RIM Activities	R 246 189 507	R114 787 805	47%	322	R356 483

N1 - All employees including the following categories: Council, permanent and non-permanent employees.

N2 - Total employee costs as per the Annual Financial Statements Note 20.

2. Personnel cost by salary band

Level	Personnel Expenditure (N3)	% of personal expenses to total personnel costs	No of employees (N1)	Average personnel cost per employee
Executives	8 464 485	7%	4	2 116 121.22
Senior Management	13 245 387	11%	12	1 103 782.25
Professionally qualified and experienced	15 596 049	13%	22	708 911.32
Skilled	23 805 669	19%	41	580 626.08
Semi-skilled and discretionary decision making	55 259 729	45%	149	373 376.55
Unskilled	2 028 629	2%	12	370 870.66
People with disabilities	187 244	0%	1	187 244.19
Contract staff	3 208 750	3%	40	80 218.75
Interns	1 330 933	1%	29	45 894.25
Council members	643 064	1%	12	53 588.67
	123 769 940	100%	322	384 378.70

N1 - All employees including the following categories: Council, permanent and non-permanent employees.

N3 - The above employee expenditure per VIP payroll. This amount does not include movements in employee cost provisions (note 12) as per the Annual Financial Statements Note 20.

3. Training

Table 3.1 Training costs

Programme	Personnel Expenditure (R)	Training Expenditure (R)	Training expenditure as % of personnel expenditure	Number of employees who were trained and received bursaries	Average training cost per employee
All RIM Activities	114 787 805	879 525	0.77%	178	5143.42

Please note that training expenditure includes training courses and staff bursaries.

4. Employment and vacancies

Programme	Number of employees 2020	Approved posts 2020	Vacancies 2020	% vacancies of approved posts
All RIM Activities	322	347	25	7.20%

N4 - This amount includes Council members and contractors employed specifically for GRAP 103 project not reflected on approved posts list.

5. Employment changes

Salary band	Employment at the beginning of the period	Appointments	Terminations	Transfers between bands	Employment at the end of the period
Top Management	4	0	0	0	4
Senior Management	10	4	3	0	11
Professionally skilled	25	5	7	0	23
Skilled	21	3	2	0	22
Semi -skilled	162	23	6	0	180
People with disabilities	0	1	0	0	0
Non-permanent (N1)	27	56	50	0	33
Employees	249	92	(68)	0	273
Council members and Audit Committee members	12	10	10	0	12
Total employees	261	102	(78)	0	285
INTERNS	22	22	7	0	37

6. Reasons for employees leaving

Reason	Number	% of total employees leaving
Death	1	1.33
Resignation	21	28
Dismissal	1	1.33
Retirement / Retrenched	1	1.33
Ill health	0	0
Expiry of contract/end of contract	33	44
Transfer	16	21.33
Absconded	2	2.67
Discharged	0	0
Pensioned	0	0
Total	75	100%
Resignation from Council		-

7. Labour relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Final written warning	3
Written warnings	7
Dismissals	1
Case in progress	3
Suspension without pay as a sanction	1

8. Performance rewards

No performance rewards were paid during the financial year ended 31 March 2020.

9. Equity Target and Employment Equity Status

Table 9.1 Total number of employees in each of the following post levels on 31 March 2020:

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	3	1	1	0	0	0	0
Senior Management	5	5	1	1	1	1	0	0
Professional qualified	8	8	2	4	2	2	0	0
Skilled	16	16	11	11	0	0	1	1
Semi-skilled	52	52	31	31	0	0	1	1
Unskilled	7	8	0	0	0	0	0	0
TOTAL	91	92	46	48	3	3	2	2

The museum was not able to meet the target of having three more males due to resignations and budget constraints.


Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	4	4	0	0	0	0	1	1
Professional qualified	5	5	3	3	0	0	2	2
Skilled	9	10	3	5	0	0	1	1
Semi-skilled	50	50	14	15	0	0	1	1
Unskilled	5	5	0	0	0	0	0	0
TOTAL	73	74	20	23	0	0	5	5

The museum was not able to meet the target of having four more females due to resignations and budget constraints.

Levels	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	1	1	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	1	1	0	0

The museum met the target of having one employee with disability in the 2019/2020 financial year.

Resilience

A sepia-toned photograph of a hospital ward. In the foreground, a bed with a white sheet is partially visible. In the middle ground, a patient is sitting up in a bed, wearing a light-colored cap and a dark jacket. The room has wooden walls and a wooden ceiling. There are several other beds in the background, some with white sheets and pillows. A small table with a lamp is on the left side of the room. A window is visible on the right side of the room.

The female leper hospital was built near the present boardwalk in the late 1880s. Conditions were poor but after a report to the Governor improvements were made. The hospital was destroyed when the leper patients were transferred to Westfort hospital in Pretoria in 1931.

Part E:

Annual Financial Statements

Annual Financial Statements for the year ended 31 March 2020

CONTENTS

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

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The annual financial statements set out on pages 56 to 95, which have been prepared on the going concern basis, were approved by the board of members on 31 July 2020 and were signed on its behalf by:



Mr Khensani Maluleka
Acting Chairperson of Council
31 October 2020

Report of the auditor-general to Parliament on Robben Island Museum

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Robben Island Museum set out on pages 61 to 95, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts 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, except for the effect of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Robben Island Museum as at 31 March 2020, 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 qualified opinion

Irregular expenditure

3. The entity did not include the required information on irregular expenditure in note 29 to the financial statements, as required by section 55(2)(b)(i) of the PFMA. This was due to payments made in contravention of supply chain management requirements, which resulted in irregular expenditure of R90 985 598.

Context for the opinion

4. 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 this auditor's report.
5. I am independent of the entity in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as 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 codes.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Underspending of conditional grant

8. Disclosed in note 13 to the financial statements is unspent conditional grants and receipts amounting to R108 317 687 (2019: R85 944 341). The majority of the unspent funds relate to infrastructure projects.

Events after reporting date

9. I draw attention to note 33 in the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of COVID-19 on the entity's future prospects, performance and cash flows. Management have also described how they plan to deal with these events and circumstances.

Responsibilities of the accounting authority for the financial statements

10. 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.
11. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

14. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
15. My procedures address the usefulness and reliability of 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 / measures included in the planning documents. My procedures do not examine whether the actions taken by the entity enabled service delivery. My procedures also do 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.
16. 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 programme presented in the annual performance report of the entity for the year ended 31 March 2020:

Programme	Pages in the annual performance report
Programme 1 - Business development	25 - 27

17. 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
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
Programme 1 - Business development

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 24 to 30 for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

23. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
27. I have nothing to report in this regard.

Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matter reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion included in this report.
29. Management acquired a boat in the prior financial year without applying the preference point system in the procurement process which resulted in irregular expenditure that was not disclosed in the financial statements in the current financial year.

Other reports

30. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
31. The council has instituted an investigation into allegations of irregularities affecting various aspects of the entity and is conducted by an external service provider. The expected completion date of the investigation is 30 November 2020.

Auditor General

Cape Town
31 October 2020



Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

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

Financial statements

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

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

Communication with those charged with governance

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, actions taken to eliminate threats or safeguards applied.

5.2 Report of the Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2020

Audit Committee Responsibility

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

The Effectiveness of Internal Control

The system of internal controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are effectively managed. In line with the PFMA.

Internal audit provides the committee and management with assurance that the internal controls are appropriate and effective. This is achieved through a risk based management process as well as the identification of corrective actions and suggested enhancements to the controls and processes.

From the various reports of the Internal Auditors, the audit report on the Annual Financial Statements, and the management report of the AGSA, it was noted that there were certain weaknesses identified and issues relating to performance reporting requiring management attention.

Other than the issues noted, we can report that the system of internal control over financial reporting for the period under review was sufficiently adequate.

In-Year Management and Monthly/Quarterly Report

The public entity has reported monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity and discussed these with the AGSA, reviewed the management letter and management's responses thereto, reviewed the entities compliance with legal and regulatory provisions and changes to accounting policies and practices.

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



Mr. Thabo Mosololi
Chairperson of the Audit and Risk Committee
Robben Island Museum
31 October 2020

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note(s)	2020 R	2019 R
ASSETS			
Current Assets			
Inventories	3	727 518	1 122 008
Receivables from exchange transactions	4	2 136 382	3 949 924
Deposits	10	423 378	7 594 369
Cash and cash equivalents	5	203 670 518	254 164 555
		206 957 796	266 830 856
Non-Current Assets			
Property, plant and equipment	6	154 215 984	64 750 746
Intangible assets	8	1 303 069	1 781 551
Heritage assets	9	111 379 035	108 870 953
		266 898 088	175 403 250
Non-Current Assets		266 898 088	175 403 250
Current Assets		206 957 796	266 830 856
Total Assets		473 855 884	442 234 106
LIABILITIES			
Current Liabilities			
Operating lease liability	11	41 576	-
Payables from exchange transactions	12	25 089 154	25 781 582
Unspent conditional grants and receipts	13	108 317 687	85 944 341
Provisions	14	118 741	634 634
		133 567 158	112 360 557
Non-Current Liabilities			
Operating lease liability	11	-	3 780
Non-Current Liabilities		-	3 780
Current Liabilities		133 567 158	112 360 557
Total Liabilities		133 567 158	112 364 337
Assets		473 855 884	442 234 106
Liabilities		(133 567 158)	(112 364 337)
Net Assets		340 288 726	329 869 769
Reserves			
Revaluation reserve	15	35 487 103	35 487 103
Accumulated surplus		304 801 623	294 382 666
Total Net Assets		340 288 726	329 869 769

The accounting policies on pages 65 to 76 and the notes on pages 77 to 95 form an integral part of the annual financial statements.

ANNUAL FINANCIAL STATEMENTS

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2020 R	2019 R
Revenue			
Revenue from exchange transactions			
Sale of goods		2 326 210	2 040 938
Rendering of services	16	141 067 545	111 819 441
Rental of facilities and equipment		1 427 623	1 372 688
Other income	17	3 998 154	1 867 364
Recoveries		110 829	143 971
Finance income	18	12 122 561	14 388 915
Gain on disposal of assets and liabilities		350 000	-
Total revenue from exchange transactions		161 402 922	131 633 317
Revenue from non-exchange transactions			
Transfer revenue			
Grants	19	95 205 542	89 070 905
Total revenue		256 608 464	220 704 222
Expenditure			
Employee related costs	20	(114 787 805)	(102 386 356)
Depreciation and amortisation	21	(11 310 408)	(9 184 093)
Debt Impairment		-	(15 359)
General expenses	22	(120 091 294)	(102 565 382)
Total expenditure		(246 189 507)	(214 151 190)
		-	-
Surplus for the year		10 418 957	6 553 032

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

STATEMENT OF CHANGES IN NET ASSETS

	Revaluation reserve R	Accumulated surplus R	Total net assets R
Opening balance as previously reported	143 327 133	180 008 604	323 335 737
Adjustments			
Change in accounting policy	(107 821 030)	107 821 030	-
Balance at 01 April 2018 as restated*	35 506 103	287 829 634	323 335 737
Changes in net assets			
Surplus for the year	-	6 553 032	6 553 032
Revaluation of assets	(19 000)	-	(19 000)
Total changes	(19 000)	6 553 032	6 534 032
Balance at 01 April 2019	35 487 103	294 382 666	329 869 769
Changes in net assets			
Surplus for the year	-	10 418 957	10 418 957
Total changes	-	10 418 957	10 418 957
Balance at 31 March 2020	35 487 103	304 801 623	340 288 726
Note	15		

* The increase in accumulated surplus as a result of the change in accounting policy is not distributable as it relate to Heritage Assets which are not disposable.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

CASH FLOW STATEMENT

	Note(s)	2020 R	2019 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services rendered		148 116 127	116 802 325
Grants received		119 320 001	115 350 999
		267 436 128	232 153 324
Payments			
Employee related costs		(113 575 465)	(101 121 953)
Goods and services		(114 509 063)	(128 503 969)
		(228 084 528)	(229 625 922)
Net cash flows from operating activities	23	39 351 600	2 527 402
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(100 117 099)	(7 276 390)
Purchase of other intangible assets		(314 842)	(1 473 961)
Purchases of heritage assets	9	(2 508 082)	(950 000)
Net cash flows from investing activities		(102 940 023)	(9 700 351)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance income		13 094 386	14 064 241
Net increase/(decrease) in cash and cash equivalents		(50 494 037)	6 891 292
Cash and cash equivalents at the beginning of the year		254 164 555	247 273 263
Cash and cash equivalents at the end of the year	5	203 670 518	254 164 555

ANNUAL FINANCIAL STATEMENTS

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual R	Reference
	R	R	R	R		
Statement of Financial Performance						
REVENUE						
REVENUE FROM EXCHANGE TRANSACTIONS						
Sale of goods	2 747 055	-	2 747 055	2 326 210	(420 845)	30.1
Rendering of services	131 307 317	-	131 307 317	141 067 545	9 760 228	30.2
Rental of facilities and equipment	1 562 224	-	1 562 224	1 427 623	(134 601)	30.3
Other Income	4 704 182	-	4 704 182	3 998 154	(706 028)	30.4
Recoveries	113 371	-	113 371	110 829	(2 542)	30.5
Finance income	9 500 000	-	9 500 000	12 122 561	2 622 561	30.6
Total revenue from exchange transactions	149 934 149	-	149 934 149	161 052 922	11 118 773	
REVENUE FROM NON-EXCHANGE TRANSACTIONS						
TRANSFER REVENUE						
Government grants	84 117 000	-	84 117 000	84 495 000	378 000	30.7
Deferred revenue	-	-	-	10 710 542	10 710 542	30.8
Total revenue from non-exchange transactions	84 117 000	-	84 117 000	95 205 542	11 088 542	
Total revenue	234 051 149	-	234 051 149	256 258 464	22 207 315	
EXPENDITURE						
Employee related costs	(117 891 901)	-	(117 891 902)	(114 787 805)	3 104 097	30.9
Depreciation and amortisation	(13 784 635)	-	(13 784 635)	(11 310 408)	2 474 227	30.10
General Expenses	(109 525 557)	-	(109 525 557)	(120 091 294)	(10 565 737)	30.11
Total expenditure	(241 202 093)	-	(241 202 094)	(246 189 507)	(4 987 413)	
Operating surplus	(7 150 944)	-	(7 150 944)	10 068 957	17 219 901	
Gain on disposal of assets and liabilities	-	-	-	350 000	350 000	
Surplus before taxation	(7 150 944)	-	(7 150 944)	10 418 957	17 569 901	
Actual Amount on Comparable Accrual Basis as Presented in the Budget and Actual Comparative Statement	(7 150 944)	-	(7 150 944)	10 418 957	17 569 901	

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Companies Act, 71 of 2008.

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

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

1.1 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

The bulk of the land on Robben Island on which the Museum operates is not brought to account as it is not the property of the Museum but government owned and only managed by the Museum on behalf of government. Improvement costs incurred by the Museum with regards to these assets are capitalised and depreciated over the estimated useful lives of these assets.

The Nelson Mandela Gateway building used by the Museum is recognised as owner occupied property and accounted for at cost, and depreciated over the useful lives of the building. Where management has dual usage of a building and has commenced use for investment purposes and this use is not material in relation to the total cost of the building, the building will be reflected as owner occupied and will not be proportionately split into investment and owner occupied property.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of financial performance during the financial period in which they are incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the Museum and the cost of the item can be measured reliably. These costs are depreciated over the remaining useful lives of the assets.

All classes of property, plant and equipment except for boats are carried at cost less accumulated depreciation and any accumulated impairment losses.

Boats shall be revalued at least once every five years. If economic conditions have had a substantial impact on the value of a class of boats, prior to the five year period, such valuation will be performed on the identified class of boats. When boats are revalued the accumulated depreciation is eliminated against the gross carrying amount of the asset and the gross carrying amount is restated to the revalued amount.

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

Books are accounted for on the cost model.

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.1 Property, plant and equipment (continued)

The increases in the carrying amount arising on revaluation of boats are credited to the revaluation reserve in net assets. Decreases that offset previous increases of the same asset are charged against the revaluation reserve directly in the statement of changes of net assets; all other decreases (depreciation and impairments) are charged to the statement of financial performance. The revaluation reserve will be released and transferred to 'accumulated surplus' when the assets are disposed of.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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

Item	Average useful life
Buildings	40 years
Plant, machinery, tools	5-11 years
Furniture and fixtures	5-12 years
Television sets, video machines, safety and medical equipment	5-11 years
Motor vehicles	5-12 years
Cranes	15 years
Computer equipment	3-11 years
Leasehold improvements	3-6 years
Books	Indefinite
Boats	
Hull	20 - 30 years
Propulsion system, engine, gear box and propellers	20 - 30 years
Deck equipment, rib, winches and anchors	5 - 30 years
Navigation, communication and scientific surveillance equipment	15 - 20 years

The residual value, the useful life and depreciation method of each asset are reviewed at least at each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities.

The effect of a change in an accounting estimate, shall be recognised prospectively by including it in surplus or deficit in: (a) the period of the change, if the change affects that period only; or (b) the period of the change and future periods, if the change affects both. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of net assets, it shall be recognised by adjusting the carrying amount of the related asset, liability or item of net assets in the period of the change.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.1 Property, plant and equipment (continued)

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

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

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

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

Property, plant and equipment which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. These assets are not accounted for as non-current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

Intangible assets are initially recognised at cost. The cost of a separately acquired intangible asset comprises: its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable costs of preparing the asset for its intended use.

All assets are considered non-cash generating.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Average useful life
Computer software, other	3-8 years

Intangible assets are derecognised:

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.3 Heritage assets

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

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

If an entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of a heritage asset because it cannot be reliably measured, relevant and useful information about it shall be disclosed in the notes to the financial statements.

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

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

Transfers

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

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

Derecognition

The entity derecognises a heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.4 Financial instruments

An entity shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. An entity recognises financial assets using trade date accounting.

The issuer of a financial instrument shall classify the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

An entity shall measure all financial assets and financial liabilities after initial recognition using the following categories: (a) Financial instruments at fair value. (b) Financial instruments at amortised cost. (c) Financial instruments at cost. All financial assets measured at amortised cost, or cost, are subject to an impairment review.

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value shall be recognised in surplus or deficit. For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognised in surplus or deficit.

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

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

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

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

Cash and cash equivalents are measured at amortised cost. Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and short term deposits held.

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. All trade and other receivables are assessed at least annually for possible impairment. Impairments of trade and other receivables are determined in accordance with the accounting policy for impairments. Impairment adjustments are made through the use of an allowance account. Provision is made for bad debts for all debtors older than 90 days.

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.5 Tax

No provision has been made for SA Income Taxation, as the Museum is exempt from income taxation in terms of section 10 (1) (cA) (i) of the Income Tax Act, 1962.

1.6 Inventories

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

Subsequently inventories are measured at the lower of cost and net realisable value on the first in first out basis.

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

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

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

1.7 Impairment of non-financial assets

The entity assesses at each statement of financial position date whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a re-valued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation. Any reversal of an impairment loss of a re-valued asset is treated as a revaluation increase.

1.8 Impairment of non-cash-generating assets

An entity shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable service amount of the asset.

Entities are required to annually assess, by considering internal and external factors, whether there is an indication that a non-cash-generating asset may be impaired. If any such indications are triggered, the entity is required to estimate the recoverable service amount of that asset.

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ACCOUNTING POLICIES

1.8 Impairment of non-cash-generating assets (continued)

A non-cash-generating asset will be impaired when its carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the entity must reduce the asset's carrying amount to the recoverable service amount and recognise the impairment loss in surplus or deficit. However, if the asset is carried at a revalued amount, then the impairment loss should be treated as a revaluation decrease. After the impairment loss has been recognised, the entity must adjust the depreciation or amortisation charge to allocate the revised carrying amount over the remaining useful life of the asset.

The reversal of the impairment loss is recognised in surplus or deficit unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. The depreciation or amortisation charge should also be adjusted after the reversal to allocate the revised carrying amount of the asset over its remaining useful life.

1.9 Employee benefits

Short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

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ACCOUNTING POLICIES

1.10 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

Management's judgement is required when recognising and measuring provisions, and when measuring contingent liabilities as set out in note 27.

1.11 Revenue from exchange transactions

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates.

Sale of goods

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

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

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ACCOUNTING POLICIES

1.11 Revenue from exchange transactions (continued)

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

Finance income

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

1.12 Revenue from non-exchange transactions

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

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

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

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

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

Unconditional grants received (i.e. Grants received without any conditions attached) will be recognised as revenue equal to the fair value of the assets received for no consideration.

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

1.13 Comparative figures

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

1.14 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.

1.15 Irregular expenditure

Irregular expenditure is any expenditure incurred by the entity that contravenes any applicable legislation.

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

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ACCOUNTING POLICIES

1.15 Irregular expenditure (continued)

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

1.16 Budget information

The Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2019/04/01 to 2020/03/31.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Refer to note 31 for additional information.

1.17 Leases

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

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

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

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

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. The asset or liability is not discounted.

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

1.18 Borrowing costs

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

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

1.19 Related parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

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Annual Financial Statements for the year ended 31 March 2020

ACCOUNTING POLICIES

1.20 Going concern assumption

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

1.21 Significant judgements and sources of estimation uncertainty

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

Significant judgements include:

Inventory

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Impairment of heritage assets, intangible assets, property, plant and equipment

The calculation in respect of the impairment of property, plant and equipment is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This was performed across all classes of heritage assets, intangible assets, property, plant and equipment.

Provisions and contingencies

Provisions and contingencies were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 and 27.

Useful lives of intangible assets, property, plant and equipment

The useful lives and residual values of assets are based on management's estimates. Management considers the impact of technology, service requirements, expected physical wear and tear on the asset, expected usage of the asset and any legal or similar limitations on the use of the assets to determine the period over which an item of property is depreciated.

Valuing of assets

Estimates are required in computing fair values for items measured under the cost model. These estimates are subjective and require an array of inputs and difficult estimates when determining fair value at initial recognition of heritage assets.

1.22 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

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

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ACCOUNTING POLICIES

1.23 Events after reporting date

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

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

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

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

Recognised amounts in the financial statements are adjusted to reflect events arising after the reporting date that provide evidence of conditions that existed at the reporting date. Events after the reporting date that are indicative of conditions that arose after the reporting date are dealt with by way of a note

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2020 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Grap 104 - Financial Instruments	01 April 2020	Not significant

3. INVENTORIES

Consumable fuel (diesel, petrol)	39 984	492 558
Inventory Alpha One	146 348	88 264
Books and posters	541 186	541 186
	727 518	1 122 008

Revaluation of books

The valuation of the books were performed by an independent valuator Mr. P Myson during the prior financial year.

The valuation was prepared on the current market value basis, viz. determined directly by reference to observable prices in an active market. No significant assumptions were made during the valuation besides consideration given to functional obsolescence.

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Interest accrued	401 145	1 372 970
Prepaid expenses	1 539 692	2 193 219
Sundry debtors	22 441	145 648
Trade receivables	173 104	238 087
	2 136 382	3 949 924

Fair value of trade receivables

Trade and other receivables	173 104	238 087
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Trade debtors consist of:

Gross debtors	218 654	343 061
Less provision for doubtful debts	(45 550)	(104 974)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	161 967	171 262
Bank balances	203 508 551	253 993 293
	203 670 518	254 164 555

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

6. PROPERTY, PLANT AND EQUIPMENT

	2020				2019			
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value		
Buildings	35 509 470	(17 054 819)	18 454 651	35 427 790	(16 151 230)	19 276 560		
Plant and machinery	4 930 059	(1 135 312)	3 794 747	3 002 353	(864 713)	2 137 640		
Furniture and fixtures	12 418 933	(5 716 918)	6 702 015	7 135 663	(5 313 229)	1 822 434		
Motor vehicles	17 481 633	(13 608 446)	3 873 187	17 346 725	(12 222 911)	5 123 814		
Computer equipment	15 265 658	(9 691 460)	5 574 198	14 521 816	(7 296 663)	7 225 153		
Leasehold improvements	1 045 401	(928 447)	116 954	1 045 401	(800 862)	244 539		
Books	395 967	-	395 967	395 967	-	395 967		
Boats	123 672 094	(8 367 829)	115 304 265	32 476 509	(3 951 870)	28 524 639		
Total	210 719 215	(56 503 231)	154 215 984	111 352 224	(46 601 478)	64 750 746		
Reconciliation of property, plant and equipment - 2020								
Buildings		Opening balance	Additions	Depreciation	Impairment loss	Total		
Plant and machinery		19 276 560	81 680	(903 589)	-	18 454 651		
Furniture and fixtures		2 137 640	2 007 628	(326 140)	(24 381)	3 794 747		
Motor vehicles		1 822 434	5 475 024	(557 405)	(38 038)	6 702 015		
Computer equipment		5 123 814	149 948	(1 400 512)	(63)	3 873 187		
Leasehold improvements		7 225 153	1 207 234	(2 785 894)	(72 295)	5 574 198		
Books		244 539	-	(127 585)	-	116 954		
Boats		395 967	-	-	-	395 967		
		28 524 639	91 195 585	(4 415 959)	-	115 304 265		
		64 750 746	100 117 099	(10 517 084)	(134 777)	154 215 984		

Included in property, plant and equipment are assets measured at R0; these assets were still in use as at 31 March 2020

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Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

6. PROPERTY, PLANT AND EQUIPMENT (continued)**Reconciliation of property, plant and equipment - 2019**

	Opening balance	Additions	Depreciation	Impairment loss	Impairment reversal	Total
Buildings	19 785 167	377 296	(885 903)	-	-	19 276 560
Plant and machinery	1 183 089	1 173 929	(214 585)	(6 338)	1 545	2 137 640
Furniture and fixtures	910 005	1 296 859	(371 853)	(12 611)	34	1 822 434
Motor vehicles	5 856 914	480 285	(1 213 385)	-	-	5 123 814
Computer equipment	5 521 135	3 666 015	(1 947 224)	(25 625)	10 852	7 225 153
Leasehold improvements	372 124	-	(127 585)	-	-	244 539
Books	395 967	-	-	-	-	395 967
Boats	32 194 499	282 010	(3 951 870)	-	-	28 524 639
	66 218 900	7 276 394	(8 712 405)	(44 574)	12 431	64 750 746

Revaluations

Library books were previously considered to be Heritage Assets and therefore not included in the financial statements. Subsequently, the valuation of heritage assets indicated that not all books are heritage and therefore should be recognised as Property Plant and Equipment. The books were valued by M&H Valuation Services on the 30th March 2015. The books were recognised in terms of Directive 7 deemed costs and recognised the effect in the revaluation surplus.

Assets to the value of R 134 777 (2019: R 44 574) were written off during the current financial year, due to damage, obsolescence, theft or not verified during the asset verification process.

Impairment reversals consists of assets to the value of R 0 (2019:R 12 431) being recognised as a result of RIM finding assets that were previously written off.

In line with the change in accounting policy for Heritage Assets from the revaluation model to the cost model, the accounting policy of Books was changed to the cost model. Further details relating to the change in accounting policy for Heritage Assets can be found in Notes 9, 15 and 31 of the AFS.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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6. PROPERTY, PLANT AND EQUIPMENT (continued)

Revaluation of vessels

The entity's boats were revalued on the 20th of March 2018. The valuation was performed by an independent valuator, Paul Coxon & Associates CC.

This estimate is based on the age and condition of the vessel, the current market value of these or similar types of vessels and on the information available at the time of inspection.

The determination of the values for the various components was based on their knowledge of the current market value of similar components, on quotations and values for similar components we have on record and these values adjusted for age and condition.

The revaluation surplus amounting to R 17 530 879 was credited to the statement of changes in net assets during the 2018 financial year.

The entity has assumed that the machinery and equipment will be used in its present state with the benefit of continuity with the lifespan of the vessels for the foreseeable future. Deferred maintenance, physical wear and tear, operating malfunctions, lack of utility and other observable conditions were considered during the performance of the valuation.

Repairs and maintenance for the year

Repairs and maintenance	7 365 204	6 932 543
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Expenditure incurred to repair and maintain property, plant and equipment consists of the following:

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Boats	5 683 176	4 951 805
Buildings	786 376	980 082
Computer equipment	-	11 861
Motor vehicles	895 652	988 795
	7 365 204	6 932 543

CHANGE IN ESTIMATE

In the current year RIM reassessed the useful lives of computer equipment, boats, plant and machinery, motor vehicles, furniture and fittings and intangible assets. The useful lives of assets were extended, based on the condition and expected future benefits that will be derived from the use of these assets. The change in accounting estimate effect will be accounted for prospectively in terms of GRAP 3.

Statement of financial position - Net effect

	2020	2021
Boats	338 893	-
Motor vehicles	4 432	-
Intangible assets	5 419	-
Furniture and fittings	22 040	-
Plant and machinery	3 298	-
Computer equipment	412 583	-
	786 665	-

Statement of financial performance - Net effect

	2020	2021
Depreciation	786 665	(786 665)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
7. CAPITAL COMMITMENTS		
BTM Investments (Furniture and Fittings)	-	27 360
Datacentrix (Computer Equipment)	-	6 377
Enetworks (Computer Equipment)	-	37 662
Joel Mark (Pty) Ltd (Computer Equipment)	-	3 700
JW Buyer (Pty) Ltd (Furniture and Fittings)	-	7 495
MNS Marine Navigation (Boats)	-	72 418
Penguin Shipyard Asia PTE Ltd (Boats)	-	64 538 917
Phonatics (Pty) Ltd (Computer Equipment)	-	61 944
Quayside Marine (Boats)	-	16 327 946
TD Western Cape Fire Equipment Safety CC (Furniture and Fittings)	-	1 100
Virtueda Systems, Technology for innovators (Computer Equipment)	-	68 894
Marius Hitge Consultants (Furniture and Fittings)	392 579	-
New Age Promotion (Boats)	87 000	-
The Media Chilli (Buildings)	188 445	-
Waltons Stationery (Furniture and Fittings)	61 025	-
CCTV Security Surveillance (Computer Equipment)	81 827	-
Office Scene (Furniture and Fittings)	9 899	-
FBI (Heritage)	1 741 000	-
Lead Laundry and Cleaning (Furniture and Fittings)	2 818	-
Kassified Production (Heritage)	198 450	-
Southey contracting (Plant & Machinery)	90 273	-
Dormac Marine Engineering (Boats)	164 092	-
	3 017 408	81 153 813

At reporting date suppliers: New Age Promotion and Dormac Marine Engineering have been approved for services related to boats.

At reporting date suppliers: CCTV Security Surveillance have been approved to supply computer equipment.

At reporting date suppliers: Waltons Stationery, Office Scene, Lead Laundry and Catering and Marius Hitge Consultants have been approved to supply furniture and fittings.

At reporting date suppliers: The Media Chilli have been approved to supply goods and/or services relating to buildings.

At reporting date suppliers: Kassified Production and FBI have been approved to supply assets relating to heritage.

At reporting date supplier: Southey Contracting have been approved to supply plant and machinery.

At prior reporting date suppliers: MNS Marine Navigation, Quayside Marine, Penguin Shipyard Asia PTE Ltd, BTM Investments, Datacentrix, Enetworks, Joel Mark (PTY) Ltd, Phonatics (PTY) LTD, Virtueda Systems, Technology for innovators, JW Buyer (PTY) LTD and TD Western Cape Fire Equipment Safety CC have been approved to supply goods and services.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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8. INTANGIBLE ASSETS

	2020			2019		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 653 820	(1 350 751)	1 303 069	2 338 977	(557 426)	1 781 551

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Computer software	1 781 551	314 842	(793 324)	1 303 069

Reconciliation of intangible assets - 2019

	Opening balance	Additions	Amortisation	Total
Computer software	779 278	1 473 961	(471 688)	1 781 551

Other information

All intangible assets are externally acquired and relate to computer software which does not form an integral part of the computer hardware.

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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9. HERITAGE ASSETS

	2020			2019		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Arts and artefacts	66 005 124	(164 025)	65 841 099	66 005 124	(164 025)	65 841 099
Audio visual	30 139 386	(84 850)	30 054 536	27 631 304	(84 850)	27 546 454
Photographic	15 760 000	(276 600)	15 483 400	15 760 000	(276 600)	15 483 400
Total	111 904 510	(525 475)	111 379 035	109 396 428	(525 475)	108 870 953

Reconciliation of heritage assets 2020

	Opening balance	Additions	Total
Arts and artefacts	65 841 099	-	65 841 099
Audio visual	27 546 454	2 508 082	30 054 536
Photographic	15 483 400	-	15 483 400
	108 870 953	2 508 082	111 379 035

Reconciliation of heritage assets 2019

	Opening balance	Additions	Impairment losses	Total
Arts and artefacts	65 860 099	-	(19 000)	65 841 099
Audio visual	26 596 454	950 000	-	27 546 454
Photographic	15 483 400	-	-	15 483 400
	107 939 953	950 000	(19 000)	108 870 953

Valuations

RIM changed its accounting policy for heritage assets from the revaluation to the cost model. Management discovered that the inappropriate accounting policy choice was taken on initial adoption since the entity primarily holds assets for safe keeping and not for trade. In addition, regular revaluations for the size and nature of the collection would be impracticable, and in Management's view would make financial statements more reliable and no less relevant. The change in accounting policy was applied retrospectively and there was no need to restate comparative figures as the values presented were at the deemed cost as allowed by GRAP 103.

Arts and artefacts

The effective date of the revaluation was 2015/03/31. Valuations were performed by an independent valuer, Mr Philip Powell.

The method used to determine fair value is Open Market Value (OMV) principles, which refer to the Fair Value in accordance with accounting practice (GRAP). Where relevant, the appraiser consulted with professional colleagues, specialists and advisors in determining Open Market Value.

The movement in deemed cost as a result of the valuation was R65 841 099.

Photographic

The effective date of the valuation was 2015/03/31. Valuations were performed by an independent valuer, Mr Philip Powell.

The method used to determine fair value is Open Market Value (OMV) principles, which refer to the Fair Value in accordance with accounting practice (GRAP). Where relevant, the appraiser consulted with professional colleagues, specialists and advisors in determining Open Market Value.

The movement in deemed cost as a result of the valuation was R15 483 400.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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9. HERITAGE ASSETS (continued)

Audio visual

The effective date of the valuation was 2015/03/31. Valuations were performed by an independent valuer, Mr Philip Powell.

The method used to determine fair value is Open Market Value (OMV) principles, which refer to the Fair Value in accordance with accounting practice (GRAP). Where relevant, the appraiser consulted with professional colleagues, specialists and advisors in determining Open Market Value.

The movement in deemed cost as a result of the valuation was R26 100 564.

Expenditure incurred to repair and maintain heritage assets

Heritage assets	1 959	990
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10. DEPOSITS

Deposits	423 378	7 594 369
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The deposit in the current year relates to office space to the V & A Waterfront (R 423 378)

The deposits in the prior year relates to a payment made to Penguin Shipyard Asia PTE Ltd in respect of the procurement of a vessel amounting to USD 495 000 (R 7 170 991) which was in the process of being built in Singapore.

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
11. LEASES		
Operating leases - as lessee		
Minimum lease payments due		
- within one year	4 285 803	4 043 516
- in second to fifth year inclusive	534 564	4 820 367
	4 820 367	8 863 883

Property rental lease expenses are represented by Jetty 1 rentals and office space.

The effect of straight lining the operating lease relating to office space resulted in a net increase in expenses in the statement of financial performance of R 37 797. In the prior year this resulted in a decrease in expenses in the statement of financial performance of R 68 747. The decrease for the current year comprise the straight lining effect of the V&A Waterfront lease that was concluded and the new lease that was entered into with the V&A Waterfront for the next two years.

The current effect of straight lining the lease resulted in an increase in current liabilities of R 41 576
The prior year effect of straight lining the new lease resulted in an increase in non-current liabilities of R 3 780.

A lease incentive was previously offered to RIM from V and A Waterfront for improvements made to the office. The total amount of the incentive was R 223 000. The prior year effect of the conclusion of the operating lease translated to a decrease in lease expense in the statement of financial performance of R 68 139.

In respect of the current lease concluded with the V&A Waterfront, no lease improvements have been implemented.

Minimum lease payments due (Office equipment rentals)		
- within one year	212 614	5 160
- in second to fifth year inclusive	469 640	-
	682 254	5 160

Office equipment leases comprises of photocopy machines. Photocopy machine leases are negotiated for an average of three years and additional fees are payable based on the number of photocopies made during the period.

Operating leases - as lessor (income)

Minimum lease payments due		
- within one year	321 802	320 592
- in second to fifth year inclusive	-	-
	321 802	320 592

The entity leases out one fixed property through a lease. The lease is classified as an operating lease. The lease terminates 30 June 2020

12. PAYABLES FROM EXCHANGE TRANSACTIONS

Accrued bonus	1 675 958	1 485 493
Accrued expenditure	9 124 467	3 922 007
Accrued leave pay	7 306 177	6 284 297
Income received in advanced	2 682 494	4 328 743
Sundry payables	245 121	8 770
Ticket sales refundable	1 113 400	819 575
Trade payables	2 941 537	8 932 697
	25 089 154	25 781 582

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
12. PAYABLES FROM EXCHANGE TRANSACTIONS (continued)		
Income received in advance represents ticket sales for tours schedule to take place after 31 March 2020.		
Fair value of trade payables		
Trade payables	2 941 537	8 932 693
13. UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
Movement during the year		
Balance at the beginning of the year	85 944 341	66 951 224
Deferred income for the year	(10 710 541)	(8 619 905)
Transfer to COEGA	(1 741 113)	(7 286 978)
Conditional grant received	34 825 000	34 900 000
	108 317 687	85 944 341

Robben Island Museum has the following unspent grants at the year end: Department of Tourism R 4,1m. Department of Sports, Arts and Culture Infrastructure R 102,6m and the Grap 103 grant of R 1,5m. Revenue is recognised when expenditure is incurred in executing the Department of Tourism, Infrastructure and Grap 103 related activities.

To note, in respect of the Department of Arts and Culture Infrastructure grant, the Department of Public Works is the implementing agent for majority of the infrastructure projects.

The funds are transferred to RIM and RIM verifies that the expenditure relating to the Department of Public Works projects are in line with conditions of the grant. RIM is not in control of the timing and actual spending of the infrastructure projects for which the Department of Public Works is the implementing agent.

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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14. PROVISIONS

Reconciliation of provisions - 2020

	Opening Balance	Additions	Utilised during the year	Total
Provision for employees arbitration award	510 561	-	(510 561)	-
Provision for workmens compensation	124 073	158 426	(163 758)	118 741
	634 634	158 426	(674 319)	118 741

Reconciliation of provisions - 2019

	Opening Balance	Additions	Utilised during the year	Total
Provision for employees arbitration award	230 113	280 448	-	510 561
Provision for terminated employees' litigation	586 954	-	(586 954)	-
Provision for workmens compensation	143 780	124 073	(143 780)	124 073
Provision for property costs	791 000	-	(791 000)	-
	1 751 847	404 521	(1 521 734)	634 634

The provision for employees arbitration award relates to a claim made by a group of employees in relation to their earnings. The claim is that they are being paid less than other employees performing similar tasks. This has been settled.

The provision in the prior year for terminated employee relates to a settlement with an ex-employee at the CCMA.

The provision for workmens compensation is calculated as a % of employees earnings per year. Information is submitted to the Department of Labour annually, who provides a statement of amount payable in respect of the provision raised.

The provision for property costs in the prior year relate to rental and municipal expenditure that DAC has handed over to Robben Island Museum for Quay 501 and Jetty 1.

15. REVALUATION RESERVE

Opening balance	35 487 103	143 327 133
*Change in Accounting Policy: Heritage Assets	-	(107 425 063)
*Change in Accounting Policy: Books	-	(395 967)
Change during the year	-	(19 000)
	35 487 103	35 487 103

Boats revaluation reserve	35 487 103	35 487 103
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* Refer to Note 31

The revaluation reserve consisted of the surplus from the revaluation of boats, heritage assets and books..

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
16. RENDERING OF SERVICES		
Private and guided tours	2 123 404	1 831 444
Robben Island Museum tour sales	137 794 028	107 505 485
Cargo sales	118 934	997 809
Hospitality, accommodation and management fees	1 031 179	1 484 703
	141 067 545	111 819 441
17. OTHER INCOME		
Infrastructure related services	2 200 000	442 332
Insurance claim received	-	18 859
Production and publication	52 524	117 702
Sundry income	1 565 630	1 034 782
Education Africa participation fees	180 000	231 000
Gain on foreign exchange (Deposit)	-	22 689
	3 998 154	1 867 364
18. FINANCE INCOME		
Interest revenue		
Bank	12 122 561	14 388 915
19. GRANTS		
Operating grants		
MTEF allocated DAC operational grant (unconditional)	84 495 000	80 451 000
Deferred income recognised (conditional grants)	10 710 542	8 619 905
	95 205 542	89 070 905
20. EMPLOYEE RELATED COSTS		
13th Cheque payments	5 065 736	4 576 541
Basic salary	73 238 524	66 006 498
Defined contribution plans	8 479 802	7 760 412
Housing benefits and allowances	10 241 517	9 007 039
Leave pay provision charge	1 534 987	1 500 697
Medical aid - entity contributions	12 521 016	10 696 016
Other short term costs	498 870	388 845
SDL	994 744	887 804
Service rewards	6 000	12 000
Travel, subsistence and other allowances	1 589 766	981 498
UIF	458 417	421 747
WCA	158 426	147 259
	114 787 805	102 386 356
21. DEPRECIATION AND AMORTISATION		
Amortisation	793 324	471 688
Depreciation	10 517 084	8 712 405
	11 310 408	9 184 093

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
22. GENERAL EXPENSES		
Advertising	1 378 910	1 415 722
Agency and support / outsourced services	9 267 783	7 512 470
Assets expensed	225 730	156 143
Assets written off	134 777	32 143
Auditors remuneration	2 599 034	1 638 745
Bank charges	3 642 969	2 708 561
Boat expenses	6 271 482	5 423 822
Business and advisory consulting fees	7 803 850	6 110 494
Catering	573 467	889 284
Communication	1 526 294	2 982 545
Consumables	542 700	815 929
Donation	-	887
Education	566 979	232 227
Exhibitions	999 241	2 280 695
Fuel and oil	10 143 575	7 327 150
Heritage conservation cost	34 346	41 190
Heritage programmes	234 938	479 009
Hire of boats	38 521 172	33 792 562
Infrastructure and maintenance	-	150 537
Insurance	2 145 467	1 332 721
Internal Audit	662 910	309 316
Inventory expenses	1 685 063	1 457 502
Inventory write off	41 592	17 188
Legal professional fees	3 686 379	3 745 536
Loss on foreign exchange	1 150 956	-
Medical expenses	158 857	50 302
Motor vehicle expenses	273 442	257 186
Other administrative expenses	723 830	1 020 374
Owned and leasehold property expenses	16 783 081	12 305 168
Printing and stationery	424 866	857 624
Relocation and recruitment costs	301 247	783 350
Repairs and Maintenance- Motor Vehicles	895 652	988 796
Staff Training	879 525	1 069 306
Staff welfare	230 680	50 800
Travelling costs	4 992 990	3 812 050
Venue expenses	587 510	518 048
	120 091 294	102 565 382

23. CASH GENERATED FROM OPERATIONS

Surplus	10 418 957	6 553 032
Adjustments for:		
Depreciation and amortisation	11 310 408	9 184 093
Interest income	(13 094 386)	(14 064 241)
Assets written off	134 777	32 143
Movements in operating leases	37 796	(136 886)
Movements in provisions	(515 897)	(1 117 213)
Movement in deposit held	7 170 991	(7 594 369)
Changes in working capital:		
Inventories	394 490	(242 637)
Receivables from exchange transactions	1 813 542	(1 333 337)
Payables from exchange transactions	(692 424)	(7 746 300)
Unspent conditional grants and receipts	22 373 346	18 993 117
	39 351 600	2 527 402

Robben Island Museum

Annual Financial Statements for the year ended 31 March 2020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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24. REVENUE FROM NON-EXCHANGE TRANSACTIONS

A business relationship currently exists between Robben Island Museum (RIM), Department of Art & Culture (DAC) and Department of Public Works (DPW). DAC currently funds approved Capital Projects, Municipal Charges and Lease expenditure for all property under the custodianship of DPW. DPW has however a mandate of acting as an implementation agent with regard to Infrastructure Projects, Property Management and the related maintenance at RIM. It also enters into third party relationships on behalf of DAC's entities emanating from the above mentioned relationship.

25. RISK MANAGEMENT

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The management of the entity have overall responsibility for the establishment and monitoring of the entity's risk management policies and procedures which have been established to identify and analyse the risks faced by the entity, to set appropriate risk limits and controls and to monitor adherence to limits, risk management policies and procedures and reviewed regularly to reflect changes in market conditions and the entity's activities.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash is managed prudently by keeping sufficient cash in bank accounts. Cash is received from Government funding and several project funders. This cash is managed on behalf of the funders, and separate bank accounts are held for funders money as and when required.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. Sales to customers are settled in cash or using major credit cards. All deposits are with reputable major banks.

Aged debtors for debtors that are overdue but not impaired

30 days	4 340	126 523
60 days	12 350	19 377
90 days	1 168	3 180
	17 858	149 080

Robben Island Museum

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	2020 R	2019 R
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25. RISK MANAGEMENT (continued)

Market risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

31 March 2020	Floating interest	Total
Bank Balances	0%-6,25%	203 670 518
31 March 2019	Floating interest	
Bank Balances	0%-6,6%	254 164 555

Currency risk

The entity had exposure to foreign currency in the prior year in relation to the deposit paid for the procurement of the boat. (refer note 10)

There were no open forward exchange contracts at the year-end.

26. CONTINGENCIES

Contingent liabilities

Current period surplus	10 158 902	6 553 032
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A written request has been submitted to National Treasury in order to retain the prior years surplus in terms of S 53(3) of the Public Finance Management Act. The outcome that Robben Island Museum will be required to repay the surplus is highly unlikely.

RIM contributes R 17 500 towards EPP funeral costs. RIM is requesting EPP's to register, however responses are weak and RIM is therefore unable to reliably determine the number of possible applicants. RIM has no legal obligation to pay this cost but has created a constructive obligation. RIM may limit the amount of payments, subject to financial resources available.

27. RELATED PARTIES

Related party transactions

Department of Sports, Arts & Culture

Conditional grants received	34 825 000	34 900 000
MTEF allocated DAC operational grant received	84 495 000	80 451 000

DAC is the controlling authority of the Museum. The following government grants were received from DAC for earmarked funds included in the medium term expenditure framework (MTEF).

Conditional grants received from the allocated medium term expenditure framework (MTEF) for specific purposes.

Operational grants received from the allocated medium term expenditure framework (MTEF) for operational purposes.

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
28. FRUITLESS AND WASTEFUL EXPENDITURE		
Opening balance	-	35 823
Add: Irregular Expenditure - current year	-	-
Less: Amounts condoned	-	(35 823)
	-	-

The expenditure incurred in the prior year relates to the following:

An amount of R 19 047 relates to employees who missed their flights.

An amount of R 16 776 to penalties issued by the Department of Labour due to late submission.

The determination has been finalised and the matter is closed.

29. IRREGULAR EXPENDITURE

Opening balance as previously reported	1 284 822	901 430
	-	-
Add: Irregular Expenditure - prior period	-	150 537
Less: Amounts recoverable - current	-	232 855
Less: Amount written off - prior period	(150 537)	-
Closing balance	1 134 285	1 284 822

Details of irregular expenditure – current year

Irregular expenditure relates to two instances where a competitive bidding process was not followed.

An amount of R 150 537 of irregular expenditure was incurred due to the use of a service provider for urgent project management services whereby the competitive bidding process was not followed

Irregular expenditure of R 150 537 was written off by Council on 03 May 2019.

Irregular expenditure discovered in the prior year relating to the extension of the previous internal auditors' contract in May 2016. At the time, a new treasury regulation became effective on 01 May 2016, signed off and approved by the Chief Procurement Officer on the 19 April 2016, which prohibited the method of extension utilised for the previous internal audit contract extension. The contract was extended on the 06 May 2016 following due consultation with the Audit Committee at the time. The contract extension which was 15% more than the original contract had been approved 7 days after the effective date of the new treasury regulation.

This irregular expenditure relating to the prior years in relation to this contract amounted to R 1 134 285.

Details

	Disciplinary steps taken/criminal proceedings	
Competitive quotation process not followed	Determination finalised	150 537

Robben Island Museum

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	2020 R	2019 R
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30. ACTUAL OPERATING EXPENDITURE VERSUS BUDGETED OPERATING EXPENDITURE

30.1) The actual income is less than the budgeted income by R0.4m as a result of a decline in the number of visitors in comparison to the prior year. This is due to adverse weather conditions which resulted in a higher number of cancelled tours.

30.2) The actual income is more than the budgeted income by R9.7m as a result of the favourable impact of the implementation of two tier pricing during the financial year.

30.3) The actual income is less than the budgeted income by R0.1m. The outcome is in line with budget.

30.4) The actual income is less than the budgeted income by R0.7m as a result of a non recovery of horticultural services expenses previously subsidised by CDC.

30.5) The actual income is less than the budgeted income by R0.03m. The outcome is in line with budget.

30.6) The actual income exceeds the budgeted amount by R2.6m as a result of the investment of surplus funds due to the timing of spend in conditional grants relating to infrastructure and capital works.

30.7) The actual income is more than the budgeted income by R0.4m due to an increase in the subsidy budget.

30.8) The actual income exceeds the budgeted income by R10.7m due to deferred income being recognised for NDT grant (R1.9m), Grap 103 grant (R4.7m), Infrastructure grant (R4m) and Diesel grant (0.1m).

30.9) The actual expenditure is less than the budget by R3.1m due to a number of key positions being vacant.

30.10) The actual expenditure is less than the budget by R2.5m due to the delay in the timing of capital expenditure spend and reassessment of useful life.

30.11) The actual expenditure exceeds the budget by R10.6m. Hire of boats was R9.8m above budget due to repairs on vessels and reliance placed on service providers to render boat hire services. Boat expenses exceeds budget by R0.9m. Agency & support services exceed the budget by R0.2m. Business and advisory fees is underspent by R0.2m. Communication costs is less than budget by R0.1m and heritage conservation is less than budget by R1.4m. Advertising is less than budget by R2.4m due to savings. Included in general expenditure is R5.3m relating to grant expenditure which was not budgeted for.

31. CHANGE IN ACCOUNTING POLICY

RIM changed its accounting policy for heritage assets and books (previously classified as heritage assets now classified as PPE) from the revaluation to the cost model. Management discovered that the inappropriate accounting policy choice was taken on initial adoption since the entity primarily holds assets for safe keeping and not for trade. The change in the accounting treatment of similar expenditure incurred in the current financial year have thus resulted in a prior-year restatement.

The increase in accumulated surplus is not distributable as it related to Heritage Assets which are not disposable.

Reconciliation of equity - 31 March 2019

	Reported in prior year	Restated	Reported after restatement
Accumulated surplus	186 561 636	107 821 030	294 382 666
Revaluation Reserve	143 308 133	(107 821 030)	35 487 103

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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32. EXECUTIVE MANAGEMENT AND COUNCIL MEMBERS' EMOLUMENTS

Executive

2020

	Date appointed	Basic Salary	Allowances Received	Company contribution	Leave pay cost	Total
M Dada - CEO	2016/07/01	1 619 769	574 143	208 491	29 496	2 431 899
P Taruvinga - CHO	2013/09/01	1 268 262	210 337	281 016	38 426	1 798 042
BG Manana - Executive Manager	2015/08/01	1 268 262	104 595	281 016	472	1 654 345
B Crocker - CFO	2018/04/01	1 207 773	173 973	268 346	28 825	1 678 918
		5 364 066	1 063 048	1 038 869	97 219	7 563 204

2019

	Date appointed	Basic Salary	Allowances Received	Company contribution	Leave pay cost	Total
M Dada - CEO	2016/07/01	1 607 434	506 894	217 354	(131 017)	2 200 665
P Taruvinga - CHO	2013/09/01	1 269 012	142 664	277 263	12 689	1 701 628
BG Manana - Executive Manager	2015/08/01	1 268 262	101 572	277 256	(13 718)	1 633 372
B Crocker - CFO	2018/04/01	1 207 773	186 091	261 635	58 031	1 713 530
		5 352 481	937 221	1 033 508	(74 015)	7 249 195

Council members

2020

	Appointment date	End Date	Total 2020	Total 2019
L Callinicos	2010/03/24	2019/06/30	17 420	70 119
L Mpahlwa	2010/03/30	2019/07/31	12 928	46 928
P Nefolovhodwe	2010/03/30	2019/07/31	22 005	78 399
SB Buthelezi	2012/08/24	2019/07/31	10 545	41 160
LAK Robinson	2016/07/01		64 955	72 001
DR SL Mokene-Matabane	2016/07/01	2019/07/31	20 311	64 373
M Malapane	2016/06/30	2019/07/31	9 444	37 479
E Duminy	2017/09/20	2019/06/30	8 436	43 771
UN Mdledle-Mkize	2017/09/20		59 228	40 068
BL Muthien	2019/07/01	2019/11/28	46 398	-
ADV M Masutha	2019/12/11		26 316	-
LL Mabe	2019/11/29		29 614	-
V Menye	2019/10/01		53 728	-
PP Chilwane	2019/07/01		57 486	-
M Seakwa	2019/07/01		58 952	-
SPT Dlamini	2019/07/01		62 438	-
MMA Makgolo	2019/07/01		71 422	-
MK Maluleke	2019/07/01		80 783	-
			712 409	494 298

All council members that were in appointment at reporting date, their contracts ended as at 30 June 2019, with the exception of LAK Robinson and UN Mdledle-Mkize that had been reappointed

A new council was appointed as of 01 July 2019.

BL Muthien resigned as chairperson on 28 November 2019 and Adv M Musuthu was appointed on 11 December 2019 as the new chairperson.

Robben Island Museum

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2020 R	2019 R
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32. EXECUTIVE MANAGEMENT AND COUNCIL MEMBERS' EMOLUMENTS (continued)

Audit Committee

2020

	Appointment date	Resignation Date	Total 2020	Total 2019
TF Mosololi	2014/01/14		44 634	38 862
JM Laubscher	2013/01/14	2019/07/31	12 000	24 000
TNM Ntshiza	2013/01/14	2019/07/31	6 000	6 000
JM Williams	2019/07/12		10 476	-
			73 110	68 862

Reimbursements

	Total 2020	Total 2019
JM Laubscher	11 280	30 846
BL Muthien	120	-
JM Williams	511	-
UN Mdledle-Mkize	3 549	-
LAK Robinson	5 146	-
V Menye	6 511	-
LL Mabe	6 870	-
	33 987	30 846

33. EVENTS AFTER REPORTING DATE

Covid 19 has adversely impacted the current operations, with the result that the entity has not operated tours since the end of March 2020. The result is that the entity is currently operating at a deficit since April. The entity is currently utilising reserves to cover shortfalls, however the entity would not be able to cover the shortfall indefinitely. The entity is engaging DSAC with regard to reprioritising infrastructure funds and providing additional financial support in the short term. The entity does not have liabilities which will not be able to be serviced, but if current status prevails for a prolonged period and relief funds not obtained, the entity would have to downsize operations in the short term, which would primarily impact the entities current salary bill. The entity is a going concern as entity still has options to ensure continued operations and is still expected to receive grants for the foreseeable future, even if it is required to downsize in the short term.



Outcast

Photographed is a graveyard for leprosy sufferers, but in reality the cemetery contains many graves including those of children. Many graves are unmarked while some have simple shale headstones without any inscriptions. Some have large headstones with the names of European leprosy sufferers.



Outcast

Photographed is a graveyard for leprosy sufferers, but in reality the cemetery contains many graves including those of children. Many graves are unmarked while some have simple shale headstones without any inscriptions. Some have large headstones with the names of European leprosy sufferers.



Part F:
Appendix: Materiality &
Significance Framework

Applicable during the 2019/20 Financial Year

1. Background

This document was developed to give effect to the May 2002 amendment to the Treasury Regulations, whereby the following new requirement was set for public entities:

*"For purposes of material [sections 50(1), 55(2) and 66(1) of the Public Finance Management Act (PFMA)] and significant [section 54(2) of the PFMA], the accounting authority must develop and agree a framework of acceptable levels of **materiality** and **significance** with the relevant **Executive Authority** in consultation with the **external auditors**."*

[Section 28.1.5]

Public entities are required to include the **Materiality and Significance Framework** in the **Strategic Plan** to be submitted to its **Executive Authority**. [TR 30.1.3] Further, the Materiality and Significance Framework must be detailed in the public entity's annual report. [TR 28.2.1]

No definitions for the concepts "material" and "significant" are included in either the PFMA or in the Treasury Regulations. Accordingly, in compiling this framework, guidance was sought from, inter-alia "Framework for the Preparation and Presentation of Financial Statements" (issued by the International Accounting Standards Board) which defines "Materiality" in the following terms:

*"Information is material if its omission or misstatement could influence the **economic decisions** of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful."*

Further guidance was drawn from the International Standard on Auditing (ISA) 320, "Audit Materiality" (issued by the International Auditing and Assurance Standards Board) on the Public Sector Perspective:

"In assessing materiality, the public sector auditor must, in addition to exercising professional judgment, consider any legislation or regulation which may impact that assessment."

In the public sector, materiality is also based on the "context and nature" of an item and includes, for example, sensitivity as well as value. Sensitivity covers a variety of matters such as compliance with authorities, legislative concern or public interest."

The reference to "economic" decisions in the "Framework for the Preparation and Presentation of Financial Statements" is therefore, assessed as not being conclusive or wholly appropriate to a public entity such as the Robben Island Museum (RIM).

Further, materiality can be based on a number of financial indicators. Detailed below is an indicative table of financial indicators of the type that is widely accepted in the accounting profession as basis for calculating materiality.

General Basis used in accounting profession	Acceptable Percentage Range	RIM Applicability
Gross Revenue	0.25 – 1%	Applicable; being grants received, ticket sales and interest income
Gross Surplus	1 – 2%	Applicable; being excess of grants over operating and capital expenditure
Net Surplus	2.5 – 10%	Applicable; being construction funding not applied during financial year
Equity	2 – 5%	Not Applicable
Total assets	0.5 – 2%	Applicable; being construction costs and heritage assets (plus capitalised research and development cost and office infrastructure)

2. Broad Framework for Robben Island Museum

RIM will be dealing with this framework under two main categories, being quantitative and qualitative aspects.

2.1 Quantitative aspects

Materiality level

The Museum assesses the level of a material loss as being **0.25% of estimated budgeted expenditure (R603 036) for all classes of transactions except for assets.**

The Museum assesses the level of a material loss as being 0.5% of total assets at 30 November 2018 (R2 184 580) for asset transactions.

Motivation

It is recognised that different levels of materiality can be set for different classes of transactions. RIM has taken the approach of setting a materiality for all classes of transactions except for assets; for which a separate materiality has been set.

Factors considered

In determining the said materiality values, RIM took into account factors that include:

Nature of RIM's business

Revenue: Funding for the Museum primarily comprise grants received from the Department of Arts and Culture; own generated income from tourism activities (ticket sales) together with interest earned on investments on deposit accounts as well as grants from donors.

Expenditure: Given the nature of RIM to be an entity mandated to maintain physical structures, operate tours and house intellectual property, preference is given to **gross expenditure** as the basis of defining the level of materiality.

Assets: Given the nature of the change in RIM's treatment of heritage assets, (i.e. capitalising heritage assets) the effect of which has fundamentally changed the structure of RIM's balance sheet. It has been deemed necessary to set a separate materiality for total assets to take cognisance of capitalising heritage assets.

Statutory requirements applicable to the RIM

- RIM is a project funded by the Department of Arts and Culture; approval for its formation having been obtained in terms of sec 38(1)(m) of the PFMA.
- The Museum has been listed as a **PFMA Schedule 3A public entity.**
- The Council of the Museum is required to execute the mandate in terms of the of the Cultural Institutions' Act.

The Museum accordingly elects to give preference to a lower level of materiality (i.e. closer to the lower level of the acceptable percentage range) due to it being so closely governed by various acts and the public accountability responsibility it has to stakeholders.

The control and inherent risks associated with RIM

In assessing the control risk RIM concluded that a materiality level of 0.5% of total assets for asset transactions and 0.25% of expenditure for all other classes of transactions is appropriate and prudent. This assessment is based on the fact that a sound control environment is being maintained. In this regard cognisance was given to amongst other matters:

- Proper and appropriate governance structures have been established that include a Management Committee, CEO, CHO, CFO and an Executive Manager Infrastructure and Facilities Management.
- CEO, CHO, CFO and Executive Manager Infrastructure and Facilities Management positions have been created with specific risk management responsibilities;
- An audit committee that closely monitors the control environment of RIM was established;
- The function of internal audit was outsourced to a firm of professional internal auditors; and
- A three year Internal Audit Coverage Plan, based on annual risk assessments being performed. This is reviewed annually and agreed by the audit committee.

3. RIM General Approach to Qualitative Aspects

Materiality is not confined to the size of the entity and the elements of its financial statements.

The Museum recognises that misstatements that are large either individually or in the aggregate may affect a “reasonable” user’s judgement. Further, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst other:

- New ventures that RIM may enter into.
- Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof due to knowledge thereof affecting the decision making of the user of the financial statements.
- Transactions entered into that could result in reputational risk to RIM.
- Any fraudulent or dishonest behaviour of an officer or staff of RIM.
- Any infringement of the RIM’s agreed performance levels.
- Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).
- Unauthorised, irregular or fruitless and wasteful expenditure.
- Items of a non-financial nature, which would impact on the continued operation and deliverables of the Museum.

The policy contained in this framework will be appropriately presented in the Annual Report of the Museum as required.

Definitions and Abbreviations

Accounting Authority: Robben Island Museum Council

Executive Authority: Department of Arts and Culture

Entity: Robben Island Museum

PFMA: Public Finance Management Act (Act 1 Of 1999 as amended by act 29 of 1999)

Treasury Regulations: Public Finance Management Act, 1999: amendment of Treasury Regulations in Terms of Section 76 as published in Government Gazette No. 7372

4. Detailed/Specific RIM Responses to Requirements

4.1 RIM Response to Fiduciary duties of the Accounting Authority Requirements

The accounting authority must (c) on request, disclose to the Executive Authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts , including those reasonable discoverable, which in any way influence the decisions or actions of the executive authority or that legislature.		
Further/Specific Requirement [PFMA section 5(a)]	Quantitative (Amount)	RIM Response: Qualitative
None	RIM Response: Any fact discovered of which the amount exceeds the determined materiality figure as calculated under par 2.1	RIM Response: 1. Any item or event of which specific disclosure is required by law 2. Any fact discovered of which its omission or misstatement, in the Council’s opinion, could influence the decisions or actions of the executive authority or legislature.

4.2 RIM Response to Annual Report and Financial Statements Requirement

General/Principal Requirement (PFMA section 55) The annual report and financial statements referred to in subsection (1)(d) must (a) fairly present the state of affairs of the public entity, its business , its financial results , its performance against predetermined objectives and its financial position as at the end of the financial year concerned:		
Further/Specific Requirement [PFMA section 55(a)]	RIM Response: Quantitative	RIM Response: Qualitative
(a) include particulars of: (i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year: (ii) any criminal or disciplinary steps taken consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; (iii) any losses recovered or written off; (iv) any financial assistance received from the state and commitments made by the state on its behalf; and (v) any other matters that may be prescribed.	1. Losses through criminal conduct: any loss identified. 2. Losses through irregular, fruitless, wasteful expenditure: Where combined total exceeds the planning materiality figure used by the external auditors for the year under review.	All identified losses through criminal conduct will be disclosed.

4.3 RIM Response to Information to be submitted by Accounting Authority Requirement

General/Principal Requirement (PFMA section 54) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:		
Further/Specific Requirement [PFMA section 54]	RIM Response: Quantitative	RIM Response: Qualitative
(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement.	A cut-off figure of R5000.	Any participation, outside of the approved strategic plan and budget.
(c) acquisition or disposal of a significant shareholding in a company.	Qualitative aspect is more relevant	Any acquisition or disposal, outside of the approved strategic plan and budget.
(d) acquisition or disposal of a significant asset.	Qualitative aspect is more relevant	1. Any asset that would increase or decrease the overall operational functions of the Museum, outside of the approved strategic plan and budget. 2. Disposal of the major part of the assets of the Museum.
(e) Commencement or cessation of a significant business activity.	Qualitative aspect is more relevant	Any business activity that would increase or decrease the overall operational functions of the Museum, outside of the approved strategic plan and budget.

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M.
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M.
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Zuiderbreedte

Latitude Meridionale



Robben Island

MUSEUM



ISLE ROBBER
ROBBEN EILAND

La Balaine
De Walvisch

Mouillage
Ankering

Sable fin Fyn Zand

Queue du Lion
Leeuwe Staart

Tete du Lion
Leeuwberg

Batterie
Battery
la Ville
DE STAD

Fort

Molen

Vallée des Buffles
Buffels Valley

Riviere de Sel
Zoute Rivier

Montagne de la Table
Tafelberg

Montagne du Diable
Duivelsberg

Le Boes vend
Kompanus Bosch

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