Freedom PARK

a heritage destination

an agency of the
Department of Sport, Arts and Culture

ANNUAL REPORT 2024-2025

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FREEDOM PARK

ANNUAL REPORT

2024/2025 FINANCIAL YEAR

First published in 2025 by Freedom Park

A Schedule 3A National Entity

Proclaimed in the Government Gazette: GG No. 31443 of 26 September 2008

Corner Koch and 7th Avenue
Salvokop
Pretoria, 0001
South Africa

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Pretoria
0001
South Africa

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PART A

GENERAL INFORMATION

1. GENERAL INFORMATION

Registered Name:	Freedom Park
Registration Number:	GG No. 31443 of 26 September 2008
Physical Address:	Corner Koch Street and 7th Avenue Salvokop Pretoria 0001
Postal Address:	PO Box 2710 Pretoria 0001
Telephone Number/s:	+27 012 336 4000
Email Address:	info@freedompark.co.za
Website Address:	www.freedompark.co.za
External Auditors:	Auditor-General of South Africa
Bankers:	Nedbank Limited
Company Secretary (Acting):	Dr Andrew Arries

2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSD	Central Supplier Database
DPWI	Department of Public Works and Infrastructure
DSAC	Department of Sport, Arts and Culture
GNU	Goverment of National Unity
GOL	Gallery of Leaders
GRAP	Generally Recognised Accounting Practice
H&K	Heritage and Knowledge
HOD	Head of Department
ICT	Information Communication Technology
MEC	Member of the Executive Council
NEHAWU	National Education Health and Allied Workers Union
PAA	Pan African Archives
PFMA	Public Finance Management Act
RLH	Resistance and Liberation Heritage
SCM	Supply Chain Management
SMME	Small, Medium, and Micro Enterprise
TR	Treasury Regulations
TTA	Tshwane Tourism Association

3. FOREWORD BY THE CHAIRPERSON

On behalf of the Council of Freedom Park, it is both an honour and privilege to present the Annual Report for the 2024/25 financial year. This report is submitted in compliance with the Constitution of the Republic of South Africa, Act 108 of 1996, as amended; the Cultural Institutions Act, Act 118 of 1998, as amended; the Public Finance Management Act, Act 1 of 1999, as amended; and the relevant Treasury Regulations.

The current Council took office in November 2024. Consequently, it was tasked with finalising the work initiated by the previous Council, to whom we express our gratitude for their oversight of the organisation during the prior period. The Council was also required to promptly undertake two additional responsibilities: the formulation of the 2025-30 Strategic Plan, and, closely related, the development of the 2025/26 Annual Performance Plan.

As we progress into the new reporting period, the Council remains firmly dedicated to the ongoing promotion and commemoration of South Africa's living heritage, as well as that of the wider world. We will persist in establishing Freedom Park as a venue where our collective history is respected, our present is fortified, and our future as a united, inclusive nation is constructed.

Strategic Outlook

In addition to the points outlined above, and indeed influencing our strategy, the year under review coincided with the celebrations marking 30 Years of Freedom. As a direct outcome of our liberation and in reflection of it, Freedom Park played a pivotal role in the significant celebrations that took place in 2024. These events included the public dialogue titled *Reflections on the 30 Years of Freedom,* during which the concept of the National Dialogue was initially introduced. As we present this Annual Report, the National Dialogue is in progress. We take pride in the fact that the organisation both literally and conceptually hosted the foundational ideas for this dialogue.

In the upcoming year, Freedom Park will enhance its engagement with both national and international stakeholders to implement impactful programmes that further our mandate. Our goal is to expand our strategic partnerships across Africa and beyond, utilising cultural diplomacy to strengthen relationships and promote collaboration.

Building on previous achievements, we will maintain and broaden collaborations such as the annual commemoration of the Battle of Cuito Cuanavale, and we will continue to host global dignitaries, cultural leaders and international delegations at our venue. Our objective is to ensure that Freedom Park remains a recognised centre for heritage dialogue, cultural exchange, and solidarity.

We also plan to fortify partnerships with the private sector, academia and civil society, leveraging innovation and industry advancements to enhance our reach and impact.

Addressing Challenges and Advancing Goals

While we expect persistent fiscal constraints, we will take proactive measures to identify sustainable solutions that facilitate the execution of our strategic initiatives. The Council will maintain its collaboration with the Department of Public Works to address operating lease liabilities, and we will enhance our efforts to transition from an unqualified audit to a clean audit by strengthening our governance and compliance practices.

"We will continue to host global dignitaries, cultural leaders and international delegations at our venue. Our objective is to ensure that Freedom Park remains a recognised centre for heritage dialogue, cultural exchange, and solidarity."

Strategic Focus for the Medium to Long Term

In the coming years, our primary objectives will include:

- Promoting the core business mission through innovative and inclusive heritage initiatives.
- Launching proactive communication and marketing strategies to raise awareness of Freedom Park among a broader audience, both locally and globally.
- Increasing the number of visitors.
- Enhancing financial sustainability by diversifying revenue sources and forming partnerships.
- Improving the visitor experience through digital advancements, accessibility enhancements and engaged programming.
- Strengthening Freedom Park's contribution to national unity, reconciliation and social cohesion.
- Strengthening the relationship between Freedom Park and the Salvokop community.

Upon accomplishing these key objectives, Freedom Park will be established as a significant site of memory and heritage, as well as a preferred destination for those interested in exploring our nation's history.

Acknowledgements

The Council expresses its heartfelt gratitude to the Minister and the Department of Sport, Arts and Culture for their continuous support and guidance.

Special acknowledgement is extended to the Parliamentary Portfolio Committee on Sport, Arts and Culture for its oversight and guidance. I commend my fellow Council members for their dedication, insight and enthusiasm in advancing the organisation.

A sincere thank you is directed to the staff of Freedom Park for their diligence, professionalism and commitment to excellence. Your efforts ensure that Freedom Park remains a vibrant tribute to those who sacrificed their lives for our freedom.

Conclusion

As we look to the future, Freedom Park remains committed to its mission of honouring our history, inspiring our current endeavours and constructing a future grounded in solidarity and mutual respect. Collectively, we will guarantee that this heritage site continues to be a beacon of remembrance, education and hope for future generations.

Ms Charnie-Lee Adams-Kruger
Chairperson of the Council
Date: 31 August 2025

4. OVERVIEW BY THE CHIEF EXECUTIVE OFFICER

General Financial Review of the Public Entity

We have established a clearly defined pathway to the complete restoration of operational capabilities for the entity, encompassing both our financial and non-financial operational areas. We successfully met 89% of our performance objectives as specified in our Annual Performance Plan and achieved the goal of attaining an Unqualified Audit Opinion for the financial period concluding on 31 March 2025. This enhancement reflects the entity's steadfast dedication to executing comprehensive improvement strategies aimed at addressing material findings from previous years. As a result, the Management of the entity will persist in its commitment to this endeavour of implementing thorough improvement plans to secure a clean audit outcome for the 2025-26 financial period.

The entity sustained its favourable results in the Audit of Pre-Determined Objectives, with no material audit findings raised concerning reported performance information during the current audit cycle. Furthermore, apart from the non-compliance associated the with adjustments made to the Annual Financial Statements, no significant findings were identified in respect of the audit regarding adherence to applicable laws and regulations.

Revenue generated from own operational activities (Exchange Transactions) demonstrated substantial growth, with revenue from Admission Fees increasing by 6% from R1 183 524 in 2023-24 to R1 249 528. Venue Hire Revenue rose by over 1000%, rising from R761 428 in 2023-24 to R8 691 558. The entity's Management acknowledges that there is still room for improvement in enhancing the Revenue capabilities of the entity, while continuing to pursue its core mandate of nation-building, reconciliation, and social cohesion through inclusive programmes that are accessible to the majority of South Africans.

Spending Trends of the Public Entity

The entity's compensation of employees expenditure increased by 4% due to the implementation of a 5% cost-of-living adjustment across the board. This adjustment was necessitated by the entity's decision to impose a freeze on salary increases for four consecutive years. Consequently, salaries increased from R58.9 million in 2023-24 to R61.4 million in the current fiscal year.

Strategic projects are central to the achievement of the entity's core business mandate. This is evidenced by the expenditure on strategic projects, which rose by 121%, increasing from R7.6 million in 2023-24 to R16.8 million. Conversely, spending on capital projects experienced a decline as the allocation for the capital works grant was withdrawn through a virement process.

Similar to previous financial years, Liability Management remains a significant challenge due to the entity's operating lease liability of R5.6 billion, which is recognised and disclosed in the Statement of Financial Position. This situation poses a problem for the entity, as the Statement of Financial Position reflects the entity as being insolvent, with liabilities surpassing assets by R5 billion (2023-24: R4.7 billion). Management has submitted multiple requests for a review of the entity's lease agreement with the Department of Public Works and Infrastructure (DPWI). However, there has been no progress on this issue thus far.

"We successfully met 89% of our performance objectives and achieved an Unqualified Audit Opinion for the period under review. These achievements reflect Freedom Park's steadfast commitment to nation-building, reconciliation, and social cohesion, while actively pursuing innovative strategies to secure a clean audit and ensure financial sustainability."

Freedom Park has submitted a proposal to the DPWI that outlines two options for resolving this matter. The first option involves the DPWI transferring the land to Freedom Park as a donation, or alternatively, selling the land to Freedom Park at favourable pricing and payment terms. Another option is to review the lease agreement to eliminate the fixed escalation clause, thereby allowing Freedom Park to avoid straight-lining the lease payments as mandated by GRAP 13.

Freedom Park continued to leverage its operational and administrative capabilities to support the management of the operations at Liliesleaf Farm Memorial in Johannesburg, the Matola Raid Monument in Maputo, Mozambique, and the Samora Machel Monument in Mbuzini, Mpumalanga Province.

The efforts to stabilise Liliesleaf were remarkably successful during the year under review, and there were no audit findings concerning Freedom Park's activities at Liliesleaf. Improvements and refurbishments at Matola and Samora Machel are currently in progress for the 2025-26 financial period, and to date, there have been no audit findings related to Freedom Park's management of these sites.

Capacity Constraints and Challenges Facing the Public Entity: Discontinued Key Activities / Activities to be discontinued

The entity faced ongoing financial and budgetary limitations throughout the year under review, leading to overspending of R3.9 million against the budget, which necessitated the acknowledgment of irregular expenditure. The primary cause of the overspending was the implementation of unplanned and unbudgeted programmes during the financial period. This included the repatriation programme of the DSAC as well as the notably successful 702 Walk-The-Talk, both of which incurred costs that were not accounted for in the budget. The discrepancy between the expenditures and the revenue from the 702 Walk-The-Talk arose from the fact that the R5.2 million generated cannot be recognised as revenue in the entity's Income Statement. This is due to technicalities around the recognition and measurement of revenue, a matter that Management will be obtaining technical accounting opinions on. Regarding other unfunded initiatives, such as the repatriation programme, Management has determined that future participation in these unfunded programmes be evaluated on a case-by-case basis and subject to availability of funding. However, we recognise that the repatriation project not only aligns with our mandate, but is also critical in that it contributes to healing and closure for many families who were robbed of the opportunity to bury their loved ones with dignity and in accordance with their cultural practices.

Requests for Roll Over of Funds

There was no application or request for roll over of funds during the year under review.

Supply Chain Management

The SCM processes at Freedom Park are regulated and governed by the PFMA, the SCM Regulations and Instruction Notes from the National Treasury, as well as the entity's own SCM Policy, which is consistently aligned with the regular updates and Instruction Notes from the National Treasury.

The entity prepared and submitted its annual procurement plan, which was aligned with its approved budget, to the National Treasury via DSAC. Additionally, quarterly reports on progress were duly complied with throughout the year under review.

There were no unsolicited bid proposals received during the year under review. The entity's SCM processes upheld their excellence, as there was no irregular expenditure resulting from SCM processes for the year under review.

All Concluded Unsolicited Bid Proposals for the Year Under Review

There were no unsolicited bid proposals for the year under review.

Challenges Experienced and How Resolved

There were no SCM challenges experienced during the year under review.

Audit Report Matters in the Previous Year and How They Will Be Addressed - Outlook

There were no audit report matters to be reported for the year under review.

Plans to Address Financial Challenges

The entity has strengthened its Resource Mobilisation initiatives by implementing a project/programme-based resource mobilisation strategy. This strategy is supported by the conceptualisation, design, and development of commercially viable and bankable projects within Freedom Park, as well as by inviting the private sector investment to co-finance the execution of these projects. Numerous projects are currently at various phases and stages of implementation within the organisation, and it is anticipated that these initiatives will improve the organisation's revenue generation capacity in the medium to long term. Furthermore, the organisation has embraced a collaborative/partnership model with like-minded entities to carry out specific programs. This approach has resulted in the effective maximisation of resources and cost savings due to the distribution of responsibilities among partners.

Events After the Reporting Date

Economic Viability

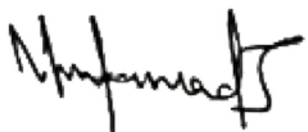
As a PFMA Schedule 3A Public Entity, Freedom Park continues to receive substantial financial and strategic backing from its Executive Authority, the National Department of Sport, Arts and Culture (DSAC). As a result, the entity's going concern status is fundamentally reliant on the ongoing support from the DSAC. Nevertheless, the Management of the entity is actively pursuing a Resource Mobilisation strategy that is anticipated to produce favourable outcomes, owing to its project/program-based approach with strategic partners. This initiative aims to enhance the entity's own revenue generation capabilities, thereby alleviating the financial burden on the fiscus.

Several of the entity's revenue generation plans are associated with initiatives from the National Government, while others will rely on the entity's capacity to attract private sector investment through Public-Private Partnerships. These initiatives form the foundation of Freedom Park's current resource mobilisation strategy.

Acknowledgement/s or Appreciation

As mentioned earlier, we appreciate the ongoing support from the DSAC, both in financial and non-financial aspects, particularly the support from the Minister, in his capacity as the Executive Authority. As the Management of the entity, we express our profound gratitude to the Portfolio Committee on Sport, Arts, and Culture for their persistent oversight and support.

We also acknowledge and appreciate the support from the entity's Council for their energy, foresight, and visionary inputs they have provided in positioning the Freedom Park as the flagship in the Heritage and Cultural Sector. Lastly, none of this commendable work would have been achievable without the dedication and support of all our staff members, who, despite facing various challenges, continue to strive diligently to ensure the entity's success.



Dr Jane Mufamadi
Chief Executive Officer
Date: 31 August 2025

5. STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting 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 that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, 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 2025.

Yours faithfully

Dr Jane Mufamadi
Chief Executive Officer
Date: 31 August 2025

Ms Charnie-Lee Adams-Kruger
Chairperson of the Council
Date: 31 August 2025

6. STRATEGIC OVERVIEW

6.1. Vision

To be a leading national and international icon of humanity and freedom.

6.2. Mission

To be a pioneering and empowering heritage destination that challenges visitors to reflect upon our past, improve our present and build on our future as a united nation.

6.3. Values

Respect of diversity | Inclusivity | Integrity
Transparency and accountability | Patriotism | Human dignity

FREEDOM PARK COUNCIL

Ms CL Adams-Kruger
Chairperson

Adv C Naidoo
Council Member

Mr S Masemola
Council Member

Mr T Ka Plaatjie
Council Member

Mr Z Gordon
Council Member

Ms B Watson
Council Member

Ms M Matli
Council Member

Prof S Cooper
Council Member

EXECUTIVE TEAM

Dr J Mufamadi
Chief Executive Officer

Mr R Malapane
Chief Financial Officer

Ms S Shamase
Head of Department Heritage and Knowledge

Mr LC Tleane
Head of Department Corporate Services

Dr A Arries
Company Secretary (Acting)

PART B

PERFORMANCE INFORMATION

1. AUDITOR’S REPORT: PREDETERMINED OBJECTIVES

The Auditor General of South Africa (AGSA) currently performs the necessary audit procedures on the performance information in accordance with the AGSA findings engagement methodology, with material findings being reported under the report on the annual performance report section of the auditor’s report.

Refer to page 66 of the Report of the Auditors Report, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

Freedom Park’s budget was approved on a cash basis, while the institution accounts for its expenditure on an accrual basis. This difference in accounting methods, particularly for non-cash items such as depreciation, amortisation and the straight-lining of lease payments, has resulted in a net deficit on the Statement of Financial Performance and a negative net asset value exceeding R5 billion on the Statement of Financial Position.

To address these challenges, the entity has employed various strategies aimed at reducing the deficit. The most significant liability on the Statement of Financial Position relates to the lease commitment with the DPWI. This commitment stems from the requirements of GRAP 13, dealing with leases. Another substantial liability involves unspent conditional grants designated for the entity’s infrastructure projects, which are only recognised as revenue upon actual expenditure on these projects. Thus far, DPWI has been requested to support the entity in reducing the operating lease liability by disposing of the land upon which Freedom Park is located or, alternatively, by removing the fixed escalation clause in its lease agreement with the entity.

To address financial sustainability, the entity has intensified its focus on implementing its resource mobilisation strategy. This strategy is designed to ensure that Freedom Park can generate revenue on a sustainable basis. A key component of this strategy involves identifying and cultivating strategic partnerships, enabling the implementation of critical projects on a cost-sharing basis.

In addition, Freedom Park is actively pursuing an enhanced public engagement strategy, leveraging social media platforms to increase its visibility and interaction with key stakeholders. This initiative aims to secure future visits and events, thereby driving revenue generation.

On the other hand, the entity has faced significant capacity challenges within its Finance Department, with many employees either new or on temporary contracts. These challenges were further compounded by the dismissal of the Finance Manager for gross misconduct during the year under review, which exposed the entity to vulnerabilities in financial management, financial reporting, asset management and budget management. In response, a temporary Finance Manager, albeit without institutional memory, was employed to assist with the audit process. Moving forward, the entity is committed to strengthening its internal financial management capabilities by recruiting a permanent Finance Manager. This strategic resolve is expected to deliver long-term financial benefits by eliminating the costs associated with outsourcing financial reporting and by bolstering internal financial management through the building of stable internal capacity in the Finance Department.

The entity successfully completed a realignment process to create an optimally functioning organisational structure, strategically positioning itself to meet its objectives. In parallel, Freedom Park is modernising its tools of trade through advancements in ICT, while implementing strong cybersecurity measures to protect and secure the entity's information.

The Corporate Governance Department (Office of the Company Secretary) and the Corporate Services Department (specifically the Human Resources Division) played a vital role in enhancing the entity's governance framework by facilitating regular legislative compliance and policy workshops across all departments. Furthermore, the Corporate Governance Department organised and hosted contract management meetings with service providers. These initiatives have contributed to the ongoing enhancement of the entity's corporate governance framework and have strengthened contract management, ensuring that service providers are held accountable for any delays in service delivery or poor workmanship.

2.2. Organisational Environment

Internal Environment

Through its various programmes, executed by its departments, the organisation continued to fulfill its mission of honouring those who sacrificed their lives for humanity, particularly the liberation of South Africa. The initial phase of the restructuring process, which was detailed in previous reports, has been completed. All employees were successfully placed and retained their benefits. During the consideration of the objections, it became evident that a thorough grading exercise needed to be conducted to ensure that all positions were evaluated and employees assigned to the appropriate grades. However, the grading process could not be carried out during the period under review due to budgetary constraints. This process is scheduled to take place during the 2025/26 Financial Year and will be reported for that period.

To enhance employee capacity, the Council initiated a comprehensive Skills Audit. The audit was still in progress at the end of the financial year and will therefore be included in the 2025/26 Annual Report. The primary objective of the audit is to identify skill gaps and equip employees with the necessary competencies to enable Freedom Park to evolve into a high-performing organisation.

External Environment

Two significant developments had both direct and indirect effects, not only on Freedom Park but also on numerous other organisations. The year-long celebrations commemorating *30 Years of Democracy*, led by the DSAC, positioned the organisation at the forefront of several national initiatives, including the launch of *Freedom Month* (09 April 2024), the *30th Anniversary of Former President Nelson Mandela's Inauguration Speech* (10 May 2024), and *Reflections on 30 Years of Democracy* by Former President Thabo Mbeki (30 April 2024). These events brought positive focus to Freedom Park and solidified its place as a site for national reflection.

On the other hand, the general elections held on 29 May 2024 resulted in the formation of a Government of National Unity (GNU). Although the election results held significant implications for the democratic dispensation, they did not affect Freedom Park. The organisation maintained its stability amidst a reconfigured political landscape.

While the organisation made substantial progress during the review period, as evidenced by the performance outcomes detailed in this report, it also faced ongoing challenges. The difficult global economic climate, which directly impacts the struggling local economy, is evident in the strain on public sector funding. This situation has resulted in reductions (in real terms) in grants from the DSAC for Freedom Park.

The continued reliance on the DSAC grant implies that the organisation's programmes will remain constrained. As mentioned in the previous section, initiatives are in progress to explore and enhance second- and third-income streams.

2.3. Key policy developments and legislative changes

There were no major policy developments or legislative changes that had a direct impact on Freedom Park during the period under review.

2.4. Progress towards achievement of institutional Impacts and Outcomes

The entity's mandate is to honour the heroes and heroines of resistance and liberation heritage (RLH) without regard to differences in race, class, gender or age. The Heritage and Knowledge Department achieved outcomes of redress, inclusivity and access through programmes implemented by the Curatorial, Education, and Research Units. These efforts contributed to the Department of Sport, Arts and Culture's (DSAC) priorities of fostering social cohesion and creating safe communities.

The Corporate Services department, through the Events Section, provided strategic support and ensured that commemorative events were organised in a professional manner, while also generating positive publicity through media coverage. The major national initiatives mentioned earlier further enhanced the positive coverage received by the organisation at large. The Infrastructure Division continued to maintain the Park at standards that ensure it remains an attractive and pleasant destination for visitors.

Additionally, the entity, through the Corporate Governance department, Finance department, and the ICT and Human Resources Units, ensured compliance with all legislative requirements, effective and efficient governance, and the implementation of policies. Such alignment of organisational policies with priority legislative mandates contributed to DSAC's goal of establishing a capable, ethical and developmental state.

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1 PROGRAMME 1: ADMINISTRATION

Purpose

Provide strategic leadership, management and support services. The programme aligns with the National Government's Priority 1, as adopted by the DSAC, which is to build a *Capable, Ethical and Developmental State,* by strengthening financial governance, minimising irregular expenditure, and enforcing accountability and consequence management.

Institutional Outcomes

- Enhanced governance in the implementation of policies.
- Sustainable and diversified revenue streams.
- Improved effectiveness and efficiency in governance.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Payment of 100% of supplier invoices within 30 days

The organisation was able to achieve 100% payment of supplier invoices within 30 days by implementing vigorous strategies to address the non-compliance challenges faced by SMMEs. Additionally, it took the initiative to offer feedback to suppliers regarding instances of non-compliance, thereby facilitating corrective actions, especially in cases of non-tax compliant status on the CSD, which were notably prevalent.

Fundraising

In the 2024/25 financial year, the organisation enhanced its initiatives to capitalise on strategic partnerships with various stakeholders, aiming to unlock and mobilise additional resources. This approach has led to notable improvements in the number of activations, which have successfully mobilised both financial and in-kind resources for the organisation. The collaboration with Primedia Limited for the *702 Walk The Talk* created an opportunity for increased revenue, culminating in an excess of R220,000 over the target of R5 million in fundraising revenue.

Creation of initiatives that enhance job creation through the procurement of goods and services

This initiative aims to guarantee that the entity plays a role in the National Government's effort to utilise procurement expenditures to generate employment for the designated groups, thereby contributing to poverty reduction and the reduction of inequality. Through both capital and operational projects, the organisation successfully created 62 jobs, exceeding the target of 12 jobs by 50.

Designated groups empowerment (youth, women and people with disabilities) through procurement

This initiative aims to guarantee that the entity supports the National Government's effort to utilise procurement expenditures to empower SMMEs from designated groups, thereby contributing to poverty alleviation and the reduction of inequality. The entity allocated 79% of all procurement transactions to youth and women, surpassing the annual target of 60% by 19%, as a greater number of responses were received from the target group during the quotation sourcing processes.

PROGRAMME 1: ADMINISTRATION								
Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Improve governance on the implementation of policies								
Compliance with organisational policies and procedures	Percentage of valid supplier invoices paid within 30 working days from the date of receipt	94% of payments within 30 days	94% of payments within 30 days	100% of payments within 30 days	100% valid supplier invoices paid within 30 working days from the date of receipt	Achieved 100% of payments within 30 days	None	None
Ethical culture of accountability	Biennial ethics surveys conducted	1 ethics survey conducted	N/A	1 ethics survey conducted	1 ethics survey conducted	Achieved 1 ethics survey conducted	None	None
Outcome: Sustainable diversified revenue streams								
Fundraising revenue in cash and in-kind raised	Amount of fundraising revenue in cash and in-kind raised	No fundraising revenue raised	R5.2m (surplus retention for operations) was raised	R93 550 revenue was raised	R5 Million in cash and in-kind was raised	Achieved R5 220 000,00 Value in kind from the 702 Walk The Talk held on 28 July 2024	Planned target exceeded by R220 000	The collaboration with 702 Walk The Talk provided an opportunity for more revenue
Outcome: Improve effectiveness and efficiencies in governance								
Creation of initiatives that enhance job creation through procurement of goods and services	Number of job opportunities created through procurement of goods and services	Seven new jobs created: 5 jobs - Contractors painting the Admin Building. 2 jobs - Gift Shop (Ditebogo Gifts and Events)	37 jobs were created	17 jobs created	12 job opportunities created	Achieved 62 job opportunities created	Planned target exceeded by 50 job opportunities	More job opportunities were created from the procurement of goods and services. More job opportunities created through the repatriation event held in Freedom Park
Unqualified Audit Outcomes	Unqualified audit opinion	Unqualified audit opinion received from Auditor General	Qualified audit report received from Auditor-General	Qualified audit opinion	Unqualified audit opinion	Not Achieved qualified opinion	Planned target was not achieved	Material misstatements of depreciation and cash flow statements in the prior year identified by the auditors in the submitted financial statements were not corrected, resulting in the financial statements receiving a qualified audit opinion

Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Improve effectiveness and efficiencies in governance (continued)								
Projects implemented from the ICT Strategy	Percentage of projects implemented from the ICT Strategy	Implemented 16% of ICT projects from the ICT Strategy	42% projects implemented from the ICT Strategy	The ICT Strategy has been reviewed	10% ICT projects implemented from the ICT Strategy	Not Achieved	Planned target was not achieved	10% ICT Project were not achieved due to budgetary constraints
Designated groups empowerment (youth, women and people with disabilities) through procurement	Percentage of procurement spend on youth, women and people with disability	Awarded 44% of procurement transactions to youth, women and people with disability	Awarded 46% of all procurement transactions to women and youth	65% of all procurement transactions awarded to youth, women and people with disability	60% of all procurement transactions awarded to youth, women and people with disability	Achieved 79.3% of all procurement transactions awarded to youth, women and people with disability	Planned target exceeded by 19%	More points of the specific goals were allocated to this designated groups, during the procurement of goods and services
Irregular expenditure eliminated	Percentage reduction of irregular expenditure	Irregular expenditure increased by R2 890 000	During the financial year ending 31 March 2023, irregular expenditure was reduced by 98% (R48 173)	No irregular expenditure registered. 100% reduction of irregular expenditure	90% reduction of existing irregular expenditure (based on previous years' audited baseline)	Not Achieved	Irregular expenditure of R3.9 million, related to overspending against the budget, was incurred	Overspending due to unfunded mandates being implemented

Linking performance with budgets

Programme/ activity /objective	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Administration	73 092	81 416	(8 324)	83 323	81 861	(1 462)
Total	**73 092**	**81 416**	**(8 324)**	**83 323**	**81 861**	**(1 462)**

Strategy to overcome areas of under performance

ICT projects implemented from the ICT Strategy

The aim of developing ICT infrastructure is to support essential business programmes that lead to the attainment of critical success factors and intervention strategies of the institution. Information serves as a critical resource that supports the primary functions and decision-making processes within the organisation. Consequently, the management of information, along with the technology that facilitates it, is fundamental to the operations of Freedom Park.

ICT infrastructure encompasses hardware, communication devices, applications, software, network systems, video conferencing tools, telephones, and mobile devices. To effectively implement ICT support services for core business programmes, a strategic approach and framework are necessary to guide the rollout of the implementation. However, the execution of the 10% ICT Project was not achieved due to budgetary constraints. It is anticipated that management's vigorous execution of its resource mobilisation strategy will enhance revenue generation, and this increased revenue will, in turn, support the implementation of the entity's ICT Strategy.

Qualified Audit Opinion

For the year under review, management executed its External Audit Implementation Plan, which focused on the consistent examination of the Fixed Assets Register and the preparation of the Interim Financial Statements as of 31 December 2024. These Interim Financial Statements underwent rigorous quality control assessments by Management and the entity's internal auditors to guarantee that the Annual Financial Statements (AFS) for the twelve months concluding on 31 March 2025 met the required quality standards for the audit. This resulted in the audit results for the year under review improving to an unqualified audit opinion, which will only be reported in the Annual Report of the new 2025-26 financial year.

Irregular expenditure eliminated

The entity had a target of a 90% reduction in existing irregular expenditure. The baseline for the previous year was R0, as there were no records of irregular expenditure. However, during the year under review, irregular expenditure amounting to R3.9 million was incurred due to budget overspending. The main driver of the overspending was unplanned and unbudgeted programmes that the entity was required to implement during the financial period. This ranged from the repatriation programme of the DSAC to the very successful 702 Walk The Talk, which came at an unbudgeted cost to the entity. The reason for the gap between spending and revenue on the 702 Walk The Talk is that the R5.2 million revenue generated from the Walk cannot be recognised as revenue in the Income Statement of the entity. This is due to technicalities around the recognition and measurement of revenue, which is a matter that management will be obtaining technical accounting opinions on. For the rest of the unfunded programmes, such as repatriation, management has resolved to ensure that none of the activities in support of these programmes will be undertaken without a firm funding commitment from the DSAC, on a case-by-case basis.

3.2 Programme 2: Business Development

Purpose

Implement essential business initiatives aimed at achieving "Redress, Inclusivity and Access" and fostering "Social Cohesion" in alignment with the National Government's Priority 6, as adopted by the DSAC.

Institutional Outcomes

- Redress
- Inclusivity
- Access

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

In order to achieve the organisational goals, the Heritage and Knowledge Department dedicated significant effort to implementing strategic projects that align with the objectives of the organisation. To ensure the preservation and accessibility of cultural resources for end-users within the Pan African Archive, the Department not only met but also exceeded targets in several areas by acquiring additional cultural resources, expanding the library, and accelerating the digitisation process.

A total of 1,767 cultural resources were digitised, thereby enhancing the reliability of sources that validate the memorialisation programme and the broader narrative of Southern Africa's history across the pre-colonial, colonial/apartheid and post-apartheid periods. Additionally, 347 rare and specialist books that amplify the African voice were incorporated into //hapo's library, thereby enriching research opportunities regarding historical figures, pre-conquest Africa, and the effects of slavery on African civilisation. The Department also secured 25 cultural resources through donations and partnerships, thereby strengthening representation in areas that are often under-documented.

To promote, protect and preserve living heritage while contributing to a dynamic Pan African Archive, 11 oral-history dialogues with freedom fighters were conducted to record first-hand accounts of the prosecution of the liberation struggle. These dialogues serve as primary sources and are thus essential for enhancing Freedom Park's knowledge base; they also adhere to the heritage presevation principle that emphasises the importance of intangible cultural resources in augmenting tangible collections.

Storytelling, as a traditional African method of conveying history, culture and tradition, remains a critical mode for presenting and representing South African history, culture and spirituality at Freedom Park. To further promote Indigenous Knowledge Systems through storytelling — a presentation style that distinguishes Freedom Park from traditional museums — the annual Storytelling Festival was held, adopting hybrid formats (on-site performances, virtual connections, and outreach programmes).

Knowledge production expanded in both volume and significance. The Research Unit generated nine research papers and articles, advancing Freedom Park's commitment and contribution to decolonising knowledge and amplifying the African voice. Public scholarship was enhanced through three seminars and public lectures conducted in collaboration with partner institutions, alongside an expanded interfaith and strategic engagement portfolio comprising six projects, which capitalised on the momentum of the national 30 Years of Democracy programmes. Collectively, these outputs strengthened evidence-based curation, enriched exhibition content, and increased access to African-centred scholarship.

The memorialisation programme advanced on two fronts. Firstly, 138 names were inscribed on the Wall of Names, encompassing categories such as International Solidarity and Traditional Leaders who led wars of resistance. Secondly, the Names Verification Committee confirmed 170 names, thereby strengthening the pipeline for future inscriptions and ensuring the integrity of the data. Notable commemorations included the Day of Reflection on the Resistance and Liberation Heritage (Cuito Cuanavale) on 23 March 2025, along with three programmes honouring heroes and heroines (including a focus on Dr Robert Mangaliso Sobukwe) that celebrated contributions to the struggle for humanity and freedom, while also enhancing public engagement in national memory.

Eight temporary exhibitions were created and showcased inside //hapo, employing rotating curatorial narratives to decolonise presentation and enhance audience engagement. Educational mediation continued to support the national curriculum through school visits and customised learning experiences; three educational support materials were developed to decolonise history, heritage and spirituality, and the annual heritage education event was successfully executed.

While 2,368 cultural resources were processed against a target of 3,300, the variance, attributed to system disruptions and capacity constraints, necessitated the development and implementation of a recovery plan which prioritised system stabilisation, increased processing capacity, and time-limited backlog reduction to ensure that the year's acquisition and digitisation achievements were fully accessible to the public and researchers in 2025/2026.

PROGRAMME 2: BUSINESS DEVELOPMENT								
Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Redress, Inclusivity and Access								
Cultural resources digitised for effective public interface	Number of cultural resources digitised	1 539 cultural resources digitised	6 406 cultural resources digitised	2 521 cultural resources digitised	1 500 cultural resources digitised	Achieved: 1767 cultural resources digitised	Planned target exceeded by 267 cultural resources	More events and activities from external stakeholders provided an opportunity for capturing more resources
	Number of cultural resources acquired	7 cultural resources acquired	7 cultural resources acquired	17 cultural resources acquired	9 cultural resources acquired	Achieved: 25 cultural resources acquired	Planned target exceeded by 16 cultural resources. More cultural resources were donated	Initiatives such as the National Repatriation Program availed avenues for the organisation to acquire resources that would ordinarily not have been secured
Cultural resources processed according to heritage standards for access and collection knowledge base	Number of cultural resources processed	1 500 cultural resources processed	1 851 cultural resources processed	510 cultural resources processed	3 300 cultural resources processed	Not Achieved: 2 368 cultural resources processed	Planned target was not achieved	The target for processing cultural resources was not achieved due to a combination of system-related disruptions and human capacity constraints within the reporting period
Books relevant to the //hapo storyline acquired for access and collection knowledge base	Number of books acquired	41 books acquired	165 books acquired	51 books acquired	331 books acquired	Achieved: 347 books acquired	Planned target exceeded by 16 books	The overachievement was due to a combination of unplanned book donations and additional book acquisitions to support institutional programmes

Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Redress, Inclusivity and Access								
Honour the heroes and heroines of the struggles for freedom and humanity by inscribing their names on the Wall of Names	Number of names of heroes and heroines inscribed on the Wall of Names	212 names inscribed on the Wall of Names	427 names inscribed on the Wall of Names	172 names inscribed on the Wall of Names	100 names were inscribed on the Wall of Names	Achieved: 138 names inscribed on the Wall of Names	Planned target exceeded by 38 names	More names were verified and validated through the repatriation process and from various institutions
Temporary exhibitions developed/ displayed in //hapo to enhance the permanent exhibition	Number of temporary exhibitions developed/ displayed in //hapo	5 temporary exhibitions displayed	5 temporary exhibitions displayed	8 temporary exhibitions displayed	5 temporary exhibitions displayed	Achieved: 8 temporary exhibitions displayed	Planned target exceeded by 3 temporary exhibitions	Request by partners and stakeholders to collaborate in developing and curating exhibitions
Commemo-ration and reflection on the Resistance and Liberation Heritage (RLH)	Annual Day of Reflection on the Resistance and Liberation Heritage (RLH) conducted	A wreath laying ceremony on the Commemo-ration of the Battle of Cuito Cuanavale was held at Freedom Park on 23 March 2022	Cuito Cuanavale battle commemo-ration was held at Freedom Park on 26 March 2023	Cuito Cuanavale battle commemo-ration was held at Freedom Park on 23 March 2024	1 Day of Reflection on RLH conducted on 23 March 2025 (Commemo-ration of the Battle of Cuito Cuanavale)	Achieved: Cuito Cuanavale commemo-ration event was successfully conducted at Freedom Park on 23 March 2025	None	None
Commemo-ration on heroes and heroines (RLH)	Number of commemo-ration of heroes and heroines (RLH) programmes conducted	1 commemo-ration of heroes and heroines (RLH) programme on SADF raid in the Maseru Massacre Commemo-ration was held at Freedom Park on 8 December 2022	3 Commemo-ration of heroes and heroines (RLH) programme including the Boipatong Massacre	7 Commemo-ration of heroes and heroines (RLH) programmes on the Boipatong massacre commemo-ration on 20 September 2024, commemo-ration of the 35th Brazzaville protocol and honouring Haitian freedom fighters	3 programmes conducted commemo-ration of heroes and heroines (RLH), including the Mamelodi Massacre	Achieved: 3 programmes conducted on heroes and heroines (RLH), including the Mamelodi Massacre	None	None

Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Redress, Inclusivity and Access								
Support materials for education programmes published that decolonise history, heritage and spirituality and complement the RLH history curriculum	Number of education programmes' support materials published	6 education materials published	Support material for 1 education programme published	Support material for 3 education programmes published	Support material for 3 education programmes published	Achieved: Support material for 3 education programmes published	None	None
Heritage education event conducted	Annual heritage education event conducted	2 heritage education events conducted	1 heritage education event was conducted on 28 February 2023 as a Roundtable on Heritage Education	Not Achieved	1 heritage education event conducted	Achieved: 1 heritage education event conducted	None	None
Storytelling event conducted to promote, protect and preserve IKS	Annual storytelling event conducted	The Annual Ungasali International Storytelling Festival was conducted live in collaboration with the City of Tshwane, Pansalb and Unisa on YouTube and the FP website from 22 to 26 March 2022	1 storytelling event was conducted from 09 - 11 March 2023	1 storytelling event was conducted on 16 March 2024	1 storytelling event conducted	Achieved: 1 storytelling event was conducted on 15 March 2025	None	None
Names of heroes and heroines across race, class, gender and age divisions verified and validated to be honoured on the Wall of Names and in the Gallery of Leaders	Number of names of heroes and heroines verified and validated by the Names Verification Committee (NVC)	210 names verified and validated	313 names verified and validated	163 names verified and validated	100 names verified and validated	Achieved: 170 names verified and validated	Planned target exceeded by 70 names	More names were submitted by stakeholders through the DSAC repatriation project in both Zambia and Zimbabwe, as well as embassies

Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Redress, Inclusivity and Access								
Research papers/ articles completed that decolonise history, heritage and spirituality (RLH), and promote, protect and preserve IKS	Number of completed research papers/articles	7 research papers/articles completed	11 research papers/articles completed	7 research papers/articles completed	8 research papers/ articles completed	Achieved 9 research papers/ articles completed	Target exceeded by 1 research paper	More research articles were completed in the 2nd quarter
Seminars/ conferences/ public lectures conducted to emancipate the African voice and to advance a body of knowledge on Resistance and Liberation Heritage (RLH)	Number of seminars/ conferences/ public lectures conducted	1 Webinar and 1 Seminar conducted	5 seminars/ conferences/ public lectures conducted	2 seminars/ conferences/ public lectures conducted	2 seminars/ conferences/ public lectures conducted	Achieved: 3 seminars/ conferences/ public lectures conducted	Planned target exceeded by 1	Freedom Park was approached to partner with the Nelson Mandela Museum to host the Nelson Mandela lecture
Dialogues (oral histories) conducted to emancipate the African voice	Number of dialogues conducted	6 dialogues conducted	6 dialogues conducted	5 dialogues conducted	8 dialogues conducted	Achieved: 11 dialogues conducted	Planned target exceeded by 3 dialogues	30 Years of Democracy contributed to the overachievement
Interfaith and strategic projects conducted to foster reconcilia-tion, social cohesion, nation building and peace	Number of interfaith and strategic projects conducted	4 interfaith programmes conducted	4 interfaith and strategic programmes conducted	4 interfaith and strategic projects conducted	4 interfaith and strategic projects conducted	Achieved: 6 interfaith and strategic projects conducted	Planned target was exceeded by 2 projects	The Zimbawe/ Zambia spiritiual repatriation program contributed to the over achievement Interfaith projects were conducted as a partnership with external stakeholders

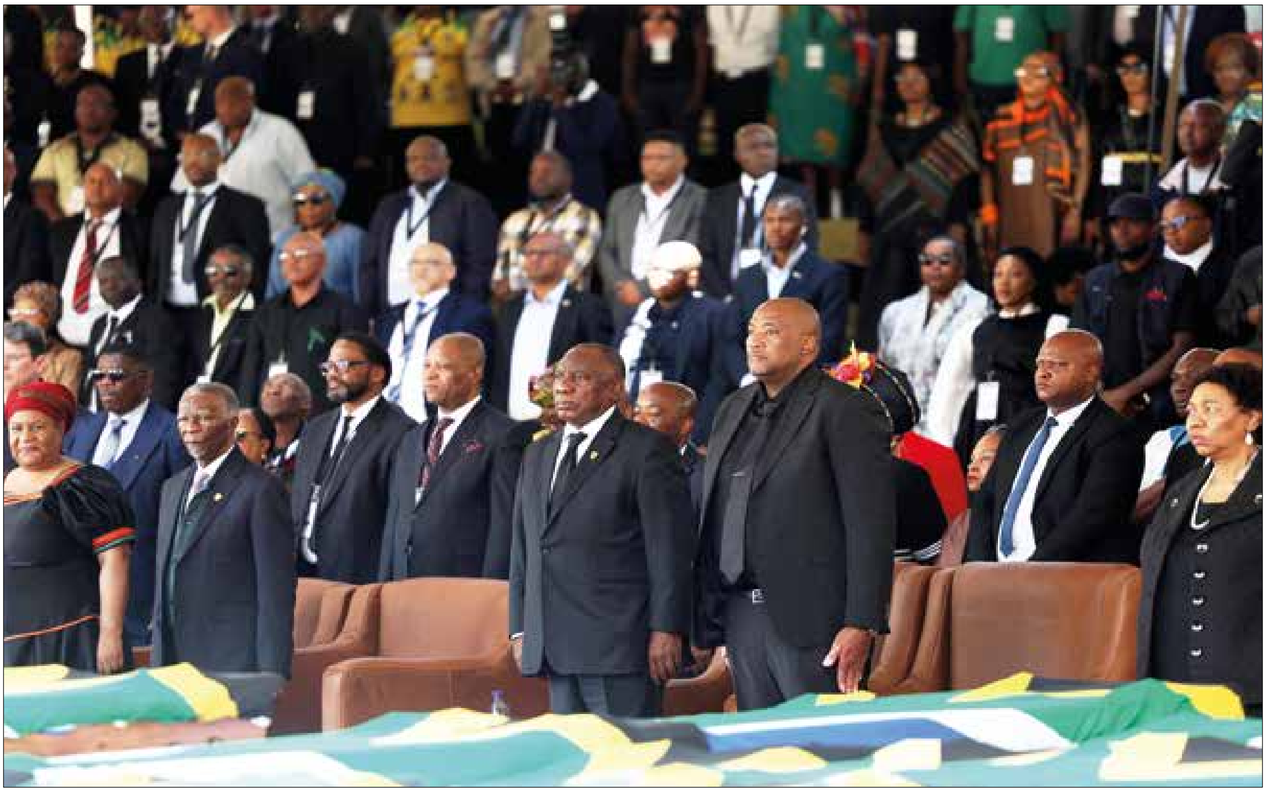
Linking performance with budgets

Programme/ activity /objective	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Business Development	36 235	31 418	4 817	24 637	36 395	(11 758)
Total	**36 235**	**31 418**	**4 817**	**24 637**	**36 395**	**(11 758)**

Strategy to Address Areas of Underperformance

The target for processing cultural resources was not achieved, specificly the collection and management of cultural artefacts. This deficiency was primarily linked to constraints in resource allocation and processing efficiency. In response to these issues, the department formulated a comprehensive Acquisition Plan that will be implemented in the 2025/26 financial year. The plan aims to focus on the collection of cultural artefacts, improving acquisition processes, and ensuring that artefacts are accurately documented and preserved.

In addition, focus will be placed on training key personnel on utilising cultural heritage management software. This will result in the strengthening of operational efficiency, improvements in the management of cultural assets, and support the department in meeting the 2025/26 targets.



3.3 PROGRAMME 3: PUBLIC ENGAGEMENT

Purpose

Provide strategic support services. The programme aligns with the National Government's Priority 6, as adopted by the DSAC, which is to build "Social Cohesion", by implementing communication, marketing, outreach, and relationship-building initiatives aimed at increasing the demand for and consumption of the products and services provided by Freedom Park.

Institutional Outcomes

Increased demand and consumption of products and services.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Implemented by the Corporate Services Department, public engagement programmes are aimed at increasing demand for utilisation of various products and services. These offerings are mainly targeted at tourists and visitors to Freedom Park and encompass:

- //hapo museum
- Garden of Remembrance
- Restaurant
- Gift shop
- Exhibitions
- Events
- Seminars, and
- Dialogues.

A key 'selling' feature of Freedom Park is its distinctiveness as a symbol of freedom and humanity, in addition to being a prominent heritage site. This designation facilitates the transformation of stakeholders into dedicated partners and potential sponsors of the monument, cultivating a community of brand loyalists whose resources can be converted into financial sustainability.

Reconciliation and Nation Building rank among the national priorities set forth by the government. In alignment with this priority, the Park consistently plays a role in the processes of reconciliation and nation building from a heritage viewpoint, by honouring the cultural diversity of the nation. A comprehensive programme designed to promote social cohesion, reconciliation, and nation building has been initiated, focusing on:

- Reconciliation between previously polarised cultural groups
- Social cohesion and reconciliation within communities
- Social cohesion and reconciliation between individuals regarding their identity

The Corporate Services Department facilitates all events held on site, these being:

- Self-initiated events
- Events hosted on behalf of or in collaboration with other public entities
- Events hosted by / with Non-Profit entities
- Paid-for (revenue generating) events, where external parties host their events in the Park.

The target of 40,000 visitors was exceeded as a result of enhancements in positioning and profiling strategies, leading to a total of 67,091 visitors for the 2024/25 financial year. Several initiatives that played a role in increasing visitor numbers included:

- The 702 Walk The Talk, which brought in 22 000 visitors
- Made in Mzansi cultural festival
- Collaboration with the Gauteng Department of Education, which led to increased learner numbers.

These initiatives received significant media coverage from various outlets, notably:

- Talk Radio 702
- SABC Channels
- ENCA
- Newzroom Afrika

Various radio stations and news publications provided significant coverage for the organisation. In addition, complimentary advertorials were featured in BBQ magazine, which boasted a print circulation of nearly 100,000, as well as in the newsletters of the Tshwane Tourism Association (TTA News), alongside online digital platforms such as Show Me Pretoria, which generated considerable interest and resulted in increased foot traffic through the gate.

Collaborations and partnerships exceeded expectations. The partnership with the Gauteng Tourism Authority granted Freedom Park complimentary exhibition space at significant events, viz Meetings Africa (held in Sandton), the World Travel Markets (Cape Town), and Africa Tourism Indaba (Durban).

The organisation interacted with numerous embassies and high commissions, including those from Germany, Australia and New Zealand, the Netherlands, Cuba, and Ukraine, among others. Additionally, there was a 20% rise in international visitors for the 2024/25 period compared to 2023/24.

Brand visibility was significantly improved through social media narratives related to commemorative national days and events, leading to an increase in visitor numbers to Freedom Park. The website recorded a digital engagement footprint of 158,000.

Internal Communication

Freedom Park's internal communication platforms — staff emails, newsletters, intranet updates, and regular staff engagements — played a critical role in keeping employees informed, connected, and aligned to the organisation's mandate. These platforms ensured the timely sharing of information on programmes and activities, strengthened internal cohesion, and fostered a culture of transparency and collaboration across the organisation.

PROGRAMME 3: PUBLIC ENGAGEMENT								
Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Achievement 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Outcome: Increased demand and consumption of product and services								
Increase registered visitors	Number of registered feet-through the gate	15 680 visitors registered	30 676 registered feet-through the gate	37 729 visitors registered through the gate	40 000 registered feet-through the gate	Achieved 67 091 registered feet-through the gate	Planned target exceeded by 27 091 visitors	Increased hosted events and visitors
	Number of digital platforms visitors' engagement	N/A	161 630 digital platforms visitors' engagement	167 443 digital platforms visitors' engagement	50 000 digital platforms visitors' engagement	Achieved 119 722 digital platforms visitors' engagement	Planned target exceeded by 69 722 digital engagements	High demand for events and activities related to 30 Years of Democracy celebrations and 702 Walk The Talk
Positioning and Profiling Freedom Park as a Historical and Heritage destination conducted	Number of positioning and profiling activities conducted	12 positioning and profiling activities conducted	12 positioning and profiling activities conducted	15 positioning and profiling activities conducted	8 positioning and profiling activities conducted	Achieved 10 positioning and profiling activities conducted	Target exceeded by 8 positioning and profiling activities	Received more demand of travel exhibitions invitations. Increased hosted events
Partnerships with local, continental and international stakeholders	Number of activated partnerships	5 MOUs signed and activated	10 partnerships activated	9 partnerships activated	8 MOUs activated	Achieved 12 MOUs activated	Target exceeded by 6 activated MOUs	More demand of partnerships in celebration of 30 Years of Democracy. Increased hosted events

Linking performance with budgets

Programme/ activity /objective	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Public Engagement	9 181	4 419	4 792	10 139	8 459	1 680
Total	**9 181**	**4 419**	**4 792**	**10 139**	**8 459**	**1 680**

Strategy to Address Areas of Underperformance

There were no areas of under-performance.

4. REVENUE COLLECTION

Sources of revenue	2024/25 Estimate R'000	2024/25 Actual Amount Collected R'000	2024/25 (Over)/Under Collection R'000	2023/24 Estimate R'000	2023/24 Actual Amount Collected R'000	2023/24 (Over)/Under Collection R'000
Admission fees	950	1 250	(300)	-	1 184	(1 184)
Venue hire	450	8 692	(8 242)	-	761	761
Other income	426	867	(441)	-	368	(368)
Interest income	500	1 043	(543)	500	5 971	(5 471)
Government grants and subsidies	104 973	104 973	-	97 340	97 340	-
Liliesleaf Farm	6 000	6 000	-	8 000	6 712	1 288
Conditional Grant - Samora Machel Museum and Matola Raid Monument	-	-	-	25 000	24 306	694
Public contributions and donations	-	21	(21)	-	132	(132)
Total	**113 299**	**122 846**	**(9 547)**	**130 840**	**136 774**	**(5 934)**

Non-exchange revenue is mainly driven by grant funding from the Department of Sport, Arts and Culture and was in line with the budget. Exchange revenue is primarily generated from admission fees and venue hire fees, which experienced higher than expected performance in the year under review.

5. CAPITAL INVESTMENT

Continuous capital investment and infrastructure maintenance are critical, to ensure that the Park is kept in a pristine state. Key elements of the site - the Wall of Names, the Garden of Remembrance, and the //hapo Museum - require regular maintenance to ensure that they remain visually appealing, structurally robust, and fully compliant with legal infrastructure standards.

A significant portion of the Park's infrastructure shows signs of deterioration, attributed to heavy visitor traffic, environmental exposure, and natural wear and tear. Without prompt action, these issues threaten structural integrity, accessibility, and visitor safety. Adhering to health, safety, fire protection, disability access, and environmental regulations is not merely advisable; it is a legal and ethical imperative.

In pursuit of the above, routine proactive maintenance as a fundamental operational function has been institutionalised, rather than being viewed merely as a reactive response. This strategy not only prolongs the lifespan of infrastructure, but also minimises long-term expenses and guarantees that the site remains inviting and inclusive.

Capital investment in the Park transcends the mere preservation of physical assets. It signifies a commitment to heritage education, community empowerment, and nation-building. The positive outcomes cascade into the wider economy, fostering job creation, tourism expansion, and public engagement with South Africa's intricate and inspiring history.

Notable progress has been made in implementing the Capital Investment and Asset Management Plan, reflecting a strategic commitment to preserving and enhancing the park as a vital national institution. During the period under review, the focus was on maintaining and upgrading critical infrastructure to ensure the preservation of heritage assets which include but are not limited to elements such as the //hapo Museum, the Wall of Names, and Isivivane sacred site. This progress includes improvements in energy efficiency and the restoration of weather-exposed structures to mitigate risks associated with physical deterioration.

Infrastructure and Maintenance Achievements in 2024/25

Significant progress was registered in the maintenance and enhancement of infrastructure during the period under review. The main achievements included:

- Comprehensive overhaul and upgrades to the CCTV and Access Control Infrastructure which was completed during the period under review. Maintenance is ongoing.
- Monthly maintenance and emergency repairs of plumbing systems, which include water and sewerage pipes, taps, pumps, toilets, urinals, drinking fountains, geysers, gutters, and drainage infrastructure.
- The supply, repair, replacement, and maintenance of Bulk Water Supply Pumps and associated equipment was completed.
- Repairs and servicing of HVAC Air Handling Units and the Chiller plant was completed.
- The construction of the Uitspan Plek pathway, linking the space (Uitspan Plek) and ablution facilities, was completed.
- Repairs and maintenance of backup generators was executed to ensure the Park remains operational during power outages.
- Monthly servicing of elevators throughout the buildings on the site was done.
- Daily landscaping and grounds maintenance across the 52-hectare property.
- Repair and maintenance of Reed lights was carried out. Most of the lights were fixed. The remainder will be fixed during the 2025/26 financial year.
- Monthly hygiene management and pest control services conducted across the site.
- Regular maintenance and repair of kitchen appliances serving the on-site restaurant was conducted.
- Maintenance of the gas-powered eternal flame in the sanctuary area has been completed, along with the receipt of the Certificate of Compliance.

The table below provides a comprehensive list and expenditure details for the aforementioned projects and others.

Infrastructure projects	2023/24			2024/25		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Installation of a new Standby Generator and external infrastructure upgrade	932	605	327	327	-	327
Gallery of Leaders	11 229	2 961	8 268	8 269	4 813	3 456
Re-gravelling of the perimeter road	75	75	-	75	75	-
Upgrading of the heat ventilation and air-conditioning system in the Administration Building	5 007	4 528	479	479	-	479
Facilities Management (maintenance of Freedom Park complex)	11 741	2 966	8 775	6 897	2 355	4 542
Upgrades of the Freedom Park nursery	500	-	500	500	-	500
Name inscription and object labelling in the #hapo museum	509	-	509	509	-	509
Construction of a pathway at Uitspan Plek	1311	-	1311	1 766	1 766	-
Construction of a new security gate	6 614	76	6 538	6 537	-	6 537
Repairs and maintenance at the Matola Raid Monument	103	-	103	102	-	102
Upgrades and repairs at the Samora Machel Monument	2 925	1 423	1 502	1 502	656	846
Installation of CCTV Cameras	421	140	281	4 281	3 668	613
Total	**41 367**	**12 773**	**28 594**	**31 244**	**13 333**	**17 911**

The preservation of all current infrastructure remains a top priority, with a focus on maintaining critical systems to prevent deterioration. Efforts are directed towards identifying and addressing the most urgent infrastructure needs while ensuring the longevity and functionality of the park's core facilities. This approach underlines the commitment to safeguarding the site's cultural and historical significance, even amid budget constraints.

Progress Made on the Maintenance of Infrastructure

As outlined earlier, efforts were made in the maintenance of infrastructure through the implementation of a structured and proactive approach to asset management. Preventive maintenance has been a core focus. Routine maintenance schedules are followed diligently to avoid deterioration and ensure that the park remains a safe and welcoming environment for all visitors.

A responsive system has been established for the identification and repair of faulty equipment. A streamlined reporting mechanism allows staff to quickly log maintenance issues, which are then prioritised and addressed by a dedicated maintenance team. This has resulted in a faster turnaround time for repairs, reduced downtime of key infrastructure, and improved user satisfaction.

Upgrades and refurbishments of public restrooms, signage, and lighting systems underscore the commitment to maintaining high standards across all areas. Emergency maintenance procedures have also been strengthened to ensure rapid response during unexpected incidents such as storm damage, power outages, or infrastructure failures.

The security of the infrastructure, employees and visitors is a major priority. A comprehensive overhaul and upgrade of the CCTV system and access control mechanisms was implemented. The upgrade included the installation of high-definition surveillance cameras with enhanced night vision capabilities, expanded coverage to eliminate blind spots, and the integration of advanced video management software for real-time monitoring and incident analysis.

Additionally, access control was modernised to include biometric access control system, ensuring a secure and efficient entry management process for employees, contractors, and visitors. System reliability and redundancy are essential to ensure uninterrupted operation, especially during power failures or network disruptions. Access control systems are also integrated with personnel databases and visitor logs to maintain accountability and restrict unauthorised entry. Furthermore, the entire security architecture must comply with national safety regulations and data protection standards, while allowing scalability for future expansions.

The above initiatives were essential in maintaining a safe environment for both heritage assets and individuals. Collectively, these measures form a robust defence mechanism crucial for protecting the cultural, historical, and technological assets within Freedom Park.

Looking forward, the focus will be on formulating a strategic plan that emphasises statutory compliance, sustainability, and heritage-sensitive restoration. Through these initiatives, the institution will protect not only its physical environment but also the lasting spirit of remembrance, unity, and reconciliation that it represents.

PART C
GOVERNANCE

1. Introduction

Freedom Park is a national institution established under the Cultural Institutions Act, Act 119 of 1998, and is regulated by the Public Finance Management Act, Act 1 of 1999, as amended. It is designated as a Schedule 3A entity (as per the Constitution) and is managed in compliance with all legislative obligations of a National Public Entity as outlined in the PFMA.

In addition to following the governance standards set forth in the PFMA, the Council also references the King IV Report on Corporate Governance Principles.

Freedom Park is governed by a Council appointed by the Minister of Sport, Arts and Culture in accordance with Section 5 of the Cultural Institutions Act. The Council reports to the Minister, who serves as its Executive Authority, as well as to the Parliamentary Portfolio Committee of Sport, Arts and Culture.

Corporate governance is a fundamental component of modern institutions and is vital to the overall well-being and success of the organisation. The Council serves as a key participant in the corporate governance framework and is instrumental in supervising the management and operations of the entity. In summary, the Council holds the primary responsibility for corporate governance.

The Executive Management is tasked with the development and execution of policies once they receive approval from the Council. The Council reports directly to the Minister, while the Executive Management submits reports to the Director General of the DSAC and other relevant public agencies with oversight responsibilities as necessary.

The Council complied with all legislative deadlines and submitted the quarterly and annual performance and financial reports as mandated by the PFMA.

2. Executive Authority

The Minister of the Department of Sport, Arts and Culture acts as the Executive Authority of Freedom Park. The Executive Authority ensures that the activities of Freedom Park are carried out in alignment with the approved strategic and annual performance plans.

The Council accounts to the Executive Authority and is required to submit a budget that outlines projected values and expenditures for each financial year for approval. Furthermore, the Council submits the entity's performance and financial information to the Executive Authority on a quarterly basis. The following reports were submitted to the Executive Authority:

STATUTORY SUBMISSION	DATE SUBMITTED TO EXECUTIVE AUTHORITY
4th Quarterly Submission	30 April 2024
1st Quarterly Submission	30 July 2024
Draft Annual Performance Plan	30 October 2024
2nd Quarterly Submission	30 October 2024
3rd Quarterly Submission	31 January 2025
Final Annual Performance Plan	30 January 2025
Shareholders Compact	16 February 2025

3. The Accounting Authority

The Council's role is to provide strategic guidance and oversight for Freedom Park. Collectively, the Council is tasked with making significant decisions that influence the entity's performance and trajectory. Additionally, the Council is responsible for appointing and assessing the CEO's performance while ensuring adherence to laws and regulations. It is accountable to the Executive Authority and participates in decision-making processes that impact the entity's performance.

Furthermore, the Council plays an essential role in overseeing the entity's financial performance and ensuring that its finances are properly managed. Moreover, the Council is tasked with guaranteeing compliance with all applicable laws and regulations. This encompasses ensuring the accuracy of financial statements and that the entity follows all relevant accounting standards.

Ultimately, the Council plays a critical role in risk management and in ensuring the financial stability of the company. It is crucial to emphasise that the Council's composition must be diverse, including individuals with different backgrounds and experiences. This diversity facilitates the consideration of various perspectives during critical decision-making, thereby improving the overall decision-making process.

The role of the Council is as follows:

- Set and define the strategic direction of the entity to ensure achievement of its mandate;
- Determine and set the entity's vision, mission and values;

- Oversee the financial performance of the institution; and,
- Establish a governance framework that includes a compliance framework to ensure the institution renders its obligations.

Council Charter

The Council Charter delineates the functions and responsibilities of the accounting authority, along with the criteria for its membership, meeting protocols, and other procedures. It also aims to provide guidelines for the conduct of Council members as they meet their obligations and execute their duties. During the period under review, the Council executed its roles and responsibilities in accordance with the approved Charter.

Composition of the Council

01 April 2024 – 31 October 2024

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED	OTHER COMMITTEES OR TASK TEAMS	NO. OF MEETINGS ATTENDED
Dr BW Langa	Chairperson	1 Sept 2021	31 Oct 2024 End of Term	• Council	8
Mrs MG Rammbwa	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Audit and Risk Committee • Core Business Committee • HR Committee	21
Adv NJ Bleki	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Audit and Risk Committee • Ethics and Legal Committee	18
Prof S Cooper	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Core Business Committee • HR Committee	15
Mr E Daniels	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Core Business Committee • Ethics and Legal Committee	14
Ms Z Hlatshwayo	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Audit and Risk Committee • Core Business Committee	12
Ms MMS Mothapo	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Audit and Risk Committee	14
Mr M Tsedu	Council Member	1 Sept 2021	31 Oct 2024 End of Term	• Council • Audit and Risk Committee • HR Committee	19
Mrs B Watson	Council Member	22 May 2023	31 Oct 2024 End of Term	• Council • Core Business Committee • Ethics and Legal Committee	14
Ms HC Mgabadeli	Previous Chairperson	1 Sept 2021	18 July 2023	• Council	4

01 November 2024 – 31 March 2025

NAME	DESIGNATION	DATE APPOINTED	DATE RESIGNED	OTHER COMMITTEES OR TASK TEAMS	NO. OF MEETINGS ATTENDED
Ms CL Adams-Kruger	Chairperson	1 Nov 2024	Active Member	• Council	11
Prof S Cooper	Council Member	1 Nov 2024	Active Member	• Council • HR and Remuneration Committee • Strategic Committee	11
Mr Z Gordon	Council Member	1 Nov 2024	Active Member	• Council • Audit, Risk and Legal Committee • HR and Remuneration Committee • Core Business Committee • Strategic Committee	16
Adv C Naidoo	Council Member	1 Nov 2024	Active Member	• Council • Audit, Risk and Legal Committee • HR and Remuneration Committee • Social and Ethics Committee • Risk Management Committee	17
Mr S Masemola	Council Member	1 Nov 2024	Active Member	• Council • Audit, Risk and Legal Committee • HR and Remuneration • Social and Ethics Committee • Core Business Committee • Strategic Committee • ICT Steering Committee	22
Mr T ka Plaatjie	Council Member	1 Nov 2024	Active Member	• Council • Social and Ethics Committee • Core Business Committee • Strategic Committee	13
Mrs B Watson	Council Member	1 Nov 2024	Active Member	• Council • Social and Ethics Committee • Core Business Committee • Strategic Committee	17
Ms M Matli	Council Member	1 Nov 2024	Active Member	• Council • Core Business Committee • Strategic Committee	10
Mr M Tsedu	Council Member	1 Nov 2024	13 Dec 2024	• Council • HR and Remuneration	6

Committees – 01 April 2024 to 31 October 2024

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Core Business Committee	4	5	• Mrs M Rammbwa • Prof S Cooper • Ms Z Hlatshwayo • Mr E Daniels • Ms B Watson
Audit and Risk Committee	8	5	• Mrs M Rammbwa • Mr M Tsedu • Ms S Mothapo • Ms Z Hlatshwayo • Adv N Bleki
Human Resources and Remuneration Committee	5	3	• Mr M Tsedu • Prof S Cooper • Mrs M Rammbwa
Ethics and Legal Committee	4	3	• Adv N Bleki • Mr E Daniels • Ms B Watson

Committees – 01 November 2024 to 31 March 2025

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Core Business Committee	2	5	• Ms M Watson • Mr T Masemola • Ms M Matli • Mr T Ka Plaatjie • Mr Z Gordhan
Audit and Risk Committee	2	3	• Mr T Masemola • Adv C Naidoo • Mr Z Gordhan
Human Resources and Remuneration Committee	1	4	• Mr Z Gordhan • Mr T Masemola • Adv C Naidoo • Prof S Cooper
Social and Ethics Committee	3	4	• Adv C Naidoo • Mr T Ka Plaatjie • Ms B Watson • Mr T Masemola
Strategic Committee	1	6	• Ms M Matli • Mr Z Gordhan • Ms B Watson • Mr T Ka Plaatjie • Mr T Masemola • Prof S Cooper

Remuneration of Council Members

- Council members are remunerated in accordance with the Treasury Circular regarding the Remuneration Levels: Service Benefit Packages for Office Bearers of Certain Statutory and Other Institutions (2022).
- Mr Tsedu resigned and stepped down from the Council on 13 December 2024. The honourarium listed under his name comprises both the payments he received for attending meetings and the amounts owed to him for his membership in the previous Council.
- Ms Hlatshwayo did not receive remuneration, as she was employed by the state during the period under review.
- Adv Naidoo also did not receive remuneration, as she was employed by the state during the period under review.
- Council members are reimbursed for travel allowances that are calculated based on the rates set by the Department of Transport.
- The Council Chairperson is compensated at a daily rate of R2,050, while the other members receive R1,719.00 per day.

Council Honoraria – 01 April 2024 to 31 October 2024

NAME	COMMITTEES	OTHER SHORT- TERM EMPLOYEE BENEFITS	TOTAL
Dr BW Langa	86 878	21 784	108 662
Mrs MG Rammbwa	136 107	22 265	158 372
Adv NJ Bleki	78 980	482	79 462
Prof S Cooper	59 836	3 240	63 076
Mr E Daniels	55 645	-	55 645
Ms MMS Mothapo	61 030	-	61 030
Mr M Tsedu	86 160	12 486	98 646
Mrs B Watson	62 542	1 670	64 212
Total	**627 178**	**61 926**	**689 104**

Council Honoraria – 01 November 2024 to 31 March 2025

NAME	COMMITTEES	OTHER SHORT- TERM EMPLOYEE BENEFITS	TOTAL
Ms CL Adams-Kruger (Chairperson)	54 104	1 302	55 406
Prof S Cooper	42 740	2 314	45 054
Mr Z Gordon	56 727	-	56 727
Adv C Naidoo	-	4 833	4 833
Mr SS Masemola	65 322	3 991	69 313
Mrs B Watson	44 673	1 193	45 866
Mr T Plaatjie	37 818	5 787	43 605
Ms M Matli	37 742	1 789	39 531
Mr M Tsedu	25 130	11 155	36 285
	364 256	32 365	**396 621**

Total council remuneration for the year	**991 434**	**94 291**	**1 085 725**

4. Risk Management

Risk Management Policy and Strategy

Freedom Park's risk management approach is guided by the approved Risk Management Policy and Strategy, which are aligned with the Public Finance Management Act (PFMA), National Treasury Risk Management Framework, and other applicable governance prescripts. The policy provides a framework for identifying, assessing, monitoring, and mitigating risks that may affect the achievement of strategic objectives. Risk management is integrated into strategic planning, operational execution, and decision-making processes to ensure resilience and sustainability.

Regular Risk Assessments

Risk assessments were conducted on a quarterly basis during the 2024/25 financial year, covering strategic, operational, and fraud-related risks. These assessments ensured that Freedom Park's Strategic, Operational, and Fraud Risk Registers were current, and that mitigation plans were closely aligned with the institution's Strategic Plan and Annual Performance Plan.

The following key risks and mitigation activities were prioritised during the year:

Increase in Targeted Number of Visitors

Risk Mitigated: The risk of not meeting visitor targets due to reduced tourism activity, economic constraints, and limited marketing reach.

Activities Undertaken:

- Implemented targeted marketing campaigns through digital platforms, tourism partnerships, and outreach to schools and community organisations; and
- Hosted heritage events and collaborated with DSAC on national celebrations.

> **Outcome:** Visitor numbers increased compared to the previous year, contributing positively to revenue and awareness of Freedom Park.

Names Inscription on the Wall of Names

Risk Mitigated: The risk of delays in updating the Wall of Names, potentially affecting credibility and stakeholder confidence.

Activities Undertaken:

- Streamlined verification and approval processes; and
- Appointed service providers within planned timelines to complete inscription work.

> **Outcome:** New names were inscribed on time, maintaining the integrity and relevance of the Wall of Names.

Proper Planning of Projects in Accordance with the Maintenance Plan

Risk Mitigated: The risk of inadequate project planning leading to delays, increased costs, and infrastructure deterioration.

Activities Undertaken:

- Detailed planning and resource allocation for maintenance projects; and
- Regular monitoring and evaluation of project progress.

> **Outcome:** All planned maintenance projects were completed as scheduled, preserving the entity's infrastructure.

Failure to Honour Diverse Heroes and Heroines of Resistance and Liberation

Risk Mitigated: The risk of excluding certain individuals and groups from heritage recognition.

Activities Undertaken:

- Conducted research and stakeholder consultations to ensure inclusivity; and
- Curated exhibitions showcasing diverse liberation histories.

> **Outcome:** Enhanced representation and inclusivity in heritage programmes, strengthening stakeholder trust.

Increasing Research of the Names in Other Categories

Risk Mitigated: The risk of incomplete historical records due to insufficient research across categories.

Activities Undertaken:

- Expanded research scope to include underrepresented categories; and
- Collaborated with historians and archival institutions.

Outcome: Updated and enriched heritage databases, improving historical completeness.

Failure to Maximise Partnerships with Academic Institutions

Risk Mitigated: The risk of missed opportunities for collaborative research, student engagement, and knowledge sharing.

Activities Undertaken:

- Signed new MoUs with universities and research bodies; and
- Hosted academic seminars and research presentations.

Outcome: Increased collaboration with academic institutions, leading to enhanced research output and institutional visibility.

Quarterly Policy Workshop to Staff Members

Risk Mitigated: The risk of non-compliance due to staff not being adequately informed about policies.

Activities Undertaken:

- Conducted quarterly workshops to familiarise staff with policies and legislative updates; and
- Assessed understanding through feedback and Question and Answer sessions.

Outcome: Improved compliance awareness and consistent application of policies across the institution.

Inability to Obtain an Unqualified Audit Opinion

Risk Mitigated: The risk of audit qualifications due to non-compliance.

Activities Undertaken:

- Strengthened internal control and record-keeping processes; and
- Addressed all prior-year audit findings through management action plans.

Outcome: Maintained readiness for audit and strengthened governance credibility.

Procurement Corruption and Fraud with Zero Fruitless and Wasteful Expenditure

Risk Mitigated: The risk of financial loss and reputational damage through irregular or wasteful expenditure.

Activities Undertaken:

- Implemented strict procurement controls and segregation of duties; and
- Conducted procurement compliance audits and ethics training.

Outcome: Achieved zero fruitless and wasteful expenditure for the 2024/25 financial year, maintaining strong ethical standards

Risk Management Committee

The Risk Management Committee, chaired by the Member of Council, met quarterly to oversee the implementation of the risk management framework. The Committee ensured that risk registers were updated, mitigation plans were realistic and achievable, and high-priority risks were escalated to the Council for attention. The Committee also played a key role in promoting a risk-aware culture throughout the institution, ensuring that employees at all levels understood their responsibilities in managing risk.

Role of the Audit and Risk Committee

The Audit and Risk Committee (ARC) provided independent oversight of the institution's risk management processes. The ARC reviewed risk registers, mitigation plans, and progress reports at its scheduled meetings.

The Committee further ensured that risk management activities were aligned with strategic objectives and complied with relevant legislation and governance frameworks.

In addition, the ARC monitored the effectiveness of internal controls and ensured that significant risks were addressed through management action plans.

Progress in Risk Management and Impact on Performance

During the 2024/25 financial year, significant progress was made in strengthening Freedom Park's risk management capability. The alignment of the strategic, operational, and fraud risk registers with the APP ensured that risk mitigation was directly linked to the delivery of key performance targets. Risk monitoring processes contributed to timely interventions, which reduced potential disruptions to operations and programme delivery. As a result, the majority of strategic objectives were achieved despite a challenging economic environment. The improvements in risk governance have enhanced decision-making, protected institutional assets, and contributed positively to organisational performance.

5. Fraud and Corruption

Freedom Park has a Fraud Prevention Policy and Fraud Prevention Plan that are utilised for the reporting of any corrupt activities and fraud-related matters. The Presidential Hotline is also utilised to report any fraud related matters relating to Freedom Park.

No matters of corruption or fraud were reported during the period under review.

6. Compliance with Laws and Regulations

Freedom Park has a Compliance Policy which details all legislation applicable to Freedom Park. Monthly and quarterly monitoring tools are utilised to ensure compliance with applicable legislation. Quarterly reporting to Committees and Council is done in respect to compliance with laws and applicable regulations.

There was compliance with all laws and regulations during the period under review.

7. Minimising Conflict of Interest

Freedom Park has a Declaration of Interests Policy that details processes that need to be followed when declaring interests. All Council members and employees must complete the declaration of interests form on an annual basis, wherein they declare any matters that potentially conflict with any business of Freedom Park.

Every meeting includes a declaration of interest as a standing agenda item, ensuring that attendees disclose any potential conflicts of interest that may arise or be identified.

Whenever a conflict of interest is identified or reported, the specific personnel is recused from the process that is undertaken to ensure transparency and fairness.

8. Code of Conduct

The organisation has established the Code of Conduct Policy (the Code) that applies to the Council, all employees, and service providers. To enhance awareness, regular training sessions on the Code are conducted to familiarise and re-familiarise all involved parties with its content.

The Code emphasises the following values that must be upheld by all:

- Honesty and Integrity
- Respect
- Commitment
- Professionalism
- Equity
- Openness

In respect of a breach of the Code, consequence management processes are implemented accordingly, depending on the extent of the breach.

9. Health, Safety and Environmental Issues

The Occupational Health and Safety Act, Act 85 of 1993, along with its related regulations, delineates the rights and obligations of both employees and employers in the workplace. In accordance with the Act, Freedom Park is dedicated to creating and sustaining, to the extent that is reasonably achievable, a safe working environment that is free from health hazards for its employees. To achieve this goal, the organisation has ensured that the workplace is free from dangerous substances and equipment that could lead to injury, damage, or illness. Additionally, the institution has implemented measures to educate employees about potential risks, prevention methods, and safe working practices, while also providing protective measures to foster a secure work environment.

In order to further strengthen the dedication to occupational health and safety, the organisation has equipped staff with extensive training in various areas, including first aid response, basic firefighting, emergency evacuation, and SHE (Safety, Health and Environment) representation. All staff members who have undergone training have been officially designated as Health and Safety Representatives and will participate in the Health and Safety Committee, which is being formed to guarantee ongoing compliance and continuous enhancement of health, safety, and environmental standards.

The Council has approved the Occupational Health Policy, thereby ensuring adherence to all health, safety, and environmental regulations.

As a consequence of these proactive initiatives, the organisation has witnessed a minimal number of incidents involving both staff and visitors, especially during events held on the premises. There were no major incidents during the period under review that warranted reporting.

10. Company Secretary

The Company Secretary plays a crucial position in facilitating the effectiveness of the Council and its Committees, as well as in promoting sound corporate governance practices. Assisting the Council to adhere to set procedures and providing guidance on governance issues is also central to the Company Secretary's role.

In collaboration with the Council Chairperson, the Company Secretary manages the induction process and the performance assessment of the Council and its Committees.

All members of the Council have access to the advice and services of the Company Secretary in the pursuit and execution of their responsibilities. Additionally, the Company Secretary also assists in securing access to external independent professional advice at the Council's expense, when necessary.

The Company Secretary is responsible for coordinating the following activities on behalf of the Council:

- Advising Council Members on the proper execution of their roles and responsibilities in alignment with the best interests of the entity;
- Staying updated on and informing the Council about current and emerging trends in corporate governance practices;
- Maintaining statutory records in compliance with legal obligations;
- Ensuring the efficient operation of all Council activities;
- Overseeing the annual schedule and compliance calendar;
- Offering comprehensive administrative support and maintaining records of all meeting proceedings; and
- Guaranteeing that the Council reviews and approves all quarterly and annual performance reports, quarterly and annual financial results, five-year strategic plans, mid-term expenditure framework, and the annual report.

In conclusion, the Company Secretary executes all these functions in accordance with the PFMA and also references the King IV Report on Corporate Governance Principles.

11. Social Responsibility

Freedom Park remains committed to advancing its mandate of nation-building and reconciliation through meaningful community outreach and social responsibility initiatives. During the year under review, the institution extended its reach to vulnerable communities, learners, and the broader public by investing in programmes that preserve memory, promote inclusivity, and widen access to heritage resources.

As part of its community support efforts, the organisation donated 25 blankets to the Tembisa Child Welfare Society and an additional 25 blankets to the Soweto community. These gestures, though modest, reflected the organisation's enduring values of solidarity and compassion.

Education and youth development continued to anchor the organisation's outreach programme. One hundred and thirty (130) schools across the Free State, KwaZulu-Natal, Mpumalanga, and the North-West provinces were visited, reaching 2,440 learners. These engagements offered learners the opportunity to deepen their understanding of South Africa's history, heritage, and the meaning of freedom.

Through its Corporate Social Investment (CSI) programme, the organisation ensured that over 800 learners were admitted for tours on a fully complimentary or discounted basis, thereby removing barriers to access for disadvantaged schools and communities.

Freedom Park also ensured national visibility through product exhibitions and information dissemination during key national holiday celebrations. The institution participated in commemorations of Youth Day, Women's Day, Heritage Day, and Reconciliation Day, creating platforms for dialogue, awareness, and cultural exchange.

Collectively, these initiatives not only highlight Freedom Park's commitment to social responsibility but also reinforce its role as a living monument that belongs to all South Africans. Through a combination of heritage education and community upliftment, the organisation continues to make a tangible contribution to building a socially cohesive and inclusive society.

12. Portfolio Committees

As a National Public Entity of the Department of Sport, Arts and Culture, Freedom Park also accounts to the Parliamentary Portfolio Committee on Sport, Arts and Culture. The Committee's role is to:

- Consider Bills;
- Monitor the department's budget; and
- Oversee the work of the Department of Sport, Arts and Culture, as well as enquire and make recommendations about any aspect of the department, including its structure, functioning and policy.

The entity attended one Committee meeting, which was held on 19 November 2024.

13. Standing Committee on Public Accounts (SCOPA) Resolutions

The organisation did not appear before the Parliamentary SCOPA during the period under review.

14. Prior Modifications to Audit Reports

The following modifications were made:

NATURE OF QUALIFICATION, DISCLAIMER, ADVERSE OPINION AND MATTERS OF NON- COMPLIANCE	FINANCIAL YEAR IN WHICH IT FIRST AROSE	PROGRESS MADE IN CLEARING / RESOLVING THE MATTER*
Annual Financial Statements submitted for audit were not compliant with the requirements of GRAP, as material findings were raised by the AGSA, which management then agreed to adjust, resulting in an unqualified audit opinion.	2022/2023	The achievement of an unqualified audit opinion in the year under review represents a significant improvement in resolving audit matters from the two preceding financial periods of 2022/23 and 2023/24, where the audit outcomes were qualified audit opinions.

15. Internal Control Unit

Key Responsibilities

The Internal Control Unit (ICU) is responsible for ensuring that Freedom Park maintains a sound internal control environment that promotes compliance with applicable laws, regulations, and governance frameworks. The unit's mandate includes:

- Reviewing and monitoring the effectiveness of internal control systems.
- Coordinating and facilitating internal control assessments.
- Ensuring compliance with policies, procedures, and PFMA requirements.
- Tracking internal and external audit findings to ensure timely resolution.
- Supporting management in strengthening internal controls to mitigate identified risks.

Achievements – 2024/25

The Internal Control Unit achieved the following:

- Policy Compliance Reviews: Conducted quarterly compliance reviews to ensure adherence to institutional policies, Standard Operating Procedures, and relevant legislation.
- Audit Findings Management: Coordinated the implementation of management action plans to address both internal and external audit findings, leading to a reduction in repeat audit findings compared to the prior year.
- Control Environment Strengthening: Provided recommendations to management for enhancing internal controls in high-risk areas such as procurement, asset management, and performance information reporting.
- Capacity Building: Facilitated awareness sessions for staff on internal control requirements and compliance expectations, contributing to a strengthened control culture.
- Integration with Risk Management: Worked closely with the Risk Management Unit to ensure that control activities directly supported the mitigation of identified risks in the Strategic, Operational, and Fraud Risk Registers.

These achievements contributed to improved governance, accountability, and operational efficiency; supporting the overall achievement of Freedom Park's strategic objectives.

16. Audit and Risk Committee and Internal Audit Unit

The Audit and Risk Committee (the Committee) is directly accountable to the Accounting Authority. The role of the Committee is to provide independent assurance and assistance to the Accounting Authority on control, governance and risk management. The Committee does not replace established management responsibilities and delegations. Instead, it provides the Accounting Authority with prompt and constructive reports on its findings, especially when issues are identified that could present a material risk to the organisation.

In discharging its responsibilities, the Committee has the authority to:

- Conduct or authorise investigations into any matters within its scope of responsibility;
- Access information, records and personnel as it requires to fulfill its responsibilities;
- Request the attendance of any executive or employee, at Committee meetings;
- Conduct meetings with External Auditors (Auditor-General) and Internal Auditors whenever necessary;
- Obtain advice from external parties whenever necessary;
- Resolve any disagreements between management and the auditor regarding financial reporting; and
- Pre-approve all auditing and non-audit services.

During the 2024/25 financial year, the Internal Audit Unit actively engaged in several critical reviews and audits aimed at strengthening the organisation's governance, risk management and internal controls. The key areas of focus included:

Audit of Predetermined Objectives (AOPO)

The Unit conducted comprehensive audits for all four quarters to assess the effectiveness of controls related to predetermined objectives. This included verifying the accuracy and completeness of reported performance information against the set targets, ensuring compliance with relevant regulations and identifying areas for improvement.

Review of Internal Financial Controls

An in-depth review of internal financial controls was carried out to evaluate the adequacy and effectiveness of financial management processes. The review focused on safeguarding assets, ensuring the accuracy of financial records, and enhancing the overall financial integrity of the organisation.

Supply Chain Management (SCM) Review

The SCM review was undertaken to assess compliance with procurement regulations and to evaluate the effectiveness of the internal controls governing the procurement process. This review was essential in identifying potential risks and ensuring that the SCM processes were transparent, fair, and aligned with best practices.

Risk Management Review

A thorough review of the organisation's risk management processes was conducted to ensure that risks were properly identified, assessed, and managed. This review also included evaluating the effectiveness of existing risk mitigation strategies and recommending improvements where necessary.

Follow-up on Internal and External Audit Findings

A follow-up review was conducted to track the implementation of recommendations from both internal and external audit findings. This review ensured that corrective actions were taken in a timely and effective manner to address identified issues and mitigate risks.

Annual Financial Statements (AFS) Review

The Internal Audit Unit also reviewed the Annual Financial Statements (AFS) to ensure accuracy, completeness, and compliance with applicable financial reporting standards. This review played a crucial role in supporting the preparation of reliable financial statements for the organisation.

The following Audit and Risk Committees served the organisation during the period under review:

01 April 2024 to 31 October 2024

NAME	INTERNAL OR EXTERNAL MEMBER	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED (END OF TERM)	NO. OF MEETINGS ATTENDED
Mrs MG Rammbwa	External	External	1 September 2021	31 October 2024	8
Ms Z Hlatshwayo	External	External	1 September 2021	31 October 2024	8
Mr M Tsedu	External	External	1 September 2021	31 October 2024	8
Ms S Mothapo	External	External	1 September 2021	31 October 2024	8
Adv N Bleki	External	External	1 September 2021	31 October 2024	8

01 November 2024 to 31 March 2025

NAME	INTERNAL OR EXTERNAL MEMBER	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED	NO. OF MEETINGS ATTENDED
Mr S Masemola	External	External	1 November 2024	Active Member	2
Mr Z Gordon	External	External	1 November 2024	Active Member	2
Adv C Naidoo	External	External	1 November 2024	Active Member	2

17. AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (ARC) is established in terms of Section 51 of the Public Finance Management Act (PFMA) and operates in accordance with its approved Audit and Risk Committee Charter. The Committee is accountable to the Council and Executive Authority for providing independent oversight of financial reporting, internal controls, risk management, governance processes, and compliance with applicable legislation. The Committee discharged its responsibilities by holding quarterly meetings and engaging regularly with management, internal audit, and external auditors.

The Committee's operations are guided by the Audit and Risk Terms of Reference, which outline aspects such as membership, authority and key responsibilities.

Audit and Risk Committee Responsibility

The Audit and Risk Committee (the Committee) of the organisation is responsible for overseeing the protection of assets, ensuring the implementation of effective systems and control processes, and preparing financial reports and statements. These activities are carried out in accordance with all relevant legal requirements and accounting standards as prescribed in the PFMA.

The Committee fulfilled its duties under Section 51(1)(a)(ii) and 76(4)(d) of the PFMA and Treasury Regulation 27.1 (Treasury Regulations for departments, trading entities, constitutional institutions and public entities – March 2005). It also adopted appropriate formal terms of reference, and the Audit Committee Charter governed its activities, ensuring that all responsibilities were met.

The Effectiveness of Internal Controls

The Committee reviewed reports from management, the Internal Control Unit, and Internal Audit throughout the year. Internal controls over financial reporting, performance information, and compliance were largely effective, with improvements made in procurement processes, asset management, and record keeping. Continuous monitoring and corrective measures reduced repeat audit findings, although further strengthening is required in supply chain management and contract management.

Internal Audit Work Completed

Internal Audit operated in terms of an approved Annual Operational Plan, focusing on high-risk areas identified in the risk registers. During 2024/25, Internal Audit completed reviews covering:

- Supply chain management and procurement processes;
- Performance information reporting;
- Human resources and payroll;
- Financial controls, including revenue and expenditure management; and
- Follow-up audits on prior-year findings.

The Committee was satisfied that the Internal Audit function operated independently and provided assurance on the adequacy and effectiveness of controls.

"Based on the work of Internal Audit, reports from management, and the Auditor-General's Report, the Audit and Risk Committee concludes that Freedom Park maintained an adequate and effective system of internal controls and governance during the 2024/25 financial year."

Areas of Concern

The Committee noted the following areas requiring continued management attention:

- Delays in implementing corrective measures in certain audit findings, particularly in Finance
- Dependence on manual processes in some functions, which increases the risk of error and inefficiency;
- The need for enhanced monitoring of project management and maintenance planning to prevent cost overruns; and
- Strengthening compliance monitoring to sustain a clean audit trajectory.

In-Year Management and Monthly/Quarterly Reporting

The Committee reviewed monthly and quarterly financial and performance reports submitted to the Department of Sport, Arts and Culture. These reports complied with the PFMA and Treasury Regulations, enabling effective monitoring of institutional performance. The Committee emphasised the importance of accurate, reliable, and timely reporting to support informed decision-making and noted improvement in management's responsiveness to reporting requirements.

Evaluation of Financial Statements

The Committee reviewed the Annual Financial Statements prepared for the year ended 31 March 2025, together with the reports of Internal Audit and the Auditor-General. The Committee is satisfied that the financial statements fairly present the financial position, results of operations, and cash flows of Freedom Park in line with Generally Recognised Accounting Practice (GRAP) and the PFMA.

Auditor's Report

The Committee considered the Auditor-General's Report for 2024/25. The external audit confirmed that Freedom Park had made progress in strengthening its internal control environment and improving compliance. While areas for improvement were noted, no material findings were raised, compromising the integrity of the financial statements.

Overall Conclusion

Based on the work of Internal Audit, reports from management, and the Auditor-General's Report, the Audit and Risk Committee concludes that Freedom Park maintained an adequate and effective system of internal controls and governance during the 2024/25 financial year. The Committee acknowledges management's efforts in implementing corrective actions and recommends continued focus on strengthening SCM controls, compliance monitoring, and automation of processes.

The Committee expresses its appreciation to the Council, management, staff, Internal Audit, and the Auditor-General for their cooperation and commitment to good governance.

Mr Sepheu Tau Masemola
Chairperson of the Audit Committee
31 August 2025

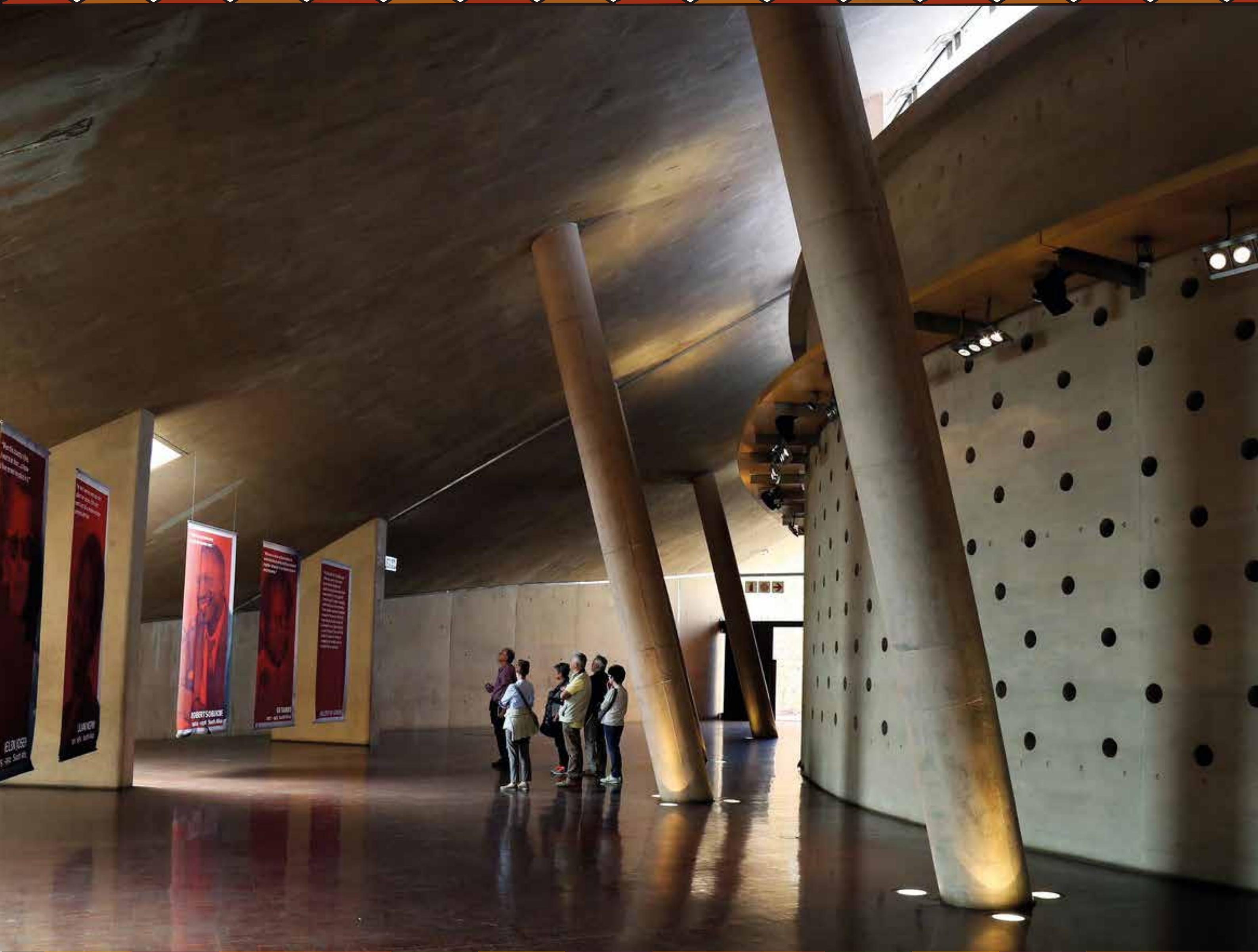
18. BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) Compliance Performance Information

The following table has been completed in accordance with the B-BBEE requirements as required by the B-BBEE Act, Act 46 of 2013, and as determined by the Department of Trade, Industry and Competition.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regard to the following?		
CRITERIA	**RESPONSE YES / NO**	**DISCUSSION**
Determining qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	**N/A**	There were no licenses, concessions or other authorisations issued in the year under review.
Developing and implementing a preferential procurement policy?	**Yes**	N/A
Determining qualification criteria for the sale of state-owned enterprises?	**N/A**	There was no sale of a state-owned enterprise.
Developing criteria for entering into partnerships with the private sector?	**Yes**	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	**N/A**	No incentives, grants and investment schemes were awarded by the entity.

PART D

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

1.1. Overview of Human Resource Management Matters

The Human Resources (HR) division is a component of the Corporate Services Department. The division provides strategic support to all departments by supporting line managers in achieving operational excellence and enhancing human capital capabilities and potential through:

- Sourcing and recruiting, screening job applicants, and training employees for performance improvement and development.
- Managing employee compensation, benefits, recognition, and rewards.
- Concentrating on the active advancement and enhancement of an organisation's workforce with the long-term objective of organisational improvement.
- Staying informed about laws and legislation that may impact the organisation and its employees.

1.2. HR Division's Priorities for the Year Under Review

The division focused on three (3) key priorities, which were:

- Addressing shortcomings in the leave system. The issues primarily involved challenges in generating employee leave reports, annual leave that could not be balanced, and excessive sick leave for certain employees. An external consultant was engaged to address these challenges, which were subsequently resolved and audited by both internal and external auditors.
- Reviewing the employee grading system. Although this could not be addressed during the review period, initial processes were initiated for intervention, and updates will be provided in the 2025/26 Annual Report.
- Conducting the Skills Audit as commissioned by the Council. The processes were initiated; however, the financial year ended before the audit could be finalised. The findings will be included in the 2025/26 Annual Report.

Two of the priorities will be concluded during the 2025/26 financial year.

1.3. Workforce Planning Framework and Key Strategies to Attract and Recruit a Skilled and Capable Workforce

Freedom Park ensures that it places the right individuals in appropriate roles, equipped with the necessary skills, to achieve the immediate, medium-, and long-term goals of the organisation. Job vacancies are advertised in the mainstream media, and a panel of experts in the relevant field conducts the shortlisting process. For specialised and senior roles, reference checks and psychometric evaluations are carried out to ensure suitability.

To maintain continuity and enhance the performance of its workforce, the organisation provides educational assistance to all employees enrolled with accredited education institutions, enabling them to improve their skills in alignment with the organisation's objectives. Seven (7) employees were granted study assistance packages to pursue qualifications ranging from diplomas to doctoral degrees. Recipients of these bursaries are required to sign agreements committing to remain with the organisation for a duration equivalent to the assistance received. Should a recipient wish to be released from this commitment, they are obligated to repay the funds.

1.4. Employee Performance Management Framework

Performance reviews are conducted twice a year, during October and April by line managers or immediate supervisors. Additionally, performance reviews for Heads of Departments (HODs) and the CEO are also performed bi-annually by members of the Human Resources and Remuneration Committee.

In order to facilitate the effective implementation of the Performance Management System, a Performance Review Committee will be formed with the purpose of reviewing the annual performance evaluation report for the organisation.

1.5. Employee Wellness Programmes

Programmes designed to enhance the relationship between employers and employees represent a significant objective for the HR division. The organisation is dedicated to fostering a nurturing and supportive workplace that encourages employee productivity and overall wellbeing. The division oversees an Employee Assistance Programme, which is contracted to an external professional firm that employs mental health specialists.

A 24-hour helpline is available to provide employees with psychosocial counselling services, life management assistance, managerial support, and musculoskeletal health management. The HR division frequently invites mental health professionals to speak to the staff. Additionally, the division organises an Employee Wellness Day in the final month of the financial year.

1.6. Policy Development

Four (4) HR policies and procedures were reviewed and approved by the Council during the period under review. These were:

- Acting Appointment Policy
- Independent Contractors Policy (new)
- Overtime Policy
- Salary Advance Policy
- Service Awards Policy
- Work From Home Policy

The division continued to host regular workshops for policy development, ensuring compliance with applicable legislation and operational needs. Workshops are organised and conducted quarterly with employees as part of the policy review process to gather employee feedback.

1.7. Highlights

The highlight for the division was the absence of any audit findings concerning HR issues. Additionally, there was no instability in the workplace.

1.8. Challenges Faced by Freedom Park

There were no major challenges for the division.

1.9. Future HR Plans / Goals

The following key HR priorities will be initiated to establish a foundation for Freedom Park to fulfil its strategic goals:

- Training and Development Programmes aimed at equipping staff with a variety of skills necessary for the organisation.
- Enhancing the Employee Wellness Programme by creating innovative yet cost-effective initiatives to boost workplace satisfaction.
- Establishing career ladders and succession planning.
- Creating and launching Talent Management Programmes to identify critical gaps between existing talent and the organisation's vision and mission.
- Designing and executing programmes to cultivate a high-performance culture.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1. PERSONNEL RELATED EXPENDITURE

Personnel Cost by programme/activity/objective

PROGRAMME/ACTIVITY/OBJECTIVE	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXP. AS A % OF TOTAL EXP. (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Administration	61 407	36,340	59,18%	40	909
Business Development	61 407	23,753	38,68%	22	1 080
Public Engagement	61 407	1,314	2,13%	19	69

Personnel cost by salary band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top Management	2 574	4%	1	2 574
Senior Management	6 019	10%	3	2 006
Professionally qualified	27 559	45%	22	1 253
Skilled	13 986	22%	21	666
Semi-skilled	7 836	13%	22	356
Unskilled	3 433	6%	12	286
TOTAL	**61 407**	**100%**	**81**	

Performance Rewards

LEVEL	PERFORMANCE REWARDS R'000	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST (R'000)
Top Management	0	2 574	0%
Senior Management	0	6 019	0%
Professionally qualified	0	27 559	0%
Skilled	0	13 986	0%
Semi-skilled	0	7 836	0%
Unskilled	0	3 433	0%
TOTAL	**0**	**61 407**	**0%**

Training Costs

OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG TRAINING COST PER EMPLOYEE (R'000)
Human Resources	Nil	724 220	-	31	23 362

Note: A total of 31 employees participated in different training programmes. This included seven employees who were granted study assistance for formal education, as detailed in sub-section 1.3 on page 51.

Employment and Vacancies

LEVEL	2023/24 NO. OF EMPLOYEES	2024/25 APPROVED POSTS	2024/25 NO. OF EMPLOYEES	2024/25 VACANCIES	% OF VACANCIES
Top Management	1	1	1	0	0%
Senior Management	4	4	3	2	0,07%
Professionally qualified	31	25	22	3	0,5%
Skilled	24	27	21	5	0,36%
Semi-skilled	22	23	22	1	0,07%
Unskilled	8	12	12	0	0%
TOTAL	**90**	**92**	**81**	**11**	**1%**

Explanations: A Senior Management vacancy existed due to one (1) staff member resigning. No one internally could be identified to fill the position, and the vacancy is not yet filled. Professionally qualified positions became vacant due to resignations and the moratorium from Council.

Employment Changes

The senior position remains vacant due to one (1) staff member's resignation. One (1) Professional and Skilled position became vacant due to resignation.

SALARY BAND	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF THE PERIOD
Top Management	1	0	0	1
Senior Management	3	1	1	3
Professionally qualified	20	5	4	21
Skilled	21	4	4	21
Semi-skilled	22	2	1	23
Unskilled	12	0	0	12
Total	**84**	**12**	**10**	**81**

Reasons for Staff Leaving

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	1	10%
Resignation	4	40%
Dismissal	2	20%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	3	30%
Total	**10**	

Explanations: Many staff members left the organisation due to resignations, retirements, and the ending of their contracts. Initiatives to fill the vacancies were on hold due to the moratorium that the Council initiated in November 2024, which aimed to ensure the staff complement was aligned with the Strategic Plan for 2025–2030.

Labour Relations: Misconduct and Disciplinary Action

REASON	NUMBER
Verbal Warning	0
Written Warning	2
Final Written Warning	2
Dismissal	2

Equity Target and Employment Equity Status

The organisation's demographics are as per the tables below. The main challenge is related to the ability to attract persons with disabilities. Interventions in this regard include outreach liaison with institutions that work with skilled disabled persons.

At the end of the year under review, the staff establishment was as follows:

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	0	0	0	0
Professionally qualified	11	0	1	0	0	0	0	0
Skilled	4	0	0	0	1	0	0	0
Semi-skilled	9	0	1	0	0	0	0	0
Unskilled	5	0	0	0	0	0	0	0
TOTAL	**31**	**0**	**2**	**0**	**1**	**0**	**0**	**0**

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0
Professionally qualified	9	0	0	0	1	0	0	0
Skilled	14	0	1	0	0	0	1	0
Semi-skilled	11	0	0	0	0	0	1	0
Unskilled	7	0	0	0	0	0	0	0
TOTAL	43	0	1	0	1	0	2	0

LEVEL	DISABLED STAFF			
	AFRICAN		COLOURED	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professionally qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	0	0	0	0

PART E

PFMA COMPLIANCE REPORT

1.1. Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	-	6 507
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	3 883	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	6 507
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	**3 883**	**-**

During the year under review, irregular expenditure of R3,9 million was incurred, arising from overspending against the 2024/25 allocation. The overspend related to unplanned and unfunded but critical activities required to deliver on strategic priorities and was fully funded from available cash resources. To prevent recurrence, we have strengthened in-year budgeting and commitment controls, improved forecasting, and will route any future urgent needs through timely adjustment and approval processes.

Reconciling Notes

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure that was under assessment	-	6 507
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	3 883	-
Total	**3 883**	**6 507**

b) Details of Irregular Expenditure (Under Assessment, Determination, And Investigation)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure under assessment	3 883	6 507
Irregular expenditure under determination		-
Irregular expenditure under investigation		-
Total	**3 883**	**6 507**

c) Details of Irregular Expenditure (Condoned)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure condoned	-	-
Total	**-**	**-**

d) Details of Irregular Expenditure Removed (not condoned)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure NOT condoned and removed	-	6 507
Total	**-**	**6 507**

e) Details of Irregular Expenditure Recoverable

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure recoverable	-	-
Total	**-**	**-**

f) Details of Current and Previous Year Irregular Expenditure Written Off (irrecoverable)

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional Disclosure Relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description	2024/25 R'000	2023/24 R'000
N/A	-	-
Total	**-**	**-**

h) Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2024/25 R'000	2023/24 R'000
N/A	-	-
Total	**-**	**-**

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Description
Reported Irregular Expenditure is under assessment

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	1 304	1 304
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	**1 304**	**1 304**

There was no Fruitless and Wasteful Expenditure for the year under review.

Reconciling Notes

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

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	**-**	**-**

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	**-**	**-**

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure written off	-	-
Total	**-**	**-**

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

Description
There was no fruitless and wasteful expenditure for the year under review

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

a) Details of material losses through criminal conduct

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

b) Details of other material losses

Nature of other material losses	2024/25 R'000	2023/24 R'000
N/A	-	-
Total	**-**	**-**

c) Other material losses recoverable

Nature of losses	2024/25 R'000	2023/24 R'000
N/A	-	-
Total	**-**	**-**

d) Other material losses not recoverable and written off

Nature of losses	2024/25 R'000	2023/24 R'000
N/A	-	-
Total	**-**	**-**

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	2024/25 R'000	2023/24 R'000
Valid invoices received	1 337	71 108
Invoices paid within 30 days or agreed period	1 333	67 620
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	**4**	**434**

There was no late payment of valid supplier invoices for the year under review.

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000
Booking of an advert on Aspire magazine for 30 Years of Democracy	Pent Communication (Pty) Ltd	Sole Supplier	PO003681	29
Risk Management Solution Software Licence	Cura Software Solutions	Sole Supplier	PO003644	87
Placing of an advert on daily newspaper - Durban INDABA 2024 - from the 14 to the 16 May	Sola Media	Sole Supplier	PO003633	15
Procurement of Audio Recording for an exhibition in CUBA	SABC	Single Source Supplier	PO0003693	69
Collection and content management software license	Vernon System Van Son Business Development	Sole Supplier	PO00003712	46
E- workflow software license	4Sight Africa Pty (Ltd	Single Source Supplier	PO0003728	275
702 Walk the Talk event (Marketing Collateral - T-shirts)	Primedia Broadcasting	Single Source supplier	Appointment letter	402
702 Walk the Talk event (Marketing Collateral - Branding Material)	Vavasati	Brand Logistics	Appointment letter	176
Repairs and maintenance of PABX	Alron Krabuna (Pty) Ltd	Single Source	PO0003793	20
Procurement of an advert in the Black Business Quarterly (BBQ)	Kaqala Media	Single Source	PO0003805	50
Project to host the 100 Years Inkaba Legends Public Lecture in KwaLanga Cape Town, on 6 December 2024	Sinakho Leadership Support and Skills Development Centre	Single Source	Appointment letter	162
Repairs of Liliesleaf exhibition equipment	Sonic Factory	Sole Supplier	PO0003835	55
Procurement of additional alcoves for two leaders at the Gallery of Leaders	Visual Training Production	Single Source Supplier	PO0003824	5
Total				**R1 391**

3.2. Contract variations and expansions

PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL CONTRACT VALUE R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S OR VARIATION/S R'000	VALUE OF CURRENT CONTRACT EXPANSION OR VARIATION R'000
Shopfit for the 700m Permanent Exhibition at the Gallery of Leaders	DV8	Extension	FP 18/2021HK	5 441	-	-
Audio-visual, lighting, electrical and software for the 700m permanent exhibition at the Gallery of Leaders	DV8	Extension	FP 19/2021 HK	7 804	-	-
Professional team responsible for the installation of 700-meter square permanent exhibition space at the Gallery of Leaders	SRSQS	Extension	PO000003454	444	-	-
Procurement of Uniforms	Image Makers	Variation	PO000003533	231	39	269
Provision of travel management services for 3 years	Atlantis Corporate Travel	Expansion	FP 15/2021 FN	Travel Rates	-	-
Provision of travel management services for 3 years	Hamba Umhlaba Corporate Travel	Variation	FP 15/2021 FN	Travel Rates	-	-
Gift shop operator	Mudau Picture Frame	Expansion	FP14/2021 PO	Venue Rentals	-	-
Construction of the pathway (Uitspan plek)	Mzanzi Group Pty (Ltd)	Expansion	FP 03/2023PO	764	-	-
Imbeu Development and Project Management Pty Ltd	IMBEWU	Expansion	PO0000018139	419	-	-
Appointment of a service provider for the inscription of names (Wall of Names)	Conclave JV	Expansion	Appointment letter	432	64	497
Provision of travel management services for 3 years	Atlantis Corporate Travel	Expansion	FP 15/2021 FN	Travel Rates	-	-
Provision of travel management services for 3 years	Hamba Umhlaba Corporate Travel	Variation	FP 15/2021 FN	Travel Rates	-	-
Leasing of Golf Carts	Boundless Trade 154/t/a EZGO	Expansion	PO000002372	14	-	-
Supply of Diesel for the Generators	Brians Petroleum	Expansion	PO000003568	691	-	-
Rental of the Gift Shop	Mudau Picture Frame t/a Frame Fun	Expansion	FP 14/2021 PO	Rental Fee	-	-
Total					**103**	**766**

PART F

FINANCIAL INFORMATION

Freedom PARK

a heritage destination

an agency of the

Department of Sport, Arts and Culture

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to Parliament on the Freedom Park

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Freedom Park set out on pages 73 to 112, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Freedom Park as at 31 March 2025 and financial performance and cash flow for the year then ended in accordance with the Standards of Generally Recognised Accounting Practise (GRAP) and the requirements of the Public Finance Management Act of 1999 (PFMA).

Basis for opinion

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

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the standard of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 70 of the annexure to the auditor's report, forms part of my auditor's report.

Report on the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

11. I selected the following material performance indicators related to programme 2: business development presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

    - Number of cultural resources digitized
    - Number of cultural resources acquired
    - Number of cultural resources processed
    - Number of books acquired
    - Number of names of heroes and heroines inscribed on the Wall of Names
    - Number of temporary exhibitions developed / displayed in hapo
    - Annual Day of Reflection on the Resistance and Liberation Heritage (RLH) conducted
    - Number of commemoration of heroes and heroines (RLH) programmes conducted
    - Number of education programmes' support materials published
    - Annual heritage education event conducted
    - Annual storytelling event conducted
    - Number of names of heroes and heroines verified and validated by the Names Verification Committee (NVC)
    - Number of completed research papers / articles
    - Number of Interfaith and strategic programmes conducted

12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:

    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
    - the reported performance information is presented in the annual performance report in the prescribed manner
    - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected indicators.

Other matters

16. I draw attention to the matters below.

Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.
18. The table that follows provides information on the achievement of planned targets and lists the key indicator that was not achieved as reported in the annual performance report. The reasons for any underachievement of target are included in the annual performance report on pages 17 to 29.

Targets achieved: 94% **Budget spent 100%**		
Key indicator not achieved	**Planned target**	**Reported achievement**
Number of cultural resources processed	3 300	2 368

Material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: business development. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
21. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
22. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity's, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
23. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial Statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1) (b) of the PFMA.
25. Material misstatements of revenue from exchange transactions, operating leases commitments, statement of changes in net assets, statement of comparison of budget and actual amounts, financial instruments, risk management, depreciation and irregular expenditure identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information in the annual report

26. The accounting authority is responsible for the other information included in the annual report The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.

27. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

28. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

29. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

31. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.

32. Inadequate review and monitoring of compliance with applicable legislation by management

33. Management did not implement adequate review processes to ensure preparation of regular, accurate and complete financial reports that are supported and evidenced by reliable information

Auditor-General

Pretoria
31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

Financial statements

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;
- conclude on the appropriateness of the 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 public entity 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; and
- 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

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.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

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

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

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

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

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

The accounting authority have reviewed the entity's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the Department of Sport, Arts and Culture for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The annual financial statements set out on page 73, which have been prepared on the going concern basis, were approved by the accounting authority on 29 May 2025 and were signed on its behalf by:

Ms Charnie-Lee Adams-Kruger
Chairperson of the Council
Date: 31 August 2025

STATEMENT OF FINANCIAL POSITION

for the year ended 31 MARCH 2025

Figures in Rand	Notes	2025	2024 Restated*
Assets			
Current Assets			
Inventories	3	129 601	130 785
Receivables from exchange transactions	4	5 726 212	2 928 111
Cash and cash equivalents	5	21 153 729	36 595 332
		27 009 542	**39 654 228**
Non-Current Assets			
Property, plant and equipment	6	643 933 919	646 766 920
Intangible assets	7	14 301 641	14 507 446
Heritage assets	8	8 017 201	8 298 391
		666 252 761	**669 572 757**
Total Assets		**693 262 303**	**709 226 985**
Liabilities			
Current Liabilities			
Operating lease liability	9	523 414	467 335
Payables from exchange transactions	10	7 534 336	3 684 284
Unspent conditional grants and receipts	11	18 391 105	31 724 714
Provisions	12	2 720 905	2 163 125
Other liability		-	4 455
		29 169 760	**38 043 913**
Non-Current Liabilities			
Operating lease liability	9	5 631 644 622	5 385 326 116
Total Liabilities		5 660 814 382	5 423 370 029
Net Assets		**(4 967 552 079)**	**(4 714 143 044)**
Reserves			
Revaluation reserve		2 843 791	3 124 981
Accumulated surplus		(4 970 395 870)	(4 717 268 025)
Total Net Assets		**(4 967 552 079)**	**(4 714 143 044)**

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 MARCH 2025

Figures in Rand	Notes	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Admission fees	13	1 249 528	1 183 524
Venue hire and related services	14	8 691 558	761 428
Other income	15	867 260	367 939
Interest received - investment	16	1 043 121	5 970 538
Total revenue from exchange transactions		11 851 467	8 283 429
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	17	124 306 609	128 358 145
Public contributions and donations	18	20 800	132 345
Total revenue from non-exchange transactions		**124 327 409**	**128 490 490**
Total revenue	34	**136 178 876**	**136 773 919**
Expenditure			
Employee related costs	19	(61 406 525)	(58 948 011)
Depreciation and amortisation	35	(16 050 584)	(15 607 134)
Impairment loss		-	77 968
Lease rentals on operating lease	20	(247 005 846)	(247 630 416)
Loss on disposal of assets and liabilities		(268 137)	(4 068 496)
General Expenses	22	(64 575 629)	(58 194 181)
Total expenditure		**(389 306 721)**	**(384 370 270)**
Deficit for the year		**(253 127 845)**	**(247 596 351)**

The accounting policies on pages 78 to 93 and the notes on pages 94 to 112 form an integral part of the annual financial statements.

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 MARCH 2025

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	3 124 981	(4 644 890 785)	(4 641 765 804)
Adjustments			
Adjustments on Property plant and Equipment and Intangible assets	-	196 600 240	196 600 240
Balance at 01 April 2023 as restated*	**3 124 981**	**(4 448 290 545)**	**(4 445 165 564)**
Adjustments on Property plant and Equipment and Intangible assets	-	1 336 916	1 336 916
Surrendered surplus	-	(22 718 045)	(22 718 045)
Deficit for the year	-	(247 596 351)	(247 596 351)
Restated* Balance at 01 April 2024	**3 124 981**	**(4 717 268 025)**	**(4 714 143 044)**
Changes in net assets			
Deficit for the year	-	(253 127 845)	(253 127 845)
Devaluation of heritage assets	(281 190)	-	(281 190)
Total changes	(281 190)	(253 127 845)	(253 409 035)
Balance at 31 March 2025	**2 843 791**	**(4 970 395 870)**	**(4 967 552 079)**

CASH FLOW STATEMENT

for the year ended 31 MARCH 2025

Figures in Rand	Notes	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		7 880 616	1 986 228
Grants		110 973 000	105 340 000
Interest income		941 894	5 970 538
		119 795 510	**113 296 766**
Payments			
Employee costs		(60 057 394)	(58 995 144)
Suppliers		(61 899 806)	(72 808 622)
		(121 957 200)	(131 803 766)
Net cash flows from operating activities	23	**(2 161 690)**	**(18 507 000)**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(6 463 403)	(17 324 553)
Assets under construction	6	(6 646 510)	-
Purchase of other intangible assets	7	(170 000)	(677 316)
Net cash flows from investing activities		**(13 279 913)**	**(18 001 869)**
Cash flows from financing activities			
Outflow of other liability		-	4 455
Grants reimbursed		-	(22 396 439)
Net cash flows from financing activities		**-**	**(22 391 984)**
Net increase/(decrease) in cash and cash equivalents		**(15 441 603)**	**(58 900 853)**
Cash and cash equivalents at the beginning of the year		36 595 332	95 496 185
Cash and cash equivalents at the end of the year	5	**21 153 729**	**36 595 332**

The accounting policies on pages 78 to 93 and the notes on pages 94 to 112 form an integral part of the annual financial statements.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 31 MARCH 2025

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Ref.
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sale of goods and services	1 826 000	-	**1 826 000**	10 741 379	**8 915 379**	30.1
Interest received - investment	500 000	-	**500 000**	1 043 121	**543 121**	30.2
Total revenue from exchange transactions	**2 326 000**	**-**	**2 326 000**	**11 784 500**	**9 458 500**	
Revenue from non-exchange transactions						
Transfer revenue						
Equitable share	104 973 000	-	**104 973 000**	104 973 000	**-**	
Liliesleaf	6 000 000	-	**6 000 000**	6 000 000	**-**	30.3
Public contributions	-	-	**-**	20 800	**20 800**	
Capital works infrastructure grant	9 314 747	-	**9 314 747**	13 333 609	**4 018 862**	30.4
Total revenue from non- exchange transactions	**120 287 747**	**-**	**120 287 747**	**124 327 409**	**4 039 662**	
Total revenue	**122 613 747**	**-**	**122 613 747**	**136 111 909**	**13 498 162**	
Expenditure						
Personnel	(63 246 459)	-	**(63 246 459)**	(61 406 525)	**1 839 934**	30.5
Remuneration of councillors	(2 620 127)	-	**(2 620 127)**	(1 577 420)	**1 042 707**	30.6
Communications, Consumables & IT expenses	(5 161 298)	-	**(5 161 298)**	(6 116 731)	**(955 433)**	30.7
Professional Services	(5 850 885)	-	**(5 850 885)**	(7 942 021)	**(2 091 136)**	30.8
Property and facility management	(14 986 681)	-	**(14 986 681)**	(7 886 223)	**7 100 458**	30.9
Repairs and maintenance	(8 192 972)	-	**(8 192 972)**	(5 897 092)	**2 295 880**	30.10
Other operating expenses	(9 658 113)	-	**(9 658 113)**	(10 669 989)	**(1 011 876)**	30.11
Strategic programmes	(7 562 303)	-	**(7 562 303)**	(24 486 153)	**(16 923 850)**	30.12
Operating lease	(820 123)	-	**(820 123)**	(733 238)	**86 885**	30.13
Total expenditure	**(118 098 961)**	**-**	**(118 098 961)**	**(126 715 392)**	**(8 616 431)**	
Operating surplus	**4 514 786**	**-**	**4 514 786**	**9 396 517**	**4 881 731**	
Capital expenditure programs	(4 514 786)	-	**(4 514 786)**	(13 279 913)	**(8 765 127)**	30.13
Deficit before taxation	**-**	**-**	**-**	**(3 883 396)**	**(3 883 396)**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**-**	**-**	**-**	**(3 883 396)**	**(3 883 396)**	

Refer to note 30 for narrative explanation of material differences.

SIGNIFICANT ACCOUNTING POLICIES

1. Presentation of the Financial Statements

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

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. The ability of the entity to continue as going concern is dependent on a number of factors. The most significant of these is the operating grant received from Department of Sport, Arts and Culture.

1.2 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.3 Significant judgements and sources of estimation uncertainty

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

Receivables

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

The impairment for trade receivables is calculated on a portfolio basis, 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.

Impairment testing

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

Value in use of cash-generating assets

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

Value in use of non-cash-generating assets

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 12 - Provisions.

Depreciation

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.” Freedom Park selected to start depreciating the asset in the month that the asset is available for use. The depreciation estimation was based on the costs of the item as determinable from source document, the period in years of useful life converted into months and the active months in the reporting period. When the asset is available for use, the depreciation is calculated on a monthly basis and not be apportioning for a part of the month.

Useful lives of property, plant and equipment and other assets

The entity's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment and other assets. This estimate involves a matter of judgement based on the experience of the entity with similar assets. The entity considers all facts and circumstances in estimating the useful lives of assets, which includes the consideration of financial, technical and other factors. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives and decrease the depreciation charge where useful lives are more than previously estimated useful lives

Effective interest rate

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

1.4 Property, plant and equipment

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

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

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

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

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

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

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

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

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated over their expected useful lives to their estimated residual value. The depreciation charge for each period is recognised in surplus or deficit.

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

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Artworks	Straight-line	10-30 years
Buildings	Straight-line	30-80 years
Furniture and fittings	Straight-line	7-15 years
Motor vehicles	Straight-line	7 years
Machinery and equipment	Straight-line	5-10 years
IT equipment	Straight-line	5-10 years
Library material	Straight-line	10 years
Infrastructure	Straight-line	5-80 years
Assets under construction	Straight-line	N/a

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

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

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

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 6).

1.5 Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

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

Intangible assets are initially measured at cost.

Intangible assets are subsequently carried at cost less any accumulated amortisation and any impairment losses. Amortisation is provided on a straight line basis over the expected useful lives of the intangible assets

The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless:

(a) there is a commitment by a third party to acquire the asset at the end of its useful life; or

(b) there is an active market for the asset and:

(i) residual value can be determined by reference to that market; and

(ii) it is probable that such a market will exist at the end of the asset's useful life.

Amortisation is provided to write down the intangible assets to their residual values. The amortisation charge for each period is recognised in surplus or deficit.

The useful lives of intangible assets have been assessed as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	1-20 years
Film and other	Straight-line	Indefinite

Intangible assets are derecognised:

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

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

1.6 Heritage assets

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

Recognition

Freedom Park recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity and where cost or fair value of the asset can be reliably measured. Freedom park will assess the degree of certainty attached to the flow of future service potential or economic benefits:

(a) If the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because of the need to analyse the proposed collection items to determine if they conform to the set collection criteria through evaluation and research.

(b) For recognition of heritage assets, the asset needs to be controlled by the entity as a result of past events. Such events may include: Purchase, donation, bequeath, loan or transfer.

(c) Particularly within the Natural History Collection, material is often retrieved in a fragmentary state – finding a completely articulated specimen is the exception rather than the rule. A great deal of knowledge is thus required to identify and systematise the collections.

(d) The research required to identify, analyse and classify heritage items is often a collaborative effort between local and international experts that span several months, even years. These items cannot be recognised in the financial statements, but will be recorded and controlled in the register. Relevant and useful information about them shall be disclosed in the notes to the financial statements.

Measurement

The value of assets has been determined using the fair value. Values have been assigned to the heritage assets, which are considered to be appreciating in value, and which values are to be reviewed from time to time. Wherever possible, the appraisers have adopted the discipline of 'Open Market' principles in determining value; however, values derived are largely determined by the skill and experience applied by the appraiser at the date of valuation.

Valuation of heritage assets

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

(i) Valuation Techniques

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

(Ii) Inability To Value

Where no value can be placed on an item, it will not be recognised, but information should be disclosed about such items and the reason why such items cannot be valued (GRAP 103.17). Where the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because it cannot be reliably measured, relevant and useful information about it shall be disclosed in the notes to the financial statements. These items are controlled in the asset register.

(iii) Valuing an entire collection

In determining the fair value of a collection, the entity has considered where appropriate, whether the entire collection has a higher value than the sum of the values of the individual items making up that collection.

Under such circumstances, the carrying value of the entire collection may need to be reassessed, when a group of individual heritage assets constitutes a collection. If items are removed from the collection, the value of the collection may also need to be reassessed (GRAP 103.45).

Impairment

At each reporting date, the entity assesses whether there is an indication that it may be impaired. If any such indication exists, the entity shall estimate the recoverable amount or the recoverable service amount of the heritage asset

Derecognition

The carrying amount of a heritage asset is de-recognised:

- on disposal, or
- when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the de-recognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is de-recognised

1.7 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

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

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets, are as follows:

When the present value of future cash flows exceeds carrying value of the assets

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating asset is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating asset is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an “optimised” basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.8 Financial instruments

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

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

A financial asset is:

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

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

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

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.

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

Initial recognition

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

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

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

Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at amortised cost.

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

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.

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

Financial assets measured at amortised cost:

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

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
    - recognise separately any rights and obligations created or retained in 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.

1.9 Leases

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

Operating leases - lessor

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

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

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Lease payments under an operating lease shall be recognised as an expense in the statement of financial performance on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the entity's benefit. Where the lease payments paid by the entity to the lessor during a financial year are less than the lease expense recognised as an expense in the statement of financial performance on straight line basis, the entity recognises the shortfall as a operating lease liability in that same period.

1.10 Inventories

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

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

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

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

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

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

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

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

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

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

1.11 Accumulated surplus/(deficit)

The accumulated surplus/(deficit) 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 credited / debited against accumulated surplus/(deficit) when retrospective adjustments are made.

1.12 Provisions and contingencies

A provision is a liability of uncertain timing or amount. Provisions are recognised when:

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

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

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

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

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

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

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

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

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

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is:

- a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

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

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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 25.

1.13 Commitments

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

Disclosures are required in respect of unrecognised contractual commitments which include future capital commitments relating to property, plant and equipment, investment property, intangible assets and heritage assets, as applicable, operational commitments, as well as future commitments relating to operating leases. Refer to note 24 - Commitments.

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

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

1.14 Revenue from exchange transactions

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

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

Measurement

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

Rendering of services

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

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

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

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

1.15 Revenue from non-exchange transactions

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

Recognition

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

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

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with 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.

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.

The government grants are monetary non-exchange transaction item. The fair value of the government grant is the consideration received

Gifts and donations, including goods in-kind

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

Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

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

1.16 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.17 Employee benefits Identification

Employee benefits

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

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

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

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

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

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Bonus, incentive and performance related payments

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

(a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and

(b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Recognition and measurement

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

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are be discounted using the discount rate as specified.

1.18 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. Upon investigation, if a person was found to be liable in law for the fruitless and wasteful expenditure that occurred, a receivable is recognised for the recovery of the monies, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Fruitless and wasteful expenditure is recorded in the Annual Financial Statements when it is either:

(i) under assessment, determination, and investigation;

(ii) transferred to receivables for recovery; or

(iii) written off if it is not recoverable.

A separate register is maintained for historical fruitless and wasteful expenditures incurred in previous reporting periods and not addressed.

1.19 Irregular expenditure

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

(a) this Act; or

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or

(c) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year-end and/or before finalisation of the financial statements, is recorded in the register and disclosed in the notes to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year-end, is recorded in the register and disclosed in the notes to the financial statements.

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

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority is recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account is created if such a person is liable in law. Immediate steps are thereafter taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The register is also updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto remains against the relevant programme/ expenditure item, disclosed as such in the notes to the financial statements and updated accordingly in the register

1.20 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 2024/04/01 to 2025/03/31.

1.21 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.

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.

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

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

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

1.22 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.

Figures in Rand

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

The following GRAP standards have been approved but not yet effective, have not been disclosed in AFS

1. GRAP 104 on Financial Instruments, the effective date of this revised standard will be 1 April 2025 and GRAP 1 (amended):

   The new standards were assessed and amended.

2. GRAP 22 Foreign currency transactions and advance consideration approved but not yet effective as at 31 May 2025

3. Inventories	2025	2024
Merchandise	129 601	130 785
Carrying value of inventories carried at fair value less costs to sell	-	-
Inventories recognised as an expense during the year	-	-

Inventory pledged as security

During the year no inventory was pledged as security

4. Receivables from exchange transactions

Trade debtors	3 956 092	921 509
Employee costs in advance	164 526	52 870
Prepayments	1 601 644	1 953 732
Other receivables	3 950	-
	5 726 212	**2 928 111**

Trade and other receivables pledged as security

During the year no trade and other receivables were pledged as security

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2025, 382 862 (31 March 2024: 65 503) were past due but not impaired.

The carrying amount of trade debtors comprise of the following:

Accounts receivables	4 372 254	997 012
3 months past due	(382 862)	(65 503)
	3 989 392	**931 509**

Figures in Rand

5. Cash and cash equivalents	2025	2024
Cash and cash equivalents consist of:		
Cash on hand	6 597	6 012
Bank balances	20 636 482	33 295 420
Short-term deposits	510 650	3 293 900
	21 153 729	**36 595 332**
Cash and cash equivalents held by the entity that are not available for use by the economic entity	-	-

6. Property, plant and equipment

	2025			2024		
	Cost / Valuation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Buildings	616 815 174	(121 024 534)	495 790 640	616 815 174	(112 790 124)	504 025 050
Furniture and fixtures	35 531 439	(26 804 225)	8 727 214	33 953 339	(24 739 050)	9 214 289
Motor vehicles	1 946 520	(787 183)	1 159 337	1 946 520	(509 109)	1 437 411
Machinery and equipment	16 482 802	(10 000 202)	6 482 600	16 207 637	(9 121 044)	7 086 593
IT equipment	14 471 396	(9 960 521)	4 510 875	13 633 420	(8 544 431)	5 088 989
Infrastructure	131 580 916	(30 288 325)	101 292 591	127 964 405	(27 630 074)	100 334 331
Artwork	8 261 509	(3 724 617)	4 536 892	8 261 509	(3 471 395)	4 790 114
Library material	1 428 829	(1 419 428)	9 401	1 273 176	(1 260 892)	12 284
Assets under construction	21 424 369	-	21 424 369	14 777 859	-	14 777 859
Total	**847 942 954**	**(204 009 035)**	**643 933 919**	**834 833 039**	**(188 066 119)**	**646 766 920**

Reconciliation of property, plant and equipment - 31 March 2025	Opening balance	Additions	Depreciation	Total
Buildings	504 025 050	-	(8 234 410)	495 790 640
Furniture and fixtures	9 214 289	1 578 100	(2 065 175)	8 727 214
Motor vehicles	1 437 411	-	(278 074)	1 159 337
Machinery and equipment	7 086 593	275 165	(879 158)	6 482 600
IT equipment	5 088 989	837 976	(1 416 090)	4 510 875
Infrastructure	100 334 331	3 616 509	(2 658 251)	101 292 591
Artwork	4 790 114	-	(253 222)	4 536 892
Library material	12 284	155 653	(158 536)	9 401
Assets under construction	14 777 859	6 646 510	-	21 424 369
	646 766 920	**13 109 913**	**(15 942 914)**	**643 933 919**

Figures in Rand

6. Property, plant and equipment (continued)

	Opening balance	Additions	Disposals	Depreciation	Depreciation on disposals	Total
Buildings	509 187 999	3 046 076	-	(8 209 025)	-	504 025 050
Furniture and fixtures	13 203 327	20 000	(7 315 615)	(2 262 604)	5 569 181	9 214 289
Motor vehicles	1 715 485	-	-	(278 074)	-	1 437 411
Machinery and equipment	2 980 552	5 541 448	(5 927 167)	(836 077)	5 327 837	7 086 593
IT equipment	5 822 399	1 969 314	(6 398 265)	(1 658 475)	5 354 016	5 088 989
Infrastructure	100 531 752	1 784 294	(12 020 332)	(1 981 715)	12 020 332	100 334 331
Artwork	5 044 695	-	-	(254 581)	-	4 790 114
Library material	20 668	-	-	(8 384)	-	12 284
Assets under construction	9 832 074	4 945 785	-	-	-	14 777 859
Total	**648 338 951**	**17 306 917**	**(31 661 379)**	**(15 488 935)**	**28 271 366**	**646 766 920**

An entity's expenditure incurred to repair and maintain property, plant and equipment amount as per below:	2025	2024
Repairs and Maintenance	5 897 092	5 338 356

Pledged as security

No items of property, plant and equipment were pledged as collateral security.

A register containing the information required by section 63 of the Public Finance Management Act is available for inspection at the registered office of the entity.

7. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	1 980 343	(918 830)	1 061 513	2 363 976	(1 096 658)	1 267 318
Intangible assets	13 240 128	-	13 240 128	13 240 128	-	13 240 128
Total	**15 220 471**	**(918 830)**	**14 301 641**	**15 604 104**	**(1 096 658)**	**14 507 446**

Reconciliation of intangible assets - 31 March 2025

	Opening balance	Additions	Disposals	Amortisation	Impairment loss	Total
Computer software	1 267 318	170 000	(553 633)	(107 670)	285 498	1 061 513
Intangible assets	13 240 128	-	-	-	-	13 240 128
	14 507 446	**170 000**	**(553 633)**	**(107 670)**	**285 498**	**14 301 641**

Figures in Rand

7. Intangible assets (continued)

Reconciliation of intangible assets - 31 March 2024

	Opening balance	Amortisation	Total
Computer software	1 385 517	(118 199)	1 267 318
Intangible assets	13 240 128	-	13 240 128
	14 625 645	**(118 199)**	**14 507 446**

Pledged as security

No intangible assets were pledged as security:

8. Heritage assets

	2025			2024		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and	8 017 201	-	8 017 201	8 298 391	-	8 298 391

Reconciliation of heritage assets 31 March 2025

	Opening balance	Devaluation	Total
Art Collections, antiquities and exhibits	8 298 391	(281 190)	8 017 201

Reconciliation of heritage assets 31 March 2024

	Opening balance	Total
Art Collections, antiquities and exhibits	8 298 391	8 298 391
Collections of preserved insects, butterflies and fossils	-	-
	8 298 391	**8 298 391**

Pledged as security

No heritage assets were pledged as security

During the annual assessment of heritage assets, no assets was deemed impaired.

Expenditure incurred to repair and maintain heritage assets

During the year no repairs and maintenance was incurred for heritage assets.

Figures in Rand

9. Operating lease asset (liability)

	2025	2024
Non-current liabilities	5 631 644 622	5 385 326 116
Current liabilities	523 414	467 335
	5 632 168 036	**5 385 793 451**

The operating lease accrual arise from 99-year non-renewable lease agreement for Land Salvokop, Pretoria which commenced on the 24th of June 2002. The initial monthly rental was R 3,500, which escalates at 12% per annum on each anniversary of agreement. On the 24th of June 2008, an addendum was signed to expand the lease with amended the rental amount to R 6 ,468.20 per month escalating at 12% up to 23rd of May 2101. Freedom Park is currently in year 23 of the lease. The lease payments are straight-lined over the term of the lease.

10. Payables from exchange transactions

	2025	2024
Trade payables	5 760 382	2 452 812
13th cheque accrual	1 325 395	997 264
Other Accrued expense	438 559	224 208
Deposits received	10 000	10 000
	7 534 336	**3 684 284**

11. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

	2025	2024
Unspent grants	18 391 105	31 724 714

Movement during the year

	2025	2024
Balance at the beginning of the period	31 724 714	54 741 860
Additions during the year	-	8 000 000
Income recognition during the year	(13 333 609)	(31 017 146)
	18 391 105	**31 724 714**

See note 17 for reconciliation of grants from National/Provincial Government.

These amounts are committed to specific projects as per DSAC’s capital works funding.

Figures in Rand

12. Provisions

Reconciliation of provisions - 31 March 2025

	Opening balance	Additions	Utilised during the year	Total
Leave pay provision	2 163 125	1 513 542	(955 762)	2 720 905

Reconciliation of provisions - 31 March 2024

	Opening balance	Additions	Total
Leave pay provision	1 915 428	247 697	2 163 125

During the year leave was provided for based on the Basic Condition of Employee Act rate of the days due to employees. The provision was calculated based on the standard monthly package.

13. Admission Fee

	2025	2024
Other service charges	1 249 528	1 183 524

14. Venue hire and related services

Premises		
Venue hire and related services	8 691 558	761 428
	8 691 558	**761 428**

15. Other Income

Other income (Gift Shop, restaurant revenue)	867 260	367 939

16. Interest received

Interest revenue		
Bank	1 043 121	5 970 538

Figures in Rand

17. Government grants & subsidies	2025	2024
Operating grants		
Operating grant	104 973 000	97 340 000
Liliesleaf	6 000 000	6 711 956
	110 973 000	**104 051 956**
Released/ expensed from deferred income	13 333 609	24 306 189
	124 306 609	**128 358 145**

Equitable Share

In terms of the Constitution, this operating grant is used to subsidise the operational activities of the entity.

18. Public contributions and donations

Public contributions and donations	20 800	132 345

Conditions still to be met - remain liabilities (see note 11)

19. Employee related costs

Basic	45 272 647	42 281 811
Medical aid - company contributions	3 527 012	3 474 757
UIF	162 853	144 001
Compensation Fund	87 480	110 395
Leave pay	741 246	530 529
Temporary Wages	1 311 289	1 325 306
Other short term costs - ex Gratia	-	1 491 775
Defined contribution plans - Provident Fund	3 584 329	3 470 028
Travel, motor car, accommodation, subsistence and other allowances	82 264	329 922
Overtime payments	275 302	251 259
13th Cheques	4 260 230	3 799 004
Acting allowances	1 121 322	691 027
Risk and Administration Fees	980 551	1 048 197
	61 406 525	**58 948 011**

20. Lease rentals on operating lease

Lease rentals on operating lease

Contractual amounts	247 005 846	247 630 416

21. Auditors' remuneration

Fees	3 586 088	3 287 508

Figures in Rand

22. General expenses

	2025	2024
Legal fees	1 551 695	1 533 141
Consulting and professional fees	1 876 541	1 556 167
Council expenditure	1 577 420	1 890 440
Entertainment	80 592	324 913
External auditor's remuneration	3 586 088	3 287 508
IT expenses	5 486 148	5 724 954
Insurance	1 709 610	1 369 963
Internal audit fees	927 697	197 299
Landscaping expenses	3 071 923	2 894 609
Marketing	1 229 743	1 723 525
Other operating expenses	2 297 567	1 566 897
Park operations	4 814 300	5 146 127
Repairs and maintenance	5 897 092	5 338 356
Security	5 658 933	5 456 479
Staff expenses	923 287	1 239 794
Strategic projects	16 832 282	7 643 849
Strategic projects - Liliesleaf	5 570 887	6 141 956
Strategic projects - Matola & Samora Machel Site	853 241	3 352 426
Telephone and fax	630 583	1 805 778
	64 575 629	**58 194 181**

23. Cash used in operations

	2025	2024
Deficit	(253 127 845)	(247 596 351)
Adjustments for:		
Depreciation and amortisation	16 050 584	15 607 134
(Profit)/ loss on sale of assets and liabilities	268 137	4 068 496
Impairment of property plant and equipment	-	(77 968)
Movements in operating lease	246 374 585	247 252 628
Movements in provisions	557 780	247 697
Other non-cash items	(4 453)	281 775
Changes in working capital:		
Inventories	1 184	(28 586)
Receivables from exchange transactions	(2 798 101)	(440 648)
Payables from exchange transactions	3 850 051	(14 804 031)
Unspent conditional grants and receipts	(13 333 609)	(23 017 146)
	(2 161 690)	**(18 507 000)**

Figures in Rand

24. Commitments

	2025	2024
Authorised capital expenditure		
Already contracted for but not provided for		
• Assets under construction	13 577 529	9 866 789
Total capital commitments		
Already contracted for but not provided for	13 577 529	9 866 789
Authorised operational expenditure		
Already contracted for but not provided for		
• Operational expenditure	16 214 550	28 001 081
Total operational commitments		
Already contracted for but not provided for	16 214 550	28 001 081
Total commitments		
Total commitments		
Authorised capital expenditure	13 577 529	9 866 789
Authorised operational expenditure	16 214 550	28 001 081
	29 792 079	**37 867 870**

Operating leases - as lessee (expense)

Minimum lease payments due		
• within one year	706 488	645 336
• in second to fifth year inclusive	3 018 934	2 501 571
• later than five years	24 429 969 112	24 430 807 957
	24 433 694 534	**24 433 954 864**

The operating lease accrual arise from 99-year non- renewable lease agreement for Land Salvokop, Pretoria which commenced on the 24th of June 2002. The initial monthly rental was R 3,500.00, which escalates at 12% per annum on each anniversary of agreement. On the 24th of June 2008, an addendum was signed to expand the lease with amended the rental amount to R 6 ,468.20 per month escalating at 12% up to 23rd of May 2101. Freedom Park is currently in year 23 of the lease. The lease payments are straight-lined over the term of the lease.

Freedom Park initially entered into a 3 year contract for the rental of golf carts, commencing on 01 March 2022. This contract was extended for further two months to 30th April 2025. Freedom Park entered into a contract for rental of photocopiers. This contract ended on 30th April 2024 and it was replaced with another similar contract from the 1st of September 2024 which will end in August 2027.

Statement of Financial Position		
Operating lease liability	5 632 168 037	5 385 793 451
Statement of Financial Performance		
Lease rentals on operating lease	(247 005 845)	(247 630 416)

Figures in Rand		
25. Contingencies	**2025**	**2024**
Two employees	3 578 465	1 370 000

Freedom Park is involved in legal proceedings with two former employees who have referred their grievances to the Commission for Conciliation, Mediation, and Arbitration (CCMA).

1. Freedom Park is currently involved in arbitration proceedings instituted by a Senior Manager following his dismissal on 1 March 2024. The ex-employee is seeking retrospective reinstatement or, alternatively, a financial settlement amounting to approximately R3.15 million, which includes 16 months of backpay and a further 12 months of remuneration. Should the Commissioner rule in favour of the ex-employee, Freedom Park may be liable for an award at the Commissioner's discretion. Based on a legal opinion obtained, Freedom Park has good prospects of success. Accordingly, management believes that while there is exposure, the likelihood of an outflow of resources is not probable at this stage.
2. An employee at Management level was dismissed on 8 October 2024 following a disciplinary process. According to legal opinion obtained, Freedom Park has reasonable prospects of success in defending the matter at the CCMA. In the unlikely event that the CCMA rules in favour of the former employee, per legal opinion, the compensation in settlement will be an equivalent of five months' salary amounting to R428 465.

26. Related parties

Relationships

Accounting Authority - the parent department under which Freedom Park operates, providing oversight and funding.	Department of Sport, Arts and Culture (DSAC)
Government controlled through National Treasury	Department of Public Works and Infrastructure
Controlling entity	Samora Machel Memorial Department of Military Veterans Liliesleaf
The Department of Social Development and Freedom Park are both under common control by the National Government	Department of Social Development
The Gauteng Department of Health and Freedom Park are both under common control by the National Government	Gauteng Department of Health
Accounting Authority	Members of the Council
Freedom Park is Schedule 3A public entity which is controlled by National Government (National Treasury)	National Treasury
Like Freedom Park, South African Heritage and Resources Agency operates within the heritage sector and often collaborate on projects funded or overseen by DSAC	South African Heritage Resources Agency (SAHRA)
Senior (key) Management	Refer to remuneration of key management

Figures in Rand		
26. Related parties (continued)	**2025**	**2024**

Relationships

Amounts included in trade payables regarding related parties

DSAC	18 391 105	31 724 714

Obligations existing as a result of conditional grants received. Non Secure. The funds are infrastructure maintenance projects.

Amounts included in Trade receivable (Trade Payable) regarding related parties

DSAC	1 482 071	125 897
Department of Military Veterans	227 130	-
Department of Social Development	9 744	-
Gauteng Department of Health	72 086	-
Northern Cape Department of Sport, Arts and Culture	20 426	-
South Africa Heritage Resources Agency	114 709	-

Collaborative events and initiatives carried out jointly with the organisations above. The receivable relates to costs incurred by Freedom Park in relation to these events, for which these organisations are responsible for reimbursing based on the agreed terms of the collaboration

Related party transactions

Income/ (expenses) from/ to related parties

DSAC (operational grants)	110 973 000	105 841 000
DSAC (capital projects - conditional grants)	-	24 306 189
South African Heritage Resources Agency (Funds received for event co-ordinated on behalf of the council)	114 709	-
Department of Sport, Arts and Culture (Funds received for event co-ordinated on behalf of DSAC)	2 966 637	-
National Treasury (Funds received for event co-ordinated on behalf of the National Treasury)	878 906	-
Department of Public Works (lease payments on land - Refer to Operating Lease commitment note)	(467 334)	-

Figures in Rand

26. Related parties (continued)

Remuneration of management

Management class: Councillors - 31 March 2025	Committees	Other short-term benefits	Total
Ms CL Adams-Kruger (Chairperson)	54 104	1 302	55 406
Adv NJ Bleki	78 980	482	79 462
Prof S Cooper	102 576	5 554	108 130
Mr E Daniels	55 645	-	55 645
Dr BW Langa	86 878	21 784	108 662
Ms M Matli	37 742	1 789	39 531
Ms MMS Mothapo	61 030	-	61 030
Mrs MG Rammbwa	136 107	22 265	158 372
Mrs EEA Watson	107 215	2 862	109 987
Mr M Tsedu	111 290	23 641	134 931
Mr S Masemola	65 322	3 991	69 313
Adv C Naidoo	-	4 833	4 833
Mr T ka Plaatjie	37 818	5 787	43 605
Mr Z Gordon	56 727	-	56 727
	991 434	**94 290**	**1 085 634**

31 March 2024			
Adv NJ Bleki	111 290	15 649	126 939
Prof S Cooper	89 876	4 349	94 225
Mr E Daniels	77 185	-	77 185
Dr BW Langa	105 117	13 653	118 770
Ms HC Mgabadeli	39 096	18 191	57 287
Ms MMS Mothapo	84 365	-	84 365
Mrs MG Rammbwa	218 416	67 906	286 322
Mrs EEA Watson	43 080	6 776	49 856
Mr MM Tsedu	116 675	16 564	133 239
	885 100	**143 088**	**1 028 188**

Figures in Rand

26. Related parties (continued)

Management class: Executive management - 31 March 2025	Basic salary	13th Cheque	Other short-term employee benefits	Post-employment benefits	Total
Dr J Mufamadi	2 088 544	193 846	50 039	241 338	2 573 767
Mr R Malapane	1 430 521	127 848	33 726	106 114	1 698 209
Ms S Shamase	544 631	15 320	13 807	42 792	616 550
Adv U Tshikovhi	695 777	86 427	15 852	49 663	847 719
Mr LC Tleane	1 645 370	171 052	39 872	190 128	2 046 422
Mr V Netshiavha	650 098	44 728	78 121	37 572	810 519
	7 054 941	**639 221**	**231 417**	**667 607**	**8 593 186**

31 March 2024					
Ms J Mufamadi	2 094 727	200 000	328 115	251 999	2 874 841
Mr R Malapane	1 108 014	111 613	243 152	110 801	1 573 580
Dr OM Ntsoane	867 682	103 295	191 330	86 786	1 249 093
Adv U Tshikovhi	984 076	117 152	164 499	98 407	1 364 134
Mr LC Tleane	610 852	-	134 243	91 628	836 723
Mr V Netshiavha	493 767	36 365	88 227	30 546	648 905
	6 159 118	**568 425**	**1 149 566**	**670 167**	**8 547 276**

27. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Park has developed a comprehensive Risk management strategy in line with the Treasury Regulation 28.1 in order to monitor and control risk. Internal audit function report quarterly to the Audit and Risk Committee, an independent body the monitors risk and policies implementation to mitigate risk exposure. It should be noted that financial instrument exposure to risk is minimal. The risk management process relating to each of these risks is discussed under the headings below:

Liquidity risk

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

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the entity's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Figures in Rand

27. Risk management (continued)

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	6 198 940	-	-	-

31 March 2024				
Trade and other payables	3 414 037	-	-	-

Credit risk

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.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	31 March 2025	31 March 2024
Cash and cash equivalents	21 153 729	36 595 332
Receivables from exchange transactions	3 956 082	921 509

Market risk Interest rate risk

The entity has cash and cash equivalent to the value of R21 153 729 which bears interest. Any movement in interest rates will affect interest income. The interest rate risk cannot be quantified as cash and cash equivalents are used for operations and did not remain constant throughout the year. To manage this risk, the entity only invests in accredited financial institutions. When there are significant rate change the entity compares offerings from the different banks to obtain the best interest rate available.

Foreign exchange risk

Freedom Park is not exposed to foreign exchange risk as it does not engage in any foreign currency transactions or have any dealings involving foreign currencies. All financial transactions are conducted in South African Rand (ZAR), which is the functional and reporting currency of Freedom Park.

Figures in Rand

28. Financial instruments disclosure

Categories of financial instruments 31 March 2025

Financial assets	At amortised cost	Total
Trade and other receivables from exchange transactions	3 956 082	3 956 082
Cash and cash equivalents	21 153 729	21 153 729
	25 109 811	**25 109 811**

Financial liabilities		
Trade and other payables from exchange transactions	6 198 940	6 198 940

31 March 2024

Financial assets	At amortised cost	Total
Trade and other receivables from exchange transactions	921 509	921 509
Cash and cash equivalents	36 595 332	36 595 332
	37 516 841	**37 516 841**

Financial liabilities		
Trade and other payables from exchange transactions	3 414 037	3 414 037

29. Fruitless and wasteful expenditure	31 March 2025	31 March 2024
Fruitless and wasteful expenditure	-	-

30. Budget differences

Differences between budget and actual amounts basis of preparation and presentation

The budget and the accounting bases differ. The annual financial statements for the whole-of-government are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are consolidated statements that include all controlled entities, including government business enterprises for the fiscal period from 2024/04/01 to 2025/03/31. The annual financial statements differ from the budget, which is approved on the cash basis and which deals only with the general government sector that excludes government business enterprises and certain other non-market government entities and activities.

The amounts in the annual financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget. In addition, adjustments to amounts in the annual financial statements for timing differences associated with the continuing appropriation and differences in the entities covered (government business enterprises) were made to express the actual amounts on a comparable basis to the final approved budget. The amounts of these adjustments are identified in the following table.

Figures in Rand

30. Budget differences

Differences narrations

30.1 Sales of goods and services

During the current year under review Freedom Park earned significant event management income from the DSAC, DMV, SAHRA and the National Treasury for collaborated events.

30.2 Interest received- investment

The actual interest received is higher from effective investments of unused funds. The interest budget is minimal, the following financial year budget will be increased in line with interest earning capacity.

30.4 Capital works infrastructure grant

No capital grant funding was received for the year. Spending of Deferred grant funds was 43% higher than planned to ensure critical infrastructure needs were met.

30.5 Personnel costs

Employee costs are slightly below budget mainly due to unfilled vacancies arising from two moratoriums. The first moratorium was imposed by the DSAC and the second moratorium emanated from the new Council who are conducting a comprehensive review of the organisational structure.

30.6 Remuneration of councillors

Underspending due to implementation of virtual meetings for Council and its Committees.

30.7 Communications, consumables and IT Expenses

The increase activities in system maintenance, increase in license fees and related costs. Significant costs were incurred in respect of the upgrade of the Finance and Payroll systems.

30.8 Professional services

The professional service cost is higher due to high risk emanating from adverse audit outcomes in the previous financial year in relation to the Fixed Assets Register. The unplanned work from consultants was to improve the accuracy and completeness of the fixed asset register of the entity.

30.9 Property and facility management

Savings were realised on property and facility management costs because of lower-than-expected utility expenses as per earmarked funds.

30.10 Repairs and maintenance

The lower spending relates to cashflow constraints experienced during the year leading to deferment of some planned maintenance projects.

30.11 Other operating expenses

Included in other operating expenses is expenditure for Park Operations, Insurance, Bank Charges and Fleet Management, which were higher than budgeted for.

30.12 Strategic programmes

Overspending on Strategic Projects is mainly due to increased expenditure incurred from hosting collaborated events with the DSAC, DMV, SAHRA and the National Treasury.

30.13 Operating lease

Difference is minimal and within reasonable range.

Figures in Rand

31. Irregular expenditure

	2025	2024
Add: Irregular Expenditure - current	3 883 396	-

Details: Irregular expenditure (current year) is due to overspending of approved budget of R3 883 396

32. Going concern

We draw attention to the fact that at 31 March 2025, the entity had an accumulated surplus (deficit) of (4 970 395 870) and that the entity's total liabilities exceed its assets by (4 967 552 079).

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Management does not have intention to liquidate the entity or cease operations. As at the end of the period under review, management is not aware of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern including events after the reporting date.

Although the entity's current liabilities exceed its current assets by approximately R2.2 million (excluding the non-cash lease liability), management believes that the entity remains a going concern. This assessment is supported by the fact that the entity continues to generate own revenue through ticketing sales and venue hire activities. Furthermore, a focused strategy to enhance revenue generation is being implemented, which is expected to improve the entity's liquidity position. In addition, the entity will receive operational grants amounting to R116 million in the upcoming financial period. These grants will be carefully managed to ensure that short-term obligations are met as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

33. Events after the reporting date

Disclose for each material category of non-adjusting events after the reporting date:

- nature of the event.
- estimation of its financial effect or a statement that such an estimation cannot be made.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

34. Rendering of services

	2025	2024
Admission fees	1 249 528	1 183 524
Rental of facilities and equipment	8 691 558	761 428
Other income	867 260	367 939
Interest received - investment	1 043 121	5 970 538
Government grants & subsidies	124 306 609	128 358 145
Public contributions and donations	20 800	132 345
	136 178 876	**136 773 919**

The amount included in revenue arising from exchanges of goods or services are as follows:

	2025	2024
Admission fees	1 249 528	1 183 524
Rental of facilities and equipment	8 691 558	761 428
Other income	867 260	367 939
Interest received - investment	1 043 121	5 970 538
	11 851 467	**8 283 429**

The amount included in revenue arising from non-exchange transactions is as follows:

	2025	2024
Taxation revenue		
Government grants & subsidies	124 306 609	128 358 145
Public contributions and donations	20 800	132 345
	124 327 409	**128 490 490**

35. Depreciation and amortisation

	2025	2024
Property, plant and equipment	15 942 914	15 488 935
Intangible assets	107 670	118 199
	16 050 584	**15 607 134**

36. Prior period errors

Effect on Statement of financial position 2024	Notes	As previously reported	Correction of error	Restated
Property, plant and equipment - cost	6	844 750 655	(9 917 616)	834 833 039
Accumulated depreciation - PPE	6	(398 237 272)	210 171 153	(188 066 119)
Intangible assets - cost	7	19 400 902	(3 796 798)	15 604 104
Accumulated depreciation intangibles	7	(12 513 230)	11 416 572	(1 096 658)
Receivables	4	2 938 111	(10 000)	2 928 111
Accumulated deficit		4 925 131 336	(207 863 311)	4 717 268 025
	30	**5 381 470 502**	**-**	**5 381 470 502**

Figures in Rand

36. Prior period errors

Effect on Statement of financial performance 2024	Notes	As previously reported	Correction of error	Restated
Loss on disposal of assets		7 028 371	(2 959 875)	4 068 496
Depreciation	34	21 370 116	(5 881 181)	15 488 935
Amortisation	34	1 880 618	(1 762 419)	118 199
General expenses	22	57 516 865	677 316	58 194 181
Deficit for the year		(257 522 510)	9 926 159	(247 596 351)
		(169 726 540)	**-**	**(169 726 540)**

Errors

The following prior period errors adjustments occurred:

Prior year restated amounts on property, plant and equipment and intangibles

During the 2023–24 financial year, the entity identified errors in depreciation calculations on fixed assets, affecting the financial years ended 31 March 2023 and 31 March 2024. These errors led to the understatement of property, plant and equipment balances and retained earnings. The corrections have been made retrospectively in accordance with GRAP 3, resulting in adjustments to opening retained earnings as at 1 April 2023 and to retained earnings at 31 March 2024.

EVENTS HIGHLIGHTS









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