

Defence and Military Veterans

Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	42 831 234	42 856 879	–	25 645
of which:				
Current payments	34 471 135	34 471 135	–	–
Transfers and subsidies	7 838 159	7 863 804	–	25 645
Payments for capital assets	521 940	521 940	–	–
Executive authority	Minister of Defence and Military Veterans			
Accounting officer	Secretary for Defence			
Website address	www.dod.mil.za			

Aim

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force. Provide for military veterans' benefits.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Total number of defence attaché offices	Administration	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	41	43	–
Number of military skills development members in the system per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	4 272	4 230	–
Number of reserve force person days	Administration	Outcome 3: All people in South Africa are and feel safe	1 883 683	1 196 605 ¹	–
Percentage compliance with the South African Development Community standby force agreement and South African Pledge	Force Employment	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	100%	84%	–
Percentage compliance with number of ordered commitments (external operations)	Force Employment Landward Defence Defence Intelligence		100% (5)	100% (5)	–
Percentage compliance with number of ordered commitments (internal operations)	Force Employment		100% (4)	100% (4)	–
Number of joint, interdepartmental and multinational military exercises conducted per year	Force Employment	Outcome 11: Create a better South Africa and contribute to a better and safer Africa and world	9	3	–
Number of landward sub-units deployed on border safeguarding per year	Force Employment	Outcome 3: All people in South Africa are and feel safe	13	13	–
Number of force employment hours flown per year	Air Defence		6 985	2 528.53	–
Number of hours at sea per year	Maritime Defence		12 000	5 161.24	–

¹ Information provided is for the first five months to August 2014, as information for September 2014 was not available at the time of publication.

Mid-year progress

Most of the performance of the Department of Defence is on track to be achieved against the set targets. 3 of the 9 joint, interdepartmental and multinational military exercises that were planned for the year took place

within the first half of the financial year. Only 6 exercises will be conducted in 2014/15, as 3 exercises have been cancelled. The number of force employment hours flown and sea hours on patrol in South African maritime zones and in international waters is expected to increase over the next six months.

The target for reserve force person days will be increased to 2 871 852 due to the increased requirement of forces for the African Capacity for Immediate Response to Crises and for border safeguarding.

Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Administration	4 866 527	-	-	(366 865)	-	-	-	(366 865)	4 499 662
Force Employment	3 436 958	-	-	50 000	-	-	-	50 000	3 486 958
Landward Defence	13 854 866	-	-	371 060	-	-	15 929	386 989	14 241 855
Air Defence	7 166 896	-	-	-	-	-	9 716	9 716	7 176 612
Maritime Defence	3 678 505	-	-	-	-	-	-	-	3 678 505
Military Health Support	3 849 063	-	-	-	-	-	-	-	3 849 063
Defence Intelligence	792 112	-	-	21 606	-	-	-	21 606	813 718
General Support	5 186 307	-	-	(75 801)	-	-	-	(75 801)	5 110 506
Total	42 831 234	-	-	-	-	-	25 645	25 645	42 856 879
Economic classification									
Current payments	34 471 135	-	-	-	-	-	-	-	34 471 135
Compensation of employees	21 980 247	-	-	495 986	-	-	-	495 986	22 476 233
Goods and services	12 490 888	-	-	(495 986)	-	-	-	(495 986)	11 994 902
Transfers and subsidies	7 838 159	-	-	-	-	-	25 645	25 645	7 863 804
Provinces and municipalities	94	-	-	-	-	-	-	-	94
Departmental agencies and accounts	6 624 585	-	-	-	-	-	25 645	25 645	6 650 230
Public corporations and private enterprises	1 096 251	-	-	-	-	-	-	-	1 096 251
Non-profit institutions	7 650	-	-	-	-	-	-	-	7 650
Households	109 579	-	-	-	-	-	-	-	109 579
Payments for capital assets	521 940	-	-	-	-	-	-	-	521 940
Buildings and other fixed structures	123 707	-	-	-	-	-	-	-	123 707
Machinery and equipment	347 061	-	-	-	-	-	-	-	347 061
Specialised military assets	45 293	-	-	-	-	-	-	-	45 293
Software and other intangible assets	5 879	-	-	-	-	-	-	-	5 879
Total	42 831 234	-	-	-	-	-	25 645	25 645	42 856 879

Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
Ministry	77 438	-	-	-	-	-	-	-	77 438
Departmental Direction	62 370	-	-	-	-	-	-	-	62 370
Policy and Planning	100 552	-	-	(2 600)	-	-	-	(2 600)	97 952
Financial Services	315 995	-	-	831	-	-	-	831	316 826
Human Resources Support Services	688 169	-	-	12 658	-	-	-	12 658	700 827
Legal Services	271 817	-	-	-	-	-	-	-	271 817
Inspection Services	116 628	-	-	-	-	-	-	-	116 628
Acquisition Services	49 809	-	-	-	-	-	-	-	49 809
Communication Services	40 006	-	-	-	-	-	-	-	40 006
South African National Defence Force Command and Control	144 636	-	-	(2 359)	-	-	-	(2 359)	142 277
Religious Services	12 566	-	-	-	-	-	-	-	12 566
Defence Reserve Direction	25 223	-	-	-	-	-	-	-	25 223
Defence Foreign Relations	212 417	-	-	-	-	-	-	-	212 417
Office Accommodation	2 244 741	-	-	(375 395)	-	-	-	(375 395)	1 869 346
Military Veterans Management	504 160	-	-	-	-	-	-	-	504 160
Total	4 866 527	-	-	(366 865)	-	-	-	(366 865)	4 499 662

Programme 1: Administration (continued)

Economic classification		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Current payments	4 288 614	-	-	(366 865)	-	-	-	(366 865)	3 921 749
Compensation of employees	1 550 223	-	-	20 795	-	-	-	20 795	1 571 018
Goods and services	2 738 391	-	-	(387 660)	-	-	-	(387 660)	2 350 731
Transfers and subsidies	546 556	-	-	-	-	-	-	-	546 556
Provinces and municipalities	42	-	-	-	-	-	-	-	42
Departmental agencies and accounts	526 933	-	-	-	-	-	-	-	526 933
Non-profit institutions	6 850	-	-	-	-	-	-	-	6 850
Households	12 731	-	-	-	-	-	-	-	12 731
Payments for capital assets	31 357	-	-	-	-	-	-	-	31 357
Machinery and equipment	31 341	-	-	-	-	-	-	-	31 341
Software and other intangible assets	16	-	-	-	-	-	-	-	16
Total	4 866 527	-	-	(366 865)	-	-	-	(366 865)	4 499 662

Programme 2: Force Employment

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Strategic Direction	115 965	-	-	-	-	-	-	-	115 965
Operational Direction	242 827	-	-	32 035	-	-	-	32 035	274 862
Special Operations	653 809	-	-	-	-	-	-	-	653 809
Regional Security	1 470 943	-	-	17 965	-	-	-	17 965	1 488 908
Support to the People	934 097	-	-	-	-	-	-	-	934 097
Defence Capability Management	19 317	-	-	-	-	-	-	-	19 317
Total	3 436 958	-	-	50 000	-	-	-	50 000	3 486 958
Economic classification									
Current payments	2 957 908	-	-	50 000	-	-	-	50 000	3 007 908
Compensation of employees	1 659 160	-	-	50 000	-	-	-	50 000	1 709 160
Goods and services	1 298 748	-	-	-	-	-	-	-	1 298 748
Transfers and subsidies	293 445	-	-	-	-	-	-	-	293 445
Provinces and municipalities	2	-	-	-	-	-	-	-	2
Departmental agencies and accounts	277 715	-	-	-	-	-	-	-	277 715
Public corporations and private enterprises	8 000	-	-	-	-	-	-	-	8 000
Households	7 728	-	-	-	-	-	-	-	7 728
Payments for capital assets	185 605	-	-	-	-	-	-	-	185 605
Buildings and other fixed structures	760	-	-	-	-	-	-	-	760
Machinery and equipment	183 779	-	-	-	-	-	-	-	183 779
Specialised military assets	1 066	-	-	-	-	-	-	-	1 066
Total	3 436 958	-	-	50 000	-	-	-	50 000	3 486 958

Programme 3: Landward Defence

Subprogramme		2014/15							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds		Other adjustments	
Strategic Direction	392 213	-	-	9 354	-	-	-	9 354	401 567
Infantry Capability	5 163 088	-	-	161 240	-	-	15 929	177 169	5 340 257
Armour Capability	378 744	-	-	13 900	-	-	-	13 900	392 644
Artillery Capability	431 642	-	-	13 957	-	-	-	13 957	445 599
Air Defence Artillery Capability	482 099	-	-	10 102	-	-	-	10 102	492 201
Engineering Capability	611 982	-	-	22 294	-	-	-	22 294	634 276
Operational Intelligence	187 052	-	-	6 723	-	-	-	6 723	193 775
Command and Control Capability	174 678	-	-	6 069	-	-	-	6 069	180 747
Support Capability	4 557 814	-	-	76 519	-	-	-	76 519	4 634 333
General Training Capability	393 786	-	-	12 862	-	-	-	12 862	406 648
Signal Capability	1 081 768	-	-	38 040	-	-	-	38 040	1 119 808
Total	13 854 866	-	-	371 060	-	-	15 929	386 989	14 241 855

Programme 3: Landward Defence (continued)

Economic classification	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Current payments	11 550 258	-	-	371 060	-	-	-	371 060	11 921 318
Compensation of employees	9 505 638	-	-	368 925	-	-	-	368 925	9 874 563
Goods and services	2 044 620	-	-	2 135	-	-	-	2 135	2 046 755
Transfers and subsidies	2 216 998	-	-	-	-	-	15 929	15 929	2 232 927
Provinces and municipalities	5	-	-	-	-	-	-	-	5
Departmental agencies and accounts	2 142 683	-	-	-	-	-	15 929	15 929	2 158 612
Public corporations and private enterprises	49 728	-	-	-	-	-	-	-	49 728
Households	24 582	-	-	-	-	-	-	-	24 582
Payments for capital assets	87 610	-	-	-	-	-	-	-	87 610
Machinery and equipment	67 610	-	-	-	-	-	-	-	67 610
Specialised military assets	20 000	-	-	-	-	-	-	-	20 000
Total	13 854 866	-	-	371 060	-	-	15 929	386 989	14 241 855

Programme 4: Air Defence

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Strategic Direction	16 660	-	-	-	-	-	-	-	16 660
Operational Direction	137 270	-	-	-	-	-	-	-	137 270
Helicopter Capability	736 982	-	-	-	-	-	-	-	736 982
Transport and Maritime Capability	1 861 098	-	-	-	-	-	-	-	1 861 098
Air Combat Capability	1 148 612	-	-	-	-	-	9 716	9 716	1 158 328
Operational Support and Intelligence Capability	265 395	-	-	-	-	-	-	-	265 395
Command and Control Capability	442 535	-	-	-	-	-	-	-	442 535
Base Support Capability	1 785 348	-	-	-	-	-	-	-	1 785 348
Command Post	50 625	-	-	-	-	-	-	-	50 625
Training Capability	206 837	-	-	-	-	-	-	-	206 837
Technical Support Services	515 534	-	-	-	-	-	-	-	515 534
Total	7 166 896	-	-	-	-	-	9 716	9 716	7 176 612
Economic classification									
Current payments	5 033 974	-	-	-	-	-	-	-	5 033 974
Compensation of employees	2 983 184	-	-	-	-	-	-	-	2 983 184
Goods and services	2 050 790	-	-	-	-	-	-	-	2 050 790
Transfers and subsidies	2 129 109	-	-	-	-	-	9 716	9 716	2 138 825
Departmental agencies and accounts	2 111 470	-	-	-	-	-	9 716	9 716	2 121 186
Households	17 639	-	-	-	-	-	-	-	17 639
Payments for capital assets	3 813	-	-	-	-	-	-	-	3 813
Machinery and equipment	3 813	-	-	-	-	-	-	-	3 813
Total	7 166 896	-	-	-	-	-	9 716	9 716	7 176 612

Programme 7: Defence Intelligence

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Strategic Direction	75	-	-	-	-	-	-	-	75
Operations	473 555	-	-	-	-	-	-	-	473 555
Defence Intelligence Support Services	318 482	-	-	21 606	-	-	-	21 606	340 088
Total	792 112	-	-	21 606	-	-	-	21 606	813 718
Economic classification									
Current payments	328 568	-	-	21 606	-	-	-	21 606	350 174
Compensation of employees	296 867	-	-	21 606	-	-	-	21 606	318 473
Goods and services	31 701	-	-	-	-	-	-	-	31 701
Transfers and subsidies	458 734	-	-	-	-	-	-	-	458 734
Provinces and municipalities	5	-	-	-	-	-	-	-	5
Departmental agencies and accounts	455 704	-	-	-	-	-	-	-	455 704
Households	3 025	-	-	-	-	-	-	-	3 025
Payments for capital assets	4 810	-	-	-	-	-	-	-	4 810
Machinery and equipment	4 810	-	-	-	-	-	-	-	4 810
Total	792 112	-	-	21 606	-	-	-	21 606	813 718

Programme 8: General Support

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Joint Logistic Services	2 481 754	-	-	(110 007)	-	-	-	(110 007)	2 371 747
Command and Management Information Systems	866 987	-	-	-	-	-	-	-	866 987
Military Police	493 415	-	-	25 000	-	-	-	25 000	518 415
Technology Development	442 587	-	-	-	-	-	-	-	442 587
Departmental Support	901 564	-	-	9 206	-	-	-	9 206	910 770
Total	5 186 307	-	-	(75 801)	-	-	-	(75 801)	5 110 506
Economic classification									
Current payments	3 736 325	-	-	(75 801)	-	-	-	(75 801)	3 660 524
Compensation of employees	1 511 268	-	-	34 660	-	-	-	34 660	1 545 928
Goods and services	2 225 057	-	-	(110 461)	-	-	-	(110 461)	2 114 596
Transfers and subsidies	1 290 082	-	-	-	-	-	-	-	1 290 082
Provinces and municipalities	39	-	-	-	-	-	-	-	39
Departmental agencies and accounts	445 738	-	-	-	-	-	-	-	445 738
Public corporations and private enterprises	829 904	-	-	-	-	-	-	-	829 904
Households	14 401	-	-	-	-	-	-	-	14 401
Payments for capital assets	159 900	-	-	-	-	-	-	-	159 900
Buildings and other fixed structures	109 427	-	-	-	-	-	-	-	109 427
Machinery and equipment	25 106	-	-	-	-	-	-	-	25 106
Specialised military assets	23 050	-	-	-	-	-	-	-	23 050
Software and other intangible assets	2 317	-	-	-	-	-	-	-	2 317
Total	5 186 307	-	-	(75 801)	-	-	-	(75 801)	5 110 506

Details of adjustments to the Estimates of National Expenditure 2014**Virements and shifts****Programmes**

1. Administration
2. Force Employment
3. Landward Defence
4. Air Defence
5. Maritime Defence
6. Military Health Support
7. Defence Intelligence
8. General Support

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(393 060)	Programme 1		12 570
Goods and services	Reduction on operating budget ¹	(6 100)	Compensation of employees	Improved conditions of service	6 100
	Underspending on accommodation charges ¹	(6 470)	Compensation of employees	Improved conditions of service ¹	6 470
	Underspending on accommodation charges ¹	(368 925)	Programme 3		371 284
	Funds budgeted for guard services rendered to the Defence Headquarters	(2 359)	Compensation of employees	Improved conditions of service ¹	368 925
	Funds budgeted for the continuation of peace mission training by the British support team	(9 206)	Goods and services	Guard services rendered to the Defence Headquarters	2 359
			Programme 8		9 206
			Goods and services	The continuation of peace mission training by the British support team	9 206
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		7.8%			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3			Programme 1		
Goods and services	Reduction on operating budget ¹	(9 400)	Compensation of employees	Improved conditions of service ¹	9 400
	Funds budgeted for services to be provided by the Centre for Conflict Simulation	(4 000)	Goods and services	Services provided by the Centre for Conflict Simulation	4 000
		(5 400)			5 400
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
Programme 8			Programme 1		
Goods and services	Funds rescheduled within the refurbishment programme ¹	(120 498)	Compensation of employees	Improved conditions of service ¹	3 394
	Funds budgeted for guard services rendered to the Defence Works Formation	(3 394)	Programme 3		9 176
		(9 176)	Goods and services	Guard services rendered to the Defence Works Formation	9 176
	Funds rescheduled within the State Information Technology Agency service level agreements ¹	(10 491)	Programme 8		35 491
	Funds rescheduled within the refurbishment programme ¹	(25 000)	Compensation of employees	Improved conditions of service	10 491
	Funds rescheduled within the refurbishment programme ¹	(50 000)	Compensation of employees	Improved conditions of service ¹	25 000
	Funds rescheduled within the refurbishment programme ¹	(21 606)	Programme 2		50 000
		(831)	Compensation of employees	Improved conditions of service ¹	50 000
Compensation of employees	Funds budgeted for the staffing of finance officials at the Defence Works Formation	(831)	Programme 7		21 606
			Compensation of employees	Improved conditions of service ¹	21 606
			Programme 1		831
			Compensation of employees	Staffing of finance officials at the Defence Works Formation and improved conditions of service	831
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		1.6%			
Total		(522 958)	522 958		

¹. National Treasury approval has been obtained.

Other adjustments – R25.645 million

Self-financing expenditure

R25.645 million in revenue generated from selling equipment and spares procured through the Special Defence Account has been surrendered to the National Revenue Fund. It will be used for defence activities, as follows:

Programme 3: Landward Defence

R15.929 million

Programme 4: Air Defence

R9.716 million

Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation	
R thousand										
Administration	4 508 999	2 095 402	46.5	4 510 985	100.0	4 499 662	10.5	2 239 871	49.8	
Force	3 555 742	1 410 438	39.7	3 346 655	94.1	3 486 958	8.1	1 485 914	42.6	
Employment										
Landward	13 604 853	6 232 274	45.8	13 599 123	100.0	14 241 855	33.2	6 648 673	46.7	
Defence										
Air Defence	5 714 433	2 654 142	46.4	6 031 523	105.5	7 176 612	16.7	2 450 101	34.1	
Maritime Defence	3 107 341	1 406 254	45.3	3 226 378	103.8	3 678 505	8.6	1 626 114	44.2	
Military Health	3 762 051	1 794 786	47.7	3 733 603	99.2	3 849 063	9.0	1 903 406	49.5	
Support										
Defence	767 940	324 181	42.2	774 683	100.9	813 718	1.9	381 356	46.9	
Intelligence										
General Support	5 636 825	2 513 132	44.6	5 224 571	92.7	5 110 506	11.9	1 977 247	38.7	
Total	40 658 184	18 430 609	45.3	40 447 521	99.5	42 856 879	100.0	18 712 682	43.7	
Economic classification										
Current payments	33 588 132	14 803 259	44.1	32 733 244	97.5	34 471 135	80.4	15 748 660	45.7	
Compensation of employees	21 373 045	10 460 899	48.9	21 332 701	99.8	22 476 233	52.4	11 308 903	50.3	
Goods and services	12 215 087	4 342 360	35.5	11 400 543	93.3	11 994 902	28.0	4 439 757	37.0	
Transfers and subsidies	6 171 171	2 818 996	45.7	6 422 070	104.1	7 863 804	18.3	2 774 955	35.3	
Provinces and municipalities	–	–	0.0	–	0.0	94	0.0	18	19.1	
Departmental agencies and accounts	4 695 236	2 235 060	47.6	4 697 768	100.1	6 650 230	15.5	2 130 901	32.0	
Foreign governments and international organisations	299 107	–	0.0	303 347	101.4	–	0.0	–	0.0	
Public corporations and private enterprises	1 032 342	542 969	52.6	1 336 996	129.5	1 096 251	2.6	582 397	53.1	
Non-profit institutions	6 923	4 902	70.8	7 701	111.2	7 650	0.0	5 136	67.1	
Households	137 563	36 065	26.2	76 258	55.4	109 579	0.3	56 503	51.6	
Payments for capital assets	745 269	282 724	37.9	1 265 525	169.8	521 940	1.2	185 707	35.6	
Buildings and other fixed structures	115 562	120 324	104.1	216 990	187.8	123 707	0.3	13 764	11.1	
Machinery and equipment	575 667	153 722	26.7	1 023 871	177.9	347 061	0.8	165 590	47.7	
Specialised military assets	40 478	7 411	18.3	21 964	54.3	45 293	0.1	6 337	14.0	
Biological assets	163	1 245	763.8	1 245	763.8	–	0.0	–	0.0	
Software and other intangible assets	13 399	22	0.2	1 455	10.9	5 879	0.0	16	0.3	
Payments for financial assets	153 612	525 630	342.2	26 682	17.4	–	0.0	3 360	0.0	
Total	40 658 184	18 430 609	45.3	40 447 521	99.5	42 856 879	100.0	18 712 682	43.7	

Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R18.713 billion, or 43.7 per cent of the adjusted appropriation of R42.857 billion for the year. In comparison, mid-year expenditure in 2013/14 was R18.431 billion, or 45.3 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R282.073 million, or 1.5 per cent. This was mainly due to the implementation of the annual salary increases and additional deployments.

Departmental receipts

R thousand	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
Departmental receipts	798 930	362 967	45.4	853 475	106.8	814 908	814 908	100.0	270 408	33.2
Sales of goods and services produced by department	301 414	213 803	70.9	351 023	116.5	300 035	300 055	36.8	140 442	46.8
Sales of scrap, waste, arms and other used current goods	18 653	963	5.2	1 658	8.9	19 026	19 026	2.3	709	3.7
Transfers received	171 098	86 792	50.7	418 008	244.3	174 508	174 508	21.4	91 718	52.6
Fines, penalties and forfeits	3 776	509	13.5	1 225	32.4	3 851	3 851	0.5	850	22.1
Interest, dividends and rent on land	2 583	1 488	57.6	2 877	111.4	2 635	2 635	0.3	2 150	81.6
Sales of capital assets	55 025	24 904	45.3	24 904	45.3	56 125	56 125	6.9	13 375	23.8
Transactions in financial assets and liabilities	246 381	34 508	14.0	53 780	21.8	258 728	258 708	31.8	21 164	8.2
Total	798 930	362 967	45.4	853 475	106.8	814 908	814 908	100.0	270 408	33.2

Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R270.408 million, or 33.2 per cent of the adjusted revenue estimate of R814.908 million for the year. In comparison, mid-year revenue in 2013/14 was R362.967 million, or 45.4 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 decreased by R92.559 million, or 25.5 per cent. This was mainly due to United Nations reimbursements being lower than the previous financial year and the disposal of redundant equipment that will take place over the next six months.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	Main appropriation	2014/15							Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Landward Defence									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	2 142 447	-	-	-	-	-	15 929	15 929	2 158 376
Special defence account	2 142 447	-	-	-	-	-	15 929	15 929	2 158 376
Air Defence									
Departmental agencies and accounts									
Departmental agencies (non-business entities)									
Current	2 111 433	-	-	-	-	-	9 716	9 716	2 121 149
Special defence account	2 111 433	-	-	-	-	-	9 716	9 716	2 121 149