



Western Cape
Government

Cultural Affairs and Sport



ILifa leMveli leNtshona Koloni
Erfenis Wes-Kaap
Heritage Western Cape



The images contained on the cover of Heritage Western Cape's Annual Report 2019/2020:

1. The Old Granary, Cape Town Metropolitan (-34.040800 S, 18.370020 E)
2. Lwandle Labour Hostel, Cape Town Metropolitan (-34.117800 S, 18.833110 E)
3. Imam Haron Gravesite, Cape Town Metropolitan (-33.983890 S, 18.486450 E)
4. Rocklands Civic Centre, Cape Town Metropolitan (-34.063760 S, 18.608250 E)

Contents

PART A: GENERAL INFORMATION.....	4
2. LIST OF ABBREVIATIONS/ACRONYMS	6
3. FOREWORD BY THE CHAIRPERSON.....	8
4. CHIEF EXECUTIVE OFFICER'S OVERVIEW	10
5. Statement of responsibility and confirmation of accuracy for the annual report	12
6. STRATEGIC OVERVIEW	13
6.1. Vision	13
6.2. Mission	13
6.3. Values	13
7. LEGISLATIVE AND OTHER MANDATES	13
8. ORGANISATIONAL STRUCTURE.....	24
PART B: PERFORMANCE INFORMATION.....	25
1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES.....	26
2. SITUATIONAL ANALYSIS.....	26
2.1. Service Delivery Environment	26
2.2. Organisational environment.....	31
2.3. Strategic Outcome Oriented Goals.....	32
2.4. Formal protection of heritage resources.....	32
2.5. Key policy developments and legislative changes.....	32
3. PERFORMANCE INFORMATION BY PROGRAMME: HERITAGE WESTERN CAPE	39
3.1. Programme/activity/objective	39
4. REVENUE COLLECTION	41
4.1. Capital investment.....	41
PART C: GOVERNANCE.....	42
1. INTRODUCTION	43

2.	PORTFOLIO COMMITTEES.....	43
3.	EXECUTIVE AUTHORITY	43
4.	THE ACCOUNTING AUTHORITY / BOARD	44
5.	RISK MANAGEMENT.....	54
6.	INTERNAL CONTROL UNIT.....	56
7.	INTERNAL AUDIT AND AUDIT COMMITTEES	57
8.	COMPLIANCE WITH LAWS AND REGULATIONS.....	58
9.	FRAUD AND CORRUPTION.....	58
10.	MINIMISING CONFLICT OF INTEREST	58
11.	CODE OF CONDUCT.....	59
12.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	59
13.	COMPANY /BOARD SECRETARY (IF APPLICABLE)	59
14.	SOCIAL RESPONSIBILITY	59
15.	AUDIT COMMITTEE REPORT.....	60
16.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION.....	62
	PART D: HUMAN RESOURCE MANAGEMENT	65
1.	INTRODUCTION	66
2.	HUMAN RESOURCE OVERSIGHT STATISTICS	66
	PART E: FINANCIAL INFORMATION	67
1.	REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS	68
2.	FINANCIAL STATEMENTS.....	77

PART A: GENERAL INFORMATION

1.

REGISTERED NAME	Heritage Western Cape
LEGAL FORM OF ENTITY	Public Entity
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To identify, protect, conserve, manage and promote heritage resources in the Western Cape
REGISTRATION NUMBER	N/A
PHYSICAL ADDRESS	3 rd Floor, Protea Assurance Building Greenmarket Square Cape Town 8001
POSTAL ADDRESS	P. O. Box 1665 Cape Town 8000
TELEPHONE NUMBER/S	021 483 9598
FAX NUMBER	021 483 9845
EMAIL ADDRESS	ceoheritage@westerncape.gov.za
WEBSITE ADDRESS	www.hwc.org.za
EXTERNAL AUDITORS	Auditor-General of South Africa
BANKERS	Nedbank and ABSA
COMPANY/ BOARD SECRETARY	N/A

2. LIST OF ABBREVIATIONS/ACRONYMS

Acronym	Full Names
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APM	Archaeology, Palaeontology and Meteorites Committee
BAR	Basic Assessment Report
BELCOM	Built Environment and Landscapes Committee
BID	Basic Information Document
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMF	Conservation Management Framework
CMP	Conservation Management Plan
CoCT	City of Cape Town
DCAS	Department of Cultural Affairs and Sport
DERM	Directorate Enterprise Risk Management, Department of the Premier
EE	Employment Equity
EIA	Environmental Impact Assessment
EIR	Environmental Impact Report
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
ERMECO	Enterprise Risk Management and Ethics Committee
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice
HIA	Heritage Impact Assessment
HWC	Heritage Western Cape
HOMS	Heritage Officers Meeting
IACOM	Impact Assessment Committee
IGIC	Inventories, Grading and Interpretations Committee
MEC	Member of the (Provincial) Executive Council
MTEF	Medium-Term Expenditure Framework
NEMA	National Environmental Management Act

Acronym	Full Names
NHRA	National Heritage Resources Act
NID	Notification of Intent to Develop
NPA	National Prosecuting Authority
PAIA	Promotion of Access to Information Act
SAHRA	South African Heritage Resources Agency
SAHRIS	South African Heritage Resources Information System

3. FOREWORD BY THE CHAIRPERSON



It is my privilege to table the Annual Report of Heritage Western Cape for the financial year ending on 31 March 2020. Our Council is fairly new and was appointed by the Provincial Minister of Cultural Affairs and Sport, Ms Anroux Marais for a period of three years starting from 1 November 2019 to 31 October 2022. The new Council was inaugurated by Premier Alan Winde and Minister Marais on 23 October 2019.

The first task of the newly appointed Council was to appoint new members of its committees. The bulk of the work of Heritage Western Cape is done through the committees. Our Council is very grateful to heritage professionals who volunteer their services to serve on these committees. The process of managing heritage resources in a fast-growing province like Western Cape is very complex and requires diligence and very specialised skills. This is evident in the number of cases before the Tribunals and courts that are increasingly being determined in favour of Heritage Western Cape.

These gains would not have been possible without the dedication of the staff of the Department of Cultural Affairs and Sport who despite all the odds managed to deliver a sterling service. Council is of the view that more staff is needed in order to execute its mandate optimally. Of concern is also the salaries paid to the professional staff members. There is a high staff turnover due to the salaries of professional staff members not being competitive in the market. This is something that deserves urgent attention to continue to deliver a high-quality service to the people of our province. This is more crucial since most applications are now processed in-house.

During the period under review, Council has also reviewed its delegations based on the legal opinion that confirms that the Council of Heritage Western Cape is the Accounting Authority. In the past this function was carried out by an official within the Department of Cultural Affairs and Sport. Our Council benefitted immensely from training provided by the Chief Financial Officer (CFO) and now has a better understanding of its fiduciary duties. Some changes were made to the Accounting Authority delegations to enable Council to fulfil this noble role. There were also minor changes to the committee delegations. The Inventories, Grading and Interpretations Committee was given a wider mandate to also approve applications for the registration of conservation bodies.

Heritage Western Cape is very humbled that during this period under review it has formally protected three heritage sites linked to the history of slavery. The Imam Haron gravesite in Mowbray, the Al Jaamina Mosque in Claremont and a portion of Lourensford Farm, Vergelegen, were officially given provincial heritage site status. This is in line with the symbolic reparations process envisioned in the National Heritage Resources Act. The Rocklands Civic Centre in Mitchells Plain where the United Democratic Front was founded in 1983, has been referred to the South African Heritage Resources Agency for consideration as a National Heritage Site.

The Council of Heritage Western Cape is also concerned about the slow progress made by municipalities in applying for competence to undertake their functions in terms of the National Heritage Resources Act, No. 25 of 1999 (NHRA). Council has resolved to undertake roadshows to all the districts of the province to make municipalities aware of their responsibilities and to encourage them to apply for competence. These plans have been disrupted by COVID-19. This is something that Council hopes to undertake as soon as it is practical and possible.

I would like to thank the past Chairperson of Council, Dr Antonia Malan and the previous council for the smooth transition and for passing the baton to us. We understand the enormous responsibility placed on our shoulders and we are very humbled by this privilege bestowed upon us to serve the people of our beloved province. Words of appreciation also go to the Chief Executive Officer of Heritage Western Cape and his staff for doing all the heavy lifting making our work as Council very easy. We would also like to extend our thanks to the CFO, Ms. Brenda Rutgers, and her division for helping us to manage our finances in an efficient and economic manner. We are very grateful to Mr Guy Redman, Chief Director and Mr Brent Walters, the Head of Department and Ms Anroux Marais, the Provincial Minister for supporting the work of Heritage Western Cape. Without their support, the gains reflected in this Annual Report would not have been achieved. Finally, a word of gratitude to fellow Council and committee members of Heritage Western Cape for their dedication and commitment to create possible and plausible futures for all our pasts. Camagu, makube chosi kube hele!



Chairperson of Council
Mr Bongani Mgijima
30 October 2020

4. CHIEF EXECUTIVE OFFICER'S OVERVIEW



Introduction

Heritage Western Cape's mandate to identify, protect, conserve, manage and promote heritage resources is undoubtedly a daunting task if one considers the nature of the diverse heritage that is within the province. During the year under review the term of the previous council expired on 31 October 2019. The previous council prepared a handover report which included its activities and key areas which they could not conclude during their term. The current council, appointed from 1 November 2020 for a three-year term, was inaugurated by the Premier of the Western Cape, Mr Winde.

The aftermath of the Wuppertal fire disaster preoccupied the activities of HWC and its committees. The fire destroyed more than half of the church werf and community houses. As Wuppertal enjoys formal heritage protection, council, committee members and staff supporting HWC spent more time during the year under review monitoring the restoration process and ensuring that necessary heritage approvals were granted expeditiously.

Heritage Western Cape was invited to participate in the Premier's Fixed Capital and Property Development War Room. The War Room sought to identify key areas that stifle economic growth in the Cape Metro and other economic zones in the Western Cape. During the interviews with the property development sector, a number of perceived inefficiencies were identified. In response, HWC engaged with the sector and began a plan to improve these inefficiencies as identified. For example, HWC instituted a system to time and communicate the progress of the agenda items during committee meetings and made these public. The positive spin-off was that applicants come to a meeting when their item is about to be heard instead of waiting from the beginning of the meeting.

Processing of applications

The processing of heritage applications is one of the major functions of HWC. Council has updated a framework of delegations in order to ensure that some of its work is performed by committees. The following committees are fully constituted and functional: Archaeology, Palaeontology and Meteorites Committee (APM); Built Environment and Landscape Committee (BELCom); Inventories, Grading and Interpretations Committee (IGIC); Impact Assessment Committee (IACom); Appeals Committee; and Heritage Officers' Meetings (HOMs). The role of HOMs became evident as approximately 89% of all heritage decision were taken by this committee during the year under review.

Protection and promotion of heritage resources

Formal protection of heritage resources forms an important tool to manage heritage that is deemed significant. The year 2019 was the 50th commemoration

of the death of Imam Abdullah Haron. Heritage Western Cape partnered with the Imam Haron Foundation and declared the gravesite of the Imam and the Mosque where the Imam served as Provincial Heritage Sites. Such was in line with HWC's strategic goal of contributing to the transformation of the heritage landscape in the Western Cape. Furthermore, HWC declared the historical core of Vergelegen as a Provincial Heritage. This declaration was to recontextualise the historical role of Vergelegen. The property is on the Tentative List of UNESCO World Heritage Sites.

The provisional protection of the Riverclub, in Observatory, and the appeal that was lodged with the Minister's Independent Tribunal generated media attention. The Tribunal found that the decision by HWC was indeed within its right to impose the provisional protection and ruled in favour of HWC.

World Heritage Site matters

Heritage Western Cape has continued to collaborate with the Department of Cultural Affairs and Sport to develop a Nomination Dossier for the Emergence of Early Modern Humans: Pleistocene Occupation Sites. The South African World Heritage Convention Committee is updated regularly about the status of the Nomination Dossier. While the Nomination Dossier is being finalised HWC forms part of the Interprovincial Steering Committee which seeks to ensure that there is a much wider coordination between the Western Cape, Eastern Cape and KwaZulu-Natal provinces.

Spending Trends

2019/2020				2018/2019		
Programme / activity/objective	Budget	Actual expenditure	(over)/under Expenditure	Budget	Actual expenditure	(over)/under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and Services	3 561	4 119	*(558)	4 079	4 647	(568)

The over expenditure is mainly related to the GRAP 23 non-cash adjustment made for salaries (employee cost: R586 000) in respect of the financial management staff component. In terms of GRAP 23 the salaries paid by department to the financial management component of the HWC meets the criteria of service in-kind.

Appreciation

In conclusion I would like to thank the Minister of Cultural Affairs and Sport for her leadership and support to the entity. I further extend my appreciation to the Audit Committee and other oversight bodies who conducted a critical appraisal of HWC's performance throughout the year. The Head of Department and DCAS senior management team continue to provide much required oversight to the entity, such contribution is appreciated.



Chief Executive Officer
Dr Mxolisi Dlamuka
30 October 2020

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP 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 public entity for the financial year ended 31 March 2020.

Yours faithfully



Chief Executive Officer
Dr Mxolisi Dlamuka
30 October 2020



Chairperson of the Board
Mr Bongani Mgijima
30 October 2020

6. STRATEGIC OVERVIEW

6.1. Vision

Inclusive, transformed, people-centred, sustainable management of heritage resources in the Western Cape.

6.2. Mission

Heritage Western Cape ensures and implements the inclusive identification, sustainable and integrated management, conservation and promotion of tangible and intangible heritage resources in order to contribute to transformation and nation building.

6.3. Values

Caring, Competence, Accountability, Integrity, Innovation, Responsiveness, Inclusivity and Respect.

7. LEGISLATIVE AND OTHER MANDATES

Heritage Western Cape, a schedule 3C Public Entity, regards the legislative mandate on which its overall functioning is based as binding in terms of the following:

- To promote good governance at all levels;
- To empower communities to nurture and conserve the heritage resources so that they may be bequeathed to future generations;
- To lay down general principles for governing heritage resources management throughout the Western Cape; and
- To introduce an integrated system for the identification, protection, conservation, management and promotion of heritage resources in the province in terms of the NHRA and its regulations.

7.1 Constitutional Mandates

Section	Direct Responsibility of Heritage Western Cape
Constitution of the Republic of South Africa, 1996	
Section 24(b)(ii): Environment	Heritage Western Cape must, by legislative and other measures, regulate and monitor the promotion of conservation of the heritage environment in the Western Cape. This may not be exercised in a manner inconsistent with any provision of the Bill of Rights. Annual reports on this mandate must be submitted to the Western Cape Provincial Parliament.
Section 31: Cultural, religious and linguistic communities	Heritage Western Cape must ensure that its programmes and projects take into account the cultural diversity of the population of the Western Cape.
Section 41: Principles of cooperative government and intergovernmental relations	Heritage Western Cape cooperates with all spheres of government. In terms of its mandates, HWC works in close cooperation with the Department of Cultural Affairs and Sport, the South African Heritage Resources Agency (SAHRA) and municipalities in the Western Cape.
Schedule 4A: Functional Areas of Concurrent National and Provincial Legislative Competence	Heritage Western Cape works closely with the South African Heritage Resources Agency regarding heritage matters especially National Heritage Sites that are located within the Western Cape.

Section 195: Basic values and principles governing public administration	Heritage Western Cape officials must adhere to the provisions of section 195, which provides a description of the democratic values and principles governing public administration. Section 195(1)(b) requires the promotion of the efficient, economic and effective use of resources. This implies that programmes undertaken in the public sector should yield maximum benefits at the lowest possible cost.
Constitution of the Western Cape, 1997	
Section 81	Heritage Western Cape must implement policies to actively promote and maintain the welfare of the people of the Western Cape, specifically with regard to the protection and conservation of the natural historical, cultural historical, archaeological and architectural heritage of the Western Cape for the benefit of present and future generations. Heritage Western Cape must implement specific policies in this regard.

7.2 Legislative mandates

National Legislation	Reference	Description
Public Finance Management Act, 1999	Act 1 of 1999	<p>The Public Finance Management Act (PFMA):</p> <ul style="list-style-type: none"> regulates financial management in national and provincial governments, listed or unlisted public entities, constitutional institutions and provincial legislatures. ensures that all revenue, expenditure, assets and liabilities of these institutions are managed efficiently and effectively; and defines the responsibilities of persons entrusted with financial management in these bodies.
Promotion of Access to Information Act, 2000	Act 2 of 2000	<p>This Act gives effect to the right to have access to records held by the state and private bodies. Among other things, HWC and every other public and private body must:</p> <ul style="list-style-type: none"> compile a manual that explains to members of the public how to lodge an application for access to information that the body holds; and appoint an information officer to consider requests for access to information held by the body.
Promotion of Administrative	Act 3 of 2000	<p>This Act:</p> <ul style="list-style-type: none"> sets out the rules and guidelines that administrators must follow when

National Legislation	Reference	Description
Justice Act, 2000		<p>making decisions;</p> <ul style="list-style-type: none"> • requires administrators to inform people about their right to review or appeal and their right to request reasons; • requires administrators to give reasons for their decisions; and • gives members of the public the right to challenge the decisions of administrators in court.
Protection of Personal Information Act, 2013	Act 4 of 2013	<p>This Act places a responsibility on institutions to ensure the following:</p> <ul style="list-style-type: none"> • To promote the protection of personal information processed by public and private bodies; and • To introduce certain conditions so as to establish minimum requirements for the processing of personal information. <p>As HWC collects personal information in the processing of applications, the POPI Act needs to be complied with.</p>
National Heritage Resources Act, 1999	Act 25 of 1999	<p>Heritage Western Cape derives its mandate from this legislation. Furthermore, the Act empowers HWC to perform the following:</p> <ul style="list-style-type: none"> • To identify, record and assess relevant heritage resources within Western Cape; • To protect and manage heritage resources within the Western Cape; and

National Legislation	Reference	Description
		<ul style="list-style-type: none"> To establish policies, objectives and strategic plans for heritage resources management.
World Heritage Convention Act, 1999	Act 49 of 1999	Heritage Western Cape, in compliance with this Act, ensures that sites that are nominated for World Heritage Site status must be formally protected and where necessary provide support with ongoing conservation and periodic reporting.
Western Cape Heritage Resource Management Regulations	PN 336 of 25 October 2002, PN 298 of 29 August 2003, PN 212 of November 2004, PN 106 of 31 March 2005. PN 7497/2015 of September 2015.	Regulations provide for the practical implementation of heritage management in the Western Cape.

7.3 Case law

Court Case	Reference	Description
Louis Johannes Raubenheimer v the Trustees of the Hendrik Johannes Bredenkamp Trust and Others	Western Cape High Court, case no. 10228/2004	The judgment deals with what constitutes a “bona fide interest” in a decision of a heritage authority which will convey locus standi to appeal in terms of the NHRA. The Court found that it had to be a real interest and not just a sentimental attachment to the heritage resource.
Top Performers (Pty) Ltd v Minister of Cultural Affairs and Recreation	Western Cape High Court, case no. 5591/2005	This judgment had a profound impact on the appeal processes of the tribunals appointed by the MEC in terms of section 49 of the National Heritage Resources Act, 1999, read with Regulation 12 of PN 336 of 2003. DCAS and the MEC took corrective steps to ensure fair administrative processes and make provision for the admission of new evidence into the record of a tribunal process, as well as better compliance with the rules of natural justice in terms of the <i>audi alteram partem</i> maxim.
The Chairpersons' Association v Minister of Arts and Culture	Supreme Court of Appeal, case no. 25/2006	This judgment sets out what constitutes adequate consultation with local communities and other stakeholders in respect of proposed changes to geographical names. DCAS and the Western Cape Provincial Geographical Names Committee established by the MEC are

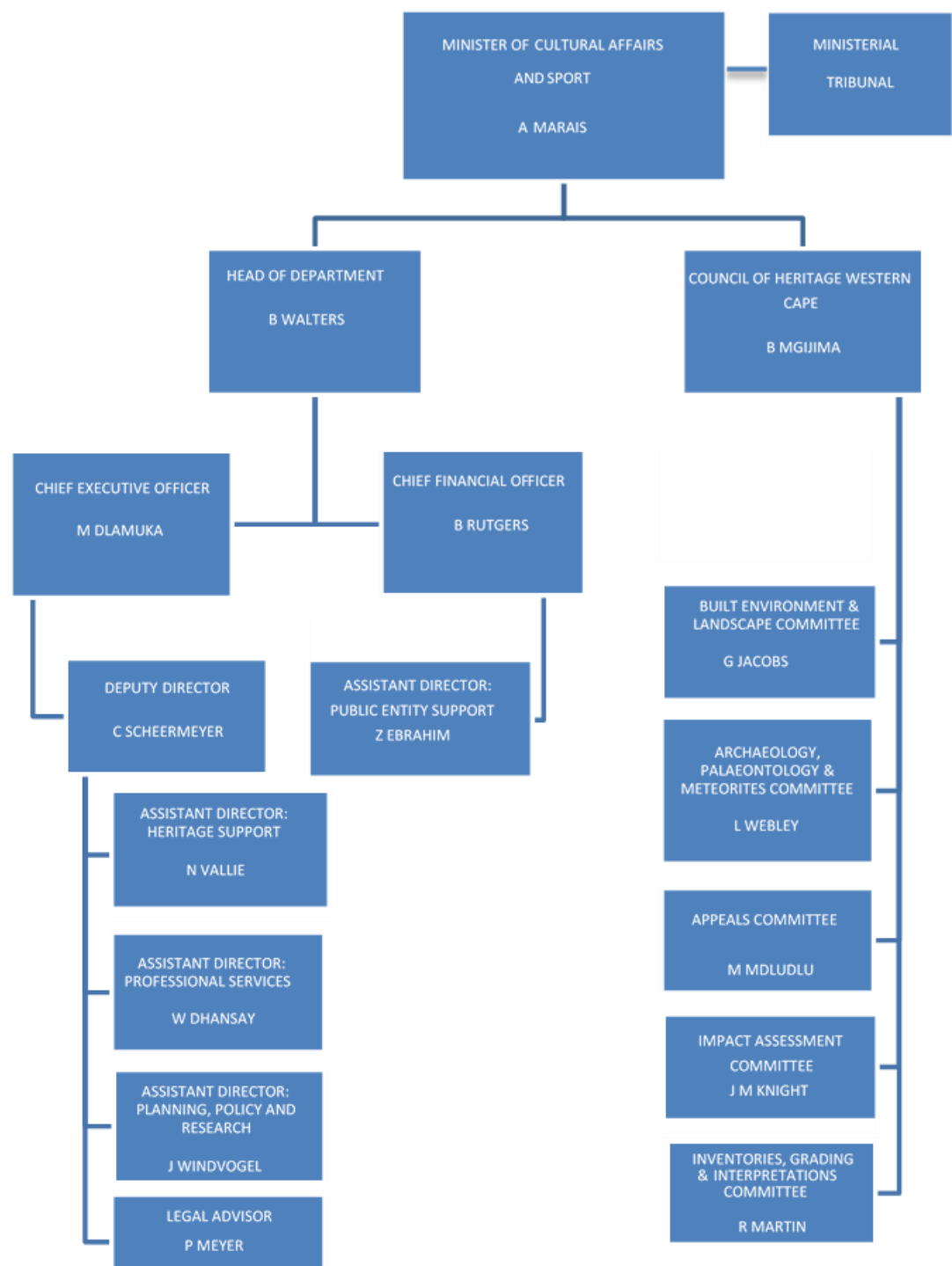
Court Case	Reference	Description
		important role players in the implementation of the relevant legislation, especially with respect to the facilitation of consultation with stakeholders and communities. They must take this judgment into account in the processes and procedures they use to manage proposed changes to geographical names.
Qualidental Laboratories v Heritage Western Cape	Supreme Court of Appeal, case no. 647/2006	This judgment confirmed the powers conferred on the MEC and Heritage Western Cape to impose conditions on a development in terms of section 48 of the National Heritage Resources Act, 1999.
South African Heritage Resources Agency v the Arniston Hotel Property (Pty) Ltd and One Other	Western Cape High Court, case no. 5446/2006	The judgment deals with the matter of work approved under the National Building Regulations prior to the institution of a formal protection in terms of the NHRA and issues of validity of a notice of provisional protection.
Willows Properties (Pty) Ltd v Minister of Cultural Affairs and Sport	Western Cape High Court, case no. 13521/2008	The applicant filed an urgent application in the High Court to compel the MEC to make a decision or, alternatively, to issue the Record of Decision in respect of an appeal lodged with the MEC in terms of section 49 of the National Heritage Resources Act, 1999, read with regulation 12(7) of PN 336 of 2003. The impact of the judgment on DCAS is that it must ensure that tribunals issue Records of Decision in good time. Corrective measures have been implemented.

Court Case	Reference	Description
Waenhuiskrans Arniston Ratepayers Association and Another v Verreweide Eiendomsontwikkeling (Edms) Bpk and Others	Western Cape High Court, case no. 1926/2008	The Court considered whether the South African Heritage Resources Agency or Heritage Western Cape have jurisdiction in respect of sites that have been graded by SAHRA as Grade 1 sites in terms of sections 35 and 36 of the National Heritage Resources Act, 1999. The Court found that, in such cases, SAHRA has jurisdiction. The implication of this judgment for HWC is that the Department must provide legal assistance to Heritage Western Cape to interpret the legislation, and it must ensure that HWC acts within its legal mandate.
Peter Gees v the Provincial Minister of Cultural Affairs and Sport, Western Cape, the Chairperson, Independent Appeal Tribunal, Heritage Western Cape, the City of Cape Town, City Bowl Ratepayers; & Residents' Association	Western Cape High Court, case no: 6205/2015	The Court has confirmed that, despite the facts in this case are different than in the Qualidental case, the imposition of conditions are within the parameters of the National Heritage Resources Act, 1999 and are consistent with the overall scheme of the Act. Conditions can be imposed in a permit for demolition of an existing structure older than 60 years in terms of section 34(1) of the Act provided that they are imposed for a clear heritage purpose.

Court Case	Reference	Description
Piketberg Local Heritage Committee and Another v Liebco Vleishandelaars Edms Bpk and others (Heritage Western Cape 2nd Respondent)	Western Cape High Court, case no. 1103/ 2016	Application for review of a decision of HWC's Built Environment and Landscape Committee (BELCom). Permission was granted by BELCom to demolish a building on Erf 207 Piketberg. The Piketberg Heritage Committee applied to the High Court to review the decision as the provisions of PAJA were not complied with. The Court considered HWC's present policy of requiring consultation only with registered conservation bodies and held that, as the decisions taken had the potential to affect members of the general public, broader public consultation was required. This will mean that applicants will be required to advertise proposals for comment from the general public.
Bryer NO and others v HWC	Western Cape High Court, case no. 16392/2017	Application for review of a decision of HWC to impose a stop works order and a declaratory as to whether an application in terms of section 38 of the NHRA was necessary. This hinged on the definition of the trigger factor in S38(1) of a "site greater than 5000m2". Heritage Western Cape had consistently used the erf size as the trigger. The applicant argued that "site" did not mean "erf", and that in this specific case, the erf, although larger than 5000m2, it was notionally divisible into two separate sites. The court agreed with this argument. It is important to note that the court did not hold that the site was equivalent to the development footprint. The erf size may still be indicative of the site size, but a more nuanced approach is necessary.

Court Case	Reference	Description
Bo-Kaap Civic and Ratepayers Association v City of Cape Town	Western Cape High Court, case no, 7031/2017	Heritage Western Cape joined as an applicant in this application to review the decision of the City of Cape Town to permit the construction of a multi-storey development on this site which is partially in an HPOZ, and borders on the historic Bo-Kaap. Heritage Western Cape argued that the proximity of the development to two provincial heritage sites meant that it would “alter” the provincial heritage sites and that a permit in terms of S27 of the NHRA should be obtained. The court did not accept this argument. It also declined to review the decision of the City of Cape Town.

8. ORGANISATIONAL STRUCTURE



PART B: PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with no material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 68 of the Report of the Auditors Report, published as Part E: Financial Information.

2. SITUATIONAL ANALYSIS

2.1. Service Delivery Environment

The transition of the Western Cape Government into the sixth administration presented a change in the policy environment and an articulation of the service delivery imperatives. The Provincial Strategic Plan presents Vision Inspired Priorities, which are linked to the 2019-2024 Medium Term Strategic Framework. Both plans support the implementation of the long-term National Development Plan, vision 2030. These Priorities include:

The VIPs, as outlined in the Provincial Strategic Plan are as follows:

- ◀ Safe and Cohesive Communities
- ◀ Growth and Jobs
- ◀ Empowering People
- ◀ Mobility and Spatial Transformation
- ◀ Innovation and Culture

These are the building blocks and policy imperatives of the Western Cape Government. Heritage Western Cape identified both Safe and Cohesive Communities, and Empowering People as its key focus areas.

While the mandate of HWC is derived from the National Heritage Resources Act, the context within which it executes its service delivery is part of the Western Cape Government. HWC participated in transversal projects as part of government's Whole of Society Approach (WOSA). These are cooperative relationships between government departments, municipalities, private sector, citizenry and relevant institutions to identify problem areas related to projects 'on the ground' and work collectively to bring them to a successful conclusion for the benefit of local communities. The WOSA approach has defined the way in which the Western Cape Government needs to operate and HWC has taken cognisance of the vision of the Province which is "A safe Western Cape where everyone prospers".

The Western Cape has been experiencing an increase in its population in the past 10 years. In line with the global trends, the population of the City of Cape Town is expected to increase with an additional 1 million people by 2026. Such presents a nexus for Heritage Western Cape to ensure that heritage resources are not only preserved but managed in a sustainable manner. This further requires that a balance is maintained between the growth needs of both Cape Town and the province and the mandate to protect heritage resources. These needs must be taken into consideration when heritage decisions are made.

Heritage Western Cape was represented in the Fixed Capital and Property Development War room, an initiative launched by the Premier of the Western Cape to identify blockages to economic growth. The war room was structured in a way that ensured that it listened to the stakeholders on how they experience the Western Cape Government's services, identify blockages and come up with innovative suggestions to improve on service delivery and thus contribute to economic growth. Through the war room HWC embarked upon the following key initiatives:

- ◁ Introduced time slot to the agenda of committee meetings so that applicants do not have to spend the whole day waiting for their cases to be presented to a committee;
- ◁ Provided a live update on the progress of application during the course of committee meetings. This is being done using a *SLIDO* online platform.
- ◁ The website of HWC is being improved to ensure that it become a tool to promote heritage resources management and infographics on how heritage applications are made.
- ◁ The need for heritage registers and heritage areas was also identified as a crucial aspect as it provides certainty to developers.
- ◁ The need to encourage local authorities to become competent to manage local heritage resources which will lead to efficient decision making at a local level.

The vision, mission and values of HWC have been redefined over the previous two financial years. This has been a reflection of the reading of the operational and receiving service delivery environment and as such, HWC identified key areas which underscore its key priorities derived from its legislative mandate as follows:

- ◁ Building an efficient heritage resources management system that enables stakeholders and communities to have confidence in the work of HWC;

- ◁ The declaration of significant heritage resources as provincial heritage sites in order to reflect the diversity of the province and heritage of communities who were neglected in the past;
- ◁ Reaffirming the relationship with municipalities and conservation bodies in order to ensure compliance with the NHRA, in particular with conditions set in permits and other records of decisions;
- ◁ Undertaking outreach programmes to communities in order to highlight the positive and stabilising effects that heritage can have in resolving social ills, creating social inclusion and building active citizenship; and
- ◁ Improving the understanding of the value of heritage resources through the use of explanatory signage.

The role of local conservation bodies and interest groups has underscored the principle of a holistic societal approach to managing heritage and to better service delivery of the WCG. HWC relies on the role of conservation bodies, interested heritage groups in local communities and depends on an active and engaged citizenry to assist in the identification, promotion and integrated and active management of heritage resources in the province. The intention as set out in the Preamble of the NHRA is for HWC to "enable and encourage communities to nurture and conserve their legacy so that they may be bequeathed to future generations." HWC forms an integral part of the value change in the service delivery context of the WCG.

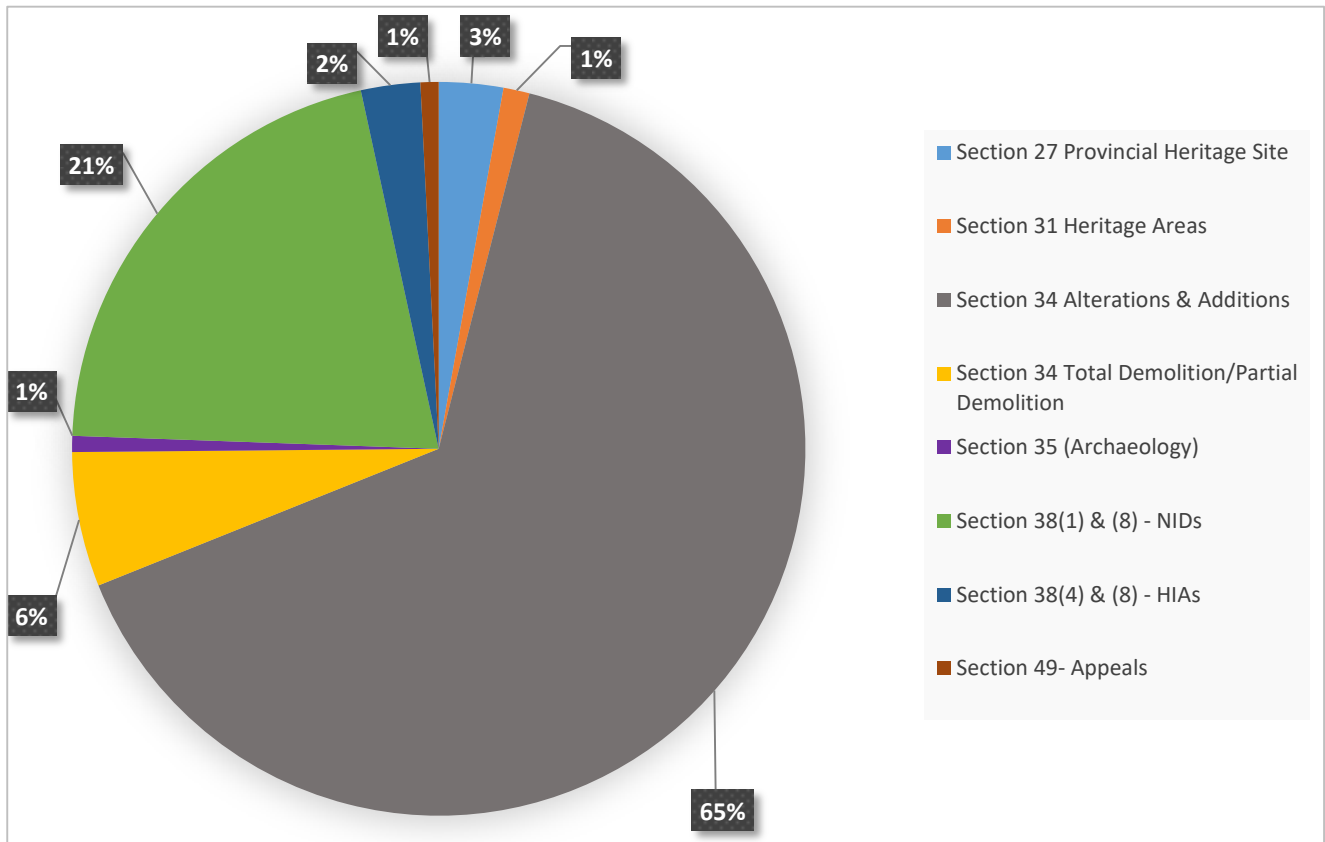
2.1.1 Summary of applications, heritage reports and enquiries

While the NHRA provides for a variety of activities to be undertaken by a provincial heritage resources authority, the bulk of the work of HWC still comprises the processing of applications under the terms of Chapter II of the Act. During the year under review HWC received 2 260 heritage applications. Of the total number of applications, 2 066 of the applications were processed by way of a decision or comment at the HOMs meetings. The HOMs meetings are meetings at which officials of HWC, as delegated by Council, make decisions or comment on applications triggered in terms of the NHRA. Further breakdown on the work of committees in respect of applications dealt with is reflected in the figures presented below.

2.1.2 Number of applications per year

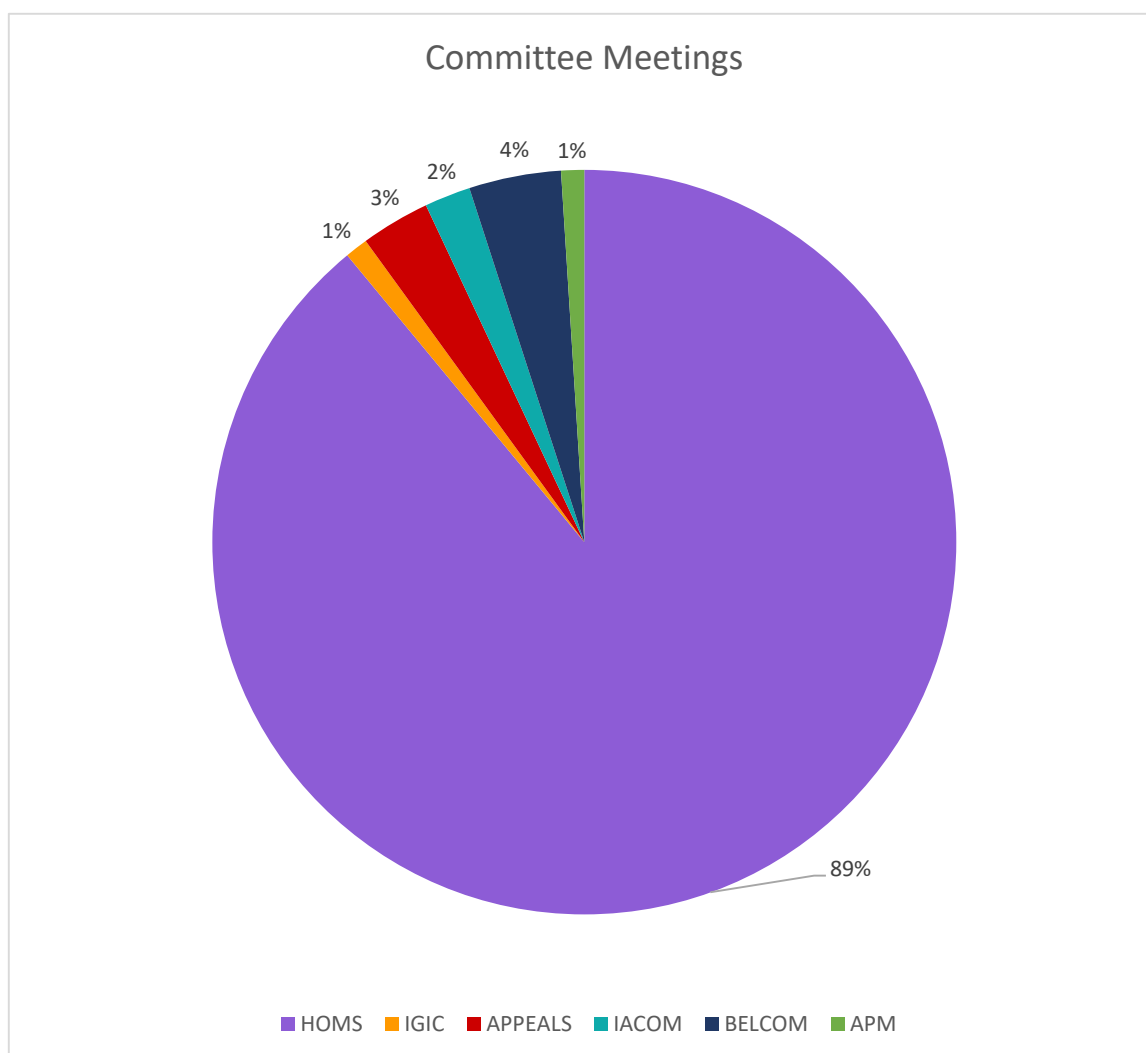
The bulk of applications pertained to development applications and those related to alterations, additions or total demolition to structures older than 60 years in terms of the NHRA. Of the 2 260 applications received by HWC, 64 were applications made pertaining to the management of Provincial Heritage Sites. 17 permit applications for the excavation or research of archaeological or paleontological sites or objects were received. The following graph below illustrates types of applications received by HWC:

Types of applications received by HWC



2.1.3 Processing of applications by HWC Committees

Applications to HWC are processed by the following committees: Archaeology, Palaeontology and Meteorites (APM); Built Environment and Landscapes Committee (BELCom); Inventories, Grading and Interpretations Committee (IGIC), Impact Assessment Committee (IACom); Appeals Committee and Heritage Officers Meetings (HOMs). Council has expanded the delegations to enable HOM's to deal with applications that are more complex and those that have objections. The graph below illustrates the percentage of applications processed by each committee.



2.1.4 Internal appeals process

Section 49 of the NHRA requires HWC to establish an internal system of appeals, which must be considered either by the Council or an Appeals Committee. Regulations made by HWC provide that the Appeals Committee must be comprised of two Council members and up to three additional members. The Appeals Committee considers appeals by any party to an application (applicant or interested and affected parties) who is dissatisfied with a decision of one of HWC's committees. During the financial year under review, a total of 40 appeal applications were lodged with the Appeals Committee.

2.1.5 Appeals to the Independent Ministerial Tribunal

If any member of the public or an applicant is not satisfied with a decision of the Appeals Committee, they have an opportunity to escalate their appeal to the Minister of Cultural Affairs and Sport in terms of section 38(6) and 49 of the NHRA. The Minister is empowered to establish an Independent Tribunal

consisting of three experts having expertise in heritage matters or law. During the financial year under review five decisions were referred to the Ministerial Independent Tribunal and all were decided in favour of HWC's original decisions.

2.1.6 Digitisation and Information Management

The role of HWC is to identify, protect and promote heritage resources of significance, to manage not only the physical aspects of the resources, but also the information it obtains in respect of such resources. Section 24 (1)(f) of the NHRA requires HWC to maintain a database of heritage resources and to report on such information to the national heritage resources agency SAHRA on a regular basis. HWC will be moving to utilising the South African Heritage Resources Information System (SAHRIS) an online heritage resources management system hosted by SAHRA.

Greater accessibility and visibility on a digital management platform has many benefits to heritage resources management. This results in greater access to information for local communities and conservation bodies who take an active interest to heritage resources management. In line with this, HWC began the process of changing the face of its website and hopes to present a user friendly, appealing, accessible public interface. Dissemination of information and access to information is critical if local communities are able to engage with HWC on various digital platforms.

On the eve of the financial year end South Africa moved to close its borders due to the outbreak of a world-wide COVID-19 pandemic. The closure of offices has meant the need to be accessible on digital platforms. The need for innovative approaches, partnerships and cooperative relationships with other heritage authorities such as SAHRA, has been shown to be indispensable to move forward successfully with service delivery as globally and locally the landscape of learning, interaction and business is changing. HWC is confident its utilisation of SAHRIS and redesign of its website is a step in the right direction.

2.2. Organisational environment

The Department of Cultural Affairs and Sport provided a subsidy, staff and operational support to HWC in order to enable it to implement the NHRA. HWC has continued to ensure that service delivery targets of the organisation are met in spite of challenges in the sector and staff limitations. Furthermore, HWC has received additional support from DCAS through the EPWP programme.

The functioning of HWC is overseen by a Council which consists of specialists in the fields of architecture, town and regional planning, urban planning, archaeology, social history and law. On 1 November 2019 Minister of Cultural

Affairs and Sport and Premier of the Western Cape inaugurated the new Council. The Council appointed its committees in order to ensure that HWC executes its mandate with efficacy and efficiency. Council held a strategic planning session in February 2020 in which it identified key pillars that would guide operations during its term of office.

The role of the Heritage Officer's Meetings continued to grow as it processed all applications and took decisions and referred them to other committees depending on the expertise required. During the current financial year 89% of heritage decisions were made by HOMs. The work of the committees such as BELCom and ACom continues to grow annually due to the increased complexity of applications that are submitted to HWC. This has resulted in an increased number of BELCom and IACom meetings, as applications where conservation bodies and interested and affected parties have raised objections, are referred to these committees.

2.3. Strategic Outcome Oriented Goals

Strategic Outcome Oriented Goal	To identify, protect, conserve, manage and promote the heritage resources of the Western Cape.
Goal Statement	To identify, protect, conserve, manage and promote the heritage resources of the Western Cape for present and future generations.
Progress achieved	HWC championed the identification, protection, conservation and management of heritage in the Western Cape by continuously ensuring that heritage applications are scrutinised by competent committees; built a network of conservation bodies whose role is to comment on applications as part of public participation; and liaised with local authorities in order to facilitate an integrated system of managing heritage resources.

2.4 Formal protection of heritage resources

During the financial year, HWC dealt with the protection of heritage resources that are associated with the spatial and social expression of resilience and oppression which dominated the South African settlement morphology. The following sites were formally protected as provincial heritage sites:

Site Name	Provincial Gazette Notice	Abridged statement of significance	Locality & GPS coordinates
Remainder Farm 744, Farm 744/1, Farm 744/2 and Farm 722/1, Lourensford Road, Somerset West	P. N. 002/2019	<p>Vergelegen possesses high historical value associated with the first decade of the 18th Century, when the Cape of Good Hope was an emerging victualling station of the Vereenigde Oost-Indische Compagnie (VOC) servicing the Dutch commercial empire's maritime trade routes with the east, linking Europe, Africa and the East Asia. It is one of the earliest examples of an idealized farmstead established at the Cape, influenced by European principles of a grand country estate, it predates the development of a rural vernacular at the Cape occurring later in the 18th Century and the grand estate later developed by the emerging prosperous free burghers.</p> <p>Vergelegen is strongly associated with the history of slavery at the Cape with Simon van der Stel owning more than 200 slaves, the most ever in private hands on one property at the</p>	<p>34°04'35.2"S</p> <p>18°53'24.7"E</p>

Site Name	Provincial Gazette Notice	Abridged statement of significance	Locality & GPS coordinates
		Cape. Of special historical interest in the use of Vergelegen as a place of exile for the Rajah of Tambora associated with the use of the Cape of Good Hope as an official place of confinement for eastern political prisoners of rank of the VOC and his role in transcribing the Qur'an, possibly the first hand written Qur'an at the Cape.	

Site Name	Provincial Gazette Notice	Abridged statement of significance	Locality & GPS coordinates
Remainder Erf 27440, corresponding with the Imam Haron grave site, Muslim Cemetery, Browning Road, Mowbray	P. N. 003/2019	<p>Imam Abdullah Haron is remembered for having been involved in the liberation movement in order to bring about change in South Africa.</p> <p>Imam Haron specialised in socially relevant religious teaching and saw this role as an opportunity to bring awareness of social inequalities. The classes he held at Al-Jamia Masjid revolutionised the thinking of those who attended. His appointment as Imam signalled a new era in the history of the Muslim community in Cape Town.</p> <p>The Imam's active interest in the resistance movement was partially sparked by his decision to take the teachings of Islam to black migrant labourers. Despite public ridicule, Imam Haron was a courageous voice openly showing his disdain towards the regime with his passionate stand against discrimination, bigotry and racism. The Imam's contribution at a time when many Muslim clerics were silent, played a critical role in influencing peoples thinking and actions towards the apartheid state.</p>	<p>33°56'16.1"S</p> <p>18°27'42.7"E</p>

Site Name	Provincial Gazette Notice	Abridged statement of significance	Locality & GPS coordinates
Erf 58573, Cape Town, corresponding with the Al- Jaamia Masjid, Stegman Road, Claremont	P. N. 001/2019	<p>The Al-Jaamia Masjid is a remnant of the once vibrant community uprooted by the Group Areas Act. The congregation of the Stegman Road Masjid played a pivotal role in the discourse against apartheid. The Al-Jaamia Masjid bears strong association to Imam Haron, the dynamic and much-loved community leader who was tortured and killed for his role in the anti-apartheid struggle.</p> <p>The Al-Jaamia Masjid flourished in spite of the close-knit Muslim community having been forcefully removed by the Group Areas Act in the 1960s. The members of the Stegman Road Masjid suffered many hardships but resisted and now continue the legacy of faith, congregation and upliftment through education. Imam Haron served the Masjid, as well as the Muslim community until his 'death' in 1969 and the work of Imam Haron continues at the Al-Jaamia Masjid through programmes initiated.</p>	<p>33°58'44.5"S</p> <p>18°28'04.2"E</p>

2.5 Key policy developments and legislative changes

2.5.1 Policy development

During the financial year the following policies were developed and amended by Council:

Policy	Description
Section 30 and 31 regulations relating to heritage areas and surveys	Regulations provide for the procedure to be followed when consulting the public regarding the proposed declaration of Heritage Areas and proposed placement of heritage sites on the heritage register.
Guidelines for the submission of Section 38 Notification of Intent to Develop and the submission of Section 38 Heritage Impact Assessments	In terms of S38(1) National Heritage Resources Act No. 25 of 1999, submission of a Notice of Intention to Develop (NID) Application Form must be initiated at the earliest stage of a proposed development. To assist in compliance with these requirements guidelines for the submission of NID Application Forms and HIAs have been developed.

2.5.2 Criminal Charges

Case number	Case name	Status
76/5/2015	State v L Raymond relating to the 191 Main Road, Paarl (a Provincial Heritage Site).	The case was heard by the Magistrates at the Paarl Court where HWC testified. The matter was postponed.

2.5.3 HWC matters in Courts

During the financial year under review HWC has been involved in the following court actions:

Case Number	Court	Matter	Status
46055/15	North Gauteng	Midnight Storm Investments 170 (Pty) Ltd v Minister of	The trial took place

Case Number	Court	Matter	Status
	High Court	Arts and Culture and Others	in August 2019. The decision was made in favour of Heritage Western Cape. (At the time of writing this report, this decision has been appealed)
14894/17	Western Cape High Court	Exclusive Access Trading 570 (Pty Ltd) v Chairperson, Independent Tribunal, Minister of Cultural Affairs and Sport and Heritage Western Cape	Still in pleadings stage

3. PERFORMANCE INFORMATION BY PROGRAMME: HERITAGE WESTERN CAPE

3.1. Programme/activity/objective

The purpose of Heritage Western Cape is to advise the Minister on the implementation of the National Heritage Resources Act (Act 25 of 1999) and in so doing, protecting and managing the heritage resources of the Western Cape.

Strategic Objective: Management of an integrated heritage resources management system in the Western Cape.

Programme/activity/objective: Heritage Western Cape					
Strategic objective indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Number of initiatives to promote the management of heritage resources in the Western Cape	-	11	11	-	
Number of provincial interventions to protect heritage resources in terms of the NHRA	-	110	124	+14	In response to requests by oversight committees to revise the performance indicators to be in line with the mandate of HWC, Council relooked its performance environment and developed additional performance indicators with revised targets. These included the identification of provincial heritage sites, outreach programmes and inspection of significant heritage resources.

Key performance indicators, planned targets and actual achievements

Programme/activity/objective: Heritage Western Cape							
Performance Indicator	Actual Achievement 2016/2017	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment on deviations
Number of policies, regulations, guidelines or protocols approved by Council or the Accounting Authority	-	-	-	1	1	-	
Number of provincial heritage sites formally protected	-	-	-	2	3	+1	An additional Provincial Heritage Site was declared in order to coincide with the 50 th anniversary commemoration of the death of Imam Haron.
Number of site inspections undertaken to provincial heritage sites	-	-	-	10	10	-	
Number of Council and committee meetings hosted in order to make decisions in terms of the NHRA	-	-	-	100	110	+10	Additional meetings were held due to the high volume of applications and complex heritage decisions that had to be made.
Number of outreach programmes hosted to promote heritage resources management	-	-	-	8	7	-1	Two outreach programmes were planned for the 4 th quarter, the second of which was scheduled to take place on the 27 th March 2020. As a result of the President's announcement and the nation-wide lockdown due to COVID-19, the second outreach had to be cancelled.
Number of provincial heritage sites unveiled	-	-	-	3	4	+1	An additional Provincial Heritage Site was unveiled to coincide with the 50 th anniversary commemoration of the death of Imam Haron.

Strategy to overcome area of under performance

The underperformance was as a result of COVID-19 and the declaration of the state of disaster. The entity will endeavour to conduct some of its public programmes virtually in order to ensure that it is able to reach its stakeholders.

4. REVENUE COLLECTION

Source of Income	2019/20			2018/19		
	Estimate	Actual Amount collected	(Over)/ under collection	Estimate	Actual Amount collected	(Over)/ under collection
	R`000	R`000	R`000	R`000	R`000	R`000
Other Operating Income	1189	1434	(245)	1806	1980	177
Transfer Payment	1844	1844	-	1736	2236	500
Interest Income	528	528	-	540	504	(36)
Total	3561	3806	(245) *	4079	4720	(641)

*The over expenditure mainly relates to GRAP 23: Services in Kind adjustment made for salaries of R586 000 related to the financial management staff of the Public Entity. Further detail is explained in the Annual Financial Statements of the HWC, Note 16.

4.1. Capital investment

Not applicable

PART C: GOVERNANCE

1. INTRODUCTION

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

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

2. PORTFOLIO COMMITTEES

The committees of the Provincial Parliament that have oversight of Heritage Western Cape are the Standing Committee on Community Safety, Cultural Affairs and Sport, and the Standing Committee on Public Accounts (SCOPA).

Standing Committees on Community Safety, Cultural Affairs and Sport; and Public Accounts	
Date of Hearing	Matter under consideration
8 August 2019	Briefing by the Department of Cultural Affairs and Sport on its Annual Performance Plan for 2019/20.
20 August 2019	Briefing by the Department of Cultural Affairs and Sport on the Heritage Western Cape Council.
31 October 2019	Deliberation on the 2018/19 Annual Reports of the Department of Cultural Affairs and Sport and its entities (Heritage Western Cape, Western Cape Language Committee, Western Cape Cultural Commission).
27 November 2019	Deliberation on Vote 13: Cultural Affairs and Sport in the schedule to the Western Cape Adjustments Appropriation, 2019.
11 March 2020	Discussion on Western Cape Appropriation Bill 2020 – Vote 13 Department of Cultural Affairs & Sport.

3. EXECUTIVE AUTHORITY

The Executive Authority executed oversight responsibility by monitoring financial and non- financial information for the period under review. The following reports were submitted for monitoring purposes:

Quarterly Performance Report	31 July 2019; 31 October 2019; 31 January 2020; and 30 April 2020.
In-year Monitoring Report	31 July 2019; 31 October 2019; 31 January 2020; and 30 April 2020.

4. THE ACCOUNTING AUTHORITY / BOARD

4.1 Introduction

The Council is established in terms of the National Heritage Resources Act, 1999, and regulations published as Provincial Notice 336 of 25 October 2002. The council is appointed for a term of three years.

4.2 The role of the Board is as follows

The Council is the Accounting Authority and decision-making authority on matters of policy and all areas of decision-making in terms of the NHRA that have not been delegated to its committees, staff or municipalities.

During the year under review the entity had two councils whose terms overlapped. The first council's term ended on 31 October 2019. The term of the current council started on 1 November 2019.

4.3 Board Charter

Heritage Western Cape does not have a formal charter but is guided by the National Heritage Resources Act (Act 25 of 1999).

Composition of the Council (the council whose term expired on 31 October 2019)

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e. g. Audit committee / Ministerial task team)	No. of Meetings attended
Dr Antonia Malan	Chairperson	1 November 2016	N/A	PhD, BA Hons	Heritage law and policy formation; cultural landscape	South African Heritage Resources Agency	APM EXCO	10
Mr Rowen Ruiters	Member	1 November 2016	N/A	BTech: Architectural Technology; BTech: Project Management; ND: Architectural Technology	Architecture	N/A	Appeals	10
Mr Siphiwo Mavumengwana	Member	1 November 2016	N/A	National Diploma: Marketing Management	Cultural landscapes; Town and Regional Planning	Western Cape Liquor Authority Conbin South Africa PTY LTD Imvelo Heritage Concepts PTY LTD Oasis Development Agency	IGIC and IACOM	12

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e. g. Audit committee / Ministerial task team)	No. of Meetings attended
Ms Corlie Smart	Member	1 November 2016	N/A	BProc; LLM	Heritage law and policy formulation	Belvidex PTY LTD	Appeals	8
Mr Chris Snelling	Member	1 November 2016	N/A	B. degree in Architectural Studies	Architecture; documentation of heritage and database	N/A	IACOM	13
Dr Ignatius de Swardt	Member	1 November 2016	N/A	MA in Cultural History (cum laude); BA Hons. BA African Studies	Architecture; documentation of heritage and database	N/A	IGIC	7
Mr Graham Jacobs	Member	1 November 2016	N/A	B Arch; MA Conservation Studies (Built Environment)	Architecture; documentation of heritage and database; development guidelines	N/A	BELCom	14

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e. g. Audit committee / Ministerial task team)	No. of Meetings attended
Ms Katherine Dumbrell	Member	1 November 2016	N/A	B. degree in Architectural Studies; Post Graduate Diploma in African Studies	Architecture; documentation of heritage and database	Friends of the Drostyd Museum Kathy Dumbrell Architect Historian Aesthetics Committee of Swellendam Local Municipality	IGIC Appeals	15
Dr Rolf Annas	Member	1 November 2016	N/A	PhD, BA(Hons)	Promotion, interpretation of heritage resources.	N/A	IGIC	6

Composition of the current Council (appointed from 1 November 2019 to 31 October 2022)

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board of Directorships (List the entities)	Other Committees or Task Teams (e.g. Audit committee / Ministerial task team)	No. of Meetings attended
Ms Emmylou Bailey	Member	1 November 2019	N/A	MA Archaeology and Heritage Management	Cultural landscapes; archaeology	Hearth Heritage	APM	6
Mr Stefan de Kock	Member	1 November 2019	N/A	Hons: Urban & Regional Planning; Post-Grad Diploma: EIA Management	Heritage resources management; Impact assessment; spatial planning process; land use management	N/A	IGIC IACom	4
Mr Stuart Hermansen	Member	1 November 2019	N/A	B.A.S and B. Architecture	Heritage resources; heritage architecture	HB Architects (Pty) Ltd	BELCom	3
Mr Jason Knight	Member	1 November 2019	N/A	Masters in City and Regional Planning	Town and Regional Planning; Heritage Resource Management	Greenrock Group (Pty) Ltd.	IACom	5

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board of Directorships (List the entities)	Other Committees or Task Teams (e.g. Audit committee / Ministerial task team)	No. of Meetings attended
Mr Ron Martin	Member	1 November 2019	N/A	Oral History Methodology Certificate (Honours Level); Post Graduate Diploma in Museum and Heritage Studies (Honours Level)	Heritage Resources Management; Memory; indigenous practices; hidden histories	SA First Peoples' Museum Foundation (Pty) Ltd; SA Sendinggestig Trust.	IGIC	3
Adv Mandla Mdludlu	Member	1 November 2019	N/A	Bluris, LLB, Certificate in Labour Law	Law and Property law	Audit Committee (Overstrand Municipality); West Coast TVET; NHBRC; HPCSA	Appeals	5
Mr Bongani Mgijima	Chairperson	1 November 2019	N/A	BA, BPA Hons, PG Diploma Museum and Heritage, MPA and MPhil	Museum and Heritage Studies; heritage management and governance; policy development	Amazwi South African Museum of Literature; Yakhanani Tourism Solutions; South African Heritage Resources Authority; Western Cape Provincial Geographical Names Committee	N/A	2

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date Resigned	Qualifications	Area of Expertise	Board of Directorships (List the entities)	Other Committees or Task Teams (e.g. Audit committee / Ministerial task team)	No. of Meetings attended
Ms Cecilene Muller	Member	1 November 2019	N/A	MA Archaeology (Archaeometry), Bcosc (Hons) Management and Social Policy, BA (Hons) Archaeology and Bosc-Sociology	Archaeology, Heritage Resource Management, Grading and declaration	Cognitive Morph Pty Ltd	APM IACom	13
Ms Vuyiseka Myakala	Member	1 November 2019	N/A	Higher Certificate Counselling and Communication	Museums and heritage management	N/A	IGIC	3
Mr Graham Jacobs	Member	1 November 2020	N/A	B.Arch MA Conservation Studies (Built Environment)	Architecture; documentation of heritage and database; Development guidelines	Countryside Design CC.	BELCom	6
Ms Katherine Dumbrell	Member	1 November 2016	N/A	B. degree in Architectural Studies; Post Graduate Diploma in African Studies; BA (hons) in African Studies	Architecture; documentation of heritage and database	Kathy Dumbrell Architect Historian Aesthetics Committee of Swellendam Local Municipality	Appeals	10

List of Committee members 2018-2019

Committee name	No. of meetings held	No. of members	Name of members
BELCOM	10	8	Mr Graham Jacobs (Chairperson) Mr Peter Büttgens Ms Janine de Waal Ms Belinda Jane Mutti Mr David Gibbs Mr Irvin Smidt (resigned on June 2019) Mrs Melanie Attwell Mrs Helene van der Merwe
APM	10	8	Dr Antonia Malan (Chairperson) Dr Ragna Redelstorff Dr Lita Webley Ms Cecilene Muller Dr Jayson David John Orton Mr John Gribble Dr Wendy Black Dr Abigail Moffett
Appeals	7	5	Ms Corlie Smart (Chairperson) Mr Rowen Ruiters Dr Nicholas Baumann Mr Tseliso Leshoro Prof Andrew van Graan
IGIC	3	9	Mr Siphiwo Mavumengwana (Chairperson) Dr Ignatius Petrus de Swardt Ms Katherine Dumbrell Dr Rolf Annas Mr Stefan de Kock Ms Jenna Lavin Mr Ron Martin Ms Constance Pasengrouw Ms Cecilene Muller
IACOM	12	9	Mr Chris Snelling (Chairperson) Mr Siphiwo Mavumengwana Mr Frik Vermeulen Mr Guy Thomas Ms Cecilene Muller Mr Dave Saunders Dr Lita Webley Mr Mokena Makeka Mr Mike Scurr

List of Committee members 2019-2022

Committee name	No. of meetings held	No. of members	Name of members
BELCOM	1	7	Mr Graham Jacobs (Chairperson) Mr Dennis Belter Mr Guillaume Narainne Ms Mishkah Collier Mr Shawn Johnston Prof Walter Peters Mr Stuart Hermansen
APM	2	5	Dr Lita Webley (Chairperson) Ms Cecilene Muller Dr Jayson David John Orton Mr John Gribble Ms Emmylou Bailey
Appeals	4	5	Adv Mandla Mdludlu (Chairperson) Dr Nicholas Baumann Prof Andrew van Graan Dr Antonia Malan Ms Katherine Dumbrell
IGIC	1	6	Mr Ron Martin (Chairperson) Mr Stefan de Kock Ms Jenna Lavin Ms Vuyiseka Myakala Ms Maureen Wolters Dr Bongani Ndhlovu
IACOM	2	9	Mr Jason Knight (Chairperson) Mr Siphiwo Mavumengwana Ms Cecilene Muller Mr Dave Saunders Mr Mokena Makeka Mr Mike Scurr Mr Stefan de Kock (resigned on 17 March 2020) Mr Rashiq Fataar Mr David Gibbs

RENUMERATION OF COUNCIL & COMMITTEE MEMBERS

The service benefit packages for office bearers of certain statutory and other institutions are defined by the Minister of Finance and described in a Provincial Treasury Circular. The Chairperson's rate is R472.00 per hour and the rate for members' rate is R327.00 per hour.

Surname	Name	Remuneration R' 000	Other allowance (T&S) R' 000	Total R' 000
Annas	Rolf	14	4	18
Attwell	Melanie	33	3	36
Baumann	Nicholas	24	3	27
Bailey	Emmylou	19	3	22
Belter	Dennis	15	3	18
Büttgens	Peter	35	2	37
Black	Wendy	8	0	8
Carlsen	Rashaad	11	1	12
Collier	Mishkah	7	0	7

Surname	Name	Remuneration R`000	Other allowance (T&S) R`000	Total R`000
de Kock	Stefan	22	15	37
de Swardt	Ignatius Petrus	11	17	28
de Waal	Janine	29	6	35
Dumbrell	Katherine	53	44	97
Fataar	Mogammad Rashid	4	1	5
Gribble	John	19	2	21
Gibbs	David	34	2	36
Hermansen	Stuart	10	3	13
Jacobs	Graham	61	16	77
Johnston	Shawn	14	1	15
Knight	Jason	25	4	29
Lavin	Jenna	7	1	8
Leshoro	Tseliso	12	0	12
Makeka	Mokoena	25	1	26
Malan	Antonia	42	4	46
Martin	Ron	27	5	32
Mavumengwana	Siphiwo Innocent	53	37	90
Mdludlu	Mandla	23	3	26
Mgijima	Bongani	14	1	15
Milandri	Laura	12	1	13
Moffette	Abigail	6	0	6
Muller	Cecilene	83	0	83
Mutti	Belinda Jane	14	9	23
Myakala	Vuyiseka	16	3	19
Narainne	Guillaume	9	0	9
Ndhlovu	Bongani	1	0	1
Orton	Jayson David John	16	5	21
Pansegrouw	Constance	6	2	8
Peters	Walter	11	1	12
Ruiters	Rowen	19	0	19
Saunders	Dave	42	3	45
Scurr	Mike	46	1	47
Smart	Corlie	13	7	20
Smidt	Ivan	13	0	13
Smith	Raymond	3	2	5
Snelling	Chris	54	5	59
Thomas	Guy	28	1	29
van Graan	Andre	24	2	26
van der Merwe	Helene	40	2	42
Vermeulen	Frik	40	0	40
Webley	Lita	56	5	61
Wolters	Maureen	4	3	7
TOTAL		1207	234	1441

5. RISK MANAGEMENT

Heritage Western Cape participates in the Enterprise Risk Management and Ethics Committee (ERMECO) of the Department of Cultural Affairs and Sport to assist the Accounting Authority in executing its responsibilities relating to risk management. This Committee is chaired by the Accounting Officer of the Department.

5.1 ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE RESPONSIBILITY

The Enterprise Risk Management and Ethics Committee (ERMECO) reports that it has complied with its responsibilities arising from Section 51(1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMECO also reports that it has adopted an appropriate formal Terms of Reference (approved by the ERMECO chairperson on 29 March 2019) and regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

5.2 ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE MEMBERS

The Chief Executive Officer of Heritage Western Cape represents the entity on the ERMECO of the Department. As per its Terms of Reference the ERMECO met four times (quarterly) during the year under review.

The table below discloses relevant information on ERMECO members:

Name	Position	No. of Meetings attended	Date Appointed
Mr B Walters	Accounting Officer (Chairperson)	4	1/04/2019
Ms B Rutgers	Director: Financial Management – (CFO)	4	1/04/2019
Ms C Sani	Director: Library Service	3	1/04/2019
Mr D Esau	Deputy Director: Internal Control (Risk Champion)	4	1/04/2019
Mr D Flandorp	Deputy Director: Corporate Relations Unit (Ethics Officer) *	3	1/04/2019
Mr G Mohamed	Director: Enterprise Content Management	4	1/04/2019
Mr G Redman	CD: Cultural Affairs	4	1/04/2019
Ms J Boulle	CD: After-School Game Changer	4	1/04/2019
Ms J Moleleki	Director: Arts, Cultures and Language CEO: WCLC CEO: WCCC	4	1/04/2019
Dr L Bouah	CD: Sport and Recreation*	2	1/04/2019
Dr M Dlamuka	Director: Museums, Heritage and	4	1/04/2019

Name	Position	No. of Meetings attended	Date Appointed
	Geographical Names Services CEO: HWC		
Ms N Dingayo	Director: Provincial Archive Service*	3	15/03/2019
Mr S Julie	Director: Strategic and Operational Management Support	4	1/04/2019
Mr T Tutu	Director: Sport Promotion	4	1/04/2019
Mr P Hendricks	Director: Sport Development	4	1/04/2019

*Where members were unable to attend the ERMECO meeting, the meeting was, attended by a representative from the relevant programme.

The following is an indication of other officials who attended the ERMECO meetings for the year under review:

Name	Position	No. of Meetings attended
Ms A Haq	Director: Enterprise Risk Management (DotP)	2
Mr D Micketts	Chief Risk Advisor: Enterprise Risk Management (DotP)	4
Ms M Natesan	Deputy Director: Provincial Forensic Services (DotP)	4
Mr P Swartbooi	Director: Internal Audit (DotP)	2

5.3 ENTERPRISE RISK MANAGEMENT AND ETHICS COMMITTEE KEY ACTIVITIES

The Accounting Officer of the Department is the chairperson of the ERMECO. In executing its function, the ERMECO performed the following key activities during the year:

- ◁ Reviewed the Department's Risk Management Policy, Strategy and Implementation Plan for recommendation by the Audit Committee and approval by the Accounting Officer. The Risk Management Policy, Strategy and Implementation Plan apply to all the Public Entities under the Department;
- ◁ Set, reviewed and applied appropriate risk appetite and tolerances, and recommended same for approval by the Accounting Officer;
- ◁ Reported to the Accounting Officer of the Department any material changes to the risk profile of the Entity;
- ◁ Identified new and/or emerging risks and opportunities;
- ◁ Assessed the implementation of the departmental Risk Management Policy, Strategy and Implementation Plan;
- ◁ Evaluated the effectiveness and mitigating strategies to address the material strategic, operational, ethics and economic crime risks;
- ◁ Reviewed the Fraud and Corruption Prevention and Response Plan recommended for approval by the Accounting Officer;
- ◁ Discussed and considered the Social Cluster Audit Committee remarks;

- ◁ Assessed the implementation of the departmental Ethics Management approach; and
- ◁ Provided oversight on ethics management in the department.

5.4 KEY RISKS CONSIDERED AND ADDRESSED DURING THE YEAR

The following is a key risk for Heritage Western Cape that was reviewed on a quarterly basis, including assessing the mitigations in place:

- ◁ Loss of heritage resources (i.e. sites which is the mandate of HWC) through unauthorised alteration/destruction or vandalism. Management continues to manage the risk and identified an action plan to grant certain local authorities competence to manage heritage resources under their jurisdiction.

The HWC's risks were presented at the quarterly ERMECO meetings. Senior managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMECO also referred risks back that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

The Social Cluster Audit Committee provided independent oversight of the entity's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports and risk registers to execute their independent oversight role.

5.5 KEY EMERGING RISKS FOR THE FOLLOWING FINANCIAL YEAR

The following are the key risk for the following financial year:

- ◁ The key emerging risks which needs to be considered in the next financial year relates to the entity's ability to continue and recover its business during and after the COVID-19 pandemic; and
- ◁ the possibility that Council and/or Committees could take decisions that are *ultra vires*.

5.6 CONCLUSION

There has been significant progress with the management of risks during the 2019/20 financial year. Good progress was made in embedding risk management and raising the risk maturity level within the Entity which has contributed to favourable performance.

6. INTERNAL CONTROL UNIT

It is the responsibility of the Council of Heritage Western Cape to continually assess and evaluate internal controls to ensure that control activities in place

are effective, efficient and transparent and that they are improved when required. To achieve this, quarterly financial management improvement plan and key control meetings are held with the Auditor-General, Programme Managers of the Department, CEO of HWC and the Minister. This is an ongoing process to ensure that the HWC maintain their clean audit outcomes.

The Department and HWC have devised an Internal Control Strategy and Plan that outlines a high-level plan on the implementation of internal control within its core functions.

7. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of HWC. It should assist HWC to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- ◁ Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- ◁ Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- ◁ Assist the Accounting Officer and HWC in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Department included five assurance engagements. Details of these engagements are included in the Audit Committee report.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Ameen Amod	MBA; CIA; CGAP; CRMA; BCOM	External	N/a	01 January 2019 (2 nd term)	N/a	7
Mr Ebrahim Abrahams	B Com Hons	External	N/a	01 January 2019 (1 st term)	N/a	7
Mr Pieter Strauss	B Acc; B Com Hons; CA (SA)	External	N/a	01 January 2019 (1 st term)	N/a	7
Ms Annelise	B Compt Hons	External	N/a	01 January	N/a	7

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Cilliers	CA (SA)			2019 (1 st term)		

8. COMPLIANCE WITH LAWS AND REGULATIONS

Systems, policies and processes are in place to ensure compliance with laws and regulations.

9. FRAUD AND CORRUPTION

The Entity forms part of the Department of Cultural Affairs and Sport, and the relevant information appears in the DCAS Annual Report.

10. MINIMISING CONFLICT OF INTEREST

HWC ensures that there is no conflict of interest by ensuring that a Declaration of Interest (WCBD4 form) is obtained from every supplier not registered on the Western Cape Supplier Database/Central Supplier Database.

Provincial Treasury is assisting departments and public entities to reduce the risk of conflicts of interest where owners or directors of companies are also public servants in the Western Cape. This is done by providing information from PERSAL (the Personnel Salary System) about public servants who are registered as owners or directors of companies. HWC ensures that such persons possess a Remunerative Work outside the Public Service (RWOPS) approval letter before doing business with them.

HWC has not found any conflict of interest with any business concluded with suppliers. If such a conflict were to be discovered, the matter will be treated as a fraudulent Supply Chain Management activity and, after a due diligence investigation, the supplier will be identified as a 'non-preferred' service provider.

With regard to the processes conducted by HWC in terms of the NHRA, registering conflict of interest is a standing item on the agendas of the Council and its committees. Issues registered by members are dealt with in terms of relevant provisions of the organisation's 'Rules of Order and Conduct of Meetings of the Council of Heritage Western Cape and its Committees', with any conflict of interest and the action taken in such regard being minuted under the relevant item of business.

11. CODE OF CONDUCT

The policy implemented by DCAS incorporates the HWC. The Code of Conduct is distributed to all staff annually. In addition, the Public Service Commission's explanatory manual on the practical implementation of the Code of Conduct has been distributed to staff. All newly appointed PAY interns receive the Code of Conduct as part of their induction pack when assuming duty and the contents are also discussed during the departmental induction process. During the various engagements between senior management and employees of the department, employees were reminded about the departmental sexual harassment policy and the process to follow when reporting such conduct.

In addition, the Council members of Heritage Western Cape are obliged to sign and adhere to a code of conduct pertaining to their area of responsibility.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The DCAS provides the HWC with office space, the policy implemented by the DCAS is therefore applicable to the HWC.

13. COMPANY /BOARD SECRETARY (IF APPLICABLE)

Not Applicable

14. SOCIAL RESPONSIBILITY

Not Applicable

15. 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 38 (1) (a) (ii)** of the **Public Finance Management Act (PFMA)** and **National Treasury Regulations 3.1.13**. The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the Audit Committee and completed by Internal Audit during the year under review:

Assurance Engagements:

- < Delegations Framework
- < MOD Programme
- < Language Services
- < Library Services
- < Transfer Payments – Sport

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

In-Year Management and Monthly/Quarterly Report

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Evaluation of Financial Statements

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Compliance

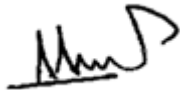
The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Performance Information

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.

Report of the Auditor-General South Africa

The Audit Committee's report on this matter will be finalised after the finalisation of the Audit Report.



Mr Ameen Amod

Chairperson of the Social Cluster Audit Committee

Department of Cultural Affairs and Sport

Date:

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with 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?	N/A	The Entity did not issue any licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	No	<p>The following guidance specific to departments has been given from PT SCM:</p> <ol style="list-style-type: none"> When the 2017 Regulations were issued, the Provincial Treasury presented to Cabinet the implementation challenges which inter alia included the raising of the threshold of the 80/20 point scoring system from a threshold of R1 million to R50 million will result in a "premium" increase for preferencing; introduction of pre-qualification criteria; introduction of a negotiation process and a passing over provision as a corrective measure for procuring entities to deal with the potential distortion of market related prices as a result of the introduction of prequalification criteria; contradiction in terms of the feasibility to sub-contract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups" and local production and content challenges. Cabinet approved the following strategy for WCG: <ol style="list-style-type: none"> The issuance of an interim strategy to deal with the requirements of the PPPRs, as well as supply chain management governance requirements via Provincial Treasury Instructions (PTIs) that makes provision for the WCG to: <ol style="list-style-type: none"> apply its discretion not to implement the pre-qualification criteria (i.e. regulation 4); apply its discretion not to implement regulation 6(9)(a)–(c) and 7(9)(a)–(c); conduct empowerment assessments for all procurement above R10 million (EME threshold), and further enabling departments to lower the threshold should its analysis so dictate; and implement regional indicators to target local suppliers using the e-procurement

Has the Department / 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)
		<p>system and simultaneously consider the rotation of suppliers.</p> <p>2.2 The development and implementation of an Economic Procurement Policy, in partnership with the Departments of Economic Development and Tourism and the Department of the Premier, that is aligned to Provincial Strategic Goal 1 (which covers job creation and infrastructure development) and is aligned to the Medium-Term Budget Policy Statement. The EPP has been drafted and finalised for implementation.</p> <p>2.3 The development and implementation of a broader economic transformation policy that seeks to:</p> <ul style="list-style-type: none"> a. promote private sector procurement towards targeted provincial economic growth areas; and b. further strengthen the partnership with the private sector by enabling access to the WCG supplier database. <p>2.4 Specific commodity focused strategies that target economic transformation e.g. security and catering strategies (PT led initiatives to look at transversal strategies and transversal contracts) will be a key focus to implement strategic procurement initiatives. To date the Provincial Treasury has implemented a transversal security framework agreement in keeping with this for the Province.</p> <p>2.5 Leveraging the economies of scale principle by packaging projects into longer term contracts, longer than 3 years based on criteria such as a corporate social responsibility plan, quality of service, etc. The Entity continually assesses possible commodities for which longer term contracts can be entered into to leverage economies of scale.</p>
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The Entity was not involved in the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	The Entity did not enter into any PPP arrangements.

Has the Department / 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 criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The Entity did not offer incentives, grants or investment schemes in support of Black Economic Empowerment.

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Staff are employed by the Department of Cultural Affairs and Sport, and the relevant information appears in the DCAS Annual Report.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

These statistics are reported in the Annual Report of the Department of Cultural Affairs and Sport.

PART E: FINANCIAL INFORMATION

Report of the auditor-general to Western Cape Provincial Parliament on the Heritage Western Cape

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Heritage Western Cape set out on pages 77 to 99, which comprise statement of financial position as at 31 March 2020, the statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year ended 31 March 2020, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Heritage Western Cape as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP), the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and section 15 of the Western Cape Languages Act, 1998 (Act No.13 of 1998) (WCPLA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the public 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Uncertainty relating to future outcome of exceptional litigation or regulatory action

7. With reference to note 20, the entity together with other entities are the defendants in a land-claim lawsuit. The ultimate outcome of the matter could not be determined and no provision of any liability that may result was made in the in the financial statements.

Responsibilities of the accounting authority for the financial statements

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

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

10. 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.
11. 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

12. 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 strategic objective presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public 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.
14. 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 strategic objective presented in the annual performance report of the public entity for the year ended 31 March 2020:

Strategic objective	Pages in the annual performance report
Management of an integrated heritage resource management system in the Western Cape	39 – 40

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this strategic objective:
- ◁ Management of an integrated heritage resource management system in the Western Cape

Other matters

17. I draw attention to the matters below.

Achievement of planned targets

18. Refer to the annual performance report on pages 39 to 40 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

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
20. 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

21. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report which includes the accounting authority's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected strategic objective presented in the annual performance report that have been specifically reported in this auditor's report.
22. 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.
23. 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 strategic objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Internal control deficiencies

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

Auditor-General

Cape Town

30 September 2020



AUDITOR - GENERAL
SOUTH AFRICA

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 strategic objective and on the public 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 public 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 Heritage Western Cape to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public 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.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

General Information

Nature of business and principal activities	Heritage Western Cape must regulate and monitor the promotion of conservation of the heritage environment in the Western Cape.
Registered office	Protea Assurance Building Greenmarket Square Cape Town 8000
Business address	Protea Assurance Building Greenmarket Square Cape Town 8000
Postal address	Private Bag X9067 Cape Town 8000
Bankers	Nedbank ABSA Bank

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Index

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

Statement of Financial Position

Statement of Financial Performance

Statement of Changes in Net Assets

Cash Flow Statement

Statement of Comparison of Budget and Actual Amounts

Accounting Policies

Notes to the Annual Financial Statements

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Statement of Financial Position as at 31 March 2020

		2020	2019
Assets			
Current Assets			
Cash and cash equivalents	3	7 006	6 594
Inventories	4	121	122
Receivables from exchange transactions	5	108	93
Receivables from non-exchange transactions	6	-	500
		7 235	7 309
Total Assets		7 235	7 309
Liabilities			
Current Liabilities			
Payables from exchange transactions	7	5	7
Unspent conditional grants and receipts	8	406	165
		411	172
Total Liabilities		411	172
Net Assets		6 824	7 137
Accumulated surplus		6 824	7 137

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Statement of Financial Performance

	Note(s)	2020 R '000	2019 R '000
Revenue			
Revenue from exchange transactions			
Heritage application fees	9	848	839
Interest income	10	528	504
Total revenue from exchange transactions		1 376	1 343
Revenue from non-exchange transactions			
Other income from non - exchange transactions	11	586	590
Utilisation of conditional grants	12	-	551
Transfers and subsidies received	13	1 844	2 236
Total revenue from non-exchange transactions		2 430	3 377
Total revenue		3 806	4 720
Expenditure			
Audit fees	14	(77)	(87)
Consulting and outsourced services	15	(949)	(1 485)
General expenses	16	(1 886)	(1 899)
Members fees	17	(1 207)	(1 176)
Total expenditure		(4 119)	(4 647)
(Deficit) surplus for the year		(313)	73

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Statement of Changes in Net Assets

	Accumulated surplus R '000	Total net assets R '000
Balance at 01 April 2018	7 064	7 064
Changes in net assets		
Surplus for the year	73	73
Total changes	73	73
Balance at 01 April 2019	7 137	7 137
Changes in net assets		
Deficit for the year	(313)	(313)
Total changes	(313)	(313)
Balance at 31 March 2020	6 824	6 824

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Cash Flow Statement

	Note(s)	2020 R '000	2019 R '000
Cash flows from operating activities			
Receipts			
Cash received		3 193	3 127
Interest income		513	552
		<u>3 706</u>	<u>3 679</u>
Payments			
Cash paid to suppliers and employees		(3 294)	(4 701)
Net cash flows from operating activities	18	<u>412</u>	<u>(1 022)</u>
Net increase/ (decrease) in cash and cash equivalents			
		412	(1 022)
Cash and cash equivalents at the beginning of the year		6 594	7 616
Cash and cash equivalents at the end of the year	3	<u>7 006</u>	<u>6 594</u>

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Heritage application fees	887	-	887	848	(39)	24.1
Interest income	500	-	500	528	28	24.2
Other income - Investment	-	330	330	-	(330)	24.3
Total revenue from exchange transactions	1 387	330	1 717	1 376	(341)	
Revenue from non-exchange transactions						
Transfer revenue						
Other income from non-exchange transactions	-	-	-	586	586	24.4
Transfers and subsidies received	1 844	-	1 844	1 844	-	
Total revenue from non-exchange transactions	1 844	-	1 844	2 430	586	
Total revenue	3 231	330	3 561	3 806	245	
Expenditure						
Members fees	(1 165)	(42)	(1 207)	(1 207)	-	
Audit fees	(94)	17	(77)	(77)	-	
General Expenses	(1 972)	(305)	(2 277)	(2 835)	(558)	24.5
Total expenditure	(3 231)	(330)	(3 561)	(4 119)	(558)	
Deficit	-	-	-	(313)	(313)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(313)	(313)	
Reconciliation						
Timing difference						
Operating				(313)		
Entity difference						
Operating				-		
Actual Amount in the Statement of Financial Performance				(313)		

HERITAGE WESTERN CAPE

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

These 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.

All figures have been rounded to the nearest thousand.

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

These accounting policies are consistent with the previous period.

1.1 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.

1.2 Significant judgements and sources of estimation uncertainty

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Receivables

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

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

Allowance for impairment

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for impairment debt shall be calculated on trade receivables only. The total impairment provision of the entity shall be calculated either by individual debtor or at least per risk category.

1.3 Financial instruments

The financial instruments of the entity are categorised as either financial assets or liabilities.

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

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

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Classification

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

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

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

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

Initial measurement of financial assets and financial liabilities

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

The entity measures all other financial assets and financial liabilities initially at fair value.

The entity first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility in the case of a financial asset.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is 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.

Impairment and uncollectibility of financial assets

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

For amounts due to the entity, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

Financial assets measured at amortised cost:

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

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

Where financial assets are impaired through the use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Financial assets measured at cost:

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 are not reversed.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.3 Financial instruments (continued)

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

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

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

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

Financial liabilities

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

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

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

1.4 Inventories

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

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

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

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

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

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.5 Contingent Liabilities

An estimate for contingent liabilities is made when an entity has a present legal obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the obligation can be made.

Contingent liabilities are not recognised. Contingencies are disclosed in note 20.

1.6 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments.

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

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

1.7 Revenue from exchange transactions

Recognition

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and when the amount of revenue can be reliably measured, and specific criteria have been met for the entity's activities. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

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

Measurement

Revenue is measured at the fair value of the consideration received or receivable. The amount is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved.

Interest, royalties and dividends

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

1.8 Revenue from non-exchange transactions

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset shall be 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.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.8 Revenue from non-exchange transactions (continued)

Measurement

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

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

Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the liability and if not, it is recognised as interest earned in the statement of financial performance.

Grants that compensate the entity for expenses incurred are recognised in surplus or deficit on a systematic basis in the same periods in which the expenses are recognised.

Service in-kind

Service in-kind are services provided by individuals to entities, without charge, but may be subject to stipulations. Public entity financial management staff provide valuable support to the entity in achieving its objectives. The service provided can be measured reliably and therefore it is recognised in the statement of financial performance and disclosed in the notes to the financial statements.

1.9 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date. Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Gains or losses arising on translation are charged against surplus/deficit.

1.10 Comparative figures

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

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.11 Expenditure

Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and /or under spending of appropriated funds. The write off occurs at year end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All other losses are recognised when authorisation has been granted for the recognition thereof.

Fruitless and Wasteful expenditure:

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

1.12 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the entity. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.13 Budget information

The approved budget is prepared on a cash 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 annual financial statements and the budget are not 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.

1.14 Related parties

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

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

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

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

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

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

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Accounting Policies

1.14 Related parties (continued)

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

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

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

1.15 Events after reporting date

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

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

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

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

1.16 Value-added Tax (VAT)

The entity is exempt from VAT registration. However, if any funding is received that requires the entity to register as a VAT Vendor, such application will be lodged.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
--	----------------	----------------

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 1 (as amended 2018): Presentation of Financial Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 2 (as amended 2018): Cash Flow Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 3 (as amended 2018): Accounting Policies, Change in Accounting Estimates and Errors	01 April 2019	The impact of the amendment is not material.
• GRAP 9 (as amended 2018): Revenue from Exchange Transactions	01 April 2019	The impact of the amendment is not material.
• GRAP 12 (as amended 2018): Inventories	01 April 2019	The impact of the amendment is not material.
• GRAP 14 (as amended 2018): Events after the reporting Period	01 April 2019	The impact of the amendment is not material.
• GRAP 19 (as amended 2018): Provisions, Contingent Liabilities and Contingent Assets	01 April 2019	The impact of the amendment is not material.
• GRAP 23 (as amended 2018): Revenue from Non-exchange Transactions	01 April 2019	The impact of the amendment is not material.
• GRAP 24 (as amended 2016): Presentation of Budget Information in Financial Statements	01 April 2019	The impact of the amendment is not material.
• GRAP 104 (as amended 2018): Financial Instruments	01 April 2019	The impact of the amendment is not material.
• GRAP 20: Related parties	01 April 2019	The impact of the amendment is not material.
• GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	The impact of the amendment is not material.
• GRAP 108: Statutory Receivables	01 April 2019	The impact of the amendment is not material.
• GRAP 109: Accounting by Principals and Agents	01 April 2019	The impact of the amendment is not material.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

2.2 Standards and interpretations issued, but not yet effective

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 34: Separate Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 35: Consolidated Financial Statements	01 April 2020	Unlikely there will be a material impact
• GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	Unlikely there will be a material impact
• GRAP 37: Joint Arrangements	01 April 2020	Unlikely there will be a material impact
• GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	Unlikely there will be a material impact

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	249	268
Short-term deposits	6 757	6 326
	7 006	6 594

Credit quality of cash at bank and short term deposits, excluding cash on hand

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to insignificant interest rate risk. The carrying amount of these assets approximates to their fair value.

4. Inventories

Inventory	121	122
-----------	-----	-----

Inventory consists of ceramic tiles used to identify heritage sites. During the 2019/20 year 4 tiles were distributed free of charge.

5. Receivables from exchange transactions

Trade debtors	89	89
Accrued interest	19	4
	108	93

Receivables are classified at amortised cost. The fair value of receivable transactions approximates their fair value.

6. Receivables from non-exchange transactions

Other receivables from non-exchange revenue	-	500
---	---	-----

During the 2018/19 financial year, an additional transfer payment was received from the Department of Cultural Affairs and Sport for the World Heritage Nomination Dossier project that was conducted in the 2019/20 financial year.

7. Payables from exchange transactions

Trade payables	5	7
----------------	---	---

Payables are classified at amortised cost. The carrying amount of payables transactions approximates their fair value.

8. Unspent conditional grants

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Unspent conditional grant - National Lotteries Board	144	144
Unspent conditional grant - National Department of Tourism	21	21
Unspent conditional grant - US grant	241	-
	406	165

Conditional grants received

1. National Lotteries Board: For the Baboon Point Conservation Management Plan project
2. National Department of Tourism: For the Tourism Interpretive signage at Gugulethu Seven Memorial and
3. US Cultural Preservation grant: For the conservation of Diepkloof Rock Shelter, a Provincial Heritage Site in the process of being nominated a World Heritage Site.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
9. Heritage application fees		
Heritage application fees	848	839
10. Interest income		
Interest received	528	504
11. Other income from non-exchange transactions		
Donation: service in-kind	586	590
Service in-kind is further explained in Note 16		
12. Utilisation of conditional grants		
Unspent conditional grant - National Lotteries Board	-	372
Unspent conditional grant - National Department of Tourism	-	179
	-	551
13. Transfers and subsidies received		
Transfers and subsidies received	1 844	2 236
During 2018/19 the Entity received an additional transfer payment of R500 000 from the Department of Cultural Affairs and Sport for the World Heritage Nomination Dossier.		
14. Audit fees		
External audit	77	87
15. Consulting and outsourcing services		
Consulting and outsourcing services	949	1 485
16. General expenses		
Advertising	51	112
Bank charges	3	3
Courier services	29	-
Employee cost: service in kind	586	590
Entertainment	369	341
Gifts and awards	13	-
Legal fees	210	427
Printing and stationery	119	84
Seminars and workshops	-	8
Software Licence renewal	39	31
Travel and subsistence	466	303
Equipment <R5 000	1	-
	1 886	1 899

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
--	----------------	----------------

16. General expenses (continued)

Advertising:

During the 2018/19 year the entity purchased personalised wall banners and promotional items.

Courier services:

Permits were delivered to applicants via a courier service during the year under review.

Employee cost: service in-kind:

The decrease is due to 1 official resigning during the year. Officials of the Department of Cultural Affairs and Sport fulfil the executive and administrative functions associated with the Heritage Western Cape. Departmental staff that supports the Public Entity includes the Chief Financial Officer, Director: Museums, Heritage and Geographical Names, line function in the aforementioned Directorate as well as a dedicated Financial Management team that supports the Chief Financial Officer. Whilst line function staff and Senior Managers fulfils a dual role, the financial management team is dedicated to the Public Entity. Due to the dual role performed by most of the aforementioned staff, it is difficult to apportion the time spent with the Public Entities. Resultantly, the service in-kind related to their salaries cannot be measured reliably. The recognition therefore relates only to the dedicated finance team who supports the CFO in the execution of her role as CFO to the Public Entity and the Department. The amount disclosed therefore represents the service in-kind provided by the finance team only

Entertainment:

Catering for meetings, the variance is due to the increase in the number of meetings held during the year under review compared to the previous year .

Gifts and awards:

Certificates were given to members at the end of their term during the year under review.

Legal fees:

Less litigation and court cases dealt with during the year under review.

Printing and stationery:

The increase is due to the printing of the Strategic plan as well as purchasing customised receipt books, stamps and stationery which were not included in the prior year.

Travel and subsistence:

Fuel increase throughout the year under review coupled with additional travelling to the various sites.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
17. Members fees		
Annas, R	14	19
Attwell, M	33	3
Bailey, E	19	-
Baumann, N	24	21
Belter, D	15	-
Buttgens, P	35	44
Black, W	8	6
Carlsen, R	11	-
Collier, M	7	-
De Kock, S	22	8
De Swardt, I	11	15
De Waal, J	29	32
Dugmore-Strom, K	-	39
Dumbrell, K	53	17
Fataar, M	4	-
Galimberti, M	-	2
Gribble, J	19	22
Gibbs, D	34	39
Hermansen, S	10	1
Irving, N	-	38
Jacobs, G	61	75
Johnston, S	14	-
Knight, J	25	-
Lavin, J	7	8
Le Grange, L	-	33
Leshoro, T	12	19
Makeka, M	25	-
Malan, A	42	46
Martin, R	27	8
Mangiagalli, B	-	14
Mavumengwana, S	53	57
Mdludlu, M	23	-
Mgijima, B	14	-
Milandri, L	12	-
Moffette, A	6	13
Muller, C	83	57
Mutti, B	14	37
Myakala, V	16	-
Narainne, G	9	-
Ndhlovu, B	1	-
Nyikosa, M	-	25
Orton, J	16	15
Pansegrouw, C	6	10
Peters, W	11	-
Ruiters, R	19	29
Samie, Q	-	11
Saunders, D	42	35
Scurr, M	46	51
Smart, C	13	29
Smidt, I	13	47
Smith, R	3	-
Snelling, C	54	79
Thomas, G	28	24
Todeschini, F	-	5
Van de Merwe, H	40	3
Van Graan, A	24	20
Vermeulen, F	40	39
Webley, L	56	47
Williams, G	-	34

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
17. Members fees (continued)		
Wolters, M	4	-
	1 207	1 176
The variance is due to an overlap in members as new members were appointed during the year under review.		
Name Correction: Dugmore-Strom, K was previously incorrectly recorded as Strom,K in the 2018/19 financial statements.		
18. Cash generated from (used in) operations		
(Deficit) surplus	(313)	73
Adjustments for:		
Utilisation of Conditional Grant	-	(551)
Distribution of inventory	-	1
Changes in working capital:		
Inventories	1	1
Receivables from exchange transactions	(15)	47
Other receivables from non-exchange transactions	500	(500)
Payables from exchange transactions	(2)	(93)
Unspent conditional grants and receipts	241	-
	412	(1 022)
19. Commitments		
Authorised operational expenditure		
Approved and Contracted		
• Africa Web - Website hosting	32	6
• Cedar Tower Services	-	44
• Joline Young Heritage Consultancy	40	224
• Eco Africa Environmental Consultants (Pty) Ltd	172	319
• Archeo - Adventures: CMP for Early Farmsteads	33	94
• Yolk designs	13	-
• SSA ADS Pty LTD	114	-
• Vidamemoria Heritage Consultancy: Princess Vlei	55	-
• Vidamemoria Heritage Consultancy : 5 Provincial Heritage Sites	81	-
• Square One Landscape Architects	75	-
	615	687
Total operational commitments		
• Approved and contracted	615	687
	615	687
This expenditure will be financed from:		
Total commitments		
Authorised operational expenditure	615	687

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
--	----------------	----------------

20. Contingent liabilities

MIDNIGHT STORM INVESTMENTS 170 (PTY) LTD v MINISTER OF ARTS AND CULTURE and Others, case 46055/15

This relates to a court case that was lodged at a North Gauteng High Court. The case relates to a decision that was taken by HWC not to approve the planned upmarket housing development, rezoning and subdivision rights to a property which is a Provincial Heritage Site. HWC is cited as a 3rd Defendant. The owners have issued a summons to recover the costs they have expended on the land as they allege that the declaration limits their property rights and should be a constructive expropriation. The trial was heard in July 2019 and was concluded with the closing arguments in January 2020. The Court found in favor of the defendants. Subsequent to the judgment, an order of appeal was granted. If the claim succeeds at the Supreme Court of Appeals, HWC's liability is estimated at R8.2 million.

21. Related parties

Relationships

Primary Funder

Strategic Funder

Strategic Funder

Department of Cultural Affairs and Sport

Western Cape Cultural Commission

Western Cape Language Committee

The Department of Cultural Affairs and Sport provides accommodation to Heritage Western Cape to execute their administrative and financial operations.

Related party transactions

Income received from related party

Department of Cultural Affairs and Sport

1 844

2 236

22. Risk management

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

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. In terms of its borrowing requirements, the entity ensures that adequate funds are available to meet its expected and unexpected financial commitments. All outstanding accounts payable balances are due within 30 days of the reporting date.

Sensitivity analysis

At 31 March 2020, if the interest rates on variable rate financial instruments had been 1% higher/lower with all other variables held constant, surplus for the year would have been R70 054 higher / lower.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy parties.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

Maximum exposure to credit risk

The entity's exposure to credit risk with regards to loans and receivables is limited to the amounts on the balance sheet.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

Figures in Rand thousand

22. Risk management (continued)

Market risk

The entity is not exposed to market risk, due to it being required to settle creditors within 30 days of receiving an invoice as required by the treasury regulations and the PFMA.

Interest rate risk

The entity's risk profile consists of fixed and floating rate loans and bank balances which exposes the entity to fair value interest rate risk and cash flow interest rate risk and can be summarized as follows:

Financial assets

Trade and other receivables are at a fixed rate. Management manages interest rate risk by negotiating beneficial rates on floating rate loans and where possible using fixed rate loans.

Management also has a policy balancing the interest on asset loans with the interest payable on liabilities.

Cash flow interest rate risk

Financial instrument	Due in less than one year	Due in one to two years	Due in two to three years	Due in three to four years	Due after five years
Normal credit terms : Cash in current banking institutions	7 006	-	-	-	-
Payables - Extended credit terms	(5)	-	-	-	-
Net amount	7 001	-	-	-	-
Past due but not provided for	-	-	-	-	-

Financial instrument 032020	Current	Due in 1-30 days	Due in 31-60 days	Due in 61-90 days	Due in 90+ days	Total
Trade and other receivables - normal credit terms	-	-	-	-	89	89
	-	-	-	-	89	89
Financial instrument 032019	Current	Due in 1-30 days	Due in 31-60 days	Due in 61-90 days	Due in 90+ days	Total
Trade and other receivables - normal credit terms	-	-	-	-	89	89
Trade and other receivables - Non exchange transactions	500	-	-	-	-	500
	500	-	-	-	89	589

23. B-BBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

HERITAGE WESTERN CAPE

Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020 R '000	2019 R '000
--	----------------	----------------

24. Budget variances

Material variances between budget and actual amounts

Budget Adjustment:

During the 2019/20 financial year a budget adjustment was made from R3,231m to R3,561m. A total increase of R330 000. This is mainly due to increase in meetings held and additional projects started during the year under review.

24.1 - Heritage Application Fees:

The variance is mainly due to a decrease in applications received towards the end of the financial year due to reports of COVID-19 and the closure of the reception in response to the declaration of the National Disaster.

24.2 - Interest Income:

The variance is mainly due to more reserves available in the bank due to the decrease in expenditure related to projects during the year under review.

24.3 - Other income- Investments:

During the year, funds were moved from the investment account to cover required expenditure.

24.4 - Other income from non-exchange transactions:

The variance is mainly due to GRAP 23 donation/employee cost adjustment made for service in-kind received from the Department of Cultural Affairs and Sport. Refer to note 16 for detail.

24.5 - General Expense:

The variance is mainly due to Non-exchange transactions: GRAP 23 donation/employee cost adjustment made for service in-kind received from the Department of Cultural Affairs and Sport. Refer to note 16 for detail.

Heritage Western Cape

Protea Assurance Building, Greenmarket Square, Cape Town, 8001

Postal Address: PO Box 1665, Cape Town, 8001

Tel: +27 483 5959 **Fax:** +27 21 483 9845

Email: Mxolisi.Dlamuka@westerncape.gov.za

ILifa leMveli leNtshona Koloni

Kwisakhiwo iProtea Assurance, eGreenmarket Square, eKapa, 8001

Idilesi yePosi: PO Box 1665, Cape Town, 8001

Umnxeba: +27 483 5959 **Ifeksi:** +27 21 483 9845

I-imeyile: Mxolisi.Dlamuka@westerncape.gov.za

Erfernis Wes-Kaap

Protea Assuransie Gebou, Groentemarkplein, Kaapstad, 8001

Posadres: Posbus 1665, Kaapstad, 8001

Tel: +27 483 5959 **Faks:** +27 21 483 9845

E-pos: Mxolisi.Dlamuka@westerncape.gov.za



**Western Cape
Government**

Cultural Affairs and Sport

PR137/2020

ISBN: 978-0-621-48464-9