

◀ 2020 ▶  
**BUDGET**

VOTE  
**08**

**NATIONAL TREASURY**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**





# **Estimates of National Expenditure**

**2020**

**National Treasury  
Republic of South Africa**



**ISBN: 978-0-621-48100-6**

**RP: 18/2020**

The 2020 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available at [www.treasury.gov.za](http://www.treasury.gov.za). Compared to the abridged Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities, transfers and subsidies and information on programme specific personnel expenditure.

# Foreword

The Estimates of National Expenditure (ENE) publications remain an integral part of the annual budgeting process. In light of the prevailing economic climate, which requires careful consideration around the management of public funds, it has become necessary to focus our efforts on reprioritising existing government resources to areas where the most value can be derived for the benefit of all South Africans. To alleviate fiscal pressures, reductions have been effected on the baseline budgets of departments and public entities. The budgets unpacked in this document reflect the outcome of a robust negotiation process, which was led by a committee of senior officials in central government departments under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, the budgetary proposals emanating from these negotiations and consultations were considered and approved by Cabinet.

The abridged ENE provides a comprehensive account of the priorities, spending plans and service delivery commitments of the 41 national government votes, and for selected public entities. The e-publications for each vote, which are available on National Treasury's website, contain further details on goods and services, transfers and subsidies, other public entities, and lower-level spending information on service delivery. In addition, the Vulekamali online portal serves as a transparent, user-friendly source of information that includes supplementary detailed data as contained in the ENE publications. The portal is a valuable resource for anyone to learn about how government compiles its budget and spends public funds.

The Open Budget Survey, which is published biannually by the International Budget Partnership, assesses and ranks countries based on the availability of 8 key budget documents and the comprehensiveness of the data presented in these documents. In the latest survey, published in 2017, South Africa ranked joint first out of 102 countries with a score of 89 per cent. The next survey is expected to be published in 2020/21 and hopefully South Africa will retain that first position.

All information presented in the ENE publications and Vulekamali promotes a culture of public engagement, accountability in state institutions, and the appropriate spending of public funds to achieve the outcomes as envisaged in the National Development Plan.

A special thanks is extended to all contributors and government colleagues who assisted in making this possible, especially the political leadership shown by the executive and the spirited efforts of the National Treasury team.



**Dondo Mogajane**  
**Director-General: National Treasury**



# Introduction

## Estimates of National Expenditure publications

Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2020 MTEF period is from 2020/21 to 2022/23.

The ENE publications contain detailed information regarding the allocations set out in the Appropriation Bill, for the current financial year. Government's proposed spending plans for the full MTEF period, are shown. Information on how government institutions have spent their budgets in previous years is also included. Explanations are provided on how institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes to which their spending is expected to lead. Tables present non-financial performance indicators and targets, departmental receipts, and detailed expenditure trends and estimates by programme, subprogramme and economic classification, and programme personnel data tables for each vote and all entities. Brief explanatory narratives set out the institution's purpose (and that of its programmes), mandate, programme-level objectives and descriptions of subprogrammes. An in-depth narrative analyses the institution's expected expenditure over the MTEF period.

Additional data tables containing information on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure spending and information at the level of site service delivery, where applicable, are available on the National Treasury website and the Vulekamali online portal.

A separate 2020 ENE Overview publication is also available on the National Treasury website and summarises the ENE information across all votes. The 2020 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.





**National Treasury**

**National Treasury**

**Republic of South Africa**



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# Vote 8

## National Treasury

### Budget summary

R million	2020/21					2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Administration	536.9	513.7	4.3	19.0	–	578.7	609.1
Economic Policy, Tax, Financial Regulation and Research	162.4	140.0	21.5	0.9	–	173.8	176.0
Public Finance and Budget Management	3 394.4	1 029.7	2 362.0	2.6	–	3 918.0	4 002.7
Asset and Liability Management	124.2	123.4	–	0.8	–	130.9	133.3
Financial Accounting and Supply Chain Management Systems	1 033.8	961.7	61.3	10.8	–	1 097.6	1 159.0
International Financial Relations	6 398.6	68.9	1 415.7	0.3	4 913.7	6 780.0	2 386.4
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 755.1	76.7	5 678.4	–	–	6 673.9	7 378.6
Revenue Administration	10 510.0	–	10 510.0	–	–	10 973.1	11 368.0
Financial Intelligence and State Security	5 207.7	–	5 207.7	–	–	5 496.4	5 698.8
<b>Subtotal</b>	<b>33 123.2</b>	<b>2 914.2</b>	<b>25 260.9</b>	<b>34.4</b>	<b>4 913.7</b>	<b>35 822.5</b>	<b>32 911.9</b>
<b>Direct charge against the National Revenue Fund</b>							
Provincial equitable share	538 471.5	–	538 471.5	–	–	573 989.5	607 553.5
Debt-service costs	229 270.0	229 270.0	–	–	–	258 482.1	290 145.1
General fuel levy sharing with metropolitan municipalities	14 026.9	–	14 026.9	–	–	15 182.5	16 085.0
National Revenue Fund payments	97.9	–	–	–	97.9	–	–
Auditor-General of South Africa: Creation of direct charge	120.0	–	120.0	–	–	125.0	129.0
<b>Total expenditure estimates</b>	<b>815 109.5</b>	<b>232 184.1</b>	<b>577 879.3</b>	<b>34.4</b>	<b>5 011.6</b>	<b>883 601.6</b>	<b>946 824.4</b>

Executive authority: Minister of Finance  
 Accounting officer: Director-General of the National Treasury  
 Website: [www.treasury.gov.za](http://www.treasury.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available at [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).*

### Vote purpose

*Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.*

### Mandate

National Treasury's legislative mandate is based on section 216(1) of the Constitution, which calls for the establishment of a national treasury to ensure transparency, accountability and sound financial controls in the management of South Africa's public finances. This role is further elaborated in the Public Finance Management Act (1999). The department is mandated to:

- promote national government's fiscal policy and the coordination of macroeconomic policy
- ensure the stability and soundness of the financial system and financial services
- coordinate intergovernmental financial and fiscal relations
- manage the budget preparation process
- enforce transparency and effective management in respect of revenue and expenditure, assets and liabilities, public entities, and constitutional institutions.

## Selected performance indicators

**Table 8.1 Performance indicators by programme and related priority**

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of investment plans completed per year	Public Finance and Budget Management		4	4	4	2	2	2	2
Number of catalytic projects approved per year	Public Finance and Budget Management	Priority 4: Spatial integration, human settlements and local government	459	27	50	20	20	20	20
Number of programmes in integration zones identified for planning per year	Public Finance and Budget Management		12	12	12	12	12	14	14
Number of programmes in integration zones implemented per year	Public Finance and Budget Management		8	10	10	10	10	10	10
Total number of new jobs contracted in the Jobs Fund across the term of the project	Public Finance and Budget Management	Priority 1: Economic transformation and job creation	136 069	149 043	150 000	150 000	150 000	150 000	150 000
Total number of placements contracted on the Jobs Fund across the term of the project	Public Finance and Budget Management		90 087	70 744	105 000	80 000	80 000	80 000	80 000
Net loan debt as a percentage of GDP	Asset and Liability Management	Priority 6: A capable, ethical and developmental state	45.4% (R2tr)	48.1% (R2.3tr)	51.7% (R2.5tr)	57.0% (R2.9tr)	61.5% (R3.3tr)	65.1% (R3.8tr)	67.8% (R4.2tr)
Value of government gross annual borrowing	Asset and Liability Management		R240.5bn	R237.0bn	R246.9bn	R407.3bn	R432.7bn	R429.9bn	R497.5bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.3% (R146.5bn)	3.4% (R162.6bn)	3.7% (R181.8bn)	4.0% (R205.0bn)	4.2% (R229.3bn)	4.5% (R258.5bn)	4.7% (R290.1bn)
Number of municipal officials trained in financial management competencies per year	Financial Accounting and Supply Chain Management Systems		1 080	1 458	1 185	1 000	1 000	1 000	1 000
Number of transversal term contracts implemented per year	Financial Accounting and Supply Chain Management Systems		28	17	22	25	28	15	15
Number of tenders advertised on an electronic tendering platform for contracts per year	Financial Accounting and Supply Chain Management Systems		– <sup>1</sup>	17	1 642	10 000	10 000	10 000	10 000

1. No historical data available.

## Expenditure analysis

The National Development Plan details a vision of building an inclusive economy that advances social equality. This vision is supported by priority 1 (economic transformation and job creation), priority 2 (education, skills and health), priority 4 (spatial integration, human settlements and local government), priority 6 (a capable, ethical and developmental state) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. The work of National Treasury is closely aligned with these priorities, particularly in its aim to address the challenges of unemployment, inequality and poverty. In giving expression to these guiding policies over the medium term, the department will focus on: reviewing tax policy and strengthening regulation in the financial sector, supporting sustainable employment, supporting infrastructure development and economically integrated cities and communities, making government procurement more efficient, strengthening financial management in government, and facilitating regional and international cooperation.

The department's total budget over the medium term is R2.6 trillion, with transfers to provincial governments for the provincial equitable share accounting for 65.5 per cent (R1.7 trillion) of this amount. Cabinet has approved reductions on the department's baseline amounting to R21.4 billion over the medium term mainly on the provincial equitable share, and increases to the department's baseline amounting to R30.9 billion over the same period mainly to service government's debt. With this additional allocation, the department anticipates spending 28.9 per cent (R777.9 billion) of its total budget over the medium term to service debt. Distributing the general fuel levy to metropolitan municipalities is the department's third-largest cost driver, amounting to R45.3 billion over the medium term. Cabinet has approved a baseline increase of R240 million over the medium term to defray costs associated with retirement without penalisation of pension benefits in the public service. National Treasury will use this allocation to pay penalties on behalf of departments to the Government Employees Pension Fund for the early withdrawal of pension funds. This allocation is in response to calls for a sustainable public wage bill through reducing government spending on compensation of employees.

### ***Reviewing tax policy and strengthening regulation in the financial sector***

To improve fairness in the tax system, over the medium term, the department plans to propose amendments to tax policy that seek to meet government's revenue requirements and eliminate tax loopholes. In working towards this, the department will conduct research on appropriate tax designs for all proposed amendments, prepare discussion documents, hold workshops and meetings with affected parties, and prepare draft tax legislation before any legislation is introduced in Parliament. It will also advise the Minister of Finance on amendments to tax rates and thresholds, which are announced each year in the annual budget. Recent proposals for amendments to tax policy have included the implementation of the carbon tax from 1 June 2019, and adjustments to personal income tax and excise duty. These activities will be carried out in the *Tax Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme. Allocations to the subprogramme account for 21.4 per cent (R107.8 million) of the programme's total budget over the medium term.

The Financial Sector Laws Amendment Bill and Financial Matters Amendment Bill were published for public comment in 2018/19. These bills provide for the licensing of state banks, the orderly curatorship and resolution of banks in distress, and the establishment of a deposit insurance scheme at the Reserve Bank. A deposit insurance corporation will be established to administer the scheme as an entity within the bank, and will be mandated to establish, maintain and administer a deposit insurance fund to protect the deposits of bank customers in the event of a bank failure. The department will support these bills through relevant parliamentary processes over the medium term.

The department will also aim to table a financial sector levies bill during this period. To streamline regulations applicable to financial institutions, a new bill for the proportionate regulation of the market conduct of all institutions in the financial sector will be developed over the medium term. Furthermore, the department intends to introduce the National Payment System Amendment Bill in Parliament in 2020/21, which seeks to, among other things, provide the Reserve Bank with clear legal, regulatory, supervisory and oversight powers in respect of the national payment system in the National Payment System Act (1998). All activities for the development and introduction of proposed legislation will be carried out in the *Financial Sector Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme. Allocations to the subprogramme account for 16.4 per cent (R84.1 million) of the programme's total budget over the medium term.

### ***Supporting sustainable employment***

The Jobs Fund was launched in 2011 with a total operating budget of R9 billion to create 150 000 permanent jobs. As at 30 September 2019, the fund's 133 contracted projects reported that 118 867 new permanent jobs had been created, 56 660 previously unemployed people had been placed in permanent employment, and 250 124 people had benefitted from work-readiness and technical-training interventions. After eight funding rounds since 2011/12, the fund has allocated the full R9 billion to a portfolio of 153 projects, 20 of which are still in the contracting phase and are expected to be fully implemented by 2025. R14.1 billion has been committed to these 153 projects in the form of matched funding from Jobs Fund partners.

The department anticipates spending R2.5 billion over the medium term in *the Government Technical Advisory Centre* subprogramme in the *Public Finance and Budget Management* programme on activities related to the creation of sustainable employment. These activities include supporting innovative and partnership-based approaches to employment, enterprise development and providing support to work seekers.

### ***Supporting infrastructure development and economically integrated cities and communities***

The department facilitates conditional grants and provides financial incentives for infrastructure planning and development. This support is provided to municipalities through the *local government financial management grant*, the *neighbourhood development partnership grant*, the *integrated city development grant*, and the *infrastructure skills development grant*. Transfers to the grants and programmes for the development of infrastructure that facilitates the establishment of economically and socially integrated cities and communities amount to a projected R4.9 billion over the MTEF period in the *Facilitation of Conditional Grants* subprogramme in the *Public Finance and Budget Management* programme.

### ***Making government procurement more efficient***

Over the medium term, the Office of the Chief Procurement Officer will continue to monitor government procurement to identify malpractices that result in procurement irregularities. The office will aim to ensure compliance by analysing and monitoring the procurement plans of organs of state; and reviewing, investigating and reporting on various bids. The process for finalising the draft public procurement bill will be accelerated over the medium term, with public consultations expected to be held in 2020/21 subject to the bill's approval by Cabinet. Once effected, this legislation will introduce a series of governance reforms to the public procurement process and improve access to opportunities for small, medium and micro enterprises (SMMEs). The department will continue to support government institutions in strategic procurement over the medium term, and guide institutions, particularly in the health, education and travel sectors, through procurement and delivery management processes. To formalise this support, the rollout of the framework for infrastructure delivery and procurement management is expected to be completed in 2020/21. These activities will be carried out in the *Office of the Chief Procurement Officer* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme. Allocations to the subprogramme account for 7.2 per cent (R233.5 million) of the programme's total budget over the MTEF period.

### ***Strengthening financial management in government***

Government's integrated financial management system is designed to enhance the effectiveness of back-end public service functions by improving access to information, raising the quality of data, eliminating the duplication of systems and resources, and limiting the use of manual processes through modernisation and streamlining. By the end of 2020/21, a template for the system's software interface is expected to be designed and implemented at National Treasury and the Department of Public Service and Administration. Key stakeholders at these pilot sites have been trained to participate in the design process. Spending on these activities is expected to amount to R807.3 million over the medium term in the *Financial Systems* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme.

### ***Facilitating international and regional cooperation***

The New Development Bank was established in 2014 to strengthen cooperation among the Brazil-Russia-India China-South Africa (BRICS) group of countries, and complements the efforts of multilateral and regional financial institutions for global development. As at 17 January 2020, South Africa had made capital contributions to the bank amounting to R18.5 billion, with further capital contributions amounting to R9.2 billion expected over the medium term. By the end of December 2019, the bank had approved almost US\$2 billion to fund South Africa's development initiatives in the energy, transport and logistics sectors. In addition, an estimated US\$1.5 billion per year is available for funding South Africa's infrastructure build programme over the medium term.

To facilitate regional cooperation, compensation to member countries of the Common Monetary Area (Namibia, Lesotho and Swaziland) for the use of the rand currency amounts to R4 billion over the medium term in the *African Integration and Support* subprogramme in the *International Financial Relations* programme. As part of

the department's multilateral development commitment to institutions that continue to be strategic partners in the region's development agenda, transfers for the recapitalisation of the International Bank for Reconstruction and Development, a member institution of the World Bank Group, are projected to amount to R261.1 million over the MTEF period, and transfers for the recapitalisation of the African Development Bank and African Development Bank Fund are projected to amount to R1.3 billion. This expenditure is allocated in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme.

## Expenditure trends

**Table 8.2 Vote expenditure trends and estimates by programme and economic classification**

<b>Programmes</b>											
1. Administration											
2. Economic Policy, Tax, Financial Regulation and Research											
3. Public Finance and Budget Management											
4. Asset and Liability Management											
5. Financial Accounting and Supply Chain Management Systems											
6. International Financial Relations											
7. Civil and Military Pensions, Contributions to Funds and Other Benefits											
8. Revenue Administration											
9. Financial Intelligence and State Security											
<b>Programme</b>	<b>Audited outcome</b>			<b>Adjusted appropriation</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>
R million	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2016/17 - 2019/20</b>		<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2019/20 - 2022/23</b>	
Programme 1	436.3	437.9	424.3	511.4	5.4%	0.1%	536.9	578.7	609.1	6.0%	0.1%
Programme 2	151.2	151.9	138.8	143.1	-1.8%	0.0%	162.4	173.8	176.0	7.1%	0.0%
Programme 3	2 760.2	2 815.0	2 530.4	3 008.9	2.9%	0.4%	3 394.4	3 918.0	4 002.7	10.0%	0.4%
Programme 4	110.1	10 089.8	91.2	101.4	-2.7%	0.4%	124.2	130.9	133.3	9.5%	0.0%
Programme 5	1 130.8	689.6	771.4	981.3	-4.6%	0.1%	1 033.8	1 097.6	1 159.0	5.7%	0.1%
Programme 6	4 955.8	5 469.8	5 807.7	5 828.1	5.6%	0.8%	6 398.6	6 780.0	2 386.4	-25.7%	0.6%
Programme 7	4 400.2	4 618.1	5 020.1	5 574.5	8.2%	0.7%	5 755.1	6 673.9	7 378.6	9.8%	0.7%
Programme 8	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	1.4%	10 510.0	10 973.1	11 368.0	6.1%	1.2%
Programme 9	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	0.7%	5 207.7	5 496.4	5 698.8	4.8%	0.6%
<b>Subtotal</b>	<b>28 120.7</b>	<b>39 595.8</b>	<b>28 554.6</b>	<b>30 628.9</b>	<b>2.9%</b>	<b>4.7%</b>	<b>33 123.2</b>	<b>35 822.5</b>	<b>32 911.9</b>	<b>2.4%</b>	<b>3.9%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>570 276.2</b>	<b>616 544.1</b>	<b>664 863.5</b>	<b>722 873.7</b>	<b>-24.4%</b>	<b>95.3%</b>	<b>781 986.3</b>	<b>847 779.1</b>	<b>913 912.5</b>	<b>8.1%</b>	<b>96.1%</b>
Provincial equitable share	410 698.6	441 331.1	470 286.5	505 553.8	7.2%	67.7%	538 471.5	573 989.5	607 553.5	6.3%	65.5%
Debt-service costs	146 496.7	162 644.6	181 849.1	203 730.8	11.6%	25.7%	229 270.0	258 482.1	290 145.1	12.5%	28.9%
General fuel levy sharing with metropolitan municipalities	11 223.8	11 785.0	12 468.6	13 166.8	5.5%	1.8%	14 026.9	15 182.5	16 085.0	6.9%	1.7%
National Revenue Fund payments	1 778.0	587.1	161.6	359.5	-41.3%	0.1%	97.9	-	-	-100.0%	0.0%
Auditor-General of South Africa: Creation of direct charge	79.1	196.3	97.7	62.8	-7.4%	0.0%	120.0	125.0	129.0	27.1%	0.0%
<b>Total</b>	<b>598 396.9</b>	<b>656 139.9</b>	<b>693 418.0</b>	<b>753 502.6</b>	<b>8.0%</b>	<b>100.0%</b>	<b>815 109.5</b>	<b>883 601.6</b>	<b>946 824.4</b>	<b>7.9%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				1 667.8			1 800.2	8 219.2	4 553.0		

**Table 8.2 Vote expenditure trends and estimates by programme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
<b>Current payments</b>	<b>148 454.1</b>	<b>164 574.6</b>	<b>183 920.3</b>	<b>206 141.2</b>	<b>11.6%</b>	<b>26.0%</b>	<b>232 184.1</b>	<b>261 682.5</b>	<b>293 493.2</b>	<b>12.5%</b>	<b>29.2%</b>
Compensation of employees	786.4	803.7	790.3	847.2	2.5%	0.1%	928.9	989.3	1 032.3	6.8%	0.1%
Goods and services <sup>1</sup>	1 171.0	1 126.3	1 280.9	1 563.2	10.1%	0.2%	1 985.2	2 211.2	2 315.8	14.0%	0.2%
<i>of which:</i>											
<i>Computer services</i>	402.0	380.7	390.5	514.8	8.6%	0.1%	582.3	611.0	638.2	7.4%	0.1%
<i>Consultants: Business and advisory services</i>	534.1	487.0	628.8	723.2	10.6%	0.1%	1 074.1	1 249.2	1 308.9	21.9%	0.1%
<i>Operating leases</i>	71.1	66.0	59.8	91.3	8.7%	0.0%	85.8	93.5	99.8	3.0%	0.0%
<i>Property payments</i>	25.3	24.0	19.7	23.7	-2.1%	0.0%	24.3	26.7	28.2	6.0%	0.0%
<i>Travel and subsistence</i>	48.1	60.0	69.6	61.5	8.5%	0.0%	71.9	74.5	78.4	8.5%	0.0%
<i>Venues and facilities</i>	5.7	7.3	9.6	25.4	64.5%	0.0%	23.7	27.0	27.5	2.8%	0.0%
Interest and rent on land	146 496.7	162 644.6	181 849.1	203 730.8	11.6%	25.7%	229 270.0	258 482.1	290 145.1	12.5%	28.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>443 701.1</b>	<b>476 565.4</b>	<b>504 717.9</b>	<b>542 212.0</b>	<b>6.9%</b>	<b>72.8%</b>	<b>577 879.3</b>	<b>616 698.6</b>	<b>652 653.1</b>	<b>6.4%</b>	<b>70.3%</b>
Provinces and municipalities	423 376.8	454 708.9	484 263.8	520 314.5	7.1%	69.7%	554 073.4	590 816.4	625 356.0	6.3%	67.4%
Departmental agencies and accounts	15 074.1	16 251.0	14 327.2	15 379.3	0.7%	2.3%	16 708.1	17 760.8	18 331.9	6.0%	2.0%
Foreign governments and international organisations	907.6	1 042.1	1 159.1	1 009.2	3.6%	0.2%	1 418.7	1 527.8	1 669.7	18.3%	0.2%
Households	4 342.5	4 563.4	4 967.7	5 509.1	8.3%	0.7%	5 679.1	6 593.6	7 295.5	9.8%	0.7%
<b>Payments for capital assets</b>	<b>462.5</b>	<b>27.0</b>	<b>23.4</b>	<b>42.9</b>	<b>-54.7%</b>	<b>0.0%</b>	<b>34.4</b>	<b>36.5</b>	<b>31.4</b>	<b>-9.9%</b>	<b>0.0%</b>
Machinery and equipment	46.4	27.0	20.5	35.4	-8.6%	0.0%	30.3	35.6	30.2	-5.1%	0.0%
Software and other intangible assets	416.1	0.0	3.0	7.5	-73.8%	0.0%	4.1	0.9	1.1	-47.0%	0.0%
<b>Payments for financial assets</b>	<b>5 779.2</b>	<b>14 972.8</b>	<b>4 756.4</b>	<b>5 106.5</b>	<b>-4.0%</b>	<b>1.1%</b>	<b>5 011.6</b>	<b>5 183.9</b>	<b>646.7</b>	<b>-49.8%</b>	<b>0.5%</b>
<b>Total</b>	<b>598 396.9</b>	<b>656 139.9</b>	<b>693 418.0</b>	<b>753 502.6</b>	<b>8.0%</b>	<b>100.0%</b>	<b>815 109.5</b>	<b>883 601.6</b>	<b>946 824.4</b>	<b>7.9%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 8.3 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>13 610 586</b>	<b>14 781 389</b>	<b>12 685 486</b>	<b>13 246 836</b>	<b>-0.9%</b>	<b>2.8%</b>	<b>14 144 929</b>	<b>15 172 052</b>	<b>15 658 561</b>	<b>5.7%</b>	<b>2.4%</b>
Finance and Accounting Services	2 085	2 038	2 060	2 140	0.9%	-	2 221	2 343	2 428	4.3%	-
Sector Education and Training Authority											
Communication	9	9	18	21	32.6%	-	-	-	-	-100.0%	-
Cooperative Banks Development Agency	16 872	19 275	19 883	20 759	7.2%	-	21 461	22 650	23 483	4.2%	-
Financial and Fiscal Commission	44 839	50 647	51 782	54 319	6.6%	-	66 358	69 481	71 660	9.7%	-
Government Technical Advisory Centre	713 608	605 040	329 301	600 753	-5.6%	0.1%	679 748	847 896	872 341	13.2%	0.1%
Development Bank of Southern Africa	-	-	-	100 000	-	-	40 000	160 000	100 000	-	-
Accounting Standards Board	12 517	13 463	14 054	14 340	4.6%	-	15 038	15 862	16 448	4.7%	-
Independent Regulatory Board for Auditors	28 978	39 624	40 874	43 163	14.2%	-	44 624	47 080	48 824	4.2%	-
South African Revenue Service: Operations	8 320 321	9 041 607	7 757 918	7 814 599	-2.1%	1.7%	8 242 778	8 696 131	9 017 888	4.9%	1.4%
South African Revenue Service: Office of the Tax Ombud	-	35 030	41 527	40 308	-	-	42 525	44 864	46 524	4.9%	-
Financial Intelligence Centre: Operations	239 641	254 941	262 581	277 285	5.0%	0.1%	287 685	303 627	314 744	4.3%	-
Secret Services: Operations	4 152 641	4 523 437	4 067 750	4 216 307	0.5%	0.9%	4 582 490	4 837 118	5 015 231	6.0%	0.8%
Auditor-General of South Africa: Creation of direct charge	79 075	196 278	97 738	62 842	-7.4%	-	120 001	125 000	128 990	27.1%	-
<b>Capital</b>	<b>1 463 560</b>	<b>1 469 564</b>	<b>1 641 759</b>	<b>2 132 414</b>	<b>13.4%</b>	<b>0.3%</b>	<b>2 563 157</b>	<b>2 588 714</b>	<b>2 673 357</b>	<b>7.8%</b>	<b>0.4%</b>
Government Technical Advisory Centre	-	742	785	829	-	-	875	923	957	4.9%	-
South African Revenue Service: Machinery and equipment	1 043 355	1 141 561	1 207 772	1 674 124	17.1%	0.3%	2 224 714	2 232 095	2 303 583	11.2%	0.4%
Financial Intelligence Centre: Machinery and equipment	16 731	15 250	16 135	17 039	0.6%	-	17 976	18 965	19 669	4.9%	-
Secret Services: Machinery and equipment	403 474	312 011	417 067	440 422	3.0%	0.1%	319 592	336 731	349 148	-7.4%	0.1%



Table 8.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>4 341 435</b>	<b>4 561 684</b>	<b>4 964 744</b>	<b>5 507 143</b>	<b>8.3%</b>	<b>1.0%</b>	<b>5 677 056</b>	<b>6 591 523</b>	<b>7 293 251</b>	<b>9.8%</b>	<b>1.0%</b>
Employee social benefits	3 791	6 923	10 284	6 512	19.8%	-	1 668	1 760	1 844	-34.3%	-
Contribution to provident funds for associated institutions	314	248	238	360	4.7%	-	380	401	420	5.3%	-
Parliamentary Awards	17	18	19	25	13.7%	-	26	27	28	3.8%	-
Other benefits	92 820	87 805	96 855	104 093	3.9%	-	109 819	115 859	121 372	5.3%	-
Injury on duty	563 450	598 974	640 530	688 838	6.9%	0.1%	726 724	766 694	803 175	5.3%	0.1%
Post-retirement medical scheme	2 133 462	2 458 759	2 796 113	3 171 615	14.1%	0.5%	3 868 576	4 798 416	5 418 632	19.5%	0.7%
Special pensions	447 781	459 964	468 578	478 167	2.2%	0.1%	480 000	506 400	530 495	3.5%	0.1%
Political Office Bearers Pension Fund	-	-	-	53 224	-	-	50 001	50 356	52 752	-0.3%	-
Pension benefits: President of South Africa	7 732	7 407	10 753	10 762	11.7%	-	14 277	15 062	15 779	13.6%	-
Military pensions: Ex-servicemen	2 285	1 753	1 350	1 105	-21.5%	-	2 599	2 742	2 872	37.5%	-
South African citizen force	175 485	190 998	191 100	199 322	4.3%	-	217 131	229 073	239 973	6.4%	-
Civil protection	19	19	19	19	-	-	20	21	22	5.0%	-
Other benefits: Ex-servicemen	12 279	11 516	8 701	11 318	-2.7%	-	19 910	21 005	22 004	24.8%	-
Non-statutory forces	899 600	737 300	737 300	778 589	-4.7%	0.2%	102 411	-	-	-100.0%	-
Early retirement costs: Government Pensions Administration Agency	-	-	-	-	-	-	80 000	80 000	80 000	-	-
Post-retirement medical scheme: Parliamentary staff	2 400	-	2 904	3 194	10.0%	-	3 514	3 707	3 883	6.7%	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>11 819 565</b>	<b>12 427 803</b>	<b>13 114 612</b>	<b>13 849 031</b>	<b>5.4%</b>	<b>2.6%</b>	<b>14 724 932</b>	<b>15 918 942</b>	<b>16 848 549</b>	<b>6.8%</b>	<b>2.6%</b>
Local government financial management grant	465 264	502 006	504 566	532 822	4.6%	0.1%	544 862	574 829	596 005	3.8%	0.1%
Infrastructure skills development grant	130 471	140 774	141 492	149 416	4.6%	-	153 192	161 618	167 571	3.9%	-
General fuel levy sharing with metropolitan municipalities	11 223 830	11 785 023	12 468 554	13 166 793	5.5%	2.5%	14 026 878	15 182 495	16 084 973	6.9%	2.4%
<b>Capital</b>	<b>858 665</b>	<b>949 958</b>	<b>862 726</b>	<b>911 723</b>	<b>2.0%</b>	<b>0.2%</b>	<b>876 941</b>	<b>907 923</b>	<b>953 960</b>	<b>1.5%</b>	<b>0.2%</b>
Integrated city development grant	266 805	292 119	293 609	310 051	5.1%	0.1%	317 499	341 312	360 886	5.2%	0.1%
Neighbourhood development partnership grant	591 860	657 839	569 117	601 672	0.5%	0.1%	559 442	566 611	593 074	-0.5%	0.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>1 080</b>	<b>1 719</b>	<b>2 950</b>	<b>1 943</b>	<b>21.6%</b>	<b>-</b>	<b>2 050</b>	<b>2 126</b>	<b>2 206</b>	<b>4.3%</b>	<b>-</b>
Employee social benefits	-	346	1 301	-	-	-	-	-	-	-	-
Bursaries for non-employees	1 080	1 373	1 649	1 943	21.6%	-	2 050	2 126	2 206	4.3%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>816 927</b>	<b>915 339</b>	<b>1 023 103</b>	<b>876 872</b>	<b>2.4%</b>	<b>0.2%</b>	<b>1 267 045</b>	<b>1 367 815</b>	<b>1 503 791</b>	<b>19.7%</b>	<b>0.2%</b>
Common Monetary Area compensation	792 269	891 721	997 833	849 938	2.4%	0.2%	1 236 685	1 336 003	1 471 005	20.1%	0.2%
Collaborative Africa Budget Reform Initiative	2 431	2 400	2 565	2 250	-2.5%	-	2 650	2 650	2 614	5.1%	-
Commonwealth Fund for Technical Cooperation	5 815	6 117	5 816	5 816	-	-	7 162	7 550	7 830	10.4%	-
International Finance Facility for Immunisation	13 180	11 712	13 550	15 000	4.4%	-	14 994	15 819	16 406	3.0%	-
African Institute for Economic Development and Planning	1 007	957	1 113	1 427	12.3%	-	1 200	1 200	1 172	-6.4%	-
Regional Technical Assistance Centre for Southern Africa	988	1 177	1 074	1 281	9.0%	-	1 351	1 425	1 478	4.9%	-
United Kingdom tax	1 237	1 255	1 152	1 160	-2.1%	-	3 003	3 168	3 286	41.5%	-
<b>Capital</b>	<b>90 680</b>	<b>126 782</b>	<b>136 020</b>	<b>132 319</b>	<b>13.4%</b>	<b>-</b>	<b>151 650</b>	<b>159 991</b>	<b>165 911</b>	<b>7.8%</b>	<b>-</b>
African Development Fund	-	73 192	82 431	78 699	-	-	95 322	100 283	104 752	10.0%	-
World Bank Group	90 680	53 590	53 589	53 620	-16.1%	-	56 328	59 708	61 159	4.5%	-
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>410 698 585</b>	<b>441 331 122</b>	<b>470 286 510</b>	<b>505 553 753</b>	<b>7.2%</b>	<b>92.9%</b>	<b>538 471 528</b>	<b>573 989 526</b>	<b>607 553 532</b>	<b>6.3%</b>	<b>93.1%</b>
Provincial equitable share	410 698 585	441 331 122	470 286 510	505 553 753	7.2%	92.9%	538 471 528	573 989 526	607 553 532	6.3%	93.1%
<b>Total</b>	<b>443 701 083</b>	<b>476 565 360</b>	<b>504 717 910</b>	<b>542 212 034</b>	<b>6.9%</b>	<b>100.0%</b>	<b>577 879 288</b>	<b>616 698 612</b>	<b>652 653 118</b>	<b>6.4%</b>	<b>100.0%</b>

## Personnel information

**Table 8.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Economic Policy, Tax, Financial Regulation and Research																			
3. Public Finance and Budget Management																			
4. Asset and Liability Management																			
5. Financial Accounting and Supply Chain Management Systems																			
6. International Financial Relations																			
7. Civil and Military Pensions, Contributions to Funds and Other Benefits																			
8. Revenue Administration																			
9. Financial Intelligence and State Security																			
Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment													Number				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost		
<b>National Treasury</b>		<b>1 030</b>	<b>1 048</b>	<b>790.3</b>	<b>0.8</b>	<b>1 041</b>	<b>847.1</b>	<b>0.8</b>	<b>1 074</b>	<b>928.9</b>	<b>0.9</b>	<b>1 076</b>	<b>989.3</b>	<b>0.9</b>	<b>1 059</b>	<b>1 032.3</b>	<b>1.0</b>	<b>0.6%</b>	<b>100.0%</b>
Salary level		1 030	1 048	790.3	0.8	1 041	847.1	0.8	1 074	928.9	0.9	1 076	989.3	0.9	1 059	1 032.3	1.0	0.6%	100.0%
1 – 6	115	63	115	27.3	0.2	113	22.8	0.2	115	25.1	0.2	117	27.4	0.2	119	30.1	0.3	1.7%	10.9%
7 – 10	374	31	390	198.3	0.5	391	232.7	0.6	404	256.6	0.6	405	275.0	0.7	400	289.4	0.7	0.8%	37.6%
11 – 12	279	5	280	253.9	0.9	276	255.6	0.9	291	286.3	1.0	291	304.5	1.0	281	312.3	1.1	0.6%	26.8%
13 – 16	260	5	261	310.9	1.2	259	331.5	1.3	262	356.2	1.4	261	377.4	1.4	257	395.2	1.5	-0.3%	24.4%
Other	2	–	2	–	–	2	4.4	2.2	2	4.7	2.4	2	5.0	2.5	2	5.3	2.7	–	0.2%
<b>Programme</b>	<b>1 030</b>	<b>104</b>	<b>1 048</b>	<b>790.3</b>	<b>0.8</b>	<b>1 041</b>	<b>847.1</b>	<b>0.8</b>	<b>1 074</b>	<b>928.9</b>	<b>0.9</b>	<b>1 076</b>	<b>989.3</b>	<b>0.9</b>	<b>1 059</b>	<b>1 032.3</b>	<b>1.0</b>	<b>0.6%</b>	<b>100.0%</b>
Programme 1	325	72	329	190.8	0.6	322	203.8	0.6	333	226.0	0.7	340	246.1	0.7	347	267.4	0.8	2.5%	31.6%
Programme 2	77	1	78	73.0	0.9	79	83.5	1.1	82	91.7	1.1	84	99.5	1.2	78	98.8	1.3	-0.4%	7.6%
Programme 3	248	2	248	213.9	0.9	251	228.3	0.9	260	250.8	1.0	257	264.1	1.0	252	275.5	1.1	0.1%	24.0%
Programme 4	90	1	94	73.8	0.8	96	84.5	0.9	98	92.4	0.9	97	97.3	1.0	92	98.0	1.1	-1.4%	9.0%
Programme 5	259	28	266	206.9	0.8	264	217.5	0.8	270	235.6	0.9	268	249.0	0.9	262	259.9	1.0	-0.3%	25.0%
Programme 6	31	–	33	31.9	1.0	29	29.4	1.0	31	32.5	1.0	30	33.4	1.1	28	32.8	1.2	-1.2%	2.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
 2. Rand million.

## Departmental receipts

**Table 8.5 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2019/20	2020/21	2021/22		
R thousand												
<b>Departmental receipts</b>	<b>4 951 206</b>	<b>4 430 772</b>	<b>7 113 723</b>	<b>4 260 766</b>	<b>7 260 266</b>	<b>13.6%</b>	<b>31.0%</b>	<b>6 477 970</b>	<b>6 703 788</b>	<b>6 889 376</b>	<b>-1.7%</b>	<b>51.2%</b>
<b>Sales of goods and services produced by department</b>	<b>11 813</b>	<b>116 637</b>	<b>125 191</b>	<b>14 377</b>	<b>14 377</b>	<b>6.8%</b>	<b>0.3%</b>	<b>14 262</b>	<b>15 041</b>	<b>530</b>	<b>-66.7%</b>	<b>0.1%</b>
Sales by market establishments	100	99	91	127	127	8.3%	–	110	116	120	-1.9%	–
of which:												
Rental parking: Covered and open	100	99	91	127	127	8.3%	–	110	116	120	-1.9%	–
Administrative fees	1	1	1	11	11	122.4%	–	12	13	20	22.1%	–
of which:												
Required information: Duplicate certificate	1	1	1	11	11	122.4%	–	12	13	20	22.1%	–
Other sales	11 712	116 537	125 099	14 239	14 239	6.7%	0.3%	14 140	14 912	390	-69.9%	0.1%
of which:												
Commission: Insurance	94	94	100	106	106	4.1%	–	90	95	100	-1.9%	–
Directors fees	228	228	220	232	232	0.6%	–	145	153	200	-4.8%	–
Replacement of security cards	10	10	15	16	16	17.0%	–	10	11	20	7.7%	–
Fees for government guarantee insurance	11 260	116 085	124 749	13 855	13 855	7.2%	0.3%	13 855	14 603	–	-100.0%	0.1%
Sales of assets less than R5 000	120	120	15	30	30	-37.0%	–	40	50	70	32.6%	–
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>14</b>	<b>11</b>	<b>188</b>	<b>24</b>	<b>24</b>	<b>19.7%</b>	<b>–</b>	<b>27</b>	<b>28</b>	<b>28</b>	<b>5.3%</b>	<b>–</b>
of which:												
Wastepaper	–	–	173	8	8	–	–	7	7	7	-4.4%	–
Departmental publications	14	11	15	16	16	4.6%	–	20	21	21	9.5%	–
<b>Interest, dividends and rent on land</b>	<b>4 032 638</b>	<b>3 325 439</b>	<b>6 830 187</b>	<b>3 971 305</b>	<b>6 871 305</b>	<b>19.4%</b>	<b>27.5%</b>	<b>6 187 901</b>	<b>6 398 048</b>	<b>6 598 048</b>	<b>-1.3%</b>	<b>48.8%</b>
Interest	3 881 438	3 082 460	6 750 187	3 800 000	6 700 000	20.0%	26.6%	6 000 000	6 200 000	6 400 000	-1.5%	47.4%
Dividends	151 200	242 979	80 000	171 305	171 305	4.2%	0.8%	187 901	198 048	198 048	5.0%	1.4%
of which:												
South African Special Risks Insurance Association	151 200	242 979	80 000	171 305	171 305	4.2%	0.8%	187 901	198 048	198 048	5.0%	1.4%

Table 8.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2019/20	Revised estimate	Average growth rate (%) 2016/17 - 2019/20	Average: Receipt item/ Total (%) 2019/20	Medium-term receipts estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Receipt item/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Sales of capital assets	136	683	–	–	–	-100.0%	–	–	–	–	–	–
Transactions in financial assets and liabilities	906 605	988 002	158 157	275 060	374 560	-25.5%	3.2%	275 780	290 671	290 770	-8.1%	2.3%
<b>National Revenue Fund receipts</b>	<b>14 240 651</b>	<b>16 600 255</b>	<b>11 999 374</b>	<b>9 886 593</b>	<b>10 020 079</b>	<b>-11.1%</b>	<b>69.0%</b>	<b>6 005 000</b>	<b>4 762 000</b>	<b>5 306 000</b>	<b>-19.1%</b>	<b>48.8%</b>
<i>of which:</i>												
Revaluation of profits on foreign currency transactions	10 710 440	13 115 597	10 390 835	7 507 431	7 156 956	-12.6%	54.0%	6 005 000	4 762 000	5 306 000	-9.5%	43.5%
Premiums on loan transactions	2 594 049	1 132 995	1 161 388	1 998 508	2 483 353	-1.4%	9.6%	–	–	–	-100.0%	4.6%
Other (mainly penalties on retail bonds and profit on script lending)	19 172	3 288	2 553	2 576	1 692	-55.5%	–	–	–	–	-100.0%	–
Premiums on debt portfolio restructuring (switches)	916 990	2 348 375	444 598	378 078	378 078	-25.6%	5.3%	–	–	–	-100.0%	0.7%
<b>Total</b>	<b>19 191 857</b>	<b>21 031 027</b>	<b>19 113 097</b>	<b>14 147 359</b>	<b>17 280 345</b>	<b>-3.4%</b>	<b>100.0%</b>	<b>12 482 970</b>	<b>11 465 788</b>	<b>12 195 376</b>	<b>-11.0%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

Provide strategic leadership, management and support services to the department.

### Expenditure trends and estimates

Table 8.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	3.6	3.8	3.7	4.4	6.9%	0.9%	4.7	5.0	5.2	5.2%	0.9%
Departmental Management	50.5	70.1	51.1	55.8	3.4%	12.6%	64.3	67.3	77.7	11.7%	11.9%
Corporate Services	154.9	117.5	126.4	153.0	-0.4%	30.5%	172.3	184.1	187.9	7.1%	31.2%
Enterprise-Wide Risk Management	26.3	28.3	29.3	34.6	9.6%	6.5%	35.8	37.0	39.4	4.5%	6.6%
Financial Administration	37.9	41.5	43.4	47.9	8.2%	9.4%	48.9	59.2	62.3	9.1%	9.8%
Legal Services	22.9	22.0	22.3	22.9	–	5.0%	24.3	25.6	26.5	5.0%	4.4%
Internal Audit	21.8	24.1	32.2	30.2	11.5%	6.0%	36.6	38.5	38.5	8.4%	6.4%
Communications	8.6	12.5	9.7	11.3	9.7%	2.3%	11.9	12.6	13.1	4.8%	2.2%
Office Accommodation	109.9	118.1	106.2	151.1	11.2%	26.8%	138.1	149.5	158.6	1.6%	26.7%
<b>Total</b>	<b>436.3</b>	<b>437.9</b>	<b>424.3</b>	<b>511.4</b>	<b>5.4%</b>	<b>100.0%</b>	<b>536.9</b>	<b>578.7</b>	<b>609.1</b>	<b>6.0%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(44.4)			(62.4)	(58.1)	(51.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>392.6</b>	<b>421.1</b>	<b>402.4</b>	<b>481.9</b>	<b>7.1%</b>	<b>93.8%</b>	<b>513.7</b>	<b>548.2</b>	<b>587.2</b>	<b>6.8%</b>	<b>95.3%</b>
Compensation of employees	195.4	203.0	190.8	211.5	2.7%	44.2%	226.0	246.1	267.4	8.1%	42.5%
Goods and services <sup>1</sup>	197.2	218.1	211.6	270.4	11.1%	49.6%	287.7	302.1	319.8	5.8%	52.8%
<i>of which:</i>											
Computer services	34.9	27.9	28.2	43.7	7.8%	7.4%	59.6	56.7	62.6	12.7%	10.0%
Consultants: Business and advisory services	4.5	7.8	12.3	13.6	44.4%	2.1%	17.9	18.4	17.6	9.0%	3.0%
Legal services	14.8	14.3	13.5	15.1	0.6%	3.2%	15.8	16.7	17.3	4.7%	2.9%
Operating leases	66.0	63.7	57.7	88.6	10.3%	15.3%	82.9	90.5	96.7	2.9%	16.0%
Property payments	25.3	24.0	19.7	23.7	-2.1%	5.1%	24.3	26.7	28.2	6.0%	4.6%
Travel and subsistence	14.1	28.6	23.6	19.1	10.7%	4.7%	24.3	25.4	26.7	11.7%	4.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4.8</b>	<b>7.3</b>	<b>7.3</b>	<b>5.2</b>	<b>3.3%</b>	<b>1.4%</b>	<b>4.3</b>	<b>4.5</b>	<b>4.6</b>	<b>-4.0%</b>	<b>0.8%</b>
Departmental agencies and accounts	2.1	2.0	2.1	2.2	1.1%	0.5%	2.2	2.3	2.4	4.0%	0.4%
Households	2.7	5.3	5.2	3.1	5.0%	0.9%	2.1	2.1	2.2	-10.5%	0.4%
<b>Payments for capital assets</b>	<b>38.9</b>	<b>9.3</b>	<b>13.9</b>	<b>24.3</b>	<b>-14.5%</b>	<b>4.8%</b>	<b>19.0</b>	<b>26.1</b>	<b>17.3</b>	<b>-10.7%</b>	<b>3.9%</b>
Machinery and equipment	38.9	9.3	11.5	21.7	-17.7%	4.5%	19.0	26.1	17.3	-7.2%	3.8%
Software and other intangible assets	–	0.0	2.4	2.6	–	0.3%	–	–	–	-100.0%	0.1%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>0.7</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>436.3</b>	<b>437.9</b>	<b>424.3</b>	<b>511.4</b>	<b>5.4%</b>	<b>100.0%</b>	<b>536.9</b>	<b>578.7</b>	<b>609.1</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.6%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.7%</b>	<b>–</b>	<b>–</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.9%</b>	<b>–</b>	<b>–</b>

**Table 8.6 Administration expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22			2022/23	2019/20 - 2022/23
	R million												
<b>Households</b>													
<b>Social benefits</b>													
Current	1.6	3.9	3.6	1.1	-10.5%	0.6%	–	–	–	-100.0%	0.1%		
Employee social benefits	1.6	3.9	3.6	1.1	-10.5%	0.6%	–	–	–	-100.0%	0.1%		
<b>Departmental agencies and accounts</b>													
<b>Departmental agencies (non-business entities)</b>													
Current	2.1	2.0	2.1	2.1	0.9%	0.5%	2.2	2.3	2.4	4.3%	0.4%		
Finance and Accounting Services	2.1	2.0	2.1	2.1	0.9%	0.5%	2.2	2.3	2.4	4.3%	0.4%		
Sector Education and Training Authority													
<b>Households</b>													
<b>Other transfers to households</b>													
Current	1.1	1.4	1.6	1.9	21.6%	0.3%	2.1	2.1	2.2	4.3%	0.4%		
Bursaries for non-employees	1.1	1.4	1.6	1.9	21.6%	0.3%	2.1	2.1	2.2	4.3%	0.4%		

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Personnel information

**Table 8.7 Administration personnel numbers and cost by salary level<sup>1</sup>**

Administration	Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	325	72	329	190.8	0.6	322	203.8	0.6	333	226.0	0.7	340	246.1	0.7	347	267.4	0.8	2.5%	100.0%
1 – 6	101	63	101	22.4	0.2	99	18.7	0.2	101	20.7	0.2	103	22.7	0.2	105	25.1	0.2	2.0%	30.4%
7 – 10	129	2	128	67.1	0.5	127	76.1	0.6	131	83.7	0.6	133	90.6	0.7	136	98.8	0.7	2.3%	39.3%
11 – 12	55	5	55	47.2	0.9	52	50.6	1.0	55	57.0	1.0	57	62.9	1.1	59	69.3	1.2	4.3%	16.6%
13 – 16	38	2	43	54.2	1.3	42	53.9	1.3	44	59.8	1.4	45	64.9	1.4	45	68.9	1.5	2.3%	13.1%
Other	2	–	2	–	–	2	4.4	2.2	2	4.7	2.4	2	5.0	2.5	2	5.3	2.7	–	0.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Programme 2: Economic Policy, Tax, Financial Regulation and Research

### Programme purpose

Provide specialist policy research, analysis and advisory services in the areas of macroeconomics, microeconomics, the financial sector, taxation and regulatory reform.

### Objectives

- Improve South Africa's macroeconomic and microeconomic framework by conducting ongoing analytical work and research, and developing policy advisory services.
- Build and maintain economic research capacity to inform economic policy in South Africa by providing academic and research institutions with funding annually.
- Promote an effective, equitable and efficient tax policy framework and tax administration system by developing and updating tax policies, and supporting legislation for the annual budget process.

### Subprogrammes

- *Programme Management for Economic Policy, Tax, Financial Regulation and Research* provides overall programme management and policy advice to government relating to the promotion of economic growth, employment, and microeconomic and macroeconomic stability.

- *Research* promotes economic research institutions by funding economic research in the public interest, as well as more dedicated research on behalf of the department. This includes promoting the research capacity of local academic researchers in areas such as economic growth, job creation, macroeconomic stability, poverty alleviation, retirement reform and financial sector development.
- *Financial Sector Policy* is responsible for developing policy on the regulation of the financial sector in South Africa; developing policies to broaden access to financial services for all South Africans; and developing policies to improve the national savings rate through reforms to the legislative framework governing the savings industry, including work undertaken towards the implementation of retirement reform proposals.
- *Tax Policy* is responsible for drafting annual tax proposals and tax legislation as part of the national budget to promote an effective, equitable and efficient tax policy framework and tax administration system that ensures sustainable growth and delivery on government's mandate to address the needs of all South Africans. This includes providing tax proposals towards improved environmental sustainability.
- *Economic Policy* provides macroeconomic and microeconomic forecasts, policy analysis on microeconomic and regulatory issues, economic impact assessments, and scenario modelling to provide sound policy advice on the economic environment for the annual budget and other government processes. Policy advice is mainly focused on creating decent employment through inclusive growth. This subprogramme also provides analytical work and policy advice on a wide range of issues, including: inflation management, electricity pricing, economic growth, structural budget balances, industrial policy, SMME policy and the exchange rate.
- *Cooperative Banks Development Agency* subprogramme facilitates transfer payments to the Cooperative Banks Development Agency, which provides for the registration, supervision and regulation of cooperative banks and the development of cooperative financial institutions, such as savings and credit cooperatives, community banks, village banks and financial services cooperatives, into cooperative banks.

## Expenditure trends and estimates

**Table 8.8 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management for Economic Policy, Tax, Financial Regulation and Research	45.0	43.6	44.4	40.5	-3.5%	29.6%	48.9	51.3	53.1	9.5%	29.6%
Research	7.3	10.8	–	–	-100.0%	3.1%	–	–	–	–	–
Financial Sector Policy	24.3	24.9	21.6	23.2	-1.6%	16.1%	26.7	28.2	29.2	8.0%	16.4%
Tax Policy	30.3	28.6	30.9	32.5	2.4%	20.9%	35.1	36.5	36.3	3.7%	21.4%
Economic Policy	27.5	24.7	21.9	26.2	-1.6%	17.2%	30.3	35.2	33.9	9.0%	19.2%
Cooperative Banks Development Agency	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%
<b>Total</b>	<b>151.2</b>	<b>151.9</b>	<b>138.8</b>	<b>143.1</b>	<b>-1.8%</b>	<b>100.0%</b>	<b>162.4</b>	<b>173.8</b>	<b>176.0</b>	<b>7.1%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(6.6)			2.8	4.8	0.6		

**Table 8.8 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22			2022/23	2019/20 - 2022/23
	R million												
<b>Economic classification</b>													
<b>Current payments</b>	<b>133.3</b>	<b>131.5</b>	<b>118.0</b>	<b>121.2</b>	<b>-3.1%</b>	<b>86.2%</b>	<b>140.0</b>	<b>150.2</b>	<b>151.4</b>	<b>7.7%</b>	<b>85.9%</b>		
Compensation of employees	79.7	77.0	73.0	80.5	0.4%	53.0%	91.7	99.5	98.8	7.1%	56.5%		
Goods and services <sup>1</sup>	53.7	54.5	45.0	40.7	-8.8%	33.2%	48.3	50.7	52.6	8.9%	29.4%		
of which:													
Bursaries: Employees	0.3	0.3	0.4	0.3	-3.1%	0.2%	0.4	0.4	0.4	20.6%	0.2%		
Consultants: Business and advisory services	40.2	41.7	31.2	28.7	-10.6%	24.3%	34.9	36.0	37.4	9.2%	20.9%		
Consumables: Stationery, printing and office supplies	1.4	3.0	2.1	2.1	13.6%	1.5%	1.5	1.6	1.6	-8.2%	1.0%		
Travel and subsistence	6.6	5.0	7.1	5.5	-5.7%	4.1%	6.5	7.0	7.2	8.9%	4.0%		
Training and development	0.5	0.4	0.6	0.8	15.2%	0.4%	1.4	1.5	1.1	10.5%	0.7%		
Operating payments	3.3	1.9	2.0	2.0	-15.2%	1.6%	2.3	2.7	3.3	18.5%	1.6%		
<b>Transfers and subsidies<sup>1</sup></b>	<b>17.2</b>	<b>19.7</b>	<b>20.3</b>	<b>21.0</b>	<b>6.9%</b>	<b>13.4%</b>	<b>21.5</b>	<b>22.7</b>	<b>23.5</b>	<b>3.8%</b>	<b>13.5%</b>		
Departmental agencies and accounts	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%		
Households	0.3	0.4	0.4	0.2	-9.8%	0.2%	-	-	-	-100.0%	-		
<b>Payments for capital assets</b>	<b>0.7</b>	<b>0.7</b>	<b>0.5</b>	<b>0.9</b>	<b>9.2%</b>	<b>0.5%</b>	<b>0.9</b>	<b>1.0</b>	<b>1.0</b>	<b>5.4%</b>	<b>0.6%</b>		
Machinery and equipment	0.7	0.7	0.5	0.9	9.2%	0.5%	0.9	1.0	1.0	5.4%	0.6%		
<b>Payments for financial assets</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>151.2</b>	<b>151.9</b>	<b>138.8</b>	<b>143.1</b>	<b>-1.8%</b>	<b>100.0%</b>	<b>162.4</b>	<b>173.8</b>	<b>176.0</b>	<b>7.1%</b>	<b>100.0%</b>		
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>		

**Details of transfers and subsidies**

<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>0.2</b>	<b>-9.8%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.3	0.4	0.4	0.2	-9.8%	0.2%	-	-	-	-100.0%	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>16.9</b>	<b>19.3</b>	<b>19.9</b>	<b>20.8</b>	<b>7.2%</b>	<b>13.1%</b>	<b>21.5</b>	<b>22.7</b>	<b>23.5</b>	<b>4.2%</b>	<b>13.5%</b>
Cooperative Banks Development Agency	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

**Personnel information**

**Table 8.9 Economic Policy, Tax, Financial Regulation and Research personnel numbers and cost by salary level<sup>1</sup>**

Salary level	Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual						Revised estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21			2021/22					2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Economic Policy, Tax, Financial Regulation and Research	77	1	78	73.0	0.9	79	83.5	1.1	82	91.7	1.1	84	99.5	1.2	78	98.8	1.3	-0.4%	100.0%
1-6	1	-	1	0.3	0.3	1	0.3	0.3	1	0.4	0.4	1	0.4	0.4	1	0.4	0.4	-	1.2%
7-10	17	-	18	10.3	0.6	19	13.0	0.7	21	15.4	0.7	22	17.1	0.8	20	16.3	0.8	1.7%	25.4%
11-12	21	-	20	19.2	1.0	20	18.5	0.9	21	20.9	1.0	22	23.4	1.1	20	22.8	1.1	-	25.7%
13-16	38	1	39	43.2	1.1	39	51.7	1.3	39	55.0	1.4	39	58.5	1.5	37	59.2	1.6	-1.7%	47.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Programme 3: Public Finance and Budget Management

### Programme purpose

Provide analysis and advice on fiscal policy and public finances, intergovernmental financial relations, expenditure planning and priorities. Manage government's annual budget process and provide public finance management support. Facilitate employment creation and high-impact government initiatives, and strengthen infrastructure planning and delivery.

### Objectives

- Promote growth, social development and poverty reduction through sound fiscal and financial policies, and the effective, efficient and appropriate allocation of public funds annually.
- Prepare a national budget annually that gives effect to government's economic, fiscal, social and developmental goals as expressed in the National Development Plan and government's medium-term strategic framework to provide fiscal policy advice by monitoring economic and fiscal trends, and advising on policy options and the budget framework.
- Deepen transparency in the allocation of public finances through the annual production and publication of the Budget Review, Estimates of National Expenditure, Medium-Term Budget Policy Statement, Adjusted Estimates of National Expenditure and appropriation legislation containing relevant, accurate and clear financial information and associated indicators on service delivery and performance.
- Contribute to public policy and programme development by providing support for planning, policy and programme analysis, budgeting and project management, including support for public finance reform in provinces and municipalities, on an ongoing basis.
- Promote public and private investment in infrastructure and public services on an ongoing basis by providing technical support for capital expenditure planning and project analysis, advice on financing alternatives, support for municipal development, and financial assistance for neighbourhood development projects.
- Measure the use of public financial resources by monitoring, supporting and analysing public expenditure and service delivery for social and economic development, and infrastructure investment on an ongoing basis.
- Support and enable budget analysis by a broad range of stakeholders on an ongoing basis through increased budget participation by the public.
- Build capacity in the public sector through diagnostic and advisory services, and support for organisational development, specialised procurement, improved public finance management, and programme and project implementation on an ongoing basis.
- Enhance budget and financial management practices by strengthening public finance management capacity in municipalities and supporting provincial treasury oversight of local government financial management on an ongoing basis.
- Ensure liveable, sustainable, resilient, efficient and integrated towns and cities by promoting public and private investment in city development, integrated urban networks and neighbourhood development initiatives on an ongoing basis.
- Stimulate employment and inclusive growth by supporting innovative and partnership-based approaches to employment creation, job seeker support and enterprise development on an ongoing basis.
- Ensure technical capacity in local governments' built environments by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

### Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include overseeing and managing the processes

related to the annual publication of the Medium-Term Budget Policy Statement, the coordination of the annual budget, and the production of the Division of Revenue Bill for the three spheres of government.

- *Public Finance* provides financial and budgetary analysis of government programmes, advises on policy and service delivery trends, and manages National Treasury's relations with other national departments.
- *Budget Office and Coordination* is responsible for the coordination of the national budget process, including the publication of the Budget Review, Estimates of National Expenditure, Medium-Term Budget Policy Statement and Adjusted Estimates of National Expenditure. The unit leads the budget reform programme, coordinates international technical assistance and donor finance, provides advice on public service remuneration and pension arrangements, compiles public finance statistics, and provides fiscal policy advice.
- *Intergovernmental Relations* coordinates fiscal relations between national, provincial and local government; promotes sound provincial and municipal budgetary planning, reporting and financial management; and provides support for government to improve infrastructure planning and management in order to meet service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* subprogramme facilitates the annual transfer payment to the Financial and Fiscal Commission, which provides independent, objective, impartial and unbiased advice to all three spheres of government regarding the division of revenue, as well as advice on the enactment of legislation pertaining to provincial taxes, municipal fiscal powers and functions, and provincial and municipal loans.
- *Facilitation of Conditional Grants* facilitates conditional grants administered by National Treasury, which are aimed at strengthening public and private investment for improved living and working conditions in townships, and creating more spatially resilient, efficient and integrated towns and cities. These grants are further aimed at promoting accelerated and more inclusive development in major urban areas through better governance and built environment planning, improved human settlements and public transport management, local economic development, environmental sustainability and climate resilience.
- *Catalytic Infrastructure and Development Support Programme* provides technical assistance and support to National Treasury, provincial treasuries and municipalities by assigning professional advisers with experience and expertise in municipal financial management to facilitate key reforms and skills transfer through the municipal finance improvement programme.
- *Government Technical Advisory Centre* subprogramme facilitates transfer payments to the Government Technical Advisory Centre which provides management support for technical consulting services, specialised procurement and project management support, infrastructure advice and knowledge management in support of efficient, effective and transparent public finance management. This subprogramme also facilitates the creation of sustainable jobs by supporting innovative and partnership-based approaches to employment, enterprise development and providing support to work seekers through the Jobs Fund; and supports research on employment, income distribution and inclusive growth.

## Expenditure trends and estimates

**Table 8.10 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 - 2019/20						
Programme Management for Public Finance and Budget Management	21.4	20.8	19.1	34.5	17.2%	0.9%	32.8	34.6	37.1	2.5%	1.0%
Public Finance	56.6	61.7	64.0	61.3	2.7%	2.2%	69.5	73.0	75.8	7.4%	2.0%
Budget Office and Coordination	57.0	57.7	59.7	62.9	3.4%	2.1%	71.2	75.5	78.4	7.6%	2.0%
Intergovernmental Relations	102.0	97.8	100.8	115.6	4.3%	3.7%	442.5	552.2	577.6	71.0%	11.8%
Financial and Fiscal Commission	44.8	50.6	51.8	54.3	6.6%	1.8%	66.4	69.5	71.7	9.7%	1.8%
Facilitation of Conditional Grants	1 454.4	1 592.7	1 508.8	1 594.0	3.1%	55.3%	1 575.0	1 644.4	1 717.5	2.5%	45.6%
Catalytic Infrastructure and Development Support Programme	237.8	259.7	323.8	381.8	17.1%	10.8%	363.4	522.4	470.0	7.2%	12.1%
Government Technical Advisory Centre	786.2	673.9	402.5	704.6	-3.6%	23.1%	773.6	946.5	974.6	11.4%	23.7%
<b>Total</b>	<b>2 760.2</b>	<b>2 815.0</b>	<b>2 530.4</b>	<b>3 008.9</b>	<b>2.9%</b>	<b>100.0%</b>	<b>3 394.4</b>	<b>3 918.0</b>	<b>4 002.7</b>	<b>10.0%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(48.7)			103.6	397.5	330.5		



**Table 8.10 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
R million											
<b>Current payments</b>	<b>545.4</b>	<b>564.3</b>	<b>636.0</b>	<b>656.5</b>	<b>6.4%</b>	<b>21.6%</b>	<b>1 029.7</b>	<b>1 192.5</b>	<b>1 237.3</b>	<b>23.5%</b>	<b>28.7%</b>
Compensation of employees	201.9	211.7	213.9	219.2	2.8%	7.6%	250.8	264.1	275.5	7.9%	7.0%
Goods and services <sup>1</sup>	343.5	352.6	422.1	437.3	8.4%	14.0%	778.9	928.4	961.8	30.0%	21.7%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.6	1.0	1.0	1.5	37.8%	–	1.2	1.4	1.5	-0.8%	–
<i>Consultants: Business and advisory services</i>	324.6	332.9	400.4	413.3	8.4%	13.2%	754.0	901.9	934.2	31.2%	21.0%
<i>Consumables: Stationery, printing and office supplies</i>	2.1	6.7	1.0	1.4	-13.6%	0.1%	1.8	1.8	1.9	12.3%	–
<i>Operating leases</i>	0.9	0.7	0.8	1.1	5.9%	–	1.1	1.1	1.2	3.9%	–
<i>Travel and subsistence</i>	8.3	8.5	10.6	10.0	6.1%	0.3%	10.6	11.4	11.9	6.1%	0.3%
<i>Operating payments</i>	4.4	0.0	5.8	6.2	11.5%	0.1%	6.2	6.6	6.8	3.5%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>2 213.2</b>	<b>2 249.6</b>	<b>1 892.6</b>	<b>2 350.0</b>	<b>2.0%</b>	<b>78.3%</b>	<b>2 362.0</b>	<b>2 722.7</b>	<b>2 762.5</b>	<b>5.5%</b>	<b>71.2%</b>
Provinces and municipalities	1 454.4	1 592.7	1 508.8	1 594.0	3.1%	55.3%	1 575.0	1 644.4	1 717.5	2.5%	45.6%
Departmental agencies and accounts	758.4	656.4	381.9	755.9	-0.1%	23.0%	787.0	1 078.3	1 045.0	11.4%	25.6%
Households	0.4	0.4	1.9	0.2	-22.0%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>1.5</b>	<b>1.1</b>	<b>1.9</b>	<b>2.4</b>	<b>15.5%</b>	<b>0.1%</b>	<b>2.6</b>	<b>2.7</b>	<b>2.9</b>	<b>7.2%</b>	<b>0.1%</b>
Machinery and equipment	1.5	1.1	1.9	2.4	15.5%	0.1%	2.6	2.7	2.9	7.2%	0.1%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 760.2</b>	<b>2 815.0</b>	<b>2 530.4</b>	<b>3 008.9</b>	<b>2.9%</b>	<b>100.0%</b>	<b>3 394.4</b>	<b>3 918.0</b>	<b>4 002.7</b>	<b>10.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.8%</b>	<b>7.1%</b>	<b>8.9%</b>	<b>9.8%</b>	<b>–</b>	<b>–</b>	<b>10.2%</b>	<b>10.9%</b>	<b>12.2%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.4</b>	<b>0.4</b>	<b>1.9</b>	<b>0.2</b>	<b>-22.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	0.4	0.4	1.9	0.2	-22.0%	–	–	–	–	-100.0%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>758.4</b>	<b>655.7</b>	<b>381.1</b>	<b>755.1</b>	<b>-0.1%</b>	<b>22.9%</b>	<b>786.1</b>	<b>1 077.4</b>	<b>1 044.0</b>	<b>11.4%</b>	<b>25.6%</b>
Financial and Fiscal Commission	44.8	50.6	51.8	54.3	6.6%	1.8%	66.4	69.5	71.7	9.7%	1.8%
Government Technical Advisory Centre	713.6	605.0	329.3	600.8	-5.6%	20.2%	679.7	847.9	872.3	13.2%	20.9%
Development Bank of Southern Africa	–	–	–	100.0	–	0.9%	40.0	160.0	100.0	–	2.8%
<b>Capital</b>	<b>–</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>–</b>	<b>–</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>4.9%</b>	<b>–</b>
Government Technical Advisory Centre	–	0.7	0.8	0.8	–	–	0.9	0.9	1.0	4.9%	–
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>595.7</b>	<b>642.8</b>	<b>646.1</b>	<b>682.2</b>	<b>4.6%</b>	<b>23.1%</b>	<b>698.1</b>	<b>736.4</b>	<b>763.6</b>	<b>3.8%</b>	<b>20.1%</b>
Local government financial management grant	465.3	502.0	504.6	532.8	4.6%	18.0%	544.9	574.8	596.0	3.8%	15.7%
Infrastructure skills development grant	130.5	140.8	141.5	149.4	4.6%	5.1%	153.2	161.6	167.6	3.9%	4.4%
<b>Capital</b>	<b>858.7</b>	<b>950.0</b>	<b>862.7</b>	<b>911.7</b>	<b>2.0%</b>	<b>32.2%</b>	<b>876.9</b>	<b>907.9</b>	<b>954.0</b>	<b>1.5%</b>	<b>25.5%</b>
Integrated city development grant	266.8	292.1	293.6	310.1	5.1%	10.5%	317.5	341.3	360.9	5.2%	9.3%
Neighbourhood development partnership grant	591.9	657.8	569.1	601.7	0.5%	21.8%	559.4	566.6	593.1	-0.5%	16.2%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Personnel information

**Table 8.11 Public Finance and Budget Management personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)				
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
Public Finance and Budget Management		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	248	2	248	213.9	0.9	251	228.3	0.9	260	250.8	1.0	257	264.1	1.0	252	275.5	1.1	0.1%	100.0%
1 – 6	2	–	2	1.5	0.7	2	0.3	0.1	2	0.3	0.2	2	0.3	0.2	2	0.4	0.2	–	0.8%
7 – 10	71	1	75	37.0	0.5	77	41.8	0.5	81	47.0	0.6	80	49.7	0.6	79	52.5	0.7	0.9%	31.1%
11 – 12	97	–	97	86.5	0.9	97	90.5	0.9	100	99.2	1.0	99	104.5	1.1	96	107.6	1.1	-0.3%	38.4%
13 – 16	78	1	74	88.9	1.2	75	95.7	1.3	77	104.3	1.4	76	109.6	1.4	75	115.0	1.5	–	29.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Programme 4: Asset and Liability Management

### Programme purpose

Manage government's annual funding programme in a manner that ensures prudent cash management, and an optimal portfolio of debt and other fiscal obligations. Promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

### Objectives

- Exercise oversight of state-owned entities on an ongoing basis by:
  - reviewing the corporate plans and annual financial statements of state-owned entities
  - coordinating state-owned entity borrowing programmes
  - tracking progress on capital expenditure programmes
  - reviewing applications for funding, guarantees and borrowing limits in terms of the Public Finance Management Act (1999), and monitoring progress.
- Meet government's annual gross borrowing requirement consisting of the budget deficit and maturing debt by sourcing funds from domestic and international markets, and service government's debt optimally.
- Ensure that government's liquidity requirements are consistently met within credit risk guidelines by implementing effective cash management and making sound cash flow forecasts on an ongoing basis.
- Minimise and mitigate risks emanating from government's fiscal obligations to develop and maintain a risk management framework for the debt and contingent liabilities of government by implementing debt management strategies that minimise government's exposure to adverse risks on an ongoing basis.

### Subprogrammes

- Programme Management for Asset and Liability Management* provides support for planning, monitoring and delivering the programme's activities.
- State-Owned Entity Financial Management and Governance* is responsible for overseeing and enabling state-owned entities to meet government's policy objectives in a financially and fiscally sustainable manner, and for promoting sound corporate governance.
- Government Debt Management* is responsible for government's long-term funding needs. This subprogramme manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.
- Financial Operations* provides for government's short-term funding needs, the prudent management of cash, the efficient accounting of debt and investment transactions in government, and quality information relating to the division's operations; invests government surplus cash; and supplies reliable computer systems to

service government's debt portfolio and cash operations.

- *Strategy and Risk Management* develops and maintains a risk management framework for the debt and contingent liabilities of government, and implements debt management strategies that minimise government's exposure to adverse risks.

## Expenditure trends and estimates

**Table 8.12 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Programme Management for Asset and Liability Management	24.4	6.1	6.9	8.0	-31.0%	0.4%	11.6	11.5	11.1	11.7%	8.6%
State - Owned Entity Financial Management and Governance	33.5	5 241.6	31.5	36.4	2.8%	51.4%	38.6	41.1	41.4	4.4%	32.2%
Government Debt Management	18.8	4 810.0	19.5	20.6	3.1%	46.9%	22.3	23.5	23.6	4.7%	18.4%
Financial Operations	22.5	22.0	24.2	25.2	3.9%	0.9%	38.8	41.1	42.7	19.2%	30.2%
Strategy and Risk Management	10.9	10.1	9.0	11.2	0.8%	0.4%	13.0	13.7	14.3	8.7%	10.7%
<b>Total</b>	<b>110.1</b>	<b>10 089.8</b>	<b>91.2</b>	<b>101.4</b>	<b>-2.7%</b>	<b>100.0%</b>	<b>124.2</b>	<b>130.9</b>	<b>133.3</b>	<b>9.5%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(7.0)			8.1	9.0	6.7		
<b>Economic classification</b>											
<b>Current payments</b>	<b>108.9</b>	<b>88.9</b>	<b>88.4</b>	<b>99.3</b>	<b>-3.0%</b>	<b>3.7%</b>	<b>123.4</b>	<b>130.1</b>	<b>132.4</b>	<b>10.1%</b>	<b>99.1%</b>
Compensation of employees	77.0	75.2	73.8	83.6	2.8%	3.0%	92.4	97.3	98.0	5.4%	75.8%
Goods and services <sup>1</sup>	31.9	13.6	14.6	15.7	-21.0%	0.7%	31.0	32.8	34.5	29.9%	23.3%
of which:											
Audit costs: External	0.6	0.7	1.0	0.7	7.0%	-	1.0	1.0	0.8	2.8%	0.7%
Bursaries: Employees	0.6	0.7	0.4	0.8	10.0%	-	0.7	0.8	1.0	8.9%	0.7%
Computer services	13.1	8.0	8.5	7.4	-17.2%	0.4%	20.9	22.3	23.6	46.8%	15.2%
Consultants: Business and advisory services	14.1	0.1	1.0	1.6	-51.5%	0.2%	3.1	3.1	3.2	26.4%	2.3%
Travel and subsistence	2.1	2.6	2.4	3.0	12.7%	0.1%	3.3	3.4	3.7	7.2%	2.7%
Training and development	0.4	0.2	0.1	0.8	31.9%	-	0.6	0.6	0.6	-8.6%	0.5%
Transfers and subsidies <sup>1</sup>	0.5	0.4	2.1	1.4	38.4%	-	-	-	-	-100.0%	0.3%
Households	0.5	0.4	2.1	1.4	38.4%	-	-	-	-	-100.0%	0.3%
Payments for capital assets	0.7	0.6	0.7	0.7	1.2%	-	0.8	0.8	0.9	5.6%	0.7%
Machinery and equipment	0.7	0.6	0.7	0.7	1.2%	-	0.8	0.8	0.9	5.6%	0.7%
Payments for financial assets	-	10 000.0	0.0	-	-	96.2%	-	-	-	-	-
<b>Total</b>	<b>110.1</b>	<b>10 089.8</b>	<b>91.2</b>	<b>101.4</b>	<b>-2.7%</b>	<b>100.0%</b>	<b>124.2</b>	<b>130.9</b>	<b>133.3</b>	<b>9.5%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.4%	25.5%	0.3%	0.3%	-	-	0.4%	0.4%	0.4%	-	-
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
Current	0.5	0.4	2.1	1.4	38.4%	-	-	-	-	-100.0%	0.3%
Employee social benefits	0.5	0.4	2.1	1.4	38.4%	-	-	-	-	-100.0%	0.3%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Personnel information

**Table 8.13 Asset and Liability Management personnel numbers and cost by salary level<sup>1</sup>**

Salary level	Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number						
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate				Average growth rate (%)	Average: Salary level/ Total (%)							
			2018/19	2019/20	2020/21	2021/22	2022/23												
			Number	Unit cost	Number	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23			
Asset and Liability Management	90	1	94	73.8	0.8	96	84.5	0.9	98	92.4	0.9	97	97.3	1.0	92	98.0	1.1	-1.4%	100.0%
1-6	3	-	3	0.8	0.3	3	0.7	0.2	3	0.8	0.3	3	0.9	0.3	3	0.9	0.3	-	3.1%
7-10	36	-	40	21.2	0.5	41	25.9	0.6	40	26.9	0.7	40	28.8	0.7	38	28.9	0.8	-2.5%	41.5%
11-12	27	-	29	29.6	1.0	30	29.9	1.0	33	35.0	1.1	32	36.1	1.1	30	35.9	1.2	-	32.6%
13-16	24	1	22	22.3	1.0	22	27.9	1.3	22	29.7	1.3	22	31.6	1.4	21	32.2	1.5	-1.5%	22.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## **Programme 5: Financial Accounting and Supply Chain Management Systems**

### **Programme purpose**

Facilitate governance and accountability by promoting and enforcing the transparent, economic and effective management of revenue, expenditure, assets, liabilities and supply chain processes in the public sector.

### **Objectives**

- Ensure compliance with the implementation of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) across the three spheres of government by facilitating and undertaking special investigations to reduce fraud and corruption on an ongoing basis.
- Ensure sound financial management systems to meet the requirements of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) by:
  - providing capacity and support to all spheres of government on policies relating to accounting and reporting, internal auditing, and risk management on an ongoing basis
  - developing and implementing government transversal accounting and reporting systems over the medium term
  - maintaining government's financial systems at a level of 98 per cent availability, including providing reliable, efficient and effective support and user training, over the medium term
  - completing the development of the remaining integrated financial management system's modules on payroll, core financial management and inventory management, and beginning its rollout over the medium term.
- Support government's efforts to build capacity in financial management across the three spheres of government by introducing minimum competency profiles and offering graduate internships in financial management annually.
- Improve financial management in provincial and local government by:
  - developing and implementing financial recovery plans and providing technical assistance on an ongoing basis
  - supporting municipalities to implement financial management reforms and ensuring their compliance with the Municipal Finance Management Act (2003), as required, over the medium term.
- Modernise the supply chain management system for government over the medium term by:
  - introducing policy reforms to ensure that all government institutions implement a single supply chain management policy
  - providing training solutions to close the skills gap for existing and future supply chain management practitioners.

### **Subprogrammes**

- *Programme Management for Financial Accounting and Supply Chain Management Systems* supports the planning, monitoring and coordinating deliverables of the programme plan, such as the development and implementation of the integrated financial management system; and facilitates accountability and governance in the public sector, especially in terms of financial management.
- *Office of the Chief Procurement Officer* aims to: modernise the state procurement system to be fair, equitable, transparent, competitive and cost effective; enable the efficient, economic, effective and transparent use of financial and other resources, including state assets, for improved service delivery; and promote, support and enforce the transparent and effective management of state procurement and the sound stewardship of government assets and resources.
- *Financial Systems* maintains and improves existing financial management systems, and develops and implements the new integrated financial management system, which aims to replace financial, supply chain and human resources management systems across national and provincial departments.

- *Financial Reporting for National Accounts* is responsible for accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government, providing support for all spheres of government to implement financial reporting frameworks, and preparing consolidated financial statements.
- *Financial Management Policy and Compliance Improvement* improves financial management and develops financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves the financial management, risk management and internal audit capacity in government.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for the deposit accounts of all government departments.

## Expenditure trends and estimates

**Table 8.14 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 -	2019/20				2019/20 -	2022/23
Programme Management for Financial Accounting and Supply Chain Management Systems	60.2	25.5	50.2	100.0	18.4%	6.6%	93.4	106.5	126.1	8.0%	10.0%
Office of the Chief Procurement Officer	67.5	71.8	69.0	73.0	2.6%	7.9%	73.2	77.9	82.4	4.1%	7.2%
Financial Systems	797.4	374.3	419.6	542.0	-12.1%	59.7%	580.6	608.3	633.6	5.3%	55.4%
Financial Reporting for National Accounts	85.1	97.3	102.0	108.2	8.3%	11.0%	113.3	119.3	123.7	4.6%	10.9%
Financial Management Policy and Compliance Improvement	120.3	120.5	130.3	157.8	9.5%	14.8%	173.0	185.3	192.8	6.9%	16.6%
Service Charges: Commercial Banks	0.3	0.2	0.3	0.3	6.1%	-	0.3	0.3	0.4	4.9%	-
<b>Total</b>	<b>1 130.8</b>	<b>689.6</b>	<b>771.4</b>	<b>981.3</b>	<b>-4.6%</b>	<b>100.0%</b>	<b>1 033.8</b>	<b>1 097.6</b>	<b>1 159.0</b>	<b>5.7%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(112.2)			(125.4)	(124.9)	(109.1)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>668.8</b>	<b>619.1</b>	<b>706.5</b>	<b>906.5</b>	<b>10.7%</b>	<b>81.2%</b>	<b>961.7</b>	<b>1 027.4</b>	<b>1 083.5</b>	<b>6.1%</b>	<b>93.1%</b>
Compensation of employees	200.5	206.1	206.9	217.0	2.7%	23.2%	235.6	249.0	259.9	6.2%	22.5%
Goods and services <sup>1</sup>	468.2	413.0	499.5	689.5	13.8%	57.9%	726.1	778.3	823.6	6.1%	70.6%
<i>of which:</i>											
<i>Audit costs: External</i>	3.8	5.7	6.2	7.3	24.9%	0.6%	8.1	7.6	7.7	2.0%	0.7%
<i>Bursaries: Employees</i>	2.9	2.3	1.1	1.8	-15.3%	0.2%	2.4	2.4	2.3	9.2%	0.2%
<i>Computer services</i>	353.2	344.2	353.3	462.5	9.4%	42.3%	500.9	531.0	551.0	6.0%	47.9%
<i>Consultants: Business and advisory services</i>	88.7	41.8	119.5	191.8	29.3%	12.4%	186.3	208.0	231.7	6.5%	19.1%
<i>Travel and subsistence</i>	7.6	8.3	10.0	10.9	12.9%	1.0%	12.8	13.6	14.5	9.9%	1.2%
<i>Venues and facilities</i>	4.3	4.3	4.4	4.6	2.7%	0.5%	5.3	5.6	5.8	8.0%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>42.5</b>	<b>54.9</b>	<b>58.6</b>	<b>61.0</b>	<b>12.8%</b>	<b>6.1%</b>	<b>61.3</b>	<b>64.7</b>	<b>67.1</b>	<b>3.2%</b>	<b>5.9%</b>
Departmental agencies and accounts	41.5	53.1	54.9	57.5	11.5%	5.8%	59.7	62.9	65.3	4.3%	5.7%
Households	1.0	1.8	3.6	3.5	52.3%	0.3%	1.7	1.8	1.8	-19.1%	0.2%
<b>Payments for capital assets</b>	<b>419.5</b>	<b>15.2</b>	<b>6.3</b>	<b>13.9</b>	<b>-67.9%</b>	<b>12.7%</b>	<b>10.8</b>	<b>5.6</b>	<b>8.3</b>	<b>-15.7%</b>	<b>0.9%</b>
Machinery and equipment	3.4	15.2	5.7	9.0	37.7%	0.9%	6.7	4.7	7.2	-7.1%	0.6%
Software and other intangible assets	416.1	0.0	0.6	4.9	-77.3%	11.8%	4.1	0.9	1.1	-38.8%	0.3%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 130.8</b>	<b>689.6</b>	<b>771.4</b>	<b>981.3</b>	<b>-4.6%</b>	<b>100.0%</b>	<b>1 033.8</b>	<b>1 097.6</b>	<b>1 159.0</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.0%</b>	<b>1.7%</b>	<b>2.7%</b>	<b>3.2%</b>	<b>-</b>	<b>-</b>	<b>3.1%</b>	<b>3.1%</b>	<b>3.5%</b>	<b>-</b>	<b>-</b>

**Table 8.14 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome						2019/20	2020/21	2021/22			2022/23
R million	2016/17	2017/18	2018/19	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	1.0	1.8	2.3	3.5	52.3%	0.2%	1.7	1.8	1.8	-19.1%	0.2%
Employee social benefits	1.0	1.8	2.3	3.5	52.3%	0.2%	1.7	1.8	1.8	-19.1%	0.2%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	41.5	53.1	54.9	57.5	11.5%	5.8%	59.7	62.9	65.3	4.3%	5.7%
Accounting Standards Board	12.5	13.5	14.1	14.3	4.6%	1.5%	15.0	15.9	16.4	4.7%	1.4%
Independent Regulatory Board for Auditors	29.0	39.6	40.9	43.2	14.2%	4.3%	44.6	47.1	48.8	4.2%	4.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	-	-	1.3	-	-	-	-	-	-	-	-
Employee social benefits	-	-	1.3	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Personnel information

**Table 8.15 Financial Accounting and Supply Chain Management Systems personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)				
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
Financial Accounting and Supply Chain Management Systems		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
Salary level	259	28	266	206.9	0.8	264	217.5	0.8	270	235.6	0.9	268	249.0	0.9	262	259.9	1.0	-0.3%	100.0%
1-6	8	-	8	2.3	0.3	8	2.7	0.3	8	2.9	0.4	8	3.1	0.4	8	3.4	0.4	-	3.0%
7-10	111	28	117	56.0	0.5	117	70.6	0.6	120	77.3	0.6	119	82.0	0.7	117	86.3	0.7	-	44.5%
11-12	72	-	72	64.3	0.9	72	58.3	0.8	76	65.4	0.9	76	69.6	0.9	72	70.0	1.0	-	27.8%
13-16	68	-	69	84.3	1.2	67	85.9	1.3	66	90.0	1.4	65	94.3	1.5	65	100.2	1.5	-1.0%	24.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

## Programme 6: International Financial Relations

### Programme purpose

Manage South Africa's interests in shaping regional and global policies that advance the economic, financial and development objectives of the country and Africa.

### Objectives

- Advance South Africa and Africa's economic interests by undertaking regular strategic analyses, engagements and negotiations at regional and global financial and economic forums on an ongoing basis.
- Increase sub-Saharan Africa's voice and South Africa's influence in multilateral international institutions, such as the International Monetary Fund, the World Bank Group, the G20, and other influential global financial and economic forums, by advancing the reform of these institutions through the lobbying of regional groupings on an ongoing basis.
- Enhance South Africa's participation in strategic regional, continental and global governance institutions by seconding South Africans into strategic positions in these institutions, as informed by government's secondment policy, on an ongoing basis.
- Promote regional economic integration in the Southern African Development Community (SADC) and the Southern African Customs Union, and strengthen economic links within Africa by:

- providing ongoing support to the committees of the SADC dealing with economic and financial protocols
- supporting the Southern African Customs Union to meet regional challenges on an ongoing basis.

## Subprogrammes

- *Programme Management for International Financial Relations* supports the planning, monitoring and delivery of the programme's activities with the World Bank country office, the African Development Bank regional resource centre and the BRICS New Development Bank. The division oversees South Africa's representation in international and regional financial institutions; manages bilateral and multilateral relationships on behalf of National Treasury; and plans, implements and monitors programmes and activities that advance South Africa's national interests.
- *International Economic Cooperation* focuses on improving South Africa's participation in international and regional economic institutions. This entails working through key economic institutions and forums such as the Southern African Customs Union, the SADC, the United Nations Economic Commission for Africa, the African Union's New Partnership for Africa's Development, the International Monetary Fund, the G20, the G24, the BRICS group of countries, the Organisation for Economic Cooperation and Development, and the World Economic Forum.
- *African Integration and Support* enables National Treasury's participation in African interventions and arrangements to bring about support and integration between African states and institutions. This subprogramme facilitates the transfer of funds to Lesotho, Namibia and Swaziland for the Common Monetary Area compensation. In this agreement, South Africa compensates member countries for the use of the rand currency within their respective borders. It also includes the provision of technical support to regional capacity-building institutions such as the Collaborative Budget Reform Initiative, the Infrastructure Consortium for Africa, the African Capacity Building Foundation, the African Institute for Economic Development and Planning, and the Regional Technical Assistance Centre for Southern Africa.
- *International Development Funding Institutions* provides for subscriptions and contributions to international development institutions and banks. This subprogramme transfers funds to the African Development Bank and the International Bank for Reconstruction and Development of the World Bank Group to pay for shares, and to the African Development Fund and the International Development Association of the World Bank Group for the provision of concessional loans and grants to low-income countries. Capital transfers for the New Development Bank, in line with South Africa's agreed shareholding, will also be facilitated through this subprogramme.
- *International Projects* transfers funds to international projects and interventions for various causes such as capacity building, and catastrophe and disaster relief for affected low-income countries. To this end, National Treasury contributes to the Commonwealth Fund for Technical Cooperation and the International Finance Facility for Immunisation. The facility transfers funds to Gavi, the Vaccine Alliance, a public-private partnership for global health that supports health care, particularly the provision of vaccines to reduce the number of deaths preventable by vaccination among children in low-income countries.

## Expenditure trends and estimates

**Table 8.16 International Financial Relations expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
R million											
Programme Management for International Financial Relations	10.0	7.5	9.0	10.5	1.6%	0.2%	12.4	12.6	14.0	10.1%	0.2%
International Economic Cooperation	38.3	36.2	46.7	62.7	17.9%	0.8%	56.8	58.8	59.3	-1.9%	1.1%
African Integration and Support	796.7	896.3	1 002.6	854.9	2.4%	16.1%	1 241.9	1 341.3	1 476.3	20.0%	23.0%
International Development Funding Institutions	4 091.8	4 512.0	4 730.0	4 879.2	6.0%	82.6%	5 065.3	5 343.9	812.6	-45.0%	75.3%
International Projects	19.0	17.8	19.4	20.8	3.1%	0.3%	22.2	23.4	24.2	5.2%	0.4%
<b>Total</b>	<b>4 955.8</b>	<b>5 469.8</b>	<b>5 807.7</b>	<b>5 828.1</b>	<b>5.6%</b>	<b>100.0%</b>	<b>6 398.6</b>	<b>6 780.0</b>	<b>2 386.4</b>	<b>-25.7%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				76.6			339.2	383.4	(4 247.9)		

**Table 8.16 International Financial Relations expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
<b>Current payments</b>	<b>47.2</b>	<b>43.1</b>	<b>55.6</b>	<b>72.4</b>	<b>15.3%</b>	<b>1.0%</b>	<b>68.9</b>	<b>71.2</b>	<b>72.3</b>	<b>-</b>	<b>1.3%</b>
Compensation of employees	32.0	30.7	31.9	35.5	3.5%	0.6%	32.5	33.4	32.8	-2.6%	0.6%
Goods and services <sup>1</sup>	15.2	12.4	23.7	36.9	34.5%	0.4%	36.4	37.8	39.6	2.4%	0.7%
of which:											
Administrative fees	0.1	0.5	1.5	0.4	47.7%	-	0.6	0.6	0.6	12.7%	-
Bursaries: Employees	0.2	0.2	0.0	0.2	4.1%	-	0.6	0.7	0.7	40.8%	-
Consultants: Business and advisory services	0.8	0.7	-	1.5	24.7%	-	1.2	0.8	0.8	-18.6%	-
Travel and subsistence	9.3	7.0	16.0	12.9	11.5%	0.2%	14.4	13.8	14.5	4.0%	0.3%
Operating payments	0.4	0.6	0.4	0.6	19.0%	-	0.8	0.6	1.4	28.0%	-
Venues and facilities	0.8	2.7	4.7	19.9	189.5%	0.1%	17.5	20.4	20.6	1.1%	0.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>906.4</b>	<b>1 041.2</b>	<b>1 158.0</b>	<b>1 008.1</b>	<b>3.6%</b>	<b>18.6%</b>	<b>1 415.7</b>	<b>1 524.6</b>	<b>1 666.4</b>	<b>18.2%</b>	<b>26.2%</b>
Foreign governments and international organisations	906.4	1 040.9	1 158.0	1 008.0	3.6%	18.6%	1 415.7	1 524.6	1 666.4	18.2%	26.2%
Households	0.0	0.4	0.0	0.1	54.7%	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>1.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.7</b>	<b>-13.1%</b>	<b>-</b>	<b>0.3</b>	<b>0.3</b>	<b>0.9</b>	<b>8.0%</b>	<b>-</b>
Machinery and equipment	1.1	0.2	0.2	0.7	-13.1%	-	0.3	0.3	0.9	8.0%	-
<b>Payments for financial assets</b>	<b>4 001.1</b>	<b>4 385.3</b>	<b>4 594.0</b>	<b>4 746.9</b>	<b>5.9%</b>	<b>80.4%</b>	<b>4 913.7</b>	<b>5 183.9</b>	<b>646.7</b>	<b>-48.5%</b>	<b>72.4%</b>
<b>Total</b>	<b>4 955.8</b>	<b>5 469.8</b>	<b>5 807.7</b>	<b>5 828.1</b>	<b>5.6%</b>	<b>100.0%</b>	<b>6 398.6</b>	<b>6 780.0</b>	<b>2 386.4</b>	<b>-25.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>17.6%</b>	<b>13.8%</b>	<b>20.3%</b>	<b>19.0%</b>	<b>-</b>	<b>-</b>	<b>19.3%</b>	<b>18.9%</b>	<b>7.3%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>54.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.0	0.0	0.0	0.1	54.7%	-	-	-	-	-100.0%	-
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>815.7</b>	<b>914.1</b>	<b>1 022.0</b>	<b>875.7</b>	<b>2.4%</b>	<b>16.4%</b>	<b>1 264.0</b>	<b>1 364.6</b>	<b>1 500.5</b>	<b>19.7%</b>	<b>23.4%</b>
Common Monetary Area compensation	792.3	891.7	997.8	849.9	2.4%	16.0%	1 236.7	1 336.0	1 471.0	20.1%	22.9%
Collaborative Africa Budget Reform Initiative	2.4	2.4	2.6	2.3	-2.5%	-	2.7	2.7	2.6	5.1%	-
Commonwealth Fund for Technical Cooperation	5.8	6.1	5.8	5.8	-	0.1%	7.2	7.6	7.8	10.4%	0.1%
International Finance Facility for Immunisation	13.2	11.7	13.6	15.0	4.4%	0.2%	15.0	15.8	16.4	3.0%	0.3%
African Institute for Economic Development and Planning	1.0	1.0	1.1	1.4	12.3%	-	1.2	1.2	1.2	-6.4%	-
Regional Technical Assistance Centre for Southern Africa	1.0	1.2	1.1	1.3	9.0%	-	1.4	1.4	1.5	4.9%	-
<b>Capital</b>	<b>90.7</b>	<b>126.8</b>	<b>136.0</b>	<b>132.3</b>	<b>13.4%</b>	<b>2.2%</b>	<b>151.7</b>	<b>160.0</b>	<b>165.9</b>	<b>7.8%</b>	<b>2.9%</b>
African Development Fund	-	73.2	82.4	78.7	-	1.1%	95.3	100.3	104.8	10.0%	1.8%
World Bank Group	90.7	53.6	53.6	53.6	-16.1%	1.1%	56.3	59.7	61.2	4.5%	1.1%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	-	0.3	-	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Personnel information

**Table 8.17 International Financial Relations personnel numbers and cost by salary level<sup>1</sup>**

International Financial Relations	Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment										Number						
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/ Total (%)					
			2018/19		2019/20			2020/21		2021/22		2022/23							
			Number	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost			Unit cost				
<b>Salary level</b>	<b>31</b>	<b>-</b>	<b>33</b>	<b>31.9</b>	<b>1.0</b>	<b>29</b>	<b>29.4</b>	<b>1.0</b>	<b>31</b>	<b>32.5</b>	<b>1.0</b>	<b>30</b>	<b>33.4</b>	<b>1.1</b>	<b>28</b>	<b>32.8</b>	<b>1.2</b>	<b>-1.2%</b>	<b>100.0%</b>
7 – 10	10	-	12	6.7	0.6	10	5.3	0.5	11	6.3	0.6	11	6.7	0.6	10	6.5	0.6	-	35.6%
11 – 12	7	-	7	7.1	1.0	5	7.8	1.6	6	8.8	1.5	5	8.1	1.6	4	6.6	1.7	-7.2%	16.9%
13 – 16	14	-	14	18.0	1.3	14	16.4	1.2	14	17.4	1.2	14	18.5	1.3	14	19.7	1.4	-	47.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.



## Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

### Programme purpose

Provide for government's pension and post-retirement medical benefit obligations to former employees of state departments and bodies. Provide for similar benefits to retired members of the military.

### Objectives

- Ensure the effective administration of pension, retirement and other policies on an ongoing basis by completing annual reviews and implementing recommendations in accordance with stakeholder agreements on pension reforms, post-retirement medical benefits, political office bearers and pension legislation.
- Ensure good service to eligible applicants and recipients on an ongoing basis by:
  - processing member applications and making payments timeously, as required by applicable legislation
  - processing post-retirement medical benefit applications within 60 days of receipt, and paying all medical subsidies within 7 days of receiving a valid and correct claim
  - processing and paying injury on duty benefits to civil servants within 45 days of receiving completed documentation
  - ensuring the timeous and accurate payment of military pensions within 45 days of receipt and medical accounts within 30 days of receipt of the claim with no backlog.

### Subprogrammes

- *Government Pensions Administration Agency* provides administrative services, in accordance with the Temporary Employees Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963), for postretirement medical subsidies, as provided for and regulated by resolutions of the Public Service Coordinating Bargaining Council, the Military Pensions Act (1976) and military pensions in terms of this act; for injury on duty payments in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions in terms of the Special Pensions Act (1996) on behalf of National Treasury.
- *Civil Pensions and Contributions to Funds* provides for the processing and payment of pensions and medical subsidies to retired civil servants; and pension payments to injured or disabled civil servants and former struggle veterans and, if they are deceased, their dependants in terms of various statutes, collective bargaining agreements and other commitments. The *Government Pensions Administration Agency* subprogramme administers all payments related to this subprogramme.
- *Military Pensions and Other Benefits* provides for the processing and payment of military pension benefits and medical claims arising from injuries sustained during various wars, including South Africa's liberation wars. These include, among other benefits, payments to former members of the legislative assembly of the former Venda, Transkei, Ciskei and Bophuthatswana governments; judges or their widows/widowers in terms of the Judges' Remuneration and Conditions of Employment Act (2001); and former state presidents.

### Expenditure trends and estimates

**Table 8.18 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million					2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Government Pensions Administration Agency	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
Civil Pensions and Contributions to Funds	3 249.2	3 614.4	4 017.1	4 511.4	11.6%	78.5%	5 336.3	6 340.1	7 029.8	15.9%	91.5%
Military Pensions and Other Benefits	1 089.7	941.6	938.5	990.4	-3.1%	20.2%	342.1	252.8	264.9	-35.6%	7.3%
<b>Total</b>	<b>4 400.2</b>	<b>4 618.1</b>	<b>5 020.1</b>	<b>5 574.5</b>	<b>8.2%</b>	<b>100.0%</b>	<b>5 755.1</b>	<b>6 673.9</b>	<b>7 378.6</b>	<b>9.8%</b>	<b>100.0%</b>
Change to 2019 Budget estimate							164.9	778.5	1 200.1		

**Table 8.18 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
<b>Current payments</b>	<b>61.3</b>	<b>62.1</b>	<b>64.5</b>	<b>72.7</b>	<b>5.9%</b>	<b>1.3%</b>	<b>76.7</b>	<b>80.9</b>	<b>83.9</b>	<b>4.9%</b>	<b>1.2%</b>
Goods and services <sup>1</sup>	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 338.9</b>	<b>4 556.0</b>	<b>4 955.6</b>	<b>5 501.8</b>	<b>8.2%</b>	<b>98.7%</b>	<b>5 678.4</b>	<b>6 592.9</b>	<b>7 294.7</b>	<b>9.9%</b>	<b>98.8%</b>
Foreign governments and international organisations	1.2	1.3	1.2	1.2	-2.1%	–	3.0	3.2	3.3	41.5%	–
Households	4 337.6	4 554.8	4 954.5	5 500.6	8.2%	98.6%	5 675.4	6 589.8	7 291.4	9.8%	98.7%
<b>Total</b>	<b>4 400.2</b>	<b>4 618.1</b>	<b>5 020.1</b>	<b>5 574.5</b>	<b>8.2%</b>	<b>100.0%</b>	<b>5 755.1</b>	<b>6 673.9</b>	<b>7 378.6</b>	<b>9.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>15.6%</b>	<b>11.7%</b>	<b>17.6%</b>	<b>18.2%</b>	<b>–</b>	<b>–</b>	<b>17.4%</b>	<b>18.6%</b>	<b>22.4%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>4 337.6</b>	<b>4 554.7</b>	<b>4 954.4</b>	<b>5 500.6</b>	<b>8.2%</b>	<b>98.6%</b>	<b>5 675.3</b>	<b>6 589.7</b>	<b>7 291.4</b>	<b>9.8%</b>	<b>98.7%</b>
Contribution to provident funds for associated institutions	0.3	0.2	0.2	0.4	4.7%	–	0.4	0.4	0.4	5.3%	–
Other benefits	92.8	87.8	96.9	104.1	3.9%	1.9%	109.8	115.9	121.4	5.3%	1.8%
Injury on duty	563.5	599.0	640.5	688.8	6.9%	12.7%	726.7	766.7	803.2	5.3%	11.8%
Post-retirement medical scheme	2 133.5	2 458.8	2 796.1	3 171.6	14.1%	53.8%	3 868.6	4 798.4	5 418.6	19.5%	68.0%
Special pensions	447.8	460.0	468.6	478.2	2.2%	9.5%	480.0	506.4	530.5	3.5%	7.9%
Political Office Bearers Pension Fund	–	–	–	53.2	–	0.3%	50.0	50.4	52.8	-0.3%	0.8%
Pension benefits: President of South Africa	7.7	7.4	10.8	10.8	11.7%	0.2%	14.3	15.1	15.8	13.6%	0.2%
Military pensions: Ex-servicemen	2.3	1.8	1.4	1.1	-21.5%	–	2.6	2.7	2.9	37.5%	–
South African citizen force	175.5	191.0	191.1	199.3	4.3%	3.9%	217.1	229.1	240.0	6.4%	3.5%
Other benefits: Ex-servicemen	12.3	11.5	8.7	11.3	-2.7%	0.2%	19.9	21.0	22.0	24.8%	0.3%
Non-statutory forces	899.6	737.3	737.3	778.6	-4.7%	16.1%	102.4	–	–	-100.0%	3.5%
Early retirement costs: Government Pensions Administration Agency	–	–	–	–	–	–	80.0	80.0	80.0	–	0.9%
Post-retirement medical scheme: Parliamentary staff	2.4	–	2.9	3.2	10.0%	–	3.5	3.7	3.9	6.7%	0.1%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1.2</b>	<b>1.3</b>	<b>1.2</b>	<b>1.2</b>	<b>-2.1%</b>	<b>–</b>	<b>3.0</b>	<b>3.2</b>	<b>3.3</b>	<b>41.5%</b>	<b>–</b>
United Kingdom tax	1.2	1.3	1.2	1.2	-2.1%	–	3.0	3.2	3.3	41.5%	–

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 8: Revenue Administration

### Programme purpose

Administer an efficient tax system, provide tax education to the public, ensure maximum compliance with tax and customs legislation, and provide a customs service to maximise revenue collection and facilitate trade.

### Objectives

- Centralise registration, accreditation and licensing capabilities over the medium term by:
  - improving the South African Revenue Service's registration database
  - moving the customs service into the unified trader and traveller master database using online registration and entity-level risk assessment.
- Contribute to revenue generation and improved compliance over the medium term by:
  - ensuring that 90 per cent of all annual import declarations are submitted by 10 per cent of traders, as per the South African Revenue Service's targets

- increasing annual trader declarations by 50 per cent.
- Manage migration, customs and land borderline control services, and efficiently coordinate other departments in ports of entry by:
  - establishing a border management agency over the medium term
  - achieving a 100 per cent success rate in investigative audits, and the seizure of counterfeit cigarettes, CDs and DVDs, clothing, drug cases and medicament on an ongoing basis.
- Manage the South African Revenue Service's R142.3 billion debtors book efficiently through a quality assurance system intended to provide users with integrated debt management solutions on an ongoing basis.

## Subprogrammes

- *South African Revenue Service* transfers funds to the South African Revenue Service to provide core tax administration services and maintain the ICT services that support its operations.

## Expenditure trends and estimates

**Table 8.19 Revenue Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
South African Revenue Service	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
<b>Total</b>	<b>9 363.7</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>9 529.0</b>	<b>0.6%</b>	<b>100.0%</b>	<b>10 510.0</b>	<b>10 973.1</b>	<b>11 368.0</b>	<b>6.1%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				–			400.0	300.0	300.0		
<b>Economic classification</b>											
Transfers and subsidies <sup>1</sup>	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Departmental agencies and accounts	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
<b>Total</b>	<b>9 363.7</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>9 529.0</b>	<b>0.6%</b>	<b>100.0%</b>	<b>10 510.0</b>	<b>10 973.1</b>	<b>11 368.0</b>	<b>6.1%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	33.3%	25.8%	31.5%	31.1%	–	–	31.7%	30.6%	34.5%	–	–
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>8 320.3</b>	<b>9 076.6</b>	<b>7 799.4</b>	<b>7 854.9</b>	<b>-1.9%</b>	<b>86.7%</b>	<b>8 285.3</b>	<b>8 741.0</b>	<b>9 064.4</b>	<b>4.9%</b>	<b>80.1%</b>
South African Revenue Service: Operations	8 320.3	9 041.6	7 757.9	7 814.6	-2.1%	86.4%	8 242.8	8 696.1	9 017.9	4.9%	79.7%
South African Revenue Service: Office of the Tax Ombud	–	35.0	41.5	40.3	–	0.3%	42.5	44.9	46.5	4.9%	0.4%
<b>Capital</b>	<b>1 043.4</b>	<b>1 141.6</b>	<b>1 207.8</b>	<b>1 674.1</b>	<b>17.1%</b>	<b>13.3%</b>	<b>2 224.7</b>	<b>2 232.1</b>	<b>2 303.6</b>	<b>11.2%</b>	<b>19.9%</b>
South African Revenue Service: Machinery and equipment	1 043.4	1 141.6	1 207.8	1 674.1	17.1%	13.3%	2 224.7	2 232.1	2 303.6	11.2%	19.9%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 9: Financial Intelligence and State Security

### Programme purpose

Combat financial crime, including money laundering and terror financing activities. Gather intelligence for the purpose of national security, defence and combating crime.

### Objectives

- Combat money laundering and the financing of terrorism by continually monitoring and ensuring compliance with the Financial Intelligence Centre Act (2001), and imposing certain duties on institutions and people who might be used for money laundering and the financing of terrorism.

- Combat crime and the financing of terrorism by:
  - providing services and products to law enforcement authorities such as the South African Revenue Service and the State Security Agency on an ongoing basis
  - collaborating closely with counterparts in African countries and international organisations as part of a network for information exchange on an ongoing basis
  - collaborating with the financial action task force, which reports to the G20 summit processes and several standard-setting bodies, on an ongoing basis
  - processing requests from national and international law enforcement authorities over the medium term.

### Subprogrammes

- *Financial Intelligence Centre* facilitates the transfer payment to the Financial Intelligence Centre, which enhances the integrity of the South African financial system while creating new ways for investigating authorities to combat criminal activity.
- *Secret Services* facilitates the transfer payment to the South African Secret Service account, which provides government with accurate, topical, policy-relevant and timeous foreign intelligence to promote, enhance and protect national security and the interests of South Africa and its citizens.

### Expenditure trends and estimates

**Table 8.20 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 - 2019/20					2019/20 - 2022/23	
Financial Intelligence Centre	256.4	270.2	278.7	294.3	4.7%	5.6%	305.7	322.6	334.4	4.3%	5.9%
Secret Services	4 556.1	4 835.4	4 484.8	4 656.7	0.7%	94.4%	4 902.1	5 173.8	5 364.4	4.8%	94.1%
<b>Total</b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>4 951.1</b>	<b>1.0%</b>	<b>100.0%</b>	<b>5 207.7</b>	<b>5 496.4</b>	<b>5 698.8</b>	<b>4.8%</b>	<b>100.0%</b>
Change to 2019				–			(15.4)	(14.0)	(15.6)		
Budget estimate											
<b>Economic classification</b>											
<b>Transfers and subsidies<sup>1</sup></b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>4 951.1</b>	<b>1.0%</b>	<b>100.0%</b>	<b>5 207.7</b>	<b>5 496.4</b>	<b>5 698.8</b>	<b>4.8%</b>	<b>100.0%</b>
Departmental agencies and accounts	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	100.0%	5 207.7	5 496.4	5 698.8	4.8%	100.0%
<b>Total</b>	<b>4 812.5</b>	<b>5 105.6</b>	<b>4 763.5</b>	<b>4 951.1</b>	<b>1.0%</b>	<b>100.0%</b>	<b>5 207.7</b>	<b>5 496.4</b>	<b>5 698.8</b>	<b>4.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>17.1%</b>	<b>12.9%</b>	<b>16.7%</b>	<b>16.2%</b>	–	–	<b>15.7%</b>	<b>15.3%</b>	<b>17.3%</b>	–	–
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>4 392.3</b>	<b>4 778.4</b>	<b>4 330.3</b>	<b>4 493.6</b>	<b>0.8%</b>	<b>91.7%</b>	<b>4 870.2</b>	<b>5 140.7</b>	<b>5 330.0</b>	<b>5.9%</b>	<b>92.9%</b>
Financial Intelligence Centre: Operations	239.6	254.9	262.6	277.3	5.0%	5.3%	287.7	303.6	314.7	4.3%	5.5%
Secret Services: Operations	4 152.6	4 523.4	4 067.8	4 216.3	0.5%	86.4%	4 582.5	4 837.1	5 015.2	6.0%	87.3%
<b>Capital</b>	<b>420.2</b>	<b>327.3</b>	<b>433.2</b>	<b>457.5</b>	<b>2.9%</b>	<b>8.3%</b>	<b>337.6</b>	<b>355.7</b>	<b>368.8</b>	<b>-6.9%</b>	<b>7.1%</b>
Financial Intelligence Centre: Machinery and equipment	16.7	15.3	16.1	17.0	0.6%	0.3%	18.0	19.0	19.7	4.9%	0.3%
Secret Services: Machinery and equipment	403.5	312.0	417.1	440.4	3.0%	8.0%	319.6	336.7	349.1	-7.4%	6.8%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Entities

### Development Bank of Southern Africa

#### Selected performance indicators

**Table 8.21 Development Bank of Southern Africa performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost-to-income ratio (bank-wide)	Administration	Priority 1: Economic transformation and job creation	18.8% (R888m/R4.7bn)	21.6% (R928m/R4.3bn)	23% (R1.1bn/R4.8bn)	36%	32%	31%	31%
Value of disbursements to infrastructure-related projects per year	Development finance	Priority 7: A better Africa and world	R12.4bn	R12.2bn	R8.9bn	R13.5bn	R15bn	R17bn	R18.7bn
Value of bank-wide net profit/(loss) per year	Development finance	Priority 2: Education, skills and health	R2.8bn	R2.3bn	R3.1bn	R2.5bn	R3.2bn	R3.7bn	R3.7bn

#### Entity overview

The Development Bank of Southern Africa was reconstituted in terms of the Development Bank of Southern Africa Act (1997) as a development finance institution with the primary purpose of promoting economic development and growth. The bank also promotes the development of human resources and institutional capacity building by mobilising financial and other resources from national and international private and public sector partners for sustainable development projects and programmes in South Africa and other Southern African countries.

Over the medium term, the bank will focus on: driving financial and non-financial investments and support in the education, energy, health, housing, transport, water and communications sectors; accelerating the financing of infrastructure in South Africa, paying particular attention to municipalities, state-owned companies, independent power producers and public-private partnerships; and providing infrastructure support in the rest of Africa targeted at state-owned companies and public-private partnerships. It also aims to play a role in supporting economic infrastructure project planning and financing.

The bank plans to increase the total value of disbursements to infrastructure projects from R13.5 billion in 2019/20 to R18.7 billion in 2022/23. To complement these activities, as part of the bank's development finance programme, R127 million per year over the MTEF period is set aside to subsidise interest repayments and support the planning and implementation of infrastructure projects in more than 20 selected municipalities with capacity constraints. In 2019/20, the bank disbursed R7.3 billion to municipalities for investments in water and sanitation, energy, transport and roads infrastructure. The bank expects to receive R300 million from government over the medium term to assist with the preparation of catalytic projects, which will be submitted to the budget facility for infrastructure for financing.

Total expenditure is expected to increase at an average annual rate of 7.3 per cent, from R6.1 billion in 2019/20 to R7.6 billion in 2022/23. The bulk of the bank's spending is on interest, which is expected to increase at an average annual rate of 4.8 per cent, from R4.1 billion in 2019/20 to R4.7 billion in 2022/23, in line with the expected increase in disbursements. To ensure that the bank has adequate capacity to deliver on its mandate, its number of personnel is expected to remain constant over the medium term. Spending on compensation of employees is expected to increase at an average annual rate of 6.7 per cent, from R890.4 million in 2019/20 to R1.1 billion in 2022/23.

Revenue is mainly derived from interest income and fees from investment income and is expected to increase at an average annual rate of 9.8 per cent, from R8.6 billion in 2019/20 to R11.4 billion in 2022/23. This is due to the anticipated increase in disbursements and more effective management of the nonperforming loan book, which is expected to improve net loan impairments.

## Programmes/Objectives/Activities

**Table 8.22 Development Bank of Southern Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23		
Administration	855.1	1 024.2	945.4	1 153.1	10.5%	16.8%	1 247.7	1 375.8	1 441.9	7.7%	18.8%
Development finance	4 575.6	4 413.2	5 272.6	4 780.3	1.5%	80.2%	5 296.1	5 625.9	5 896.0	7.2%	77.9%
Non-financing development activities	173.9	161.0	172.0	211.2	6.7%	3.0%	224.0	237.0	248.3	5.6%	3.3%
<b>Total</b>	<b>5 604.6</b>	<b>5 598.4</b>	<b>6 390.0</b>	<b>6 144.6</b>	<b>3.1%</b>	<b>100.0%</b>	<b>6 767.8</b>	<b>7 238.7</b>	<b>7 586.2</b>	<b>7.3%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 8.23 Development Bank of Southern Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	2019/20	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>7 445.4</b>	<b>8 425.5</b>	<b>8 638.9</b>	<b>7 881.3</b>	<b>8 475.8</b>	<b>9 486.7</b>	<b>9 344.1</b>	<b>8 533.1</b>	<b>101.2%</b>
Sale of goods and services other than capital assets	298.9	318.3	333.9	190.2	262.2	193.4	269.9	178.6	75.6%
<i>of which:</i>									
<i>Sales by market establishment</i>	298.9	318.3	333.9	190.2	262.2	193.4	269.9	178.6	75.6%
Other non-tax revenue	7 146.4	8 107.2	8 305.0	7 691.1	8 213.6	9 293.3	9 074.2	8 354.5	102.2%
<b>Transfers received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.0</b>	<b>-</b>
<b>Total revenue</b>	<b>7 445.4</b>	<b>8 425.5</b>	<b>8 638.9</b>	<b>7 881.3</b>	<b>8 475.8</b>	<b>9 486.7</b>	<b>9 344.1</b>	<b>8 633.1</b>	<b>101.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 273.1</b>	<b>5 542.2</b>	<b>6 871.7</b>	<b>5 566.4</b>	<b>5 564.9</b>	<b>6 349.8</b>	<b>6 343.0</b>	<b>5 852.2</b>	<b>93.0%</b>
Compensation of employees	879.5	584.8	874.3	684.8	832.7	741.6	944.2	890.4	82.2%
Goods and services	1 243.1	1 222.5	1 504.8	950.5	652.3	1 673.2	871.3	859.1	110.2%
Depreciation	36.0	31.2	38.2	25.9	31.5	19.6	31.6	30.1	77.8%
Interest, dividends and rent on land	4 114.6	3 703.8	4 454.4	3 905.3	4 048.4	3 915.4	4 496.0	4 072.6	91.1%
<b>Transfers and subsidies</b>	<b>180.0</b>	<b>62.4</b>	<b>90.0</b>	<b>32.0</b>	<b>187.7</b>	<b>40.2</b>	<b>207.7</b>	<b>292.4</b>	<b>64.2%</b>
<b>Total expenses</b>	<b>6 453.1</b>	<b>5 604.6</b>	<b>6 961.7</b>	<b>5 598.4</b>	<b>5 752.6</b>	<b>6 390.0</b>	<b>6 550.7</b>	<b>6 144.6</b>	<b>92.3%</b>
<b>Surplus/(Deficit)</b>	<b>992.2</b>	<b>2 820.9</b>	<b>1 677.2</b>	<b>2 282.9</b>	<b>2 723.2</b>	<b>3 096.7</b>	<b>2 793.3</b>	<b>2 488.5</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>2 131.8</b>	<b>3 747.7</b>	<b>3 922.0</b>	<b>3 949.2</b>	<b>3 653.7</b>	<b>3 826.3</b>	<b>3 552.7</b>	<b>4 071.6</b>	<b>117.6%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>7 419.0</b>	<b>8 049.9</b>	<b>9 584.8</b>	<b>8 418.4</b>	<b>8 881.3</b>	<b>8 595.6</b>	<b>9 359.7</b>	<b>9 391.1</b>	<b>97.8%</b>
Sales of goods and services other than capital assets	-	-	-	190.2	-	193.4	-	228.6	-
<i>Sales by market establishment</i>	-	-	-	190.2	-	193.4	-	228.6	-
Other tax receipts	7 419.0	8 049.9	9 584.8	8 228.2	8 881.3	8 402.2	9 359.7	9 162.5	96.0%
<b>Total receipts</b>	<b>7 419.0</b>	<b>8 049.9</b>	<b>9 584.8</b>	<b>8 418.4</b>	<b>8 881.3</b>	<b>8 595.6</b>	<b>9 359.7</b>	<b>9 391.1</b>	<b>97.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>5 287.2</b>	<b>4 302.2</b>	<b>5 662.7</b>	<b>4 469.2</b>	<b>5 227.7</b>	<b>4 769.4</b>	<b>5 807.0</b>	<b>5 319.5</b>	<b>85.8%</b>
Compensation of employees	864.2	623.4	859.0	680.9	832.7	741.0	944.2	885.4	83.7%
Goods and services	308.4	232.5	349.3	242.9	346.6	300.0	366.8	361.5	82.9%
Interest and rent on land	4 114.6	3 446.3	4 454.4	3 545.5	4 048.4	3 728.3	4 496.0	4 072.6	86.4%
<b>Total payments</b>	<b>5 287.2</b>	<b>4 302.2</b>	<b>5 662.7</b>	<b>4 469.2</b>	<b>5 227.7</b>	<b>4 769.4</b>	<b>5 807.0</b>	<b>5 319.5</b>	<b>85.8%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>	<b>(9 883.9)</b>	<b>(2 831.5)</b>	<b>(14 413.9)</b>	<b>(5 606.1)</b>	<b>(7 812.8)</b>	<b>1 216.7</b>	<b>(10 440.4)</b>	<b>(6 965.0)</b>	<b>33.3%</b>
Loan disbursements	(16 200.0)	(12 104.0)	(20 100.0)	(11 922.5)	(16 000.0)	(8 807.8)	(18 000.0)	(13 500.0)	65.9%
Loan principal repayments	6 188.2	8 572.1	5 758.5	5 981.2	8 188.9	9 967.3	7 440.6	6 593.0	112.8%
Other	127.9	700.4	(72.4)	335.3	(1.7)	57.1	119.0	(58.0)	599.0%
<b>Net cash flow from investing activities</b>	<b>(35.1)</b>	<b>(857.5)</b>	<b>(947.4)</b>	<b>(444.2)</b>	<b>(3.5)</b>	<b>(345.2)</b>	<b>41.6</b>	<b>(79.6)</b>	<b>182.8%</b>
Acquisition of property, plant, equipment and intangible assets	-	(4.0)	(31.8)	(11.8)	(20.5)	(26.7)	(8.4)	(71.3)	187.2%
Acquisition of software and other intangible assets	(35.0)	(21.5)	(34.4)	(15.8)	(36.5)	(1.2)	(15.0)	(53.9)	76.4%
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	-	0.1	-	0.5	-	-	-
Other flows from investing activities	(0.1)	(832.0)	(881.2)	(416.7)	53.5	(317.9)	65.1	45.6	199.4%
<b>Net cash flow from financing activities</b>	<b>4 617.8</b>	<b>156.0</b>	<b>10 914.6</b>	<b>3 543.7</b>	<b>2 674.0</b>	<b>(5 516.6)</b>	<b>7 144.4</b>	<b>3 099.5</b>	<b>5.1%</b>
Borrowing activities	(8 912.9)	(27 050.7)	(4 350.2)	(15 504.6)	(5 402.7)	(18 618.7)	(15 660.5)	(15 881.9)	224.5%
Other flows from financing activities	13 530.8	27 206.7	15 264.9	19 048.3	8 076.7	13 102.1	22 804.9	18 981.4	131.3%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3 169.4)</b>	<b>214.7</b>	<b>(524.6)</b>	<b>1 442.6</b>	<b>(1 488.6)</b>	<b>(819.0)</b>	<b>298.3</b>	<b>126.5</b>	

**Table 8.23 Development Bank of Southern Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance	Audited		Audited		Budget		Revised		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Statement of financial position</b>									
Carrying value of assets	563.7	503.4	546.7	490.5	559.3	518.2	551.2	606.5	95.4%
Acquisition of assets	-	(4.0)	(31.8)	(11.8)	(20.5)	(26.7)	(8.4)	(71.3)	187.2%
Investments	8 853.9	7 933.0	8 223.8	8 242.2	7 851.2	8 575.1	7 524.3	7 998.3	100.9%
Loans	84 583.2	72 795.5	91 811.1	76 337.8	86 007.5	77 106.7	95 774.2	87 584.2	87.6%
Receivables and prepayments	146.7	122.0	146.7	399.6	146.7	365.6	151.9	146.7	174.6%
Cash and cash equivalents	155.0	2 299.2	881.0	3 741.9	1 024.2	2 922.9	1 322.6	1 194.8	300.3%
<b>Total assets</b>	<b>94 302.6</b>	<b>83 653.1</b>	<b>101 609.2</b>	<b>89 211.9</b>	<b>95 589.0</b>	<b>89 488.4</b>	<b>105 324.3</b>	<b>97 530.5</b>	<b>90.7%</b>
Accumulated surplus/(deficit)	15 510.5	17 514.6	18 459.6	19 473.0	22 570.6	22 717.9	25 363.9	25 969.1	104.6%
Capital and reserves	2 793.3	2 624.5	2 815.7	2 955.8	2 751.9	2 562.3	2 751.9	2 440.7	95.2%
Capital reserve fund	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	100.0%
Borrowings	62 525.6	50 612.5	66 851.9	53 573.2	56 749.4	51 283.4	63 483.9	55 640.4	84.6%
Trade and other payables	294.2	838.6	1 343.0	1 204.3	1 495.2	679.0	1 691.9	1 060.7	78.4%
Provisions	1 283.6	167.3	243.5	111.2	127.3	351.4	138.2	525.1	64.4%
Derivatives financial instruments	3.1	3.2	3.2	2.2	2.2	2.1	2.2	2.1	89.5%
<b>Total equity and liabilities</b>	<b>94 302.6</b>	<b>83 653.1</b>	<b>101 609.2</b>	<b>89 211.9</b>	<b>95 589.0</b>	<b>89 488.4</b>	<b>105 324.3</b>	<b>97 530.5</b>	<b>90.7%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.24 Development Bank of Southern Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>8 533.1</b>	<b>0.4%</b>	<b>99.7%</b>	<b>9 932.9</b>	<b>10 742.0</b>	<b>11 325.3</b>	<b>9.9%</b>	<b>99.0%</b>
Sale of goods and services other than capital assets	178.6	-17.5%	2.6%	265.8	211.9	289.8	17.5%	2.3%
<i>Sales by market establishment</i>	178.6	-17.5%	2.6%	265.8	211.9	289.8	17.5%	2.3%
Other non-tax revenue	8 354.5	1.0%	97.1%	9 667.0	10 530.1	11 035.5	9.7%	96.7%
<b>Transfers received</b>	<b>100.0</b>	<b>-</b>	<b>0.3%</b>	<b>40.0</b>	<b>160.0</b>	<b>100.0</b>	<b>0.0%</b>	<b>1.0%</b>
<b>Total revenue</b>	<b>8 633.1</b>	<b>0.8%</b>	<b>100.0%</b>	<b>9 972.9</b>	<b>10 902.0</b>	<b>11 425.3</b>	<b>9.8%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>5 852.2</b>	<b>1.8%</b>	<b>98.2%</b>	<b>6 489.6</b>	<b>6 946.9</b>	<b>7 280.3</b>	<b>7.6%</b>	<b>95.8%</b>
Compensation of employees	890.4	15.0%	12.2%	973.4	1 032.2	1 081.7	6.7%	14.3%
Goods and services	859.1	-11.1%	19.7%	1 237.3	1 403.2	1 470.6	19.6%	17.8%
Depreciation	30.1	-1.2%	0.5%	30.7	32.8	34.3	4.5%	0.5%
Interest, dividends and rent on land	4 072.6	3.2%	65.8%	4 248.2	4 478.8	4 693.7	4.8%	63.2%
<b>Transfers and subsidies</b>	<b>292.4</b>	<b>67.4%</b>	<b>1.8%</b>	<b>278.1</b>	<b>291.8</b>	<b>305.8</b>	<b>1.5%</b>	<b>4.2%</b>
<b>Total expenses</b>	<b>6 144.6</b>	<b>3.1%</b>	<b>100.0%</b>	<b>6 767.8</b>	<b>7 238.7</b>	<b>7 586.2</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>2 488.5</b>			<b>3 205.1</b>	<b>3 663.2</b>	<b>3 839.1</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>4 071.6</b>	<b>2.8%</b>	<b>103.5%</b>	<b>4 420.4</b>	<b>5 014.6</b>	<b>5 230.3</b>	<b>28.1%</b>	<b>105.3%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>9 391.1</b>	<b>5.3%</b>	<b>100.0%</b>	<b>9 987.8</b>	<b>10 888.9</b>	<b>11 440.9</b>	<b>6.8%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	228.6	-	1.7%	265.8	295.4	309.6	10.6%	2.6%
<i>Sales by market establishment</i>	228.6	-	1.7%	265.8	295.4	309.6	10.6%	2.6%
Other tax receipts	9 162.5	4.4%	98.3%	9 722.0	10 593.5	11 131.3	6.7%	97.4%
<b>Total receipts</b>	<b>9 391.1</b>	<b>5.3%</b>	<b>100.0%</b>	<b>9 987.8</b>	<b>10 888.9</b>	<b>11 440.9</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>5 319.5</b>	<b>7.3%</b>	<b>79.5%</b>	<b>5 567.4</b>	<b>5 874.2</b>	<b>6 210.7</b>	<b>5.3%</b>	<b>100.0%</b>
Compensation of employees	885.4	12.4%	12.3%	968.0	1 026.4	1 075.6	6.7%	17.2%
Goods and services	361.5	15.9%	4.8%	351.2	369.1	386.8	2.3%	6.4%
Interest and rent on land	4 072.6	5.7%	62.4%	4 248.2	4 478.8	4 748.2	5.2%	76.4%
<b>Total payment</b>	<b>5 319.5</b>	<b>7.3%</b>	<b>100.0%</b>	<b>5 567.4</b>	<b>5 874.2</b>	<b>6 210.7</b>	<b>5.3%</b>	<b>100.0%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>	<b>(6 965.0)</b>	<b>35.0%</b>	<b>100.0%</b>	<b>(7 357.1)</b>	<b>(4 549.2)</b>	<b>(7 748.8)</b>	<b>3.6%</b>	<b>64.6%</b>
Loan disbursements	(13 500.0)	3.7%	27.5%	(15 000.0)	(17 000.0)	(18 700.0)	11.5%	120.8%
Loan principal repayments	6 593.0	-8.4%	78.8%	7 639.1	12 490.1	10 995.4	18.6%	-56.5%
Other	(58.0)	-143.6%	-6.3%	3.9	(39.3)	(44.1)	-8.7%	0.2%
<b>Net cash flow from investing activities</b>	<b>(79.6)</b>	<b>-54.7%</b>	<b>100.0%</b>	<b>(75.8)</b>	<b>(92.6)</b>	<b>55.0</b>	<b>-188.4%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(71.3)	161.5%	25.1%	(78.4)	(86.3)	-	-100.0%	71.5%
Acquisition of software and other intangible assets	(53.9)	35.9%	18.5%	(59.3)	(65.2)	-	-100.0%	54.1%
Other flows from investing activities	45.6	-138.0%	56.4%	61.9	58.9	55.0	6.5%	-25.6%
<b>Net cash flow from financing activities</b>	<b>3 099.5</b>	<b>170.9%</b>	<b>100.0%</b>	<b>3 249.3</b>	<b>(80.6)</b>	<b>2 923.6</b>	<b>-1.9%</b>	<b>100.0%</b>
Borrowing activities	(15 881.9)	-16.3%	-4 488.9%	(5 457.6)	(8 802.4)	(17 400.9)	3.1%	2 412.4%
Other flows from financing activities	18 981.4	-11.3%	4 588.9%	8 706.9	8 721.8	20 324.5	2.3%	-2 312.4%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>126.5</b>	<b>-16.2%</b>	<b>100.0%</b>	<b>236.9</b>	<b>292.2</b>	<b>460.1</b>	<b>53.8%</b>	<b>100.0%</b>

**Table 8.24 Development Bank of Southern Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2016/17 - 2019/20			2020/21	2021/22	2022/23		
R million		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Statement of financial position</b>								
Carrying value of assets	606.5	6.4%	0.6%	713.5	832.2	799.5	9.6%	0.7%
Acquisition of assets	(71.3)	161.5%	-0.0%	(78.4)	(86.3)	-	-100.0%	-0.1%
Investments	7 998.3	0.3%	9.1%	7 855.0	7 698.7	7 688.3	-1.3%	7.4%
Loans	87 584.2	6.4%	87.1%	94 292.8	98 188.3	104 499.3	6.1%	90.5%
Receivables and prepayments	146.7	6.3%	0.3%	151.9	157.4	157.4	2.4%	0.1%
Cash and cash equivalents	1 194.8	-19.6%	2.9%	1 431.8	1 724.0	1 077.3	-3.4%	1.3%
<b>Total assets</b>	<b>97 530.5</b>	<b>5.2%</b>	<b>100.0%</b>	<b>104 445.1</b>	<b>108 600.6</b>	<b>114 221.8</b>	<b>5.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	25 969.1	14.0%	23.7%	29 174.3	32 837.5	36 372.2	11.9%	29.2%
Capital and reserves	2 440.7	-2.4%	3.0%	2 440.7	2 440.7	2 440.7	-	2.3%
Capital reserve fund	11 892.3	-	13.3%	11 892.3	11 892.3	11 892.3	-	11.2%
Borrowings	55 640.4	3.2%	58.7%	59 220.3	59 572.1	61 658.6	3.5%	55.6%
Trade and other payables	1 060.7	8.1%	1.0%	1 149.8	1 246.3	1 246.3	5.5%	1.1%
Provisions	525.1	46.4%	0.3%	565.7	609.6	609.6	5.1%	0.5%
Derivatives financial instruments	2.1	-13.8%	0.0%	2.1	2.1	2.1	-	0.0%
<b>Total equity and liabilities</b>	<b>97 530.5</b>	<b>5.2%</b>	<b>100.0%</b>	<b>104 445.1</b>	<b>108 600.6</b>	<b>114 221.8</b>	<b>5.4%</b>	<b>100.0%</b>

**Personnel information****Table 8.25 Development Bank of Southern Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost	
Development Bank of Southern Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
Salary level	678	678	597	741.6	1.2	678	890.4	1.3	678	973.4	1.4	678	1 032.2	1.5	678	1 081.7	1.6	6.7%	100.0%
1-6	55	55	64	15.3	0.2	55	12.8	0.2	55	14.0	0.3	55	14.9	0.3	55	15.6	0.3	6.7%	8.1%
7-10	188	188	174	110.7	0.6	188	118.4	0.6	188	129.4	0.7	188	137.2	0.7	188	143.8	0.8	6.7%	27.7%
11-12	127	127	125	150.6	1.2	127	152.4	1.2	127	166.6	1.3	127	176.7	1.4	127	185.2	1.5	6.7%	18.7%
13-16	295	295	222	402.8	1.8	295	537.5	1.8	295	587.6	2.0	295	623.0	2.1	295	652.9	2.2	6.7%	43.5%
17-22	13	13	12	62.3	5.2	13	69.3	5.3	13	75.8	5.8	13	80.4	6.2	13	84.2	6.5	6.7%	1.9%

1. Rand million.

**Government Pensions Administration Agency****Selected performance indicators****Table 8.26 Government Pensions Administration Agency performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of National Treasury benefits paid within 60 days per year	Benefit administration	Priority 6: A capable, ethical and development state	- <sup>1</sup>	92% (R2.8bn/ R3bn)	99% (R4.99bn/ R5bn)	98%	98%	99%	99%
Percentage of Government Employees Pension Fund benefits paid within 60 days per year	Benefit administration	Priority 3: Consolidating the social wage through reliable and quality basic services	- <sup>1</sup>	80% (R8.6bn/ R10.8bn)	85.7% (R93.4bn/ R109bn)	90%	95%	99%	99%
Percentage of clients satisfied per year	Benefit administration	Quality basic services	- <sup>1</sup>	94% (235 492/ 247 915)	94%	96%	97%	99%	99%

1. No historical data available.

**Entity overview**

The Government Pensions Administration Agency provides pension administration services to the Government Employees Pension Fund in terms of the Government Employees Pension Law (1996) and the Associated Institutions Pension Fund Act (1963). Postretirement medical subsidies are administered as provided for and



regulated by resolutions of the Public Service Coordinating Bargaining Council; military pensions are administered in terms of the Military Pensions Act (1976); injury-on-duty payments are administered in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions are administered in terms of the Special Pensions Act (1996).

The agency will continue to focus on its modernisation project, which is aimed at improving service delivery by enhancing IT infrastructure, optimising office space and employing new personnel as client service agents. Outdated and obsolete systems and applications will be replaced to enhance staff productivity, speed up the processing of claims and effectively manage pension queries. Core pension administration functions, including benefit payments and membership maintenance processes, are also expected to be improved. The project is expected to be completed over the MTEF period. Accordingly, the agency's expenditure on ICT is expected to increase from R54.5 million in 2019/20 to R77 million in 2022/23.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R1.1 billion in 2019/20 to R1.3 billion in 2022/23, driven by an increase in spending on consultants for the modernisation programme. Spending on compensation of employees is expected to increase at an average annual rate of 7.6 per cent, from R514.2 million in 2019/20 to R640.6 million in 2022/23, in line with an increase in the number of personnel over the period. Revenue, which is derived mainly from administration fees, is in line with spending over the period ahead.

### Programmes/Objectives/Activities

**Table 8.27 Government Pensions Administration Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	578.1	561.0	631.4	720.3	7.6%	61.9%	736.5	763.2	818.7	4.4%	64.0%
Benefit administration	330.2	420.6	388.7	388.6	5.6%	38.1%	420.3	437.0	463.4	6.0%	36.0%
<b>Total</b>	<b>908.3</b>	<b>981.5</b>	<b>1 020.1</b>	<b>1 108.9</b>	<b>6.9%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 8.28 Government Pensions Administration Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 219.4</b>	<b>941.7</b>	<b>1 074.4</b>	<b>981.1</b>	<b>1 135.2</b>	<b>1 036.4</b>	<b>1 142.5</b>	<b>1 108.9</b>	<b>89.0%</b>
Sale of goods and services other than capital assets	1 219.4	939.6	1 074.4	978.6	1 135.2	1 033.8	1 142.5	1 108.9	88.8%
of which:									
Administrative fees	1 219.4	939.6	1 074.4	978.6	1 135.2	1 033.8	1 142.5	1 108.9	88.8%
Other non-tax revenue	-	2.1	-	2.4	-	2.6	-	-	-
<b>Total revenue</b>	<b>1 219.4</b>	<b>941.7</b>	<b>1 074.4</b>	<b>981.1</b>	<b>1 135.2</b>	<b>1 036.4</b>	<b>1 142.5</b>	<b>1 108.9</b>	<b>89.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 219.4</b>	<b>908.3</b>	<b>1 074.4</b>	<b>981.5</b>	<b>1 133.4</b>	<b>1 020.1</b>	<b>1 036.2</b>	<b>1 108.9</b>	<b>90.0%</b>
Compensation of employees	484.9	458.6	513.6	481.0	470.0	493.7	499.4	514.2	99.0%
Goods and services	608.1	378.5	485.8	406.8	605.6	415.0	483.5	476.8	76.8%
Depreciation	126.4	71.2	75.0	93.7	57.8	111.4	53.2	117.8	126.2%
<b>Total expenses</b>	<b>1 219.4</b>	<b>908.3</b>	<b>1 074.4</b>	<b>981.5</b>	<b>1 133.4</b>	<b>1 020.1</b>	<b>1 036.2</b>	<b>1 108.9</b>	<b>90.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>33.4</b>	<b>-</b>	<b>(0.5)</b>	<b>1.8</b>	<b>16.3</b>	<b>106.3</b>	<b>-</b>	

**Table 8.28 Government Pensions Administration Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>146.7</b>	<b>114.3</b>	<b>68.4</b>	<b>87.6</b>	<b>42.2</b>	<b>94.3</b>	<b>88.2</b>	<b>117.8</b>	<b>119.9%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>1 317.2</b>	<b>989.9</b>	<b>1 074.4</b>	<b>989.4</b>	<b>1 135.2</b>	<b>1 016.0</b>	<b>1 069.7</b>	<b>1 108.9</b>	<b>89.3%</b>
Sales of goods and services other than capital assets	1 317.2	987.2	1 074.4	987.0	1 135.2	1 013.5	1 069.7	1 108.9	89.1%
Administrative fees	1 317.2	987.2	1 074.4	987.0	1 135.2	1 013.5	1 069.7	1 108.9	89.1%
Other tax receipts	–	2.7	–	2.4	–	2.4	–	–	–
<b>Total receipts</b>	<b>1 317.2</b>	<b>989.9</b>	<b>1 074.4</b>	<b>989.4</b>	<b>1 135.2</b>	<b>1 016.0</b>	<b>1 069.7</b>	<b>1 108.9</b>	<b>89.3%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>1 170.5</b>	<b>875.6</b>	<b>1 006.0</b>	<b>901.7</b>	<b>1 093.0</b>	<b>921.6</b>	<b>981.5</b>	<b>991.0</b>	<b>86.8%</b>
Compensation of employees	431.0	458.6	513.6	481.0	526.7	526.7	487.9	514.2	101.1%
Goods and services	739.5	416.9	492.3	420.7	566.3	394.9	493.5	476.8	74.6%
<b>Total payments</b>	<b>1 170.5</b>	<b>875.6</b>	<b>1 006.0</b>	<b>901.7</b>	<b>1 093.0</b>	<b>921.6</b>	<b>981.5</b>	<b>991.0</b>	<b>86.8%</b>
<b>Net cash flow from investing activities</b>	<b>(146.7)</b>	<b>(95.1)</b>	<b>(75.0)</b>	<b>(82.3)</b>	<b>(69.3)</b>	<b>(93.5)</b>	<b>(64.9)</b>	<b>(117.8)</b>	<b>109.2%</b>
Acquisition of property, plant, equipment and intangible assets	(45.0)	(17.7)	(57.5)	(32.5)	(57.3)	(30.1)	(64.9)	(44.3)	55.5%
Acquisition of software and other intangible assets	(101.7)	(77.5)	(17.5)	(49.8)	(12.0)	(64.1)	–	(73.5)	201.9%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.1	–	–	–	0.7	–	–	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>–</b>	<b>19.2</b>	<b>(6.5)</b>	<b>5.3</b>	<b>(27.1)</b>	<b>0.9</b>	<b>23.3</b>	<b>0.0</b>	
<b>Statement of financial position</b>									
Carrying value of assets	71.6	390.7	202.8	378.6	395.7	364.8	395.7	383.9	142.4%
Acquisition of assets	(45.0)	(17.7)	(57.5)	(32.5)	(57.3)	(30.1)	(64.9)	(44.3)	55.5%
Inventory	1.1	0.5	1.4	0.6	0.6	0.8	0.6	0.8	74.1%
Receivables and prepayments	14.8	94.7	15.3	111.6	77.8	132.9	77.8	137.9	256.9%
Cash and cash equivalents	12.0	36.9	11.1	42.3	42.3	43.1	42.3	45.3	155.7%
<b>Total assets</b>	<b>99.5</b>	<b>522.9</b>	<b>230.6</b>	<b>533.0</b>	<b>516.4</b>	<b>541.6</b>	<b>516.4</b>	<b>567.9</b>	<b>158.9%</b>
Accumulated surplus/(deficit)	5.8	395.4	112.9	394.1	411.2	410.4	411.2	431.8	173.4%
Trade and other payables	71.2	93.7	75.2	102.0	68.2	93.7	68.2	96.8	136.6%
Provisions	22.5	33.8	42.5	37.0	37.0	37.4	37.0	39.3	106.1%
<b>Total equity and liabilities</b>	<b>99.5</b>	<b>522.9</b>	<b>230.6</b>	<b>533.0</b>	<b>516.4</b>	<b>541.6</b>	<b>516.4</b>	<b>567.9</b>	<b>158.9%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.29 Government Pensions Administration Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 108.9</b>	<b>5.6%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	1 108.9	5.7%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Administrative fees	1 108.9	5.7%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
<b>Total revenue</b>	<b>1 108.9</b>	<b>5.6%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>1 108.9</b>	<b>6.9%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
Compensation of employees	514.2	3.9%	48.6%	572.0	605.2	640.6	7.6%	49.1%
Goods and services	476.8	8.0%	41.7%	449.8	479.1	518.7	2.8%	40.6%
Depreciation	117.8	18.3%	9.7%	134.9	116.0	122.8	1.4%	10.4%
<b>Total expenses</b>	<b>1 108.9</b>	<b>6.9%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>			<b>–</b>	<b>–</b>	<b>–</b>		

**Table 8.29 Government Pensions Administration Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2019/20	2020/21	2021/22		
R million									
<b>Cash flow statement</b>									
Cash flow from operating activities		117.8	1.0%	299.6%	134.9	116.0	122.9	14.9%	300.0%
<b>Receipts</b>		<b>1 108.9</b>	<b>3.9%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
Non-tax receipts		1 108.9	4.0%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Sales of goods and services other than capital assets		1 108.9	4.0%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Administrative fees		1 108.9	4.0%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
<b>Total receipts</b>		<b>1 108.9</b>	<b>3.9%</b>	<b>100.0%</b>	<b>1 156.7</b>	<b>1 200.3</b>	<b>1 282.1</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current payments</b>		<b>991.0</b>	<b>4.2%</b>	<b>92.0%</b>	<b>1 021.9</b>	<b>1 084.3</b>	<b>1 159.2</b>	<b>5.4%</b>	<b>100.0%</b>
Compensation of employees		514.2	3.9%	49.4%	572.0	605.2	640.6	7.6%	54.7%
Goods and services		476.8	4.6%	42.6%	449.8	479.1	518.6	2.8%	45.3%
<b>Total payment</b>		<b>991.0</b>	<b>4.2%</b>	<b>100.0%</b>	<b>1 021.9</b>	<b>1 084.3</b>	<b>1 159.2</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>		<b>(117.8)</b>	<b>7.4%</b>	<b>100.0%</b>	<b>(134.9)</b>	<b>(116.0)</b>	<b>(122.9)</b>	<b>1.4%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets		(44.3)	35.7%	32.0%	(54.7)	(72.3)	(76.8)	20.1%	50.8%
Acquisition of software and other intangible assets		(73.5)	-1.8%	68.2%	(80.1)	(43.7)	(46.1)	-14.4%	49.2%
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>0.0</b>	<b>-97.7%</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-53.5%</b>	<b>100.0%</b>
<b>Statement of financial position</b>									
Carrying value of assets		383.9	-0.6%	70.2%	403.5	423.7	444.0	5.0%	67.6%
Acquisition of assets		(44.3)	35.7%	-5.7%	(54.7)	(72.3)	(76.8)	20.1%	-10.1%
Inventory		0.8	14.2%	0.1%	0.9	0.9	0.9	4.9%	0.1%
Receivables and prepayments		137.9	13.4%	22.0%	145.0	152.2	159.5	5.0%	24.3%
Cash and cash equivalents		45.3	7.0%	7.7%	47.6	50.0	52.3	5.0%	8.0%
<b>Total assets</b>		<b>567.9</b>	<b>2.8%</b>	<b>100.0%</b>	<b>596.9</b>	<b>626.7</b>	<b>656.8</b>	<b>5.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		431.8	3.0%	75.3%	453.8	476.5	499.4	5.0%	76.0%
Trade and other payables		96.8	1.1%	17.9%	101.8	106.9	112.0	5.0%	17.1%
Provisions		39.3	5.2%	6.8%	41.3	43.4	45.4	5.0%	6.9%
<b>Total equity and liabilities</b>		<b>567.9</b>	<b>2.8%</b>	<b>100.0%</b>	<b>596.9</b>	<b>626.7</b>	<b>656.8</b>	<b>5.0%</b>	<b>100.0%</b>

**Personnel information****Table 8.30 Government Pensions Administration Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost	
Government Pensions Administration Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	1 404	1 404	981	493.7	0.5	1 210	514.2	0.4	1 404	572.0	0.4	1 404	605.2	0.4	1 404	640.6	0.5	7.6%	100.0%
1 – 6	839	839	571	252.6	0.4	735	191.9	0.3	839	194.7	0.2	839	206.3	0.2	839	218.7	0.3	4.5%	60.0%
7 – 10	415	415	308	158.7	0.5	363	200.7	0.6	415	210.5	0.5	415	223.2	0.5	415	236.6	0.6	5.6%	29.7%
11 – 12	97	97	72	50.0	0.7	74	61.3	0.8	97	94.1	1.0	97	99.8	1.0	97	105.1	1.1	19.7%	6.7%
13 – 16	53	53	30	32.6	1.1	38	60.4	1.6	53	72.7	1.4	53	75.9	1.4	53	80.3	1.5	10.0%	3.6%

1. Rand million.

**Land and Agricultural Development Bank of South Africa****Selected performance indicators****Table 8.31 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past		Current		Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost-to-income ratio	Administration	Priority 1: Economic transformation and job creation	54.4% (R564m/R1bn)	60.5% (R628.7m/R1bn)	52% (R343.6m/R661.3m)	52.7%	53.2%	53.2%	53.2%
Capital adequacy ratio	Administration		18% (R2.2bn)	17% (R1.6bn)	16% (R3.2bn)	16%	16%	16%	16%
Value of development loan book disbursements per year	Administration		R2bn	R1.6bn	R1bn	R1.4bn	R1.8bn	R2bn	R2.5bn

## Entity overview

As a development finance institution, the mandate of the Land and Agricultural Development Bank of South Africa is to address agricultural and rural development in South Africa. The bank operates in the primary agriculture and agribusiness sectors, and is regulated by the Land and Agricultural Development Bank Act (2002) and the Public Finance Management Act (1999).

The bank plays a pivotal role in advancing agriculture and rural development. Its broader mandate, as expressed in the Land and Agricultural Development Bank Act (2002), is to promote: the equitable ownership of agricultural land, particularly by historically disadvantaged people; agrarian reform, land redistribution or development programmes for historically disadvantaged people; land access for agricultural purposes; productivity, profitability, investment and innovation in agriculture; the growth of agricultural sectors and better use of land; rural development and job creation; commercial agriculture; and food security.

The bank's loan book is expected to increase from R45.2 billion in 2019/20 to R49 billion in 2022/23. In line with this increase, total operating expenses are expected to increase at an average annual rate of 3.2 per cent, from R4.8 billion in 2019/20 to R5.3 billion in 2022/23, and expenses related to funding liabilities are expected to increase at an average annual rate of 4.1 per cent, from R3.7 billion in 2019/20 to R4.2 billion in 2022/23.

The bank's number of personnel is expected to increase in 2022/23 as it fills vacant positions. This will contribute to an increase in spending on compensation of employees at an average annual rate of 6.7 per cent, from R424.6 million in 2019/20 to R515.3 million in 2022/23.

Revenue is expected to increase at an average annual rate of 3.7 per cent, from R5 billion in 2019/20 to R5.6 billion in 2022/23, in line with projected growth in the loan book. Interest income is expected to account for 97.4 per cent (R15.7 billion) of the bank's total revenue over the MTEF period.

## Programmes/Objectives/Activities

**Table 8.32 Land and Agricultural Development Bank of South Africa expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	576.4	628.7	602.8	640.1	3.6%	13.2%	669.5	708.5	742.1	5.1%	13.5%	
Corporate banking	2 867.8	1 309.0	1 043.5	1 201.0	-25.2%	36.1%	1 342.3	1 350.8	1 390.5	5.0%	25.9%	
Commercial development banking	570.6	2 816.5	3 473.5	2 970.1	73.3%	50.8%	3 049.3	3 166.8	3 151.8	2.0%	60.6%	
<b>Total</b>	<b>4 014.8</b>	<b>4 754.2</b>	<b>5 119.9</b>	<b>4 811.2</b>	<b>6.2%</b>	<b>100.0%</b>	<b>5 061.1</b>	<b>5 226.1</b>	<b>5 284.4</b>	<b>3.2%</b>	<b>100.0%</b>	

## Statements of historical financial performance, cash flow and financial position

**Table 8.33 Land and Agricultural Development Bank of South Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>4 150.5</b>	<b>4 320.6</b>	<b>4 886.3</b>	<b>4 936.5</b>	<b>4 891.2</b>	<b>5 249.9</b>	<b>5 055.4</b>	<b>4 981.4</b>	<b>102.7%</b>
Sale of goods and services other than capital assets	123.9	69.9	104.3	89.0	109.7	109.6	128.4	128.4	85.1%
<i>of which:</i>									
Administrative fees	111.6	39.6	81.5	55.5	80.9	92.0	97.3	97.3	76.6%
Sales by market establishment	12.3	30.3	22.9	33.5	28.9	17.6	31.1	31.1	118.3%
Other non-tax revenue	4 026.6	4 250.6	4 782.0	4 847.5	4 781.4	5 140.3	4 927.1	4 853.1	103.1%
<b>Total revenue</b>	<b>4 150.5</b>	<b>4 320.6</b>	<b>4 886.3</b>	<b>4 936.5</b>	<b>4 891.2</b>	<b>5 249.9</b>	<b>5 055.4</b>	<b>4 981.4</b>	<b>102.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>3 876.5</b>	<b>3 945.9</b>	<b>4 571.8</b>	<b>4 685.2</b>	<b>4 589.7</b>	<b>5 046.8</b>	<b>4 729.1</b>	<b>4 729.1</b>	<b>103.6%</b>
Compensation of employees	404.3	331.9	394.0	341.6	396.8	393.6	424.6	424.6	92.1%
Goods and services	663.8	575.3	463.3	564.3	595.4	697.8	616.1	616.1	104.9%
Depreciation	9.8	9.8	22.8	22.8	16.7	16.7	12.4	12.4	100.0%
Interest, dividends and rent on land	2 798.6	3 028.9	3 691.8	3 756.5	3 580.7	3 938.7	3 676.0	3 676.0	104.8%
<b>Total expenses</b>	<b>3 922.3</b>	<b>4 014.8</b>	<b>4 641.9</b>	<b>4 754.2</b>	<b>4 668.1</b>	<b>5 119.9</b>	<b>4 811.2</b>	<b>4 811.2</b>	<b>103.6%</b>
<b>Surplus/(Deficit)</b>	<b>228.1</b>	<b>305.8</b>	<b>244.4</b>	<b>182.3</b>	<b>223.1</b>	<b>130.0</b>	<b>244.3</b>	<b>170.3</b>	

**Table 8.33 Land and Agricultural Development Bank of South Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>881.9</b>	<b>696.1</b>	<b>682.6</b>	<b>791.7</b>	<b>657.8</b>	<b>579.4</b>	<b>675.3</b>	<b>675.3</b>	<b>94.6%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>4 101.8</b>	<b>4 312.8</b>	<b>4 758.2</b>	<b>4 932.0</b>	<b>4 824.5</b>	<b>5 146.1</b>	<b>4 969.7</b>	<b>4 969.7</b>	<b>103.8%</b>
Sales of goods and services other than capital assets	75.2	69.9	86.1	85.7	43.1	105.5	42.6	42.6	123.0%
Administrative fees	75.2	69.9	86.1	85.7	43.1	105.5	42.6	42.6	123.0%
Other tax receipts	4 026.6	4 242.8	4 672.1	4 846.3	4 781.4	5 040.6	4 927.1	4 927.1	103.5%
<b>Total receipts</b>	<b>4 101.8</b>	<b>4 312.8</b>	<b>4 758.2</b>	<b>4 932.0</b>	<b>4 824.5</b>	<b>5 146.1</b>	<b>4 969.7</b>	<b>4 969.7</b>	<b>103.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>3 173.9</b>	<b>3 547.8</b>	<b>4 005.5</b>	<b>4 071.4</b>	<b>4 088.3</b>	<b>4 493.6</b>	<b>4 212.3</b>	<b>4 212.3</b>	<b>105.5%</b>
Compensation of employees	289.2	331.9	309.4	341.6	396.8	393.6	424.6	424.6	105.1%
Goods and services	307.2	238.0	253.4	287.1	301.4	277.6	316.5	316.5	95.0%
Interest and rent on land	2 577.5	2 977.9	3 442.7	3 442.7	3 390.0	3 822.4	3 471.2	3 471.2	106.5%
<b>Total payments</b>	<b>3 219.8</b>	<b>3 616.7</b>	<b>4 075.6</b>	<b>4 140.3</b>	<b>4 166.7</b>	<b>4 566.6</b>	<b>4 294.3</b>	<b>4 294.3</b>	<b>105.5%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>	<b>(5 374.0)</b>	<b>(4 895.2)</b>	<b>(4 603.8)</b>	<b>(2 442.5)</b>	<b>(959.3)</b>	<b>(2 392.0)</b>	<b>(3 123.8)</b>	<b>(3 123.8)</b>	<b>91.4%</b>
Loan disbursements	(5 374.0)	(4 895.2)	(4 603.8)	(2 442.5)	(959.3)	(2 392.0)	(3 123.8)	(3 123.8)	91.4%
<b>Net cash flow from investing activities</b>	<b>(51.1)</b>	<b>176.9</b>	<b>(2.5)</b>	<b>(358.9)</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>330.9%</b>
Acquisition of property, plant, equipment and intangible assets	(19.9)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	(0.9)	(0.9)	115.4%
Acquisition of software and other intangible assets	(31.2)	-	-	-	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	-	72.9	-	-	-	-	-
Other flows from investing activities	-	201.3	-	(430.1)	-	-	-	-	-
<b>Net cash flow from financing activities</b>	<b>4 265.5</b>	<b>3 113.0</b>	<b>3 854.5</b>	<b>3 160.6</b>	<b>(559.1)</b>	<b>2 654.2</b>	<b>(258.7)</b>	<b>(258.7)</b>	<b>118.7%</b>
Borrowing activities	4 265.5	3 113.0	3 854.5	3 160.6	(559.1)	2 654.2	(258.7)	(258.7)	118.7%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(277.6)</b>	<b>(909.3)</b>	<b>(69.2)</b>	<b>1 150.8</b>	<b>(861.7)</b>	<b>840.4</b>	<b>(2 708.1)</b>	<b>(2 708.1)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	253.4	240.1	258.8	369.5	251.1	60.8	259.5	259.5	90.9%
Acquisition of assets	(19.9)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	(0.9)	(0.9)	115.4%
Investments	612.2	1 328.9	1 365.8	1 572.5	2 485.8	2 687.4	3 100.0	3 100.0	114.9%
Receivables and prepayments	41 800.0	40 975.6	39 645.8	43 418.5	41 995.3	44 465.5	44 963.6	44 963.6	103.2%
Cash and cash equivalents	1 842.9	1 211.3	3 031.9	2 362.1	3 418.9	3 202.6	710.9	710.9	83.1%
Non-current assets held for sale	50.0	48.0	49.6	10.1	-	-	-	-	58.3%
Derivatives financial instruments	-	15.1	-	-	-	-	-	-	-
<b>Total assets</b>	<b>44 558.5</b>	<b>43 819.0</b>	<b>44 352.0</b>	<b>47 732.6</b>	<b>48 151.2</b>	<b>50 416.2</b>	<b>49 034.0</b>	<b>49 034.0</b>	<b>102.6%</b>
Accumulated surplus/(deficit)	3 427.3	3 460.5	4 402.9	3 679.3	3 960.2	3 807.4	4 352.9	3 935.4	92.2%
Capital and reserves	134.8	137.5	134.8	101.0	101.0	101.0	101.0	101.0	93.4%
Capital reserve fund	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	100.0%
Borrowings	7 750.0	5 162.3	6 800.0	5 820.7	6 250.3	6 638.7	5 518.0	5 518.0	87.9%
Finance lease	-	-	-	-	-	70.1	-	-	-
Trade and other payables	201.4	164.0	343.0	160.7	324.0	72.6	328.6	328.6	60.7%
Provisions	535.2	445.3	537.8	448.7	596.1	340.6	646.6	646.6	81.2%
Derivatives financial instruments	30 743.3	32 682.8	30 366.8	35 755.6	35 153.0	37 619.2	36 320.3	36 737.8	107.7%
<b>Total equity and liabilities</b>	<b>44 558.5</b>	<b>43 819.0</b>	<b>44 352.0</b>	<b>47 732.6</b>	<b>48 151.2</b>	<b>50 416.2</b>	<b>49 034.0</b>	<b>49 034.0</b>	<b>102.6%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.34 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>4 981.4</b>	<b>4.9%</b>	<b>100.0%</b>	<b>5 167.6</b>	<b>5 450.7</b>	<b>5 559.7</b>	<b>3.7%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	128.4	22.4%	2.0%	140.2	143.8	146.7	4.5%	2.6%
Administrative fees	97.3	34.9%	1.4%	106.8	107.9	110.1	4.2%	2.0%
Sales by market establishment	31.1	0.8%	0.6%	33.4	35.9	36.6	5.6%	0.6%
Other non-tax revenue	4 853.1	4.5%	98.0%	5 027.4	5 306.9	5 413.0	3.7%	97.4%
<b>Total revenue</b>	<b>4 981.4</b>	<b>4.9%</b>	<b>100.0%</b>	<b>5 167.6</b>	<b>5 450.7</b>	<b>5 559.7</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>4 729.1</b>	<b>6.2%</b>	<b>98.4%</b>	<b>4 974.1</b>	<b>5 134.0</b>	<b>5 190.5</b>	<b>3.2%</b>	<b>98.3%</b>
Compensation of employees	424.6	8.6%	8.0%	454.4	486.2	515.3	6.7%	9.2%
Goods and services	616.1	2.3%	13.2%	742.2	639.5	523.3	-5.3%	12.4%
Depreciation	12.4	8.3%	0.3%	-	-	-	-100.0%	0.1%
Interest, dividends and rent on land	3 676.0	6.7%	76.9%	3 777.6	4 008.3	4 151.9	4.1%	76.6%
<b>Total expenses</b>	<b>4 811.2</b>	<b>6.2%</b>	<b>100.0%</b>	<b>5 061.1</b>	<b>5 226.1</b>	<b>5 284.4</b>	<b>3.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>170.3</b>			<b>106.5</b>	<b>224.6</b>	<b>275.2</b>		

**Table 8.34 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
					2020/21	2021/22	2022/23		
R million		2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23		
<b>Cash flow statement</b>									
Cash flow from operating activities		675.3	-1.0%	103.1%	711.9	747.7	235.7	2.6%	101.6%
<b>Receipts</b>									
Non-tax receipts		4 969.7	4.8%	100.0%	5 169.9	5 448.3	5 455.3	3.2%	100.0%
Sales of goods and services other than capital assets		42.6	-15.2%	1.6%	42.6	41.4	42.2	-0.3%	0.8%
Administrative fees		42.6	-15.2%	1.6%	42.6	41.4	42.2	-0.3%	0.8%
Other tax receipts		4 927.1	5.1%	98.4%	5 127.4	5 406.9	5 413.0	3.2%	99.2%
<b>Total receipts</b>		<b>4 969.7</b>	<b>4.8%</b>	<b>100.0%</b>	<b>5 169.9</b>	<b>5 448.3</b>	<b>5 455.3</b>	<b>3.2%</b>	<b>100.0%</b>
<b>Current payments</b>		<b>4 212.3</b>	<b>5.9%</b>	<b>87.3%</b>	<b>4 371.1</b>	<b>4 608.5</b>	<b>5 122.8</b>	<b>6.7%</b>	<b>98.1%</b>
Compensation of employees		424.6	8.6%	8.0%	454.4	486.2	515.3	6.7%	10.1%
Goods and services		316.5	10.0%	6.0%	332.3	348.9	455.6	12.9%	7.7%
Interest and rent on land		3 471.2	5.2%	73.3%	3 584.4	3 773.4	4 151.9	6.2%	80.3%
<b>Total payment</b>		<b>4 294.3</b>	<b>5.9%</b>	<b>100.0%</b>	<b>4 458.1</b>	<b>4 700.6</b>	<b>5 219.5</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>		<b>(3 123.8)</b>	<b>-13.9%</b>	<b>100.0%</b>	<b>(1 610.2)</b>	<b>(1 663.2)</b>	<b>(957.7)</b>	<b>-32.6%</b>	<b>67.4%</b>
Loan disbursements		(3 123.8)	-13.9%	100.0%	(1 610.2)	(1 663.2)	(957.7)	-32.6%	67.4%
<b>Net cash flow from investing activities</b>		<b>(0.9)</b>	<b>-116.9%</b>	<b>100.0%</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Acquisition of property, plant, equipment and intangible assets		(0.9)	-67.4%	46.7%	(0.9)	(0.9)	-	-100.0%	-
<b>Net cash flow from financing activities</b>		<b>(258.7)</b>	<b>-143.6%</b>	<b>100.0%</b>	<b>2 136.9</b>	<b>(2 905.5)</b>	<b>71.9</b>	<b>-165.3%</b>	<b>100.0%</b>
Borrowing activities		(258.7)	-143.6%	100.0%	2 136.9	(2 905.5)	71.9	-165.3%	100.0%
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2 708.1)</b>	<b>43.9%</b>	<b>100.0%</b>	<b>1 237.7</b>	<b>(3 822.0)</b>	<b>(650.0)</b>	<b>-37.9%</b>	<b>100.0%</b>
<b>Statement of financial position</b>									
Carrying value of assets		259.5	2.6%	0.5%	269.8	282.0	287.6	3.5%	0.5%
Acquisition of assets		(0.9)	-67.4%	-0.0%	(0.9)	(0.9)	-	-100.0%	-0.0%
Investments		3 100.0	32.6%	4.5%	3 190.9	3 273.0	3 338.4	2.5%	6.2%
Receivables and prepayments		44 963.6	3.1%	91.1%	46 408.0	47 885.1	48 842.8	2.8%	90.5%
Cash and cash equivalents		710.9	-16.3%	3.9%	1 948.6	1 900.0	1 250.0	20.7%	2.8%
<b>Total assets</b>		<b>49 034.0</b>	<b>3.8%</b>	<b>100.0%</b>	<b>51 817.4</b>	<b>53 340.1</b>	<b>53 718.9</b>	<b>3.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		3 935.4	4.4%	7.8%	4 105.7	4 366.3	4 390.9	3.7%	8.1%
Capital and reserves		101.0	-9.8%	0.2%	101.0	101.0	103.0	0.7%	0.2%
Capital reserve fund		1 766.6	-	3.7%	1 766.6	1 766.6	1 801.9	0.7%	3.4%
Borrowings		5 518.0	2.2%	12.1%	5 696.4	5 702.6	5 128.6	-2.4%	10.6%
Trade and other payables		328.6	26.1%	0.4%	347.7	356.5	363.6	3.4%	0.7%
Provisions		646.6	13.2%	1.0%	693.8	745.1	760.0	5.5%	1.4%
Derivatives financial instruments		36 737.8	4.0%	74.8%	39 106.2	40 302.1	41 170.8	3.9%	75.6%
<b>Total equity and liabilities</b>		<b>49 034.0</b>	<b>3.8%</b>	<b>100.0%</b>	<b>51 817.4</b>	<b>53 340.1</b>	<b>53 718.9</b>	<b>3.1%</b>	<b>100.0%</b>

**Personnel information****Table 8.35 Land and Agricultural Development Bank of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23										
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Land and Agricultural Development Bank of South Africa		457		461	461	393.6	0.9	457	424.6	0.9	457	454.4	1.0	457	486.2	1.1	461	515.3	1.1	6.7%	100.0%	
Salary level																						
1-6	28	28	5.0	0.2	28	5.5	0.2	28	5.8	0.2	28	6.2	0.2	28	6.6	0.2	28	6.6	0.2	6.4%	6.1%	
7-10	110	110	110	63.4	0.6	110	69.1	0.6	110	74.8	0.7	110	80.7	0.7	110	85.5	0.8	110	85.5	0.8	7.3%	24.0%
11-12	206	210	210	171.8	0.8	206	182.8	0.9	206	194.8	0.9	206	208.5	1.0	210	221.0	1.1	210	221.0	1.1	6.5%	45.2%
13-16	104	104	104	125.3	1.2	104	136.6	1.3	104	145.6	1.4	104	155.3	1.5	104	164.6	1.6	104	164.6	1.6	6.4%	22.7%
17-22	9	9	9	28.1	3.1	9	30.7	3.4	9	33.3	3.7	9	35.5	3.9	9	37.6	4.2	9	37.6	4.2	7.1%	2.0%

1. Rand million.

## Public Investment Corporation

### Selected performance indicators

**Table 8.36 Public Investment Corporation performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Value of net profit after tax per year	Investments	Priority 1: Economic transformation and job creation	R533m	R417m	R291m	R292m	R326m	R346m	R365m
Total amount of funds under management	Investments		R1.9tr	R2.tr	R2.1tr	R2.3tr	R2.4tr	R2.6tr	R2.8tr

### Entity overview

The Public Investment Corporation, established by the Public Investment Corporation Act (2004), is a registered financial services provider wholly owned by government, with the Minister of Finance as its shareholder representative. The corporation is mandated to invest funds on behalf of its clients, as agreed upon with each client and approved by the Financial Sector Conduct Authority. The corporation's clients are public sector entities, most of which are pension, provident, social security, development and guardian funds.

The corporation makes investments through the Isibaya Fund under the guidance of the developmental investment framework of the Government Employees Pension Fund. This requires the corporation to find a balance between financial returns and support for long-term economic, social and environmental outcomes. The corporation's developmental investments are focused on economic and social infrastructure; sustainability projects; enterprise development; and SMMEs in the manufacturing, tourism, mining and agro-processing sectors.

Over the medium term, the corporation plans to commit R9 billion towards development property investments, including new developments, refurbishments and upgrades, and developments in rural areas. Through these investments, the corporation aims to make favourable returns on its clients' portfolios and contribute towards the growth and transformation of South Africa's economy. At least 30 per cent of the corporation's approved unlisted property transactions for new developments or acquisitions will be compliant with black economic empowerment regulations, targeted at 50 per cent representation by women.

As the corporation intensifies its investment activities, the value of the assets under its management is expected to increase from R2.3 trillion in 2019/20 to R2.8 trillion in 2022/23. This will necessitate the appointment of an estimated 18 additional asset managers. As a result, spending on compensation of employees is expected to increase at an average annual rate of 7.3 per cent, from R864.9 million in 2019/20 to R1.1 billion in 2022/23. Total expenditure is expected to increase from R1.4 billion in 2019/20 to R1.7 billion in 2022/23, at an average annual rate of 6.9 per cent.

The corporation derives its revenue mainly through the fees it charges for managing its clients' assets, including the Government Employees Pension Fund; board fees; and interest. Revenue is expected to increase at an average annual rate of 7 per cent, from R1.7 billion in 2019/20 to R2.1 billion in 2022/23, mainly due to an anticipated increase in management fees, growth in the equities portfolio, and an increase in assets under management for the consumer price index.

### Programmes/Objectives/Activities

**Table 8.37 Public Investment Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	430.3	419.3	581.5	714.1	18.4%	48.9%	767.1	826.0	871.5	6.9%	50.0%
Investments	368.9	603.4	559.7	714.1	24.6%	51.1%	767.1	826.0	871.5	6.9%	50.0%
<b>Total</b>	<b>799.3</b>	<b>1 022.8</b>	<b>1 141.1</b>	<b>1 428.2</b>	<b>21.3%</b>	<b>100.0%</b>	<b>1 534.2</b>	<b>1 652.1</b>	<b>1 742.9</b>	<b>6.9%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 8.38 Public Investment Corporation statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 481.2</b>	<b>1 331.7</b>	<b>1 545.8</b>	<b>1 439.9</b>	<b>1 495.7</b>	<b>1 432.3</b>	<b>1 632.5</b>	<b>1 720.3</b>	<b>96.2%</b>
Sale of goods and services other than capital assets	1 367.3	1 112.9	1 425.0	1 224.5	1 288.1	1 210.2	1 404.5	1 391.8	90.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 367.3</i>	<i>1 112.9</i>	<i>1 425.0</i>	<i>1 224.5</i>	<i>1 288.1</i>	<i>1 210.2</i>	<i>1 404.5</i>	<i>1 391.8</i>	<i>90.1%</i>
Other non-tax revenue	113.9	218.9	120.8	215.5	207.6	222.1	228.0	328.5	146.9%
<b>Total revenue</b>	<b>1 481.2</b>	<b>1 331.7</b>	<b>1 545.8</b>	<b>1 439.9</b>	<b>1 495.7</b>	<b>1 432.3</b>	<b>1 632.5</b>	<b>1 720.3</b>	<b>96.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>973.1</b>	<b>611.9</b>	<b>1 080.7</b>	<b>845.3</b>	<b>1 078.1</b>	<b>1 035.0</b>	<b>1 201.3</b>	<b>1 314.6</b>	<b>87.9%</b>
Compensation of employees	694.9	440.3	728.1	526.7	762.9	600.6	811.1	864.9	81.2%
Goods and services	248.5	161.1	319.9	298.9	300.2	410.8	374.3	433.9	105.0%
Depreciation	29.6	10.5	32.7	19.7	15.0	23.6	15.9	15.8	74.7%
Interest, dividends and rent on land	–	0.0	–	0.0	–	–	–	–	–
<b>Total expenses</b>	<b>1 066.3</b>	<b>799.3</b>	<b>1 162.0</b>	<b>1 022.8</b>	<b>1 182.0</b>	<b>1 141.1</b>	<b>1 322.1</b>	<b>1 428.2</b>	<b>92.8%</b>
<b>Surplus/(Deficit)</b>	<b>414.9</b>	<b>532.5</b>	<b>383.8</b>	<b>417.1</b>	<b>313.7</b>	<b>291.2</b>	<b>310.5</b>	<b>292.1</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>238.5</b>	<b>487.1</b>	<b>224.3</b>	<b>301.4</b>	<b>309.6</b>	<b>183.4</b>	<b>359.0</b>	<b>619.6</b>	<b>140.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>1 279.1</b>	<b>1 283.1</b>	<b>1 334.1</b>	<b>1 407.1</b>	<b>1 495.7</b>	<b>1 408.5</b>	<b>1 632.6</b>	<b>1 720.3</b>	<b>101.3%</b>
Sales of goods and services other than capital assets	1 173.5	1 112.9	1 223.9	1 224.5	1 288.1	1 210.2	1 404.5	1 391.8	97.0%
<i>Sales by market establishment</i>	<i>1 173.5</i>	<i>1 112.9</i>	<i>1 223.9</i>	<i>1 224.5</i>	<i>1 288.1</i>	<i>1 210.2</i>	<i>1 404.5</i>	<i>1 391.8</i>	<i>97.0%</i>
Other tax receipts	105.6	170.2	110.2	182.7	207.6	198.3	228.1	328.5	135.0%
<b>Total receipts</b>	<b>1 279.1</b>	<b>1 283.1</b>	<b>1 334.1</b>	<b>1 458.3</b>	<b>1 495.7</b>	<b>1 420.1</b>	<b>1 632.6</b>	<b>1 720.3</b>	<b>102.4%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>947.3</b>	<b>586.0</b>	<b>1 028.5</b>	<b>987.2</b>	<b>1 074.8</b>	<b>1 082.6</b>	<b>1 156.0</b>	<b>980.4</b>	<b>86.4%</b>
Compensation of employees	636.3	427.7	701.9	548.9	762.9	621.1	811.1	635.5	76.7%
Goods and services	311.0	138.3	326.6	378.2	311.7	381.5	344.7	344.7	96.0%
Interest and rent on land	–	20.0	–	60.0	0.2	80.0	0.2	0.2	34 275.0%
<b>Total payments</b>	<b>1 040.6</b>	<b>796.0</b>	<b>1 109.8</b>	<b>1 156.9</b>	<b>1 186.1</b>	<b>1 236.7</b>	<b>1 273.6</b>	<b>1 100.7</b>	<b>93.1%</b>
<b>Net cash flow from investing activities</b>	<b>(142.4)</b>	<b>(689.4)</b>	<b>(100.1)</b>	<b>(404.7)</b>	<b>(27.6)</b>	<b>(165.1)</b>	<b>(112.5)</b>	<b>(551.0)</b>	<b>473.3%</b>
Acquisition of property, plant, equipment and intangible assets	(40.1)	(6.4)	(33.0)	(101.5)	(17.5)	(3.3)	(22.9)	(196.9)	271.4%
Acquisition of software and other intangible assets	(9.8)	–	(23.6)	(2.7)	(84.0)	(9.0)	(1.8)	–	9.8%
Proceeds from the sale of property, plant, equipment and intangible assets	–	–	–	–	–	0.1	–	–	–
Other flows from investing activities	(92.4)	(683.0)	(43.5)	(300.6)	73.9	(152.9)	(87.9)	(354.1)	994.8%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>96.2</b>	<b>(202.3)</b>	<b>124.2</b>	<b>(103.4)</b>	<b>282.0</b>	<b>18.2</b>	<b>246.5</b>	<b>68.5</b>	
<b>Statement of financial position</b>									
Carrying value of assets	122.5	69.1	96.9	98.8	173.1	88.3	286.3	211.9	69.0%
<i>Acquisition of assets</i>	<i>(40.1)</i>	<i>(6.4)</i>	<i>(33.0)</i>	<i>(101.5)</i>	<i>(17.5)</i>	<i>(3.3)</i>	<i>(22.9)</i>	<i>(196.9)</i>	<i>271.4%</i>
Investments	1 183.7	2 006.0	1 254.3	2 350.5	2 813.3	2 454.4	2 982.1	2 625.1	114.6%
Receivables and prepayments	112.1	79.5	118.8	95.6	267.6	226.8	283.7	238.2	81.8%
Cash and cash equivalents	561.4	403.2	732.7	299.8	305.6	318.1	514.4	386.6	66.6%
Taxation	7.6	107.9	8.0	100.2	87.9	144.0	93.1	101.1	230.4%
<b>Total assets</b>	<b>1 987.3</b>	<b>2 665.7</b>	<b>2 210.8</b>	<b>2 944.9</b>	<b>3 647.6</b>	<b>3 231.6</b>	<b>4 159.6</b>	<b>3 562.8</b>	<b>103.3%</b>
Accumulated surplus/(deficit)	1 467.4	1 666.3	1 676.5	1 890.4	2 189.2	1 842.5	2 196.3	2 134.6	100.1%
Capital and reserves	279.8	553.7	279.8	680.8	931.9	937.4	1 438.7	987.8	107.8%
Finance lease	0.0	0.7	0.0	1.2	1.6	0.1	0.3	0.3	123.7%
Trade and other payables	32.2	105.4	34.1	32.7	73.4	66.4	46.0	46.0	135.0%
Taxation	–	–	–	9.1	94.3	13.0	99.9	–	11.3%
Provisions	207.9	339.6	220.4	330.7	357.2	372.1	378.4	394.2	123.4%
<b>Total equity and liabilities</b>	<b>1 987.3</b>	<b>2 665.7</b>	<b>2 210.8</b>	<b>2 944.9</b>	<b>3 647.6</b>	<b>3 231.6</b>	<b>4 159.6</b>	<b>3 562.8</b>	<b>103.3%</b>



## Statements of estimates of financial performance, cash flow and financial position

**Table 8.39 Public Investment Corporation statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 720.3</b>	<b>8.9%</b>	<b>100.0%</b>	<b>1 857.8</b>	<b>1 998.5</b>	<b>2 108.4</b>	<b>7.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	1 391.8	7.7%	83.5%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
<i>Sales by market establishment</i>	1 391.8	7.7%	83.5%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
Other non-tax revenue	328.5	14.5%	16.5%	346.6	365.7	385.8	5.5%	18.6%
<b>Total revenue</b>	<b>1 720.3</b>	<b>8.9%</b>	<b>100.0%</b>	<b>1 857.8</b>	<b>1 998.5</b>	<b>2 108.4</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>Current expenses</b>	<b>1 314.6</b>	<b>29.0%</b>	<b>85.5%</b>	<b>1 408.4</b>	<b>1 517.3</b>	<b>1 600.8</b>	<b>6.8%</b>	<b>91.9%</b>
Compensation of employees	864.9	25.2%	54.9%	972.2	1 011.8	1 067.5	7.3%	61.6%
Goods and services	433.9	39.1%	28.9%	419.5	489.3	514.7	5.9%	29.2%
Depreciation	15.8	14.8%	1.6%	16.7	16.2	18.6	5.5%	1.1%
<b>Total expenses</b>	<b>1 428.2</b>	<b>21.3%</b>	<b>100.0%</b>	<b>1 534.2</b>	<b>1 652.1</b>	<b>1 742.9</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>292.1</b>			<b>323.6</b>	<b>346.4</b>	<b>365.5</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>								
	<b>619.6</b>	<b>8.4%</b>	<b>267.3%</b>	<b>774.4</b>	<b>950.0</b>	<b>1 001.0</b>	<b>21.8%</b>	<b>262.8%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>1 720.3</b>	<b>10.3%</b>	<b>98.9%</b>	<b>1 857.8</b>	<b>1 998.5</b>	<b>2 108.4</b>	<b>7.0%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	1 391.8	7.7%	84.2%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
<i>Sales by market establishment</i>	1 391.8	7.7%	84.2%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
Other tax receipts	328.5	24.5%	14.7%	346.6	365.7	385.8	5.5%	18.6%
<b>Total receipts</b>	<b>1 720.3</b>	<b>10.3%</b>	<b>100.0%</b>	<b>1 857.8</b>	<b>1 998.5</b>	<b>2 108.4</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>Current payments</b>	<b>980.4</b>	<b>18.7%</b>	<b>83.3%</b>	<b>903.8</b>	<b>796.8</b>	<b>840.6</b>	<b>-5.0%</b>	<b>81.1%</b>
Compensation of employees	635.5	14.1%	51.5%	583.1	449.5	474.2	-9.3%	49.3%
Goods and services	344.7	35.6%	28.0%	320.5	347.1	366.2	2.0%	31.8%
Interest and rent on land	0.2	-77.1%	3.8%	0.3	0.3	0.3	6.5%	0.0%
<b>Total payment</b>	<b>1 100.7</b>	<b>11.4%</b>	<b>100.0%</b>	<b>1 083.4</b>	<b>1 048.5</b>	<b>1 107.4</b>	<b>0.2%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(551.0)</b>	<b>-7.2%</b>	<b>100.0%</b>	<b>(736.2)</b>	<b>(583.9)</b>	<b>(614.7)</b>	<b>3.7%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(196.9)	213.3%	15.9%	(215.5)	(306.7)	(323.5)	18.0%	42.5%
Acquisition of software and other intangible assets	-	-	1.5%	(44.9)	(3.7)	(3.9)	-	1.8%
Other flows from investing activities	(354.1)	-19.7%	82.5%	(475.8)	(273.5)	(287.3)	-6.7%	55.6%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>68.5</b>	<b>-169.7%</b>	<b>100.0%</b>	<b>38.2</b>	<b>366.1</b>	<b>386.2</b>	<b>78.0%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	211.9	45.3%	3.7%	239.3	269.0	283.8	10.2%	6.0%
<i>Acquisition of assets</i>	(196.9)	213.3%	-2.3%	(215.5)	(306.7)	(323.5)	18.0%	-6.2%
Investments	2 625.1	9.4%	76.2%	2 956.7	3 134.1	3 306.5	8.0%	72.6%
Receivables and prepayments	238.2	44.2%	5.0%	251.3	111.2	117.3	-21.0%	4.5%
Cash and cash equivalents	386.6	-1.4%	11.5%	424.8	790.9	834.4	29.2%	14.4%
Taxation	101.1	-2.1%	3.7%	98.7	104.7	110.4	3.0%	2.5%
<b>Total assets</b>	<b>3 562.8</b>	<b>10.2%</b>	<b>100.0%</b>	<b>3 970.8</b>	<b>4 409.8</b>	<b>4 652.4</b>	<b>9.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2 134.6	8.6%	60.9%	2 458.2	2 804.6	2 958.9	11.5%	62.3%
Capital and reserves	987.8	21.3%	25.2%	1 047.0	1 109.9	1 170.9	5.8%	26.1%
Finance lease	0.3	-26.0%	0.0%	0.3	0.3	0.4	5.8%	0.0%
Trade and other payables	46.0	-24.2%	2.1%	48.7	51.7	54.5	5.8%	1.2%
Taxation	-	-	0.2%	-	3.2	3.4	-	0.0%
Provisions	394.2	5.1%	11.6%	416.5	440.1	464.3	5.6%	10.4%
<b>Total equity and liabilities</b>	<b>3 562.8</b>	<b>10.2%</b>	<b>100.0%</b>	<b>3 970.8</b>	<b>4 409.8</b>	<b>4 652.4</b>	<b>9.3%</b>	<b>100.0%</b>

## Personnel information

**Table 8.40 Public Investment Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost	
Public Investment Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
Salary level	438	438	400	600.6	1.5	438	864.9	2.0	443	972.2	2.2	433	1 011.8	2.3	433	1 067.5	2.5	7.3%	100.0%
1 – 6	23	23	23	3.5	0.2	23	4.6	0.2	23	4.8	0.2	22	4.9	0.2	22	5.2	0.2	3.7%	5.2%
7 – 10	173	173	140	94.3	0.7	172	150.4	0.9	166	171.7	1.0	166	190.2	1.1	166	178.6	1.1	5.9%	38.4%
11 – 12	72	72	67	75.0	1.1	72	98.3	1.4	82	129.1	1.6	72	104.3	1.4	72	109.8	1.5	3.7%	17.1%
13 – 16	125	125	129	247.4	1.9	126	324.3	2.6	127	337.1	2.7	128	345.9	2.7	128	363.7	2.8	3.9%	29.1%
17 – 22	45	45	41	180.3	4.4	45	287.3	6.4	45	329.6	7.3	45	366.5	8.1	45	410.2	9.1	12.6%	10.3%

1. Rand million.

## South African Revenue Service

### Selected performance indicators

**Table 8.41 South African Revenue Service performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Percentage of compliance of personal income tax filing per year	Business and individual tax	Priority 6: A capable, ethical and developmental state	91.5% (5.2 m/ 5.7 m)	94% (5.3 m/ 5.6 m)	61% (13.5 m/ 22.1 m)	92%	92%	92%	92%
Percentage uptake of personal income tax filing through eFiling per year	Business and individual tax		53% (2.5 m/ 4.7 m)	52% (2.5 m/ 4.8 m)	55% (2.7 m/ 4.9 m)	53%	53%	53%	53%
Percentage of revenue collected (excluding customs and excise revenue) per year	Business and individual tax	Priority 1: Economic transformation and job creation	–1	100% (R892.9bn/ R892.5bn)	98% (R921.2bn/ R937.4bn)	100%	100%	100%	100%
Percentage improvement in the collection of overdue debt per year	Business and individual tax		–1	–1	–1	30%	20%	15%	15%
Percentage of customs and excise revenue collected per year	Customs and excise	Priority 7: A better Africa and world	–1	99.6% (R322.2bn/ R328.2bn)	100.4% (R366.5bn/ R364.8bn)	100%	100%	100%	100%

1. No historical data available.

### Entity overview

In terms of the South African Revenue Service Act (1997), the South African Revenue Service is mandated to collect all revenue due to the state and administer trade to support government in meeting its key developmental objectives for growth. This involves facilitating legitimate trade, protecting South Africa's ports of entry, and eliminating illegal trade and tax evasion.

As its principal contribution to South Africa's economic and social development, the revenue service's focus over the medium term will continue to be on providing government with more than 90 per cent of the revenue it requires to meet its policy and delivery priorities. It aims to do this by modernising its ICT systems to encourage eFiling, improve the experience of taxpayers, monitor compliance and make tax collection more efficient. These improvements are expected to enable the revenue service to keep up with the evolving tax and customs legislative environment, and lead to changes in compliance behaviour by responding to the needs and expectations of taxpayers. An additional allocation of R1 billion over the medium term will be made available to execute strategic projects over the medium term, with a significant portion of this amount (R844 million) allocated for implementing the generally recognised accounting practice system.

The revenue service's total expenditure is expected to increase at an average annual rate of 7.4 per cent, from R11.1 billion in 2019/20 to R13.8 billion in 2022/23. As the revenue service requires a diverse skill set to expand

its footprint, improve compliance and revenue collection, and drive key initiatives, its number of personnel is expected to increase over the medium term. Accordingly, expenditure on compensation of employees is expected to increase at an average annual rate of 6.8 per cent, from R7.6 billion in 2019/20 to R9.2 billion in 2022/23. The revenue service aims to ensure this increase in expenditure remains modest by filling only critical vacancies, and recruiting scarce and high-end skills only in key areas. Revenue is expected to increase at an average annual rate of 4.7 per cent, from R10.2 billion in 2019/20 to R11.7 billion in 2022/23. The service's revenue is derived mainly from transfers from government, which account for 96.3 per cent of total revenue over the MTEF period.

### Programmes/Objectives/Activities

**Table 8.42 South African Revenue Service expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	4 500.6	4 501.7	4 534.9	4 429.5	-0.5%	41.4%	4 508.3	4 689.1	4 875.3	3.2%	37.0%
Business and individual tax	1 775.8	2 306.9	2 262.8	2 332.6	9.5%	20.0%	2 541.6	2 717.2	2 873.8	7.2%	20.8%
Enforcement	1 647.5	1 291.9	1 293.8	1 381.3	-5.7%	12.9%	1 544.8	1 651.3	1 746.2	8.1%	12.6%
Customs and excise	1 190.1	1 275.7	1 294.4	1 368.8	4.8%	11.8%	1 506.9	1 610.6	1 703.5	7.6%	12.3%
Digital, Information, Services and Technology	1 278.6	1 306.5	1 285.3	1 505.2	5.6%	12.4%	1 998.2	2 213.5	2 408.4	17.0%	16.1%
Projects	258.7	62.6	39.3	49.8	-42.2%	1.0%	89.4	89.4	89.4	21.5%	0.6%
Office of the Tax Ombud	29.4	33.9	40.9	45.5	15.6%	0.3%	48.6	51.9	54.9	6.5%	0.4%
African Tax Administration Forum	13.6	14.5	12.6	12.8	-2.1%	0.1%	13.4	14.1	14.8	5.0%	0.1%
Davis tax committee	1.7	1.1	0.0	4.3	36.6%	0.0%	4.6	5.0	5.3	6.6%	0.0%
Large business	-	-	-	4.6	-	0.0%	10.0	10.6	11.2	34.3%	0.1%
<b>Total</b>	<b>10 696.0</b>	<b>10 794.9</b>	<b>10 764.0</b>	<b>11 134.5</b>	<b>1.3%</b>	<b>100.0%</b>	<b>12 265.8</b>	<b>13 052.7</b>	<b>13 782.8</b>	<b>7.4%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 8.43 South African Revenue Service statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
R million	2016/17		2017/18		2018/19		2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	535.6	1 185.4	469.2	548.6	427.8	725.1	312.2	645.3	177.9%
Sale of goods and services other than capital assets	305.6	925.1	308.6	346.3	307.8	546.7	312.2	580.9	194.4%
<i>of which:</i>									
Administrative fees	305.6	925.1	308.6	346.3	307.8	546.7	312.2	580.9	194.4%
Other non-tax revenue	230.0	260.2	160.6	202.3	120.0	178.4	-	64.4	138.1%
<b>Transfers received</b>	9 363.7	10 009.2	10 218.2	10 218.2	9 007.2	9 984.5	9 529.0	9 529.0	104.3%
<b>Total revenue</b>	<b>9 899.3</b>	<b>11 194.5</b>	<b>10 687.4</b>	<b>10 766.8</b>	<b>9 435.0</b>	<b>10 709.5</b>	<b>9 841.2</b>	<b>10 174.3</b>	<b>107.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	11 317.6	10 696.0	11 711.9	10 794.9	10 942.9	10 764.0	11 201.5	11 134.5	96.0%
Compensation of employees	7 285.7	7 174.5	7 731.2	7 433.0	7 381.7	7 536.3	7 787.6	7 557.6	98.4%
Goods and services	3 299.7	2 993.8	3 340.2	2 768.9	2 985.7	2 643.3	2 861.7	2 987.0	91.2%
Depreciation	729.5	524.4	637.3	589.0	575.3	580.1	552.0	589.9	91.5%
Interest, dividends and rent on land	2.7	3.2	3.2	4.0	0.2	4.2	0.2	0.0	180.1%
<b>Total expenses</b>	<b>11 317.6</b>	<b>10 696.0</b>	<b>11 711.9</b>	<b>10 794.9</b>	<b>10 942.9</b>	<b>10 764.0</b>	<b>11 201.5</b>	<b>11 134.5</b>	<b>96.0%</b>
<b>Surplus/(Deficit)</b>	<b>(1 418.3)</b>	<b>498.6</b>	<b>(1 024.6)</b>	<b>(28.1)</b>	<b>(1 507.9)</b>	<b>(54.4)</b>	<b>(1 360.3)</b>	<b>(960.2)</b>	

**Table 8.43 South African Revenue Service statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(718.5)</b>	<b>322.5</b>	<b>(512.1)</b>	<b>510.6</b>	<b>(1 440.8)</b>	<b>(657.7)</b>	<b>(845.5)</b>	<b>(596.9)</b>	<b>12.0%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>535.6</b>	<b>1 182.7</b>	<b>469.2</b>	<b>513.7</b>	<b>427.8</b>	<b>706.8</b>	<b>312.2</b>	<b>376.6</b>	<b>159.3%</b>
Sales of goods and services other than capital assets	305.6	931.2	308.6	321.8	307.8	533.2	312.2	312.2	170.0%
Other sales	305.6	931.2	308.6	321.8	307.8	533.2	312.2	312.2	170.0%
Other tax receipts	230.0	251.4	160.6	191.9	120.0	173.5	-	64.4	133.4%
<b>Transfers received</b>	<b>9 363.7</b>	<b>9 363.7</b>	<b>10 168.2</b>	<b>10 218.2</b>	<b>9 007.2</b>	<b>9 007.2</b>	<b>9 529.0</b>	<b>9 529.0</b>	<b>100.1%</b>
<b>Total receipts</b>	<b>9 899.3</b>	<b>10 546.3</b>	<b>10 637.4</b>	<b>10 731.9</b>	<b>9 435.0</b>	<b>9 714.0</b>	<b>9 841.2</b>	<b>9 905.6</b>	<b>102.7%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>10 617.8</b>	<b>10 223.8</b>	<b>11 149.4</b>	<b>10 221.3</b>	<b>10 875.8</b>	<b>10 371.7</b>	<b>10 686.7</b>	<b>10 502.5</b>	<b>95.4%</b>
Compensation of employees	7 285.7	7 157.8	7 731.2	7 490.8	7 381.7	7 660.5	7 787.6	7 557.6	98.9%
Goods and services	3 329.4	3 062.8	3 415.0	2 726.5	3 493.9	2 709.5	2 899.0	2 944.8	87.1%
Interest and rent on land	2.7	3.2	3.2	4.0	0.2	1.6	0.2	-	138.7%
<b>Total payments</b>	<b>10 617.8</b>	<b>10 223.8</b>	<b>11 149.4</b>	<b>10 221.3</b>	<b>10 875.8</b>	<b>10 371.7</b>	<b>10 686.7</b>	<b>10 502.5</b>	<b>95.4%</b>
<b>Net cash flow from investing activities</b>	<b>(1 704.7)</b>	<b>(1 235.9)</b>	<b>(829.2)</b>	<b>(536.8)</b>	<b>(970.4)</b>	<b>(725.7)</b>	<b>-</b>	<b>(383.8)</b>	<b>82.2%</b>
Acquisition of property, plant, equipment and intangible assets	(726.2)	(767.5)	(540.5)	(219.7)	(547.3)	(419.8)	-	(144.9)	85.5%
Acquisition of software and other intangible assets	(978.5)	(471.2)	(288.6)	(319.5)	(423.1)	(306.4)	-	(238.9)	79.0%
Proceeds from the sale of property, plant, equipment and intangible assets	-	2.7	-	2.3	-	0.5	-	-	-
<b>Net cash flow from financing activities</b>	<b>8.7</b>	<b>(2.6)</b>	<b>3.5</b>	<b>48.6</b>	<b>27.4</b>	<b>3.4</b>	<b>(9.6)</b>	<b>18.8</b>	<b>227.0%</b>
Borrowing activities	10.0	-	10.0	40.0	40.0	20.0	-	28.5	147.4%
Repayment of finance leases	(1.3)	(2.6)	(6.5)	8.6	(12.6)	(16.6)	(9.6)	(9.7)	67.6%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2 414.5)</b>	<b>(916.0)</b>	<b>(1 337.7)</b>	<b>22.4</b>	<b>(2 383.8)</b>	<b>(1 379.9)</b>	<b>(855.1)</b>	<b>(961.8)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	3 561.5	3 229.6	3 421.5	3 144.5	3 539.6	3 318.2	2 987.7	3 112.1	94.8%
Acquisition of assets	(726.2)	(767.5)	(540.5)	(219.7)	(547.3)	(419.8)	-	(144.9)	85.5%
Inventory	-	-	-	38.3	38.3	27.8	38.3	60.8	165.6%
Loans	70.5	80.5	70.5	42.2	2.2	28.5	2.2	-	104.0%
Accrued investment interest	15.7	-	-	-	-	-	-	-	-
Receivables and prepayments	135.7	129.7	132.7	260.4	262.0	299.0	265.5	298.1	124.0%
Cash and cash equivalents	955.7	2 454.2	1 116.5	2 476.6	92.8	1 096.7	(762.3)	134.9	439.3%
<b>Total assets</b>	<b>4 739.1</b>	<b>5 894.1</b>	<b>4 741.3</b>	<b>5 962.0</b>	<b>3 935.0</b>	<b>4 770.1</b>	<b>2 531.4</b>	<b>3 605.8</b>	<b>126.9%</b>
Accumulated surplus/(deficit)	2 854.2	3 148.3	2 123.8	3 120.3	2 589.8	3 065.9	1 229.5	1 837.0	127.0%
Capital and reserves	224.5	262.2	433.0	324.6	326.3	368.8	326.3	371.5	101.3%
Finance lease	11.8	13.8	7.3	26.3	26.3	14.0	4.2	4.3	117.8%
Deferred income	-	977.5	977.2	977.4	-	0.1	-	0.1	200.1%
Trade and other payables	847.6	732.6	334.3	806.2	728.7	708.2	703.9	1 040.5	125.7%
Provisions	800.9	759.8	865.7	707.1	263.9	613.1	267.5	352.4	110.7%
<b>Total equity and liabilities</b>	<b>4 739.1</b>	<b>5 894.1</b>	<b>4 741.3</b>	<b>5 962.0</b>	<b>3 935.0</b>	<b>4 770.1</b>	<b>2 531.4</b>	<b>3 605.8</b>	<b>126.9%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.44 South African Revenue Service statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>645.3</b>	<b>-18.3%</b>	<b>7.2%</b>	<b>315.2</b>	<b>318.3</b>	<b>321.5</b>	<b>-20.7%</b>	<b>3.7%</b>	
Sale of goods and services other than capital assets	580.9	-14.4%	5.6%	315.2	318.3	321.5	-17.9%	3.5%	
Administrative fees	580.9	-14.4%	5.6%	315.2	318.3	321.5	-17.9%	3.5%	
Other non-tax revenue	64.4	-37.2%	1.6%	-	-	-	-100.0%	0.2%	
<b>Transfers received</b>	<b>9 529.0</b>	<b>-1.6%</b>	<b>92.8%</b>	<b>10 510.0</b>	<b>10 973.1</b>	<b>11 368.0</b>	<b>6.1%</b>	<b>96.3%</b>	
<b>Total revenue</b>	<b>10 174.3</b>	<b>-3.1%</b>	<b>100.0%</b>	<b>10 825.2</b>	<b>11 291.4</b>	<b>11 689.5</b>	<b>4.7%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>11 134.5</b>	<b>1.3%</b>	<b>100.0%</b>	<b>12 265.8</b>	<b>13 052.7</b>	<b>13 782.8</b>	<b>7.4%</b>	<b>100.0%</b>	
Compensation of employees	7 557.6	1.7%	68.5%	8 121.6	8 690.1	9 194.1	6.8%	66.8%	
Goods and services	2 987.0	-0.1%	26.3%	3 614.8	3 942.5	4 265.5	12.6%	29.4%	
Depreciation	589.9	4.0%	5.3%	529.4	420.1	323.2	-18.2%	3.8%	
Interest, dividends and rent on land	0.0	-95.1%	0.0%	0.0	-	-	-100.0%	0.0%	
<b>Total expenses</b>	<b>11 134.5</b>	<b>1.3%</b>	<b>100.0%</b>	<b>12 265.8</b>	<b>13 052.7</b>	<b>13 782.8</b>	<b>7.4%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(960.2)</b>			<b>(1 440.6)</b>	<b>(1 761.2)</b>	<b>(2 093.2)</b>			

**Table 8.44 South African Revenue Service statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2019/20	2020/21	2021/22		
R million									
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>		<b>(596.9)</b>	<b>-222.8%</b>	<b>17.0%</b>	<b>(1 075.9)</b>	<b>(1 354.7)</b>	<b>(1 710.8)</b>	<b>-3.2%</b>	<b>8.9%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>		<b>376.6</b>	<b>-31.7%</b>	<b>6.8%</b>	<b>315.2</b>	<b>318.3</b>	<b>321.5</b>	<b>-5.1%</b>	<b>3.1%</b>
Sales of goods and services other than capital assets		312.2	-30.5%	5.1%	315.2	318.3	321.5	1.0%	2.9%
Other sales		312.2	-30.5%	5.1%	315.2	318.3	321.5	1.0%	2.9%
Other tax receipts		64.4	-36.5%	1.7%	-	-	-	-100.0%	0.2%
<b>Transfers received</b>		<b>9 529.0</b>	<b>0.6%</b>	<b>93.2%</b>	<b>10 510.0</b>	<b>10 973.1</b>	<b>11 368.0</b>	<b>6.1%</b>	<b>96.9%</b>
<b>Total receipts</b>		<b>9 905.6</b>	<b>-2.1%</b>	<b>100.0%</b>	<b>10 825.2</b>	<b>11 291.4</b>	<b>11 689.5</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Current payments</b>		<b>10 502.5</b>	<b>0.9%</b>	<b>95.2%</b>	<b>11 901.1</b>	<b>12 646.1</b>	<b>13 400.3</b>	<b>8.5%</b>	<b>100.0%</b>
Compensation of employees		7 557.6	1.8%	68.8%	8 121.6	8 690.1	9 194.1	6.8%	69.4%
Goods and services		2 944.8	-1.3%	26.4%	3 779.5	3 956.0	4 206.2	12.6%	30.6%
<b>Total payment</b>		<b>10 502.5</b>	<b>0.9%</b>	<b>100.0%</b>	<b>11 901.1</b>	<b>12 646.1</b>	<b>13 400.3</b>	<b>8.5%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>		<b>(383.8)</b>	<b>-32.3%</b>	<b>100.0%</b>	<b>(510.6)</b>	<b>(510.6)</b>	<b>(510.6)</b>	<b>10.0%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets		(144.9)	-42.6%	49.7%	(104.5)	(104.5)	(104.5)	-10.3%	24.8%
Acquisition of software and other intangible assets		(238.9)	-20.3%	50.5%	(406.1)	(406.1)	(406.1)	19.4%	75.2%
<b>Net cash flow from financing activities</b>		<b>18.8</b>	<b>-292.8%</b>	<b>100.0%</b>	<b>(4.3)</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Borrowing activities		28.5	-	203.7%	-	-	-	-100.0%	-
Repayment of finance leases		(9.7)	54.5%	-103.7%	(4.3)	-	-	-100.0%	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(961.8)</b>	<b>1.6%</b>	<b>100.0%</b>	<b>(1 590.9)</b>	<b>(1 865.3)</b>	<b>(2 221.4)</b>	<b>32.2%</b>	<b>100.0%</b>
<b>Statement of financial position</b>									
Carrying value of assets		3 112.1	-1.2%	65.9%	3 093.3	3 183.9	3 371.3	2.7%	88.5%
Acquisition of assets		(144.9)	-42.6%	-7.4%	(104.5)	(104.5)	(104.5)	-10.3%	-3.2%
Inventory		60.8	-	0.7%	56.8	61.8	65.8	2.7%	1.7%
Receivables and prepayments		298.1	32.0%	5.3%	339.2	338.2	304.2	0.7%	8.9%
Cash and cash equivalents		134.9	-62.0%	27.5%	-	-	-	-100.0%	0.9%
<b>Total assets</b>		<b>3 605.8</b>	<b>-15.1%</b>	<b>100.0%</b>	<b>3 489.3</b>	<b>3 583.9</b>	<b>3 741.3</b>	<b>1.2%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)		1 837.0	-16.4%	55.2%	396.4	(1 364.8)	(3 458.1)	-223.5%	-17.1%
Capital and reserves		371.5	12.3%	7.0%	365.5	355.7	341.7	-2.7%	10.0%
Borrowings		-	-	-	1 456.0	3 321.4	5 542.7	-	70.6%
Finance lease		4.3	-31.9%	0.3%	-	-	-	-100.0%	0.0%
Deferred income		0.1	-95.8%	8.2%	0.1	0.1	0.1	-	0.0%
Trade and other payables		1 040.5	12.4%	17.4%	881.2	879.0	950.2	-3.0%	26.0%
Provisions		352.4	-22.6%	11.8%	390.0	392.5	364.7	1.2%	10.4%
<b>Total equity and liabilities</b>		<b>3 605.8</b>	<b>-15.1%</b>	<b>100.0%</b>	<b>3 489.3</b>	<b>3 583.9</b>	<b>3 741.3</b>	<b>1.2%</b>	<b>100.0%</b>

**Personnel information****Table 8.45 South African Revenue Service personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment											Number							
		Actual			Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/Total (%)						
Number of funded posts	Number of posts on approved establishment	2018/19		2019/20		2020/21			2021/22		2022/23		2019/20 - 2022/23							
		Number	Cost	Number	Cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>South African Revenue Service</b>		<b>12 794</b>	<b>12 794</b>	<b>12 531</b>	<b>7 536.3</b>	<b>0.6</b>	<b>12 438</b>	<b>7 557.6</b>	<b>0.6</b>	<b>12 794</b>	<b>8 121.6</b>	<b>0.6</b>	<b>12 794</b>	<b>8 690.1</b>	<b>0.7</b>	<b>12 794</b>	<b>9 194.1</b>	<b>0.7</b>	<b>6.8%</b>	<b>100.0%</b>
Salary level																				
1 – 6	78	78	106	21.4	0.2	78	15.9	0.2	78	16.4	0.2	78	17.5	0.2	78	18.5	0.2	5.2%	0.6%	
7 – 10	8 525	8 525	8 350	3 381.0	0.4	8 370	3 465.4	0.4	8 525	3 638.4	0.4	8 525	3 893.1	0.5	8 525	4 118.1	0.5	5.9%	66.8%	
11 – 12	2 380	2 380	2 323	1 898.0	0.8	2 284	1 944.2	0.9	2 380	2 109.7	0.9	2 380	2 257.4	0.9	2 380	2 388.4	1.0	7.1%	18.5%	
13 – 16	1 768	1 768	1 713	2 135.5	1.2	1 669	2 027.5	1.2	1 768	2 229.4	1.3	1 768	2 385.5	1.3	1 768	2 524.3	1.4	7.6%	13.7%	
17 – 22	43	43	39	100.4	2.6	37	104.6	2.8	43	127.7	3.0	43	136.7	3.2	43	144.8	3.4	11.4%	0.3%	

1. Rand million.

## South African Special Risks Insurance Association

### Selected performance indicators

**Table 8.46 South African Special Risks Insurance Association performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Value of gross written premium per year	Sustainable revenue growth: Gross written premium income growth	Priority 1: Economic transformation and job creation	R1.7bn	R1.7bn	R1.9bn	R2bn	R2.1bn	R2.3bn	R2.5bn
Value of net underwriting profit per year	Sustainable revenue growth: Net underwriting profit growth	Priority 6: A capable, ethical and developmental state	R458.9m	R489.8m	R525.8m	R569.4m	R600.7m	R655.5m	R700.1m
Percentage of all fast-tracked claims to be settled within 30 days from the date of submission per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 4: Spatial integration, human settlements and local government	87.2% (2 157/ 2 479)	86.5% (3 148/ 3 639)	71.1% (3 869/ 5 443)	90%	90%	90%	90%
Percentage of large loss claims finalised within 60 days per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 1: Economic transformation and job creation	79.1% (410/ 518)	88.5% (3 220/ 3 639)	85.6% (4 659/ 5 443)	70%	70%	70%	70%
Average number of days for processing claims less than R250 000 per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 6: A capable, ethical and developmental state	30	30	30	30	30	30	30
Average number of days per year for processing claims	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		60	70	70	70	70	70	70

### Entity overview

The South African Special Risks Insurance Association was established in 1979 and was registered in terms of section 21 of the Companies Act (1973). In line with the amendments of the South African Special Risks Insurance Association Act (1998) and the Companies Act (2008), government became the company's sole shareholder. The association is mandated to support the insurance industry by providing cover for special risks such as riots, strikes, political unrest, terrorist attacks, civil commotion, public disorder and labour disturbances.

Over the medium term, the association will focus on the sustainability of its business by establishing new distribution channels; enhancing customer service by conducting a needs analysis to understand its clients better; and improving brand awareness and product development by creating awareness of the industry, collating market intelligence and conducting research.

Over the MTEF period, expenditure is expected to increase at an average annual rate of 8.5 per cent, from R2.5 billion in 2019/20 to R3.2 billion in 2022/23. This is mainly due to projected increases in administrative, marketing and underwriting expenses. In response to the anticipated increase in claims, additional regulatory requirements and the development of new products, its number of personnel is expected to increase over the period ahead. Accordingly, spending on compensation of employees is expected to increase at an average annual rate of 8.4 per cent, from R216.8 million in 2019/20 to R276.1 million in 2022/23. Similarly, spending on goods and services is expected to increase at an average annual rate of 8.6 per cent, from R2 billion in 2019/20 to R2.6 billion in 2022/23. Revenue is expected to increase at an average annual rate of 8.3 per cent, from R3 billion in 2019/20 to R3.8 billion in 2022/23. The association expects to derive 79.9 per cent of its revenue over the medium term through underwriting premiums.

## Programmes/Objectives/Activities

**Table 8.47 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20 - 2022/23	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Administration	534.3	647.9	385.9	764.6	12.7%	29.4%	839.1	909.6	974.1	8.4%	30.6%
Sustainable revenue growth: Gross written premium income growth	236.9	271.1	319.8	339.3	12.7%	14.3%	367.8	399.1	434.7	8.6%	13.5%
Sustainable revenue growth: Net underwriting profit growth	786.5	748.6	1 760.8	1 274.5	17.5%	53.5%	1 385.6	1 503.0	1 639.2	8.8%	51.0%
Capital management: Ensure compliance with statutory capital requirements and the calculation of an economic risk basis for capital value	4.7	5.8	8.3	8.0	19.7%	0.3%	8.5	9.1	9.8	7.0%	0.3%
Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	4.6	4.9	11.9	13.5	43.1%	0.4%	14.5	15.5	16.6	7.0%	0.5%
People, capacity and capability: Attract, retain and develop skills that support our aspirations	9.7	11.8	49.3	93.6	112.9%	1.7%	104.5	111.7	115.6	7.3%	3.7%
Brand development: Create a trusted brand that resonates with all our customers	5.5	5.4	7.3	7.7	11.9%	0.3%	8.1	8.5	5.8	-8.8%	0.3%
Regulatory environment: Proactively manage compliance	0.0	0.1	0.0	0.0	80.8%	0.0%	0.0	0.0	0.0	5.5%	0.0%
<b>Total</b>	<b>1 582.2</b>	<b>1 695.6</b>	<b>2 543.4</b>	<b>2 501.2</b>	<b>16.5%</b>	<b>100.0%</b>	<b>2 728.2</b>	<b>2 956.6</b>	<b>3 195.8</b>	<b>8.5%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 8.48 South African Special Risks Insurance Association statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	2016/17		2017/18		2018/19		2019/20		Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 230.8</b>	<b>2 125.4</b>	<b>2 695.0</b>	<b>2 720.8</b>	<b>2 369.0</b>	<b>2 478.3</b>	<b>2 813.5</b>	<b>2 991.4</b>	<b>102.1%</b>
Sale of goods and services other than capital assets	1 760.4	1 687.3	2 044.1	1 887.1	2 110.3	2 207.2	2 225.6	2 379.0	100.2%
<i>of which:</i>									
Administrative fees	–	0.6	–	0.2	–	–	–	–	–
Sales by market establishment	1 760.4	1 686.8	2 044.1	1 886.9	2 110.3	2 207.2	2 225.6	2 379.0	100.2%
Other non-tax revenue	470.4	438.1	650.8	833.7	258.8	271.1	587.9	612.5	109.5%
<b>Total revenue</b>	<b>2 230.8</b>	<b>2 125.4</b>	<b>2 695.0</b>	<b>2 720.8</b>	<b>2 369.0</b>	<b>2 478.3</b>	<b>2 813.5</b>	<b>2 991.4</b>	<b>102.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 350.3</b>	<b>1 381.1</b>	<b>1 882.1</b>	<b>1 353.3</b>	<b>2 538.5</b>	<b>2 614.5</b>	<b>2 083.3</b>	<b>2 262.3</b>	<b>96.9%</b>
Compensation of employees	58.8	56.9	72.9	78.8	72.2	155.8	79.0	216.8	179.7%
Goods and services	1 283.0	1 316.9	1 804.3	1 269.6	2 462.2	2 453.8	1 988.9	2 030.1	93.8%
Depreciation	8.5	7.2	5.0	5.0	4.1	4.9	15.4	15.4	98.1%
<b>Total expenses</b>	<b>1 601.0</b>	<b>1 582.2</b>	<b>2 132.8</b>	<b>1 695.6</b>	<b>2 356.9</b>	<b>2 543.4</b>	<b>2 464.5</b>	<b>2 501.2</b>	<b>97.3%</b>
<b>Surplus/(Deficit)</b>	<b>629.8</b>	<b>543.3</b>	<b>562.2</b>	<b>1 025.2</b>	<b>12.1</b>	<b>(65.1)</b>	<b>349.0</b>	<b>490.2</b>	

**Table 8.48 South African Special Risks Insurance Association statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>391.1</b>	<b>659.0</b>	<b>789.5</b>	<b>729.9</b>	<b>585.4</b>	<b>578.5</b>	<b>(390.5)</b>	<b>(815.6)</b>	<b>83.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>2 409.9</b>	<b>2 359.4</b>	<b>2 671.6</b>	<b>2 546.0</b>	<b>2 542.9</b>	<b>2 692.3</b>	<b>2 799.1</b>	<b>(222.5)</b>	<b>70.8%</b>
Sales of goods and services other than capital assets	1 849.1	1 922.2	2 020.8	2 075.5	2 106.7	2 179.5	2 218.0	684.4	83.7%
<i>Sales by market establishment</i>	<i>1 849.1</i>	<i>1 922.2</i>	<i>2 020.8</i>	<i>2 075.5</i>	<i>2 106.7</i>	<i>2 179.5</i>	<i>2 218.0</i>	<i>684.4</i>	<i>83.7%</i>
Other tax receipts	560.8	437.2	650.8	470.5	436.2	512.7	581.2	(906.9)	23.0%
<b>Total receipts</b>	<b>2 409.9</b>	<b>2 359.4</b>	<b>2 671.6</b>	<b>2 546.0</b>	<b>2 542.9</b>	<b>2 692.3</b>	<b>2 799.1</b>	<b>(222.5)</b>	<b>70.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>1 728.3</b>	<b>1 396.1</b>	<b>1 641.7</b>	<b>1 536.1</b>	<b>1 954.8</b>	<b>2 063.2</b>	<b>2 995.5</b>	<b>357.9</b>	<b>64.3%</b>
Compensation of employees	67.3	57.1	50.9	58.2	91.5	91.6	128.2	(34.4)	51.0%
Goods and services	1 503.5	1 339.0	1 427.9	1 477.9	1 603.1	1 971.7	2 607.1	392.3	72.5%
Interest and rent on land	157.5	–	162.9	–	260.1	–	260.1	–	–
<b>Transfers and subsidies</b>	<b>0.3</b>	<b>0.3</b>	<b>–</b>	<b>0.2</b>	<b>0.9</b>	<b>1.1</b>	<b>0.9</b>	<b>0.9</b>	<b>125.7%</b>
<b>Total payments</b>	<b>2 018.7</b>	<b>1 700.4</b>	<b>1 882.1</b>	<b>1 816.1</b>	<b>1 957.6</b>	<b>2 113.7</b>	<b>3 189.6</b>	<b>593.1</b>	<b>68.8%</b>
<b>Net cash flow from investing activities</b>	<b>(596.4)</b>	<b>515.4</b>	<b>(1 464.5)</b>	<b>(1 416.5)</b>	<b>1 151.2</b>	<b>1 642.9</b>	<b>1 741.7</b>	<b>(1 200.7)</b>	<b>-55.1%</b>
Acquisition of property, plant, equipment and intangible assets	(4.2)	(1.2)	(2.6)	(2.0)	(1.8)	–	(2.2)	–	30.8%
Acquisition of software and other intangible assets	(2.0)	(0.3)	(8.1)	(1.3)	(1.1)	(1.6)	(1.3)	(71.2)	596.0%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.1	–	0.1	–	(1.5)	–	(10.3)	–
Other flows from investing activities	(590.2)	516.9	(1 453.9)	(1 413.2)	1 154.1	1 646.1	1 745.1	(1 119.1)	-43.2%
<b>Net cash flow from financing activities</b>	<b>–</b>	<b>(151.2)</b>	<b>–</b>	<b>(163.0)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Borrowing activities	–	–	–	–	–	–	–	–	–
Other flows from financing activities	–	(151.2)	–	(163.0)	–	–	–	–	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(205.3)</b>	<b>1 023.2</b>	<b>(675.0)</b>	<b>(849.6)</b>	<b>1 736.5</b>	<b>2 221.5</b>	<b>1 351.2</b>	<b>(2 016.3)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	59.7	62.2	66.5	66.8	134.7	76.8	144.6	104.8	76.6%
<i>Acquisition of assets</i>	<i>(4.2)</i>	<i>(1.2)</i>	<i>(2.6)</i>	<i>(2.0)</i>	<i>(1.8)</i>	<i>–</i>	<i>(2.2)</i>	<i>–</i>	<i>30.8%</i>
Investments	5 091.2	4 031.6	7 882.9	5 769.5	1 968.3	3 841.9	5 855.6	5 388.0	91.5%
Receivables and prepayments	78.9	186.2	417.3	201.3	375.9	328.3	400.6	297.0	79.6%
Cash and cash equivalents	1 561.8	2 790.3	1 336.5	1 940.8	5 983.0	4 162.2	2 078.4	3 361.4	111.8%
Taxation	–	26.8	–	38.1	–	63.3	–	–	–
<b>Total assets</b>	<b>6 791.6</b>	<b>7 097.1</b>	<b>9 703.1</b>	<b>8 016.4</b>	<b>8 461.9</b>	<b>8 472.6</b>	<b>8 479.2</b>	<b>9 151.2</b>	<b>97.9%</b>
Accumulated surplus/(deficit)	2 427.0	5 284.3	5 846.4	6 097.1	6 209.2	6 097.1	6 701.6	7 312.2	117.0%
Capital and reserves	3 438.7	480.3	2 472.9	529.7	495.5	528.2	495.5	–	22.3%
Deferred income	2.7	7.2	3.8	4.3	4.2	8.9	4.5	10.1	200.6%
Trade and other payables	861.9	1 295.9	1 273.7	1 274.2	1 713.3	1 768.4	1 261.7	1 846.7	121.0%
Taxation	54.8	18.2	102.8	91.9	14.8	70.1	13.2	(17.8)	87.5%
Provisions	6.5	11.2	3.4	19.2	24.9	–	2.8	–	80.7%
<b>Total equity and liabilities</b>	<b>6 791.6</b>	<b>7 097.1</b>	<b>9 703.1</b>	<b>8 016.4</b>	<b>8 461.9</b>	<b>8 472.6</b>	<b>8 479.2</b>	<b>9 151.2</b>	<b>97.9%</b>



## Statements of estimates of financial performance, cash flow and financial position

Table 8.49 South African Special Risks Insurance Association statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million								
<b>Revenue</b>	<b>2 991.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>3 237.5</b>	<b>3 503.1</b>	<b>3 804.6</b>	<b>8.3%</b>	<b>100.0%</b>
<b>Non-tax revenue</b>	<b>2 991.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>3 237.5</b>	<b>3 503.1</b>	<b>3 804.6</b>	<b>8.3%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	2 379.0	12.1%	79.3%	2 581.2	2 800.6	3 052.6	8.7%	79.9%
<i>Sales by market establishment</i>	2 379.0	12.1%	79.3%	2 581.2	2 800.6	3 052.6	8.7%	79.9%
Other non-tax revenue	612.5	11.8%	20.7%	656.3	702.5	751.9	7.1%	20.1%
<b>Total revenue</b>	<b>2 991.4</b>	<b>12.1%</b>	<b>100.0%</b>	<b>3 237.5</b>	<b>3 503.1</b>	<b>3 804.6</b>	<b>8.3%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>2 262.3</b>	<b>17.9%</b>	<b>90.1%</b>	<b>2 493.2</b>	<b>2 698.0</b>	<b>2 910.0</b>	<b>8.8%</b>	<b>91.0%</b>
Compensation of employees	216.8	56.2%	5.8%	241.3	257.4	276.1	8.4%	8.7%
Goods and services	2 030.1	15.5%	83.9%	2 212.0	2 396.0	2 599.4	8.6%	81.2%
Depreciation	15.4	29.0%	0.4%	39.9	44.6	34.6	30.8%	1.2%
<b>Total expenses</b>	<b>2 501.2</b>	<b>16.5%</b>	<b>100.0%</b>	<b>2 728.2</b>	<b>2 956.6</b>	<b>3 195.8</b>	<b>8.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>490.2</b>			<b>509.3</b>	<b>546.5</b>	<b>608.8</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(815.6)</b>	<b>-207.4%</b>	<b>68.2%</b>	<b>(16 478.3)</b>	<b>820.0</b>	<b>900.8</b>	<b>-228.4%</b>	<b>59.7%</b>
<b>Receipts</b>	<b>(222.5)</b>	<b>-145.5%</b>	<b>100.0%</b>	<b>6 428.0</b>	<b>3 481.7</b>	<b>3 779.1</b>	<b>-357.0%</b>	<b>100.0%</b>
<b>Non-tax receipts</b>	<b>(222.5)</b>	<b>-145.5%</b>	<b>100.0%</b>	<b>6 428.0</b>	<b>3 481.7</b>	<b>3 779.1</b>	<b>-357.0%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	684.4	-29.1%	-15.9%	4 278.8	2 787.7	3 036.8	64.3%	-20.1%
<i>Sales by market establishment</i>	684.4	-29.1%	-15.9%	4 278.8	2 787.7	3 036.8	64.3%	-20.1%
Other tax receipts	(906.9)	-227.5%	115.9%	2 149.2	694.0	742.3	-193.5%	120.1%
<b>Total receipts</b>	<b>(222.5)</b>	<b>-145.5%</b>	<b>100.0%</b>	<b>6 428.0</b>	<b>3 481.7</b>	<b>3 779.1</b>	<b>-357.0%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>357.9</b>	<b>-36.5%</b>	<b>68.6%</b>	<b>22 663.1</b>	<b>2 398.8</b>	<b>2 587.6</b>	<b>93.4%</b>	<b>84.8%</b>
Compensation of employees	(34.4)	-184.5%	2.3%	247.1	120.7	130.0	-255.7%	1.1%
Goods and services	392.3	-33.6%	66.2%	22 416.0	2 278.1	2 457.6	84.3%	83.7%
<b>Transfers and subsidies</b>	<b>0.9</b>	<b>53.4%</b>	<b>0.0%</b>	<b>1.1</b>	<b>1.3</b>	<b>1.5</b>	<b>18.4%</b>	<b>0.1%</b>
<b>Total payment</b>	<b>593.1</b>	<b>-29.6%</b>	<b>100.0%</b>	<b>22 906.3</b>	<b>2 661.6</b>	<b>2 878.3</b>	<b>69.3%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(1 200.7)</b>	<b>-232.6%</b>	<b>100.0%</b>	<b>(2 654.6)</b>	<b>(297.1)</b>	<b>(197.8)</b>	<b>-45.2%</b>	<b>100.0%</b>
Acquisition of software and other intangible assets	(71.2)	532.2%	1.5%	(29.2)	(14.0)	(7.8)	-52.1%	3.9%
Proceeds from the sale of property, plant, equipment and intangible assets	(10.3)	-672.0%	0.2%	(3.5)	(3.2)	(3.0)	-33.7%	0.9%
Other flows from investing activities	(1 119.1)	-229.4%	98.4%	(2 621.9)	(280.0)	(186.9)	-44.9%	95.2%
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>(377.3)</b>	<b>(525.9)</b>	<b>(683.5)</b>	<b>-</b>	<b>-</b>
Borrowing activities	-	-	-	-	-	-	-	-
Other flows from financing activities	-	-100.0%	-	(377.3)	(525.9)	(683.5)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2 016.3)</b>	<b>-225.4%</b>	<b>100.0%</b>	<b>(19 510.2)</b>	<b>(3.0)</b>	<b>19.6</b>	<b>-121.3%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	104.8	19.0%	0.9%	176.2	237.9	228.7	29.7%	1.8%
Investments	5 388.0	10.2%	58.2%	6 508.6	6 965.2	7 452.4	11.4%	64.0%
Receivables and prepayments	297.0	16.8%	3.1%	264.0	298.5	327.8	3.3%	2.9%
Cash and cash equivalents	3 361.4	6.4%	37.3%	3 010.7	3 029.4	3 347.8	-0.1%	31.3%
<b>Total assets</b>	<b>9 151.2</b>	<b>8.8%</b>	<b>100.0%</b>	<b>9 959.5</b>	<b>10 531.0</b>	<b>11 356.6</b>	<b>7.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	7 312.2	11.4%	75.6%	8 065.8	8 425.7	9 071.6	7.5%	80.2%
Deferred income	10.1	11.7%	0.1%	4.9	6.7	7.2	-10.5%	0.1%
Trade and other payables	1 846.7	12.5%	18.8%	1 856.2	2 067.7	2 244.4	6.7%	19.6%
Taxation	(17.8)	-199.3%	0.5%	32.5	30.9	33.5	-223.6%	0.2%
<b>Total equity and liabilities</b>	<b>9 151.2</b>	<b>8.8%</b>	<b>100.0%</b>	<b>9 959.5</b>	<b>10 531.0</b>	<b>11 356.6</b>	<b>7.5%</b>	<b>100.0%</b>

**Personnel information**

**Table 8.50 South African Special Risks Insurance Association personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual 2018/19			Revised estimate 2019/20			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		Number	Cost	Unit cost	Number	Cost	Unit cost	2020/21		2021/22		2022/23				2019/20 - 2022/23				
South African Special Risks Insurance Association		131	131	124	155.8	1.3	131	216.8	1.7	139	241.3	1.7	141	257.4	1.8	144	276.1	1.9	8.4%	100.0%
Salary level																				
1 – 6	35	35	26	13.9	0.5	35	25.0	0.7	38	29.8	0.8	38	29.9	0.8	38	33.1	0.9	9.8%	26.8%	
7 – 10	58	58	61	54.5	0.9	58	73.0	1.3	60	78.5	1.3	61	84.0	1.4	64	91.0	1.4	7.6%	43.8%	
11 – 12	21	21	21	34.0	1.6	21	49.8	2.4	21	53.0	2.5	22	58.0	2.6	22	62.5	2.8	7.9%	15.5%	
13 – 16	11	11	10	24.4	2.4	11	35.0	3.2	14	40.0	2.9	14	43.5	3.1	14	46.5	3.3	9.9%	9.5%	
17 – 22	6	6	6	29.0	4.8	6	34.0	5.7	6	40.0	6.7	6	42.0	7.0	6	43.0	7.2	8.1%	4.3%	

1. Rand million.

**Accounting Standards Board**

**Selected performance indicators**

**Table 8.51 Accounting Standards Board performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of communication newsletters issued to enhance stakeholder engagement per year	Administration	Priority 6: A capable, ethical and developmental state	4	4	4	4	4	4	4
Number of documents issued relevant to the setting of standards for generally recognised accounting practice per year	Administration		-1	-1	-1	8	8	8	8

1. No historical data available.

**Entity overview**

The legislative mandate of the Accounting Standards Board is to develop uniform standards of generally recognised accounting practice for all spheres of government in terms of section 216(1)(a) of the Constitution and the Public Finance Management Act (1999). A further function of the board is to promote transparency in and the effective management of the revenue, expenditure, assets and liabilities of the entities to which the standards apply.

The board’s focus over the medium term will be on the development of a comprehensive reporting framework with a standard of generally recognised accounting practice for each material item of revenue, expenses, assets and liabilities. This is expected to improve decision-making in all spheres of government and improve accountability for the financial resources assigned to each reporting entity.

Allocations to the board increase at an average annual rate of 4.3 per cent, from R14.7 million in 2019/20 to R16.7 million in 2022/23. As the board’s work is knowledge driven, 69.7 per cent (R33.5 million) of its budget is allocated to spending on compensation of employees, increasing at an average annual rate of 4 per cent, from R10.3 million in 2019/20 to R11.6 million in 2022/23. Spending on goods and services is expected to increase at an average annual rate of 5.2 per cent, from R4.3 million in 2019/20 to R5 million in 2022/23. Revenue is expected to increase at an average annual rate of 4.6 per cent, from R14.6 million in 2019/20 to R16.7 million in 2022/23. The board derives its revenue mainly through transfers from the department.

**Programmes/Objectives/Activities****Table 8.52 Accounting Standards Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	13.0	13.7	14.6	14.7	4.4%	100.0%	15.3	16.1	16.7	4.3%	100.0%
<b>Total</b>	<b>13.0</b>	<b>13.7</b>	<b>14.6</b>	<b>14.7</b>	<b>4.4%</b>	<b>100.0%</b>	<b>15.3</b>	<b>16.1</b>	<b>16.7</b>	<b>4.3%</b>	<b>100.0%</b>

**Statements of historical financial performance, cash flow and financial position****Table 8.53 Accounting Standards Board statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>0.2</b>	<b>0.4</b>	<b>0.4</b>	<b>0.5</b>	<b>0.3</b>	<b>0.6</b>	<b>0.3</b>	<b>0.3</b>	<b>154.6%</b>
<i>of which:</i>									
Other non-tax revenue	0.2	0.4	0.4	0.5	0.3	0.6	0.3	0.3	154.6%
<b>Transfers received</b>	<b>12.5</b>	<b>12.5</b>	<b>13.5</b>	<b>13.5</b>	<b>14.1</b>	<b>14.1</b>	<b>14.3</b>	<b>14.3</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>12.7</b>	<b>12.9</b>	<b>13.8</b>	<b>13.9</b>	<b>14.3</b>	<b>14.6</b>	<b>14.6</b>	<b>14.6</b>	<b>101.1%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>12.8</b>	<b>13.0</b>	<b>13.9</b>	<b>13.7</b>	<b>14.4</b>	<b>14.6</b>	<b>14.7</b>	<b>14.7</b>	<b>100.4%</b>
Compensation of employees	9.6	10.4	9.3	10.8	9.9	11.5	10.7	10.3	108.9%
Goods and services	3.1	2.5	4.5	2.9	4.4	3.1	3.9	4.3	79.6%
Depreciation	0.0	0.1	0.1	(0.0)	0.1	0.1	0.0	0.1	79.6%
<b>Total expenses</b>	<b>12.8</b>	<b>13.0</b>	<b>13.9</b>	<b>13.7</b>	<b>14.4</b>	<b>14.6</b>	<b>14.7</b>	<b>14.7</b>	<b>100.4%</b>
<b>Surplus/(Deficit)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.1)</b>	<b>(0.1)</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(0.1)</b>	<b>0.1</b>	<b>(0.0)</b>	<b>2.1</b>	<b>(0.2)</b>	<b>(0.4)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>-237.3%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>214.3%</b>
Other tax receipts	0.2	0.4	0.2	0.2	0.0	0.3	-	-	214.3%
<b>Transfers received</b>	<b>12.5</b>	<b>12.5</b>	<b>13.5</b>	<b>13.5</b>	<b>14.1</b>	<b>14.1</b>	<b>14.3</b>	<b>14.3</b>	<b>100.0%</b>
<b>Total receipts</b>	<b>12.7</b>	<b>12.9</b>	<b>13.7</b>	<b>13.7</b>	<b>14.1</b>	<b>14.3</b>	<b>14.3</b>	<b>14.3</b>	<b>100.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>12.7</b>	<b>12.8</b>	<b>13.7</b>	<b>11.6</b>	<b>14.3</b>	<b>14.7</b>	<b>14.6</b>	<b>14.7</b>	<b>96.9%</b>
Compensation of employees	9.4	10.3	9.4	8.8	9.9	11.5	10.6	10.3	103.9%
Goods and services	3.3	2.5	4.3	2.8	4.4	3.2	4.0	4.3	79.7%
<b>Total payments</b>	<b>12.7</b>	<b>12.8</b>	<b>13.7</b>	<b>11.6</b>	<b>14.3</b>	<b>14.7</b>	<b>14.6</b>	<b>14.7</b>	<b>96.9%</b>
<b>Net cash flow from investing activities</b>	<b>-</b>	<b>(0.1)</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.1</b>	<b>0.3</b>	<b>0.3</b>	<b>80.7%</b>
Acquisition of property, plant, equipment and intangible assets	-	(0.1)	-	(0.0)	-	(0.2)	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.1</b>	<b>2.4</b>	<b>0.0</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>(0.0)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	0.1	0.2	0.1	0.2	0.2	0.4	0.1	0.3	196.8%
<b>Acquisition of assets</b>	<b>-</b>	<b>(0.1)</b>	<b>-</b>	<b>(0.0)</b>	<b>-</b>	<b>(0.2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Receivables and prepayments	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	109.1%
Cash and cash equivalents	0.4	0.4	0.4	2.8	0.4	2.6	0.4	0.7	422.6%
<b>Total assets</b>	<b>0.6</b>	<b>0.7</b>	<b>0.5</b>	<b>3.1</b>	<b>0.6</b>	<b>3.0</b>	<b>0.6</b>	<b>1.0</b>	<b>339.8%</b>
Accumulated surplus/(deficit)	0.1	0.0	0.1	0.3	0.2	0.3	0.1	0.3	167.3%
Trade and other payables	0.2	0.2	0.2	0.3	0.2	0.1	0.2	0.1	86.1%
Provisions	0.2	0.5	0.2	2.5	0.2	2.6	0.2	0.6	664.0%
<b>Total equity and liabilities</b>	<b>0.6</b>	<b>0.7</b>	<b>0.5</b>	<b>3.1</b>	<b>0.6</b>	<b>3.0</b>	<b>0.6</b>	<b>1.0</b>	<b>339.8%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.54 Accounting Standards Board statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
<b>Revenue</b>								
Non-tax revenue	0.3	-8.6%	3.0%	0.3	0.3	0.3	-	1.8%
Other non-tax revenue	0.3	-8.6%	3.0%	0.3	0.3	0.3	-	1.8%
<b>Transfers received</b>	<b>14.3</b>	<b>4.6%</b>	<b>97.0%</b>	<b>15.0</b>	<b>15.9</b>	<b>16.4</b>	<b>4.7%</b>	<b>98.2%</b>
<b>Total revenue</b>	<b>14.6</b>	<b>4.3%</b>	<b>100.0%</b>	<b>15.3</b>	<b>16.1</b>	<b>16.7</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Current expenses</b>								
Compensation of employees	10.3	-0.4%	77.1%	10.7	11.2	11.6	4.0%	69.7%
Goods and services	4.3	20.8%	22.6%	4.5	4.8	5.0	5.2%	29.7%
Depreciation	0.1	9.9%	0.3%	0.1	0.1	0.1	1.8%	0.6%
<b>Total expenses</b>	<b>14.7</b>	<b>4.4%</b>	<b>100.0%</b>	<b>15.3</b>	<b>16.1</b>	<b>16.7</b>	<b>4.3%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(0.1)</b>			-	-	-		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(0.3)</b>	<b>-258.7%</b>	<b>1.6%</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.0)</b>	-	-
<b>Receipts</b>								
Transfers received	14.3	4.6%	98.4%	15.0	15.9	16.4	4.7%	100.0%
<b>Total receipts</b>	<b>14.3</b>	<b>3.7%</b>	<b>100.0%</b>	<b>15.0</b>	<b>15.9</b>	<b>16.4</b>	<b>4.7%</b>	<b>100.0%</b>
<b>Current payments</b>								
Compensation of employees	10.3	0.1%	73.1%	10.7	11.2	11.6	3.9%	70.3%
Goods and services	4.3	20.4%	22.7%	4.5	4.8	4.9	4.1%	29.7%
<b>Total payment</b>	<b>14.7</b>	<b>4.6%</b>	<b>100.0%</b>	<b>15.2</b>	<b>16.0</b>	<b>16.5</b>	<b>3.9%</b>	<b>100.0%</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.0)</b>	<b>-373.7%</b>	<b>100.0%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.3</b>	<b>-286.5%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	0.3	11.1%	18.4%	0.2	0.3	0.1	-28.4%	24.8%
Receivables and prepayments	0.1	-7.3%	4.8%	0.1	0.1	0.1	-	7.2%
Cash and cash equivalents	0.7	14.0%	76.8%	0.7	0.4	0.4	-13.4%	68.0%
<b>Total assets</b>	<b>1.0</b>	<b>11.4%</b>	<b>100.0%</b>	<b>0.9</b>	<b>0.7</b>	<b>0.6</b>	<b>-16.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	0.3	90.3%	13.1%	0.2	0.3	0.1	-28.4%	24.8%
Trade and other payables	0.1	-13.7%	12.9%	0.1	0.1	0.1	5.1%	17.0%
Provisions	0.6	7.2%	74.0%	0.6	0.3	0.3	-16.6%	58.2%
<b>Total equity and liabilities</b>	<b>1.0</b>	<b>11.4%</b>	<b>100.0%</b>	<b>0.9</b>	<b>0.7</b>	<b>0.6</b>	<b>-16.0%</b>	<b>100.0%</b>

**Personnel information****Table 8.55 Accounting Standards Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Accounting Standards Board		7	11.5	1.6	7	10.3	1.5	7	10.7	1.5	7	11.2	1.6	7	11.6	1.7	4.0%	100.0%
Salary level	7	7			7			7			7			7				
1-6	1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.3	0.3	1	0.3	0.3	4.6%	14.3%
7-10	1	1	0.7	0.7	1	0.7	0.7	1	0.7	0.7	1	0.8	0.8	1	0.8	0.8	4.6%	14.3%
13-16	4	4	7.1	1.8	4	6.5	1.6	4	6.7	1.7	4	7.1	1.8	4	7.3	1.8	4.2%	57.1%
17-22	1	1	3.5	3.5	1	2.9	2.9	1	3.0	3.0	1	3.1	3.1	1	3.2	3.2	3.3%	14.3%

1. Rand million.

## Cooperative Banks Development Agency

### Selected performance indicators

Table 8.56 Cooperative Banks Development Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of cooperative financial institutions provided with direct technical assistance per year	Capacity building and information		31	7	7	7	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of organised groups assisted with the establishment of a cooperative financial institution per year	Capacity building and information		3	2	2	2	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of cooperative financial institutions using the banking platform per year	Central support services	Priority 1: Economic transformation and job creation	8	10	10	15	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of registered support organisations across provinces per year	Administration		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	3	3	3
Number of workshops conducted to facilitate registration for provincial support organisations per year	Capacity building and information		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	3	3	3

1. Indicator discontinued.

2. No historical data available.

### Entity overview

The Cooperative Banks Development Agency was established in terms of the Cooperative Banks Act (2007), with the South African Reserve Bank as the sole supervisor of cooperative banks. The agency is mandated to provide for the registration and supervision of financial services cooperatives that take deposits and savings, and credit cooperatives collectively referred to as cooperative financial institutions. The agency also facilitates, promotes and funds the education and training of these institutions.

Over the medium term, the agency will focus on increasing opportunities for historically excluded and vulnerable groups, small businesses and cooperatives by promoting a sustainable cooperative banking environment that contributes towards providing affordable financial services. It will aim to achieve this by providing customised training, technical assistance, mentorship and coaching; clarifying rules for certain cooperative financial institutions; and implementing systems and processes to improve reporting. It also aims to assist cooperative financial institutions by increasing the number of banking platforms available to them to improve their income generation, and to continue conducting on-site assessments and inspections to ensure that cooperative financial institutions are sustainable and funded.

To cater for these activities, total expenditure is expected to increase at an average annual rate of 4.5 per cent, from R24.3 million in 2019/20 to R27.7 million in 2022/23. Spending on compensation of employees is expected to increase at an average annual rate of 5.8 per cent, from R16.4 million in 2019/20 to R19.4 million in 2022/23. Revenue, which is mainly derived through transfers from National Treasury, stakeholder funding and interest income, is in line with spending over the period ahead.

## Programmes/Objectives/Activities

**Table 8.57 Cooperative Banks Development Agency expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2016/17 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Administration	7.7	8.9	7.8	6.4	-5.8%	25.9%	6.6	6.7	7.4	4.8%	26.3%
Supervision unit	4.8	5.8	–	–	-100.0%	7.7%	–	–	–	–	–
Capacity building and information	13.1	14.2	11.5	8.0	-15.1%	38.7%	8.2	8.3	8.7	2.8%	32.2%
Central support services	6.7	7.7	7.6	9.9	13.6%	27.7%	10.4	11.0	11.6	5.6%	41.6%
<b>Total</b>	<b>32.4</b>	<b>36.6</b>	<b>27.0</b>	<b>24.3</b>	<b>-9.1%</b>	<b>100.0%</b>	<b>25.2</b>	<b>26.0</b>	<b>27.7</b>	<b>4.5%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 8.58 Cooperative Banks Development Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
R million									
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>0.6</b>	<b>3.2</b>	<b>0.5</b>	<b>3.9</b>	<b>0.4</b>	<b>3.2</b>	<b>2.0</b>	<b>2.0</b>	<b>344.1%</b>
Sale of goods and services other than capital assets	0.0	0.0	0.0	0.0	–	0.0	–	–	233.3%
of which:									
<i>Sales by market establishment</i>	0.0	0.0	0.0	0.0	–	–	–	–	191.7%
Other non-tax revenue	0.6	3.2	0.5	3.9	0.4	3.2	2.0	2.0	344.5%
<b>Transfers received</b>	<b>35.4</b>	<b>30.7</b>	<b>38.5</b>	<b>29.1</b>	<b>29.3</b>	<b>25.8</b>	<b>20.8</b>	<b>22.3</b>	<b>87.0%</b>
<b>Total revenue</b>	<b>36.0</b>	<b>34.0</b>	<b>39.0</b>	<b>32.9</b>	<b>29.7</b>	<b>29.0</b>	<b>22.8</b>	<b>24.3</b>	<b>94.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>36.0</b>	<b>32.4</b>	<b>39.0</b>	<b>36.6</b>	<b>29.3</b>	<b>27.0</b>	<b>22.8</b>	<b>24.3</b>	<b>94.6%</b>
Compensation of employees	17.7	14.9	19.4	17.2	15.7	11.9	16.3	16.4	87.3%
Goods and services	18.3	17.3	19.5	18.9	13.4	14.6	6.4	7.9	101.7%
Depreciation	0.1	0.2	0.2	0.5	0.1	0.5	0.0	0.0	360.8%
<b>Total expenses</b>	<b>36.0</b>	<b>32.4</b>	<b>39.0</b>	<b>36.6</b>	<b>29.3</b>	<b>27.0</b>	<b>22.8</b>	<b>24.3</b>	<b>94.6%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>1.6</b>	<b>–</b>	<b>(3.6)</b>	<b>–</b>	<b>2.0</b>	<b>–</b>	<b>–</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(14.7)</b>	<b>(7.5)</b>	<b>(6.5)</b>	<b>(5.9)</b>	<b>2.9</b>	<b>6.5</b>	<b>0.6</b>	<b>0.6</b>	<b>35.9%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>0.6</b>	<b>1.3</b>	<b>0.5</b>	<b>1.0</b>	<b>0.4</b>	<b>0.8</b>	<b>0.1</b>	<b>0.1</b>	<b>186.1%</b>
Sales of goods and services other than capital assets	0.0	0.1	0.0	0.2	–	0.2	–	–	4 391.7%
Administrative fees	0.0	0.0	0.0	0.0	–	0.0	–	–	216.7%
Other sales	–	0.1	–	0.2	–	0.2	–	–	–
Other tax receipts	0.6	1.1	0.5	0.8	0.4	0.5	0.1	0.1	155.8%
<b>Transfers received</b>	<b>35.4</b>	<b>25.8</b>	<b>37.0</b>	<b>27.4</b>	<b>32.3</b>	<b>27.0</b>	<b>20.8</b>	<b>20.8</b>	<b>80.4%</b>
<b>Total receipts</b>	<b>36.0</b>	<b>27.0</b>	<b>37.5</b>	<b>28.3</b>	<b>32.7</b>	<b>27.8</b>	<b>20.9</b>	<b>20.9</b>	<b>81.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>50.8</b>	<b>34.6</b>	<b>44.0</b>	<b>34.2</b>	<b>29.8</b>	<b>21.3</b>	<b>20.3</b>	<b>20.3</b>	<b>76.2%</b>
Compensation of employees	17.8	14.9	18.4	17.3	15.7	12.1	16.6	16.6	88.7%
Goods and services	33.0	19.7	25.6	17.0	14.0	9.2	3.7	3.7	64.9%
<b>Total payments</b>	<b>50.8</b>	<b>34.6</b>	<b>44.0</b>	<b>34.2</b>	<b>29.8</b>	<b>21.3</b>	<b>20.3</b>	<b>20.3</b>	<b>76.2%</b>
<b>Net cash flow from investing activities</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(0.1)</b>	<b>(0.7)</b>	<b>(0.7)</b>	<b>81.4%</b>
Acquisition of property, plant, equipment and intangible assets	(0.3)	(0.3)	(0.4)	(0.2)	(0.4)	–	(0.2)	(0.2)	55.8%
Acquisition of software and other intangible assets	–	(0.1)	–	(0.1)	(0.0)	(0.1)	(0.5)	(0.5)	140.6%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(15.0)</b>	<b>(7.9)</b>	<b>(6.9)</b>	<b>(6.2)</b>	<b>2.5</b>	<b>6.4</b>	<b>(0.1)</b>	<b>(0.1)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	0.7	1.1	0.9	0.9	1.1	0.2	1.0	1.0	84.8%
Acquisition of assets	(0.3)	(0.3)	(0.4)	(0.2)	(0.4)	–	(0.2)	(0.2)	55.8%
Receivables and prepayments	0.6	1.4	0.0	3.1	–	1.7	–	–	998.5%
Cash and cash equivalents	2.6	9.8	2.9	3.6	3.3	10.0	1.6	1.6	239.9%
<b>Total assets</b>	<b>4.0</b>	<b>12.3</b>	<b>3.8</b>	<b>7.6</b>	<b>4.4</b>	<b>11.9</b>	<b>2.6</b>	<b>2.6</b>	<b>232.5%</b>
Accumulated surplus/(deficit)	0.8	4.0	0.3	0.5	0.9	2.4	2.0	2.0	222.3%
Capital and reserves	1.4	1.7	1.5	1.8	1.9	2.0	–	–	112.7%
Capital reserve fund	–	3.1	–	0.5	–	5.6	–	–	–
Trade and other payables	1.2	2.5	1.4	4.1	0.9	1.6	0.4	0.4	225.7%
Provisions	0.5	1.0	0.6	0.5	0.7	0.3	0.3	0.3	99.1%
<b>Total equity and liabilities</b>	<b>4.0</b>	<b>12.3</b>	<b>3.8</b>	<b>7.6</b>	<b>4.4</b>	<b>11.9</b>	<b>2.6</b>	<b>2.6</b>	<b>232.5%</b>

## Statements of estimates of financial performance, cash flow and financial position

Table 8.59 Cooperative Banks Development Agency statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
Non-tax revenue	2.0	-14.4%	10.2%	0.1	0.1	0.1	-70.5%	2.3%
Other non-tax revenue	2.0	-14.3%	10.2%	0.1	0.1	0.1	-70.5%	2.3%
Transfers received	22.3	-10.2%	89.8%	25.1	26.0	27.7	7.6%	97.7%
<b>Total revenue</b>	<b>24.3</b>	<b>-10.6%</b>	<b>100.0%</b>	<b>25.2</b>	<b>26.0</b>	<b>27.7</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Current expenses</b>								
Compensation of employees	16.4	3.3%	51.1%	17.4	18.4	19.4	5.8%	69.2%
Goods and services	7.9	-23.0%	47.8%	7.8	7.6	8.3	1.8%	30.6%
Depreciation	0.0	-41.9%	1.0%	0.0	0.1	0.1	11.9%	0.2%
<b>Total expenses</b>	<b>24.3</b>	<b>-9.1%</b>	<b>100.0%</b>	<b>25.2</b>	<b>26.0</b>	<b>27.7</b>	<b>4.5%</b>	<b>100.0%</b>
Surplus/(Deficit)	-			-	-	-		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>								
Receipts	0.6	-143.5%	3.8%	2.5	2.1	2.1	-24.3%	0.3%
Non-tax receipts	0.1	-54.2%	2.9%	0.1	0.1	0.1	-24.3%	0.3%
Other tax receipts	0.1	-52.8%	2.4%	0.1	0.1	0.1	-24.3%	0.3%
Transfers received	20.8	-7.0%	97.1%	25.1	26.0	27.7	10.1%	99.7%
<b>Total receipts</b>	<b>20.9</b>	<b>-8.2%</b>	<b>100.0%</b>	<b>25.2</b>	<b>26.0</b>	<b>27.7</b>	<b>9.9%</b>	<b>100.0%</b>
Current payments	20.3	-16.3%	90.7%	22.7	23.9	25.7	8.2%	100.0%
Compensation of employees	16.6	3.7%	51.5%	18.2	20.1	19.3	5.3%	80.3%
Goods and services	3.7	-42.7%	39.1%	4.4	3.9	6.3	19.5%	19.7%
<b>Total payment</b>	<b>20.3</b>	<b>-16.3%</b>	<b>100.0%</b>	<b>22.7</b>	<b>23.9</b>	<b>25.7</b>	<b>8.2%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(0.7)</b>	<b>28.2%</b>	<b>100.0%</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>-43.1%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(0.2)	-9.6%	45.3%	-	-	(0.0)	-46.9%	12.9%
Acquisition of software and other intangible assets	(0.5)	100.0%	54.7%	(0.2)	(0.1)	(0.1)	-41.7%	87.1%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.1)</b>	<b>-78.2%</b>	<b>100.0%</b>	<b>2.4</b>	<b>2.0</b>	<b>2.0</b>	<b>-387.9%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	1.0	-3.2%	15.1%	1.0	0.9	1.0	0.4%	46.5%
Acquisition of assets	(0.2)	-9.6%	-3.2%	-	-	(0.0)	-46.9%	-2.4%
Cash and cash equivalents	1.6	-45.1%	68.2%	1.9	1.0	0.5	-32.3%	53.5%
<b>Total assets</b>	<b>2.6</b>	<b>-40.4%</b>	<b>100.0%</b>	<b>3.0</b>	<b>1.9</b>	<b>1.5</b>	<b>-16.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	2.0	-20.5%	34.0%	1.9	1.5	1.0	-20.4%	72.6%
Trade and other payables	0.4	-48.1%	25.5%	0.9	0.2	0.4	4.6%	19.6%
Provisions	0.3	-34.9%	6.8%	0.2	0.2	0.1	-27.7%	7.8%
<b>Total equity and liabilities</b>	<b>2.6</b>	<b>-40.4%</b>	<b>100.0%</b>	<b>3.0</b>	<b>1.9</b>	<b>1.5</b>	<b>-16.8%</b>	<b>100.0%</b>

## Personnel information

Table 8.60 Cooperative Banks Development Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		2021/22		2022/23				2019/20 - 2022/23			
Cooperative Banks Development Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	25	25	24	11.9	0.5	25	16.4	0.7	26	17.4	0.7	26	18.4	0.7	26	19.4	0.7	5.8%	100.0%
1-6	3	3	5	0.5	0.1	3	0.6	0.2	3	0.6	0.2	3	0.7	0.2	3	0.7	0.2	5.9%	11.7%
7-10	14	14	11	4.5	0.4	14	6.5	0.5	15	6.9	0.5	15	7.3	0.5	15	7.7	0.5	5.9%	57.3%
11-12	4	4	4	3.6	0.9	4	4.1	1.0	4	4.3	1.1	4	4.6	1.1	4	4.8	1.2	5.8%	15.5%
13-16	4	4	4	3.4	0.8	4	5.2	1.3	4	5.5	1.4	4	5.8	1.5	4	6.1	1.5	5.6%	15.5%

1. Rand million.

## Financial and Fiscal Commission

### Selected performance indicators

**Table 8.61 Financial and Fiscal Commission performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current 2019/20	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of briefings on the Division of Revenue Bill submission per year	Administration	Priority 1: Economic transformation and job creation	18	18	18	18	18	18	18
Number of peer-reviewed book chapters and publications produced per year	Research	Priority 2: Education, skills and health	4	1	4	4	4	4	4

### Entity overview

The Financial and Fiscal Commission derives its mandate from the Financial and Fiscal Commission Act (1997). The commission's legislative mandate is to advise relevant authorities on financial and fiscal requirements for national, provincial and local spheres of government in terms of section 220 of the Constitution. Other legislation that informs the commission's mandate includes: the Intergovernmental Fiscal Relations Act (1997), the Money Bills Amendment Procedure and Related Matters Act (2009), the Provincial Tax Regulation Process Act (2001), the Municipal Fiscal Powers and Functions Act (2007), the Borrowing Powers of Provincial Governments Act (1996), the Municipal Finance Management Act (2003), and the Municipal Systems Amendment Act (2003). Over the period ahead, the commission will focus on generating and disseminating influential policy recommendations to strengthen the intergovernmental system, assisting it to contribute to national development, and the realisation of constitutional provisions.

Expenditure is expected to increase at an average annual rate of 7.9 per cent, from R57.1 million in 2019/20 to R71.8 million in 2022/23. Due to the anticipated increase in personnel over the period, spending on compensation of employees is expected to increase at an average annual rate of 9.9 per cent, from R35.2 million in 2019/20 to R46.8 million in 2022/23. Revenue is expected to increase at an average annual rate of 9.2 per cent, from R55.1 million in 2019/20 to R71.8 million in 2022/23. The commission derives its revenue mainly through transfers from the department.

### Programmes/Objectives/Activities

**Table 8.62 Financial and Fiscal Commission expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	27.7	30.5	31.5	36.4	9.5%	63.0%	40.1	41.8	42.9	5.6%	60.9%	
Research	17.8	17.0	18.3	20.8	5.3%	37.0%	26.4	27.8	28.9	11.7%	39.1%	
<b>Total</b>	<b>45.5</b>	<b>47.5</b>	<b>49.8</b>	<b>57.1</b>	<b>7.9%</b>	<b>100.0%</b>	<b>66.5</b>	<b>69.6</b>	<b>71.8</b>	<b>7.9%</b>	<b>100.0%</b>	



## Statements of historical financial performance, cash flow and financial position

Table 8.63 Financial and Fiscal Commission statements of historical financial performance

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>0.1</b>	<b>5.3</b>	<b>0.5</b>	<b>3.8</b>	<b>0.9</b>	<b>3.0</b>	<b>0.1</b>	<b>0.7</b>	<b>805.7%</b>
<i>of which:</i>									
Other non-tax revenue	0.1	5.3	0.5	3.8	0.9	3.0	0.1	0.7	805.7%
<b>Transfers received</b>	<b>44.8</b>	<b>44.8</b>	<b>50.6</b>	<b>50.6</b>	<b>51.8</b>	<b>51.8</b>	<b>54.3</b>	<b>54.3</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>44.9</b>	<b>50.2</b>	<b>51.1</b>	<b>54.4</b>	<b>52.7</b>	<b>54.8</b>	<b>54.4</b>	<b>55.1</b>	<b>105.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>44.9</b>	<b>45.5</b>	<b>51.1</b>	<b>47.5</b>	<b>52.7</b>	<b>49.8</b>	<b>54.4</b>	<b>57.1</b>	<b>98.4%</b>
Compensation of employees	27.1	28.1	32.1	31.5	35.8	34.4	38.6	35.2	96.8%
Goods and services	17.7	17.2	18.9	15.8	16.8	15.2	15.7	21.9	101.6%
Depreciation	0.1	0.2	0.2	0.2	0.2	0.2	0.2	-	101.7%
<b>Total expenses</b>	<b>44.9</b>	<b>45.5</b>	<b>51.1</b>	<b>47.5</b>	<b>52.7</b>	<b>49.8</b>	<b>54.4</b>	<b>57.1</b>	<b>98.4%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>4.6</b>	<b>-</b>	<b>6.9</b>	<b>-</b>	<b>4.9</b>	<b>-</b>	<b>(2.1)</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>2.6</b>	<b>5.3</b>	<b>(0.2)</b>	<b>7.4</b>	<b>0.2</b>	<b>(4.0)</b>	<b>0.2</b>	<b>5.0</b>	<b>505.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>0.1</b>	<b>3.5</b>	<b>0.1</b>	<b>0.8</b>	<b>0.1</b>	<b>0.9</b>	<b>0.1</b>	<b>0.1</b>	<b>1 270.6%</b>
Sales of goods and services other than capital assets	0.0	3.1	0.0	-	0.0	-	-	-	13 881.8%
<i>Other sales</i>	<i>0.0</i>	<i>3.1</i>	<i>0.0</i>	<i>-</i>	<i>0.0</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>13 881.8%</i>
Other tax receipts	0.1	0.4	0.1	0.8	0.1	0.9	0.1	0.1	577.0%
<b>Transfers received</b>	<b>44.8</b>	<b>44.8</b>	<b>50.6</b>	<b>50.6</b>	<b>51.8</b>	<b>51.8</b>	<b>54.3</b>	<b>54.3</b>	<b>100.0%</b>
<b>Total receipts</b>	<b>44.9</b>	<b>48.3</b>	<b>50.8</b>	<b>51.5</b>	<b>51.9</b>	<b>52.7</b>	<b>54.4</b>	<b>54.4</b>	<b>102.4%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>42.4</b>	<b>43.0</b>	<b>50.9</b>	<b>44.1</b>	<b>51.7</b>	<b>48.7</b>	<b>54.2</b>	<b>49.4</b>	<b>92.9%</b>
Compensation of employees	25.2	27.9	32.1	30.9	34.9	32.3	36.7	34.4	97.3%
Goods and services	17.2	15.2	18.9	13.3	16.8	16.4	17.6	15.0	85.0%
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total payments</b>	<b>42.4</b>	<b>43.0</b>	<b>50.9</b>	<b>44.1</b>	<b>51.7</b>	<b>56.8</b>	<b>54.2</b>	<b>49.4</b>	<b>97.0%</b>
<b>Net cash flow from investing activities</b>	<b>(0.1)</b>	<b>(0.5)</b>	<b>0.2</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(1.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>1 101.2%</b>
Acquisition of property, plant, equipment and intangible assets	(0.1)	(0.5)	-	(0.3)	(0.2)	(0.1)	(0.2)	(0.2)	283.0%
Acquisition of software and other intangible assets	-	-	-	-	-	(1.1)	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	0.0	0.2	-	-	-	-	-	0.5%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2.5</b>	<b>4.7</b>	<b>(0.0)</b>	<b>7.0</b>	<b>0.0</b>	<b>(5.2)</b>	<b>0.0</b>	<b>4.9</b>	
<b>Statement of financial position</b>									
Carrying value of assets	0.8	1.6	1.6	1.7	1.8	2.6	2.0	2.0	126.9%
<i>Acquisition of assets</i>	<i>(0.1)</i>	<i>(0.5)</i>	<i>-</i>	<i>(0.3)</i>	<i>(0.2)</i>	<i>(0.1)</i>	<i>(0.2)</i>	<i>(0.2)</i>	<i>283.0%</i>
Receivables and prepayments	0.1	0.2	0.2	0.2	0.2	0.5	0.3	0.3	140.0%
Cash and cash equivalents	3.7	8.4	8.4	15.4	17.0	10.2	18.7	18.7	110.4%
<b>Total assets</b>	<b>4.6</b>	<b>10.3</b>	<b>10.3</b>	<b>17.3</b>	<b>19.0</b>	<b>13.4</b>	<b>20.9</b>	<b>20.9</b>	<b>112.8%</b>
Accumulated surplus/(deficit)	0.2	6.0	6.0	12.7	14.0	9.0	15.4	15.4	121.0%
Capital and reserves	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	100.0%
Trade and other payables	2.1	1.9	1.9	1.8	2.0	1.7	2.3	2.3	93.6%
Provisions	1.4	1.4	1.4	1.9	2.1	1.7	2.3	2.3	101.0%
<b>Total equity and liabilities</b>	<b>4.6</b>	<b>10.3</b>	<b>10.3</b>	<b>17.3</b>	<b>19.0</b>	<b>13.4</b>	<b>20.9</b>	<b>20.9</b>	<b>112.8%</b>

## Statements of estimates of financial performance, cash flow and financial position

**Table 8.64 Financial and Fiscal Commission statements of estimates financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million		2019/20						
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>0.7</b>	<b>-48.4%</b>	<b>6.1%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-47.5%</b>	<b>0.4%</b>
Other non-tax revenue	0.7	-48.4%	6.1%	0.1	0.1	0.1	-47.5%	0.4%
<b>Transfers received</b>	<b>54.3</b>	<b>6.6%</b>	<b>93.9%</b>	<b>66.4</b>	<b>69.5</b>	<b>71.7</b>	<b>9.7%</b>	<b>99.6%</b>
<b>Total revenue</b>	<b>55.1</b>	<b>3.2%</b>	<b>100.0%</b>	<b>66.5</b>	<b>69.6</b>	<b>71.8</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>Compensation of employees</b>	<b>35.2</b>	<b>7.8%</b>	<b>64.7%</b>	<b>42.1</b>	<b>44.7</b>	<b>46.8</b>	<b>9.9%</b>	<b>63.6%</b>
Goods and services	21.9	8.4%	35.0%	24.4	24.9	25.0	4.5%	36.4%
<b>Total expenses</b>	<b>57.1</b>	<b>7.9%</b>	<b>100.0%</b>	<b>66.5</b>	<b>69.6</b>	<b>71.8</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(2.1)</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>5.0</b>	<b>-1.6%</b>	<b>5.9%</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>-</b>	<b>0.2%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>0.1</b>	<b>-69.4%</b>	<b>2.7%</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>0.2%</b>
Other tax receipts	0.1	-38.9%	1.1%	0.1	0.1	0.1	-	0.2%
<b>Transfers received</b>	<b>54.3</b>	<b>6.6%</b>	<b>97.3%</b>	<b>66.4</b>	<b>69.5</b>	<b>71.7</b>	<b>9.7%</b>	<b>99.8%</b>
<b>Total receipts</b>	<b>54.4</b>	<b>4.0%</b>	<b>100.0%</b>	<b>66.5</b>	<b>69.6</b>	<b>71.8</b>	<b>9.7%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>Compensation of employees</b>	<b>34.4</b>	<b>7.3%</b>	<b>62.8%</b>	<b>42.1</b>	<b>44.7</b>	<b>46.8</b>	<b>10.8%</b>	<b>65.6%</b>
Goods and services	15.0	-0.4%	30.1%	24.4	24.9	25.1	18.8%	34.4%
<b>Total payment</b>	<b>49.4</b>	<b>4.7%</b>	<b>100.0%</b>	<b>66.5</b>	<b>69.6</b>	<b>71.9</b>	<b>13.3%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>								
<b>Acquisition of property, plant, equipment and intangible assets</b>	<b>(0.2)</b>	<b>-32.4%</b>	<b>77.7%</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>6.6%</b>	<b>100.0%</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4.9</b>	<b>0.9%</b>	<b>100.0%</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>-140.5%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
<b>Carrying value of assets</b>	<b>2.0</b>	<b>7.6%</b>	<b>13.6%</b>	<b>2.2</b>	<b>2.4</b>	<b>2.5</b>	<b>8.3%</b>	<b>9.6%</b>
<b>Acquisition of assets</b>	<b>(0.2)</b>	<b>-32.4%</b>	<b>-2.2%</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>6.6%</b>	<b>-0.8%</b>
Receivables and prepayments	0.3	3.2%	2.2%	0.3	0.3	0.3	8.3%	1.3%
Cash and cash equivalents	18.7	30.5%	84.2%	20.5	22.6	23.7	8.3%	89.2%
<b>Total assets</b>	<b>20.9</b>	<b>26.9%</b>	<b>100.0%</b>	<b>23.0</b>	<b>25.3</b>	<b>26.6</b>	<b>8.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	15.4	36.9%	68.2%	17.1	18.9	19.8	8.7%	74.2%
Capital and reserves	0.9	-	6.4%	0.9	0.9	0.9	-	3.9%
Trade and other payables	2.3	7.4%	13.2%	2.5	2.8	2.9	8.3%	11.0%
Provisions	2.3	16.3%	12.1%	2.5	2.7	2.9	8.9%	10.9%
<b>Total equity and liabilities</b>	<b>20.9</b>	<b>26.9%</b>	<b>100.0%</b>	<b>23.0</b>	<b>25.3</b>	<b>26.6</b>	<b>8.3%</b>	<b>100.0%</b>

## Personnel information

**Table 8.65 Financial and Fiscal Commission personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Financial and Fiscal Commission</b>	<b>40</b>	<b>40</b>	<b>37</b>	<b>34.4</b>	<b>0.9</b>	<b>39</b>	<b>35.2</b>	<b>0.9</b>	<b>41</b>	<b>42.1</b>	<b>1.0</b>	<b>41</b>	<b>44.7</b>	<b>1.1</b>	<b>41</b>	<b>46.8</b>	<b>1.1</b>	<b>9.9%</b>	<b>100.0%</b>
<b>Salary level</b>	<b>40</b>	<b>40</b>	<b>37</b>	<b>34.4</b>	<b>0.9</b>	<b>39</b>	<b>35.2</b>	<b>0.9</b>	<b>41</b>	<b>42.1</b>	<b>1.0</b>	<b>41</b>	<b>44.7</b>	<b>1.1</b>	<b>41</b>	<b>46.8</b>	<b>1.1</b>	<b>9.9%</b>	<b>100.0%</b>
1-6	1	1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	3.7%	2.5%
7-10	12	12	10	6.0	0.6	12	6.6	0.6	12	7.7	0.6	12	8.2	0.7	12	8.6	0.7	9.2%	29.6%
11-12	14	14	13	11.5	0.9	13	11.0	0.8	16	16.5	1.0	16	17.5	1.1	16	18.2	1.1	18.3%	37.6%
13-16	13	13	13	16.7	1.3	13	17.4	1.3	12	17.7	1.5	12	18.8	1.6	12	19.7	1.6	4.2%	30.3%

1. Rand million.

## Financial Intelligence Centre

### Selected performance indicators

**Table 8.66 Financial Intelligence Centre performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Financial Intelligence Centre inspection reports issued per year	Delivery of intelligence on financial crimes and regulatory services related to the Financial Intelligence Centre Act (2001)	Priority 6: A capable, ethical and development state	132	138	138	215	225	235	245
Number of identified policy-making activities attended within regional and intergovernmental organisations per year	Enablement of financial intelligence regulatory capabilities	Priority 7: A better Africa and world	-1	-1	8	8	8	8	8

1. No historical data available.

### Entity overview

The Financial Intelligence Centre was established by the Financial Intelligence Centre Act (2001) to combat money-laundering activities and the financing of terrorist and related activities; identify the proceeds of unlawful activities and exchange information with law enforcement and other local and international agencies; supervise and enforce compliance with the act; and facilitate effective supervision and enforcement by supervisory bodies in terms of the act. To deliver on this mandate and protect the integrity of South Africa's financial system, the act works in conjunction with other legislation such as the Prevention of Organised Crime Act (1998), the Protection of Constitutional Democracy Against Terrorist and Related Activities Act (2004), and the South African Police Service Act (1995).

Over the medium term, the centre will focus on stabilising and maintaining its ICT network and systems by enhancing the existing capability of its analytical software to reinforce the integrity of South Africa's financial system, and creating an information-sharing platform to improve access to information for the centre's clients and enable interaction with stakeholders. To cater for these activities, expenditure on ICT is expected to increase from R13.5 million in 2019/20 to R15.9 million in 2022/23.

Total expenditure is expected to increase at an average annual rate of 2 per cent, from R335.9 million in 2019/20 to R356.8 million in 2022/23. Spending on compensation of employees increases at an average annual rate of 6.8 per cent, from R174.4 million in 2019/20 to R212.5 million in 2022/23. Spending on goods and services is expected to decrease at an average annual rate of 5.2 per cent, from R138.1 million in 2019/20 to R117.8 million in 2022/23, due to the completion of projects and spending on maintenance. Revenue is expected to increase at an average annual rate of 2.5 per cent, from R312.3 million in 2019/20 to R336.2 million in 2022/23. The centre's revenue is derived mainly through transfers from government.

### Programmes/Objectives/Activities

**Table 8.67 Financial Intelligence Centre expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Administration	38.0	44.4	50.5	56.0	13.8%	17.5%	53.9	55.6	56.9	0.5%	15.8%
Delivery of intelligence on financial crimes and Financial Intelligence Centre Act (2001)-related regulatory services	134.9	145.5	148.6	193.5	12.8%	57.5%	201.0	211.1	215.1	3.6%	58.3%
Enablement of financial intelligence regulatory capabilities	60.1	61.9	63.2	86.4	12.9%	25.0%	98.7	94.3	84.8	-0.6%	25.9%
<b>Total</b>	<b>233.0</b>	<b>251.9</b>	<b>262.3</b>	<b>335.9</b>	<b>13.0%</b>	<b>100.0%</b>	<b>353.5</b>	<b>361.0</b>	<b>356.8</b>	<b>2.0%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

Table 8.68 Financial Intelligence Centre statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	1.5	3.7	2.7	5.3	1.5	5.8	1.6	18.0	450.7%
<i>of which:</i>									
Other non-tax revenue	1.5	3.7	2.7	5.3	1.5	5.8	1.6	18.0	450.7%
<b>Transfers received</b>	256.4	256.4	270.2	270.2	278.7	278.7	294.3	294.3	100.0%
<b>Total revenue</b>	257.9	260.1	272.9	275.5	280.2	284.6	295.9	312.3	102.3%
<b>Expenses</b>									
<b>Current expenses</b>	276.8	233.0	288.6	251.9	295.3	262.3	311.5	335.9	92.4%
Compensation of employees	156.5	143.7	158.5	155.5	186.6	160.7	196.9	174.4	90.8%
Goods and services	90.3	66.0	104.6	72.5	81.9	85.4	86.4	138.1	99.7%
Depreciation	29.9	22.8	25.5	23.7	26.7	16.0	28.2	23.4	77.8%
Interest, dividends and rent on land	0.0	0.4	0.0	0.2	0.0	0.1	0.0	0.0	501.2%
<b>Total expenses</b>	276.8	233.0	288.6	251.9	295.3	262.3	311.5	335.9	92.4%
<b>Surplus/(Deficit)</b>	(18.9)	27.1	(15.7)	23.6	(15.0)	22.3	(15.6)	(23.5)	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	14.6	45.5	(4.5)	45.6	(4.6)	37.6	12.6	(0.4)	707.7%
<b>Receipts</b>									
<b>Non-tax receipts</b>	1.5	3.4	2.7	4.9	1.5	5.6	1.6	6.5	278.9%
Other tax receipts	1.5	3.4	2.7	4.9	1.5	5.6	1.6	6.5	278.9%
<b>Transfers received</b>	256.4	256.4	270.2	270.2	278.7	278.7	294.3	294.3	100.0%
<b>Total receipts</b>	257.9	259.8	272.9	275.1	280.2	284.3	295.9	300.8	101.2%
<b>Payment</b>									
<b>Current payments</b>	243.3	214.3	277.4	229.4	284.8	246.7	283.3	301.2	91.1%
Compensation of employees	150.9	143.7	158.5	156.3	186.6	160.7	196.9	174.4	91.7%
Goods and services	92.4	70.5	118.8	73.0	98.1	85.9	86.4	126.8	90.0%
Interest and rent on land	0.0	0.1	0.1	0.2	0.0	0.1	0.0	0.0	240.2%
<b>Total payments</b>	243.3	214.3	277.4	229.4	284.8	246.7	283.3	301.2	91.1%
<b>Net cash flow from investing activities</b>	(36.6)	(18.0)	(52.0)	(17.1)	(57.0)	(22.1)	(19.7)	(42.7)	60.4%
Acquisition of property, plant, equipment and intangible assets	(5.6)	(5.8)	(9.1)	(5.8)	(10.6)	(9.1)	(2.5)	(11.3)	115.2%
Acquisition of software and other intangible assets	(31.0)	(12.1)	(42.9)	(12.3)	(46.4)	(13.1)	(17.2)	(31.3)	50.1%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.0	–	1.0	–	0.1	–	–	–
<b>Net cash flow from financing activities</b>	(0.4)	(0.3)	(0.3)	(9.2)	–	7.1	–	(22.8)	3 960.1%
Deferred income	–	–	–	–	–	8.0	–	27.2	–
Borrowing activities	–	(0.0)	–	–	–	–	–	–	–
Repayment of finance leases	(0.4)	(0.3)	(0.3)	(1.1)	–	(1.0)	–	–	376.3%
Other flows from financing activities	–	–	–	(8.0)	–	–	–	(50.0)	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	(22.3)	27.2	(56.8)	19.4	(61.6)	22.5	(7.1)	(65.8)	
<b>Statement of financial position</b>									
Carrying value of assets	88.9	77.4	79.4	70.7	101.9	75.8	93.4	95.1	87.8%
<i>Acquisition of assets</i>	(5.6)	(5.8)	(9.1)	(5.8)	(10.6)	(9.1)	(2.5)	(11.3)	115.2%
Investments	–	0.0	–	1.5	1.0	0.6	1.1	0.7	133.7%
Inventory	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	93.2%
Receivables and prepayments	2.3	6.0	3.9	5.0	4.7	7.6	4.2	7.0	168.9%
Cash and cash equivalents	14.8	76.7	19.9	96.1	34.6	118.6	27.5	52.8	355.9%
<b>Total assets</b>	106.2	160.3	103.2	173.4	142.2	202.7	126.3	155.7	144.8%
Accumulated surplus/(deficit)	66.1	117.8	60.7	141.0	114.4	163.2	97.1	89.7	151.2%
Finance lease	0.6	2.1	0.5	1.4	1.5	0.6	1.9	–	91.8%
Deferred income	–	–	–	–	–	8.0	–	23.7	–
Trade and other payables	21.1	33.2	31.9	20.8	15.2	19.8	15.6	29.6	123.5%
Provisions	18.3	7.2	10.1	10.2	11.1	11.0	11.7	12.5	80.0%
<b>Total equity and liabilities</b>	106.2	160.3	103.2	173.4	142.2	202.7	126.3	155.7	144.8%

## Statements of estimates of financial performance, cash flow and financial position

Table 8.69 Financial Intelligence Centre statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>18.0</b>	<b>69.0%</b>	<b>2.8%</b>	<b>26.2</b>	<b>16.7</b>	<b>1.8</b>	<b>-54.0%</b>	<b>4.8%</b>
Other non-tax revenue	18.0	69.0%	2.8%	26.2	16.7	1.8	-54.0%	4.8%
<b>Transfers received</b>	<b>294.3</b>	<b>4.7%</b>	<b>97.2%</b>	<b>305.7</b>	<b>322.6</b>	<b>334.4</b>	<b>4.3%</b>	<b>95.2%</b>
<b>Total revenue</b>	<b>312.3</b>	<b>6.3%</b>	<b>100.0%</b>	<b>331.9</b>	<b>339.3</b>	<b>336.2</b>	<b>2.5%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>Compensation of employees</b>	<b>174.4</b>	<b>6.7%</b>	<b>59.2%</b>	<b>186.2</b>	<b>199.2</b>	<b>212.5</b>	<b>6.8%</b>	<b>54.8%</b>
Goods and services	138.1	27.9%	32.7%	144.7	136.8	117.8	-5.2%	38.2%
Depreciation	23.4	0.8%	8.1%	22.5	25.0	26.4	4.1%	6.9%
Interest, dividends and rent on land	0.0	-55.5%	0.1%	0.0	0.0	0.0	5.5%	0.0%
<b>Total expenses</b>	<b>335.9</b>	<b>13.0%</b>	<b>100.0%</b>	<b>353.5</b>	<b>361.0</b>	<b>356.8</b>	<b>2.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(23.5)</b>			<b>(21.6)</b>	<b>(21.7)</b>	<b>(20.6)</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(0.4)</b>	<b>-120.7%</b>	<b>1.8%</b>	<b>(15.2)</b>	<b>(6.5)</b>	<b>7.7</b>	<b>-35.4%</b>	<b>1.0%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>6.5</b>	<b>24.2%</b>	<b>1.8%</b>	<b>2.5</b>	<b>2.0</b>	<b>1.8</b>	<b>-35.4%</b>	<b>1.0%</b>
Other tax receipts	6.5	24.2%	1.8%	2.5	2.0	1.8	-35.4%	1.0%
<b>Transfers received</b>	<b>294.3</b>	<b>4.7%</b>	<b>98.2%</b>	<b>305.7</b>	<b>322.6</b>	<b>334.4</b>	<b>4.3%</b>	<b>99.0%</b>
<b>Total receipts</b>	<b>300.8</b>	<b>5.0%</b>	<b>100.0%</b>	<b>308.2</b>	<b>324.6</b>	<b>336.2</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>Compensation of employees</b>	<b>174.4</b>	<b>6.7%</b>	<b>59.2%</b>	<b>186.2</b>	<b>199.2</b>	<b>212.5</b>	<b>6.8%</b>	<b>60.1%</b>
Goods and services	126.8	21.6%	32.4%	137.1	131.8	115.8	-3.0%	39.9%
Interest and rent on land	0.0	-23.8%	0.0%	0.0	0.0	0.0	5.5%	0.0%
<b>Total payment</b>	<b>301.2</b>	<b>12.0%</b>	<b>100.0%</b>	<b>323.3</b>	<b>331.1</b>	<b>328.4</b>	<b>2.9%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(42.7)</b>	<b>33.4%</b>	<b>100.0%</b>	<b>(8.5)</b>	<b>(8.8)</b>	<b>(9.1)</b>	<b>-40.2%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(11.3)	24.7%	33.5%	(2.0)	(2.0)	(2.0)	-43.9%	23.7%
Acquisition of software and other intangible assets	(31.3)	37.2%	68.1%	(6.5)	(6.8)	(7.1)	-38.9%	76.3%
<b>Net cash flow from financing activities</b>	<b>(22.8)</b>	<b>313.4%</b>	<b>100.0%</b>	<b>14.7</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Deferred Income	27.2	-	-1.6%	14.7	-	-	-100.0%	-
Other flows from financing activities	(50.0)	-	76.8%	-	-	-	-100.0%	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(65.8)</b>	<b>-234.3%</b>	<b>100.0%</b>	<b>(8.9)</b>	<b>(15.3)</b>	<b>(1.4)</b>	<b>-72.2%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	95.1	7.1%	46.9%	81.1	64.9	47.7	-20.6%	60.9%
<b>Acquisition of assets</b>	<b>(11.3)</b>	<b>24.7%</b>	<b>-4.7%</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>-43.9%</b>	<b>-3.3%</b>
Investments	0.7	221.6%	0.4%	0.7	0.8	0.9	10.7%	0.7%
Inventory	0.1	-6.7%	0.0%	0.1	0.1	0.1	-3.7%	0.1%
Receivables and prepayments	7.0	5.2%	3.7%	7.0	7.0	7.0	0.0%	6.3%
Cash and cash equivalents	52.8	-11.7%	48.9%	43.9	28.6	27.2	-19.8%	32.0%
<b>Total assets</b>	<b>155.7</b>	<b>-1.0%</b>	<b>100.0%</b>	<b>132.8</b>	<b>101.4</b>	<b>82.8</b>	<b>-19.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	89.7	-8.7%	73.2%	68.2	46.5	25.9	-33.9%	46.5%
Deferred income	23.7	-	4.8%	14.7	-	-	-100.0%	6.6%
Trade and other payables	29.6	-3.8%	15.4%	36.5	41.5	42.6	12.9%	34.7%
Provisions	12.5	20.3%	6.0%	13.4	13.4	14.4	4.6%	12.2%
<b>Total equity and liabilities</b>	<b>155.7</b>	<b>-1.0%</b>	<b>100.0%</b>	<b>132.8</b>	<b>101.4</b>	<b>82.8</b>	<b>-19.0%</b>	<b>100.0%</b>

## Personnel information

**Table 8.70 Financial Intelligence Centre personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost				
Financial Intelligence Centre		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23					
Salary level	203		203		198	160.7	0.8	203	174.4	0.9	203	186.2	0.9	203	199.2	1.0	203	212.5	1.0	6.8%	100.0%	
1 – 6	15	15	18	3.9	0.2	15	3.3	0.2	15	3.5	0.2	15	3.8	0.3	15	4.0	0.3	15	4.0	0.3	6.8%	7.4%
7 – 10	91	91	88	41.7	0.5	91	47.9	0.5	91	51.1	0.6	91	54.7	0.6	91	58.4	0.6	91	58.4	0.6	6.8%	44.8%
11 – 12	48	48	57	52.9	0.9	48	45.8	1.0	48	48.9	1.0	48	52.3	1.1	48	55.8	1.2	48	55.8	1.2	6.8%	23.6%
13 – 16	48	48	30	49.8	1.7	48	73.0	1.5	48	78.0	1.6	48	83.4	1.7	48	89.0	1.9	48	89.0	1.9	6.8%	23.6%
17 – 22	1	1	5	12.5	2.5	1	4.4	4.4	1	4.7	4.7	1	5.0	5.0	1	5.4	5.4	1	5.4	5.4	6.7%	0.5%

1. Rand million.

## Financial Sector Conduct Authority

### Selected performance indicators

**Table 8.71 Financial Sector Conduct Authority performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2019/20	2020/21	2021/22
Number of on-site inspections of regulated entities per year	Conduct of business supervision	Priority 6: A capable, ethical and developmental state	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	240	240	240	240
Percentage of off-site compliance reports submitted by financial services providers and analysed per year	Conduct of business supervision	Priority 1: Economic transformation and job creation	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	75%	75%	75%	75%
Number of support programmes provided to emerging SMMEs and regulated black-owned enterprises per year	Conduct of business supervision	Priority 6: A capable, ethical and developmental state	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	10	10	10	10

1. No historical data available.

### Entity overview

The Financial Sector Conduct Authority was established in 2018 by the Financial Sector Regulation Act (2017) as one of the two pillars of the twin peaks model for regulating the financial sector. As such, the authority assumes the role of the market conduct regulator of financial institutions that provide financial products and services, and financial institutions that are licensed in terms of a financial sector law. In 2018/19, the authority assumed the business operations of the Financial Services Board, which ceased to exist on 31 March 2018. The authority's ongoing objective is to play a meaningful role in promoting growth, employment and poverty reduction through regulating the financial services sector and protecting consumers, and promoting an integrated approach to financial inclusion and employment. Over the medium term, the authority will focus on: regulating and supervising market conduct in the financial services sector, ensuring the integrity and efficiency of formal markets and allied institutions, protecting financial services consumers and improving their access to financial literacy programmes through the new market conduct regulator.

Expenditure is expected to decrease at an average annual rate of 5.2 per cent, from R1.1 billion in 2019/20 to R906.2 million in 2022/23, due to reductions in personnel over the period in line with the authority's new organisational structure. Spending on compensation of employees accounts for 61.7 per cent (R1.7 billion) of the authority's total expenditure over the MTEF period. In line with the decrease in expenditure, revenue is expected to decrease at an average annual rate of 0.2 per cent, from R915.9 million in 2019/20 to R910.3 million in 2022/23. The authority generates its revenue through collecting levies from financial institutions and fees charged for the licensing of financial institutions.

**Programmes/Objectives/Activities****Table 8.72 Financial Sector Conduct Authority expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	-	-	396.4	529.6	-	-	331.9	346.9	362.0	-11.9%	42.5%
Licensing and business centre	-	-	122.3	75.6	-	-	77.1	80.9	84.8	3.9%	8.8%
Regulatory policy	-	-	65.7	87.0	-	-	72.2	75.8	79.4	-3.0%	8.6%
Conduct of business supervision	-	-	79.4	131.8	-	-	125.2	131.5	137.8	1.5%	14.5%
Market integrity	-	-	33.2	41.4	-	-	38.2	40.1	42.0	0.5%	4.4%
Retirement funds supervision	-	-	83.0	104.7	-	-	97.3	102.1	107.0	0.7%	11.3%
Investigations and enforcement	-	-	31.7	93.8	-	-	85.2	89.4	93.2	-0.2%	9.9%
<b>Total</b>	-	-	<b>811.7</b>	<b>1 063.9</b>	-	-	<b>827.0</b>	<b>866.7</b>	<b>906.2</b>	<b>-5.2%</b>	<b>100.0%</b>

**Statements of historical financial performance, cash flow and financial position****Table 8.73 Financial Sector Conduct Authority statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Audited outcome		Budget		Audited outcome		Budget estimate		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	Revised estimate	
<b>Revenue</b>									
<b>Non-tax revenue</b>	-	-	-	-	803.1	856.2	768.4	915.9	112.8%
Sale of goods and services other than capital assets <i>of which:</i>	-	-	-	-	748.7	773.4	711.2	835.1	110.2%
<i>Sales by market establishment</i>	-	-	-	-	748.7	773.4	711.2	835.1	110.2%
Other non-tax revenue	-	-	-	-	54.4	82.9	57.3	80.8	146.6%
<b>Total revenue</b>	-	-	-	-	<b>803.1</b>	<b>856.2</b>	<b>768.4</b>	<b>915.9</b>	<b>112.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	-	-	-	-	816.0	692.6	829.3	913.6	97.6%
Compensation of employees	-	-	-	-	509.7	452.2	536.7	571.3	97.8%
Goods and services	-	-	-	-	280.6	220.7	265.4	293.1	94.1%
Depreciation	-	-	-	-	25.8	19.7	27.2	49.2	130.0%
Transfers and subsidies	-	-	-	-	118.1	119.2	-	150.3	228.2%
<b>Total expenses</b>	-	-	-	-	<b>934.1</b>	<b>811.7</b>	<b>829.3</b>	<b>1 063.9</b>	<b>106.4%</b>
<b>Surplus/(Deficit)</b>	-	-	-	-	<b>(131.0)</b>	<b>44.5</b>	<b>(60.8)</b>	<b>(148.0)</b>	

**Table 8.73 Financial Sector Conduct Authority statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	–	–	–	–	(47.4)	99.5	(4.2)	60.3	-309.8%
<b>Receipts</b>									
<b>Non-tax receipts</b>	–	–	–	–	824.2	843.1	790.7	915.9	108.9%
Sales of goods and services other than capital assets	–	–	–	–	782.4	803.2	746.7	886.4	110.5%
Administrative fees	–	–	–	–	748.7	26.7	711.2	31.3	4.0%
Sales by market establishment	–	–	–	–	–	763.9	–	835.1	–
Other sales	–	–	–	–	33.7	12.6	35.5	20.0	47.1%
Other tax receipts	–	–	–	–	41.8	39.9	44.0	29.5	80.9%
<b>Total receipts</b>	–	–	–	–	824.2	843.1	790.7	915.9	108.9%
<b>Payment</b>									
<b>Current payments</b>	–	–	–	–	753.5	624.4	794.9	855.6	95.6%
Compensation of employees	–	–	–	–	492.4	465.9	519.4	572.3	102.6%
Goods and services	–	–	–	–	261.2	158.5	275.4	283.3	82.3%
<b>Transfers and subsidies</b>	–	–	–	–	118.1	119.2	–	–	100.9%
<b>Total payments</b>	–	–	–	–	871.6	743.6	794.9	855.6	96.0%
<b>Net cash flow from investing activities</b>	–	–	–	–	(34.1)	(23.7)	(35.4)	(215.6)	344.5%
Acquisition of property, plant, equipment and intangible assets	–	–	–	–	(24.1)	(18.2)	(25.4)	(48.1)	133.8%
Acquisition of software and other intangible assets	–	–	–	–	(10.0)	(3.0)	(10.0)	(167.5)	855.4%
Proceeds from the sale of property, plant, equipment and intangible assets	–	–	–	–	–	0.2	–	–	–
Other flows from investing activities	–	–	–	–	–	(2.7)	–	–	–
<b>Net cash flow from financing activities</b>	–	–	–	–	–	(0.8)	–	(0.6)	–
Repayment of finance leases	–	–	–	–	–	(0.6)	–	(0.5)	–
Other flows from financing activities	–	–	–	–	–	(0.1)	–	(0.0)	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	–	–	–	–	(81.5)	75.0	(39.5)	(155.9)	
<b>Statement of financial position</b>									
Carrying value of assets	–	–	–	–	89.2	82.1	97.4	248.5	177.2%
Acquisition of assets	–	–	–	–	(24.1)	(18.2)	(25.4)	(48.1)	133.8%
Investments	–	–	–	–	67.7	72.3	69.1	73.0	106.2%
Accrued investment interest	–	–	–	–	0.1	0.1	0.1	0.1	160.9%
Receivables and prepayments	–	–	–	–	28.2	39.7	30.6	40.8	137.0%
Cash and cash equivalents	–	–	–	–	324.6	481.2	267.8	231.1	120.2%
<b>Total assets</b>	–	–	–	–	509.8	675.3	464.9	593.5	130.2%
Accumulated surplus/(deficit)	–	–	–	–	156.6	323.3	95.8	175.4	197.6%
Capital and reserves	–	–	–	–	114.2	116.3	121.1	136.3	107.4%
Finance lease	–	–	–	–	2.0	0.5	2.0	0.5	26.6%
Trade and other payables	–	–	–	–	134.7	140.6	137.2	174.6	116.0%
Provisions	–	–	–	–	102.3	94.5	108.8	106.6	95.3%
<b>Total equity and liabilities</b>	–	–	–	–	509.8	675.3	464.9	593.5	130.2%



## Statements of estimates of financial performance, cash flow and financial position

Table 8.74 Financial Sector Conduct Authority statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>915.9</b>	–	–	<b>827.2</b>	<b>868.6</b>	<b>910.3</b>	<b>-0.2%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	835.1	–	–	769.4	807.9	846.7	0.5%	92.6%
<i>Sales by market establishment</i>	<i>835.1</i>	–	–	<i>769.4</i>	<i>807.9</i>	<i>846.7</i>	<i>0.5%</i>	<i>92.6%</i>
Other non-tax revenue	80.8	–	–	57.8	60.7	63.6	-7.7%	7.4%
<b>Total revenue</b>	<b>915.9</b>	–	–	<b>827.2</b>	<b>868.6</b>	<b>910.3</b>	<b>-0.2%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>Current expenses</b>	<b>913.6</b>	–	–	<b>827.0</b>	<b>866.7</b>	<b>906.2</b>	<b>-0.3%</b>	<b>96.5%</b>
Compensation of employees	571.3	–	–	530.9	557.4	583.7	0.7%	61.7%
Goods and services	293.1	–	–	263.5	276.7	290.0	-0.4%	30.8%
Depreciation	49.2	–	–	32.6	32.6	32.6	-12.8%	4.0%
<b>Transfers and subsidies</b>	<b>150.3</b>	–	–	–	–	–	<b>-100.0%</b>	<b>3.5%</b>
<b>Total expenses</b>	<b>1 063.9</b>	–	–	<b>827.0</b>	<b>866.7</b>	<b>906.2</b>	<b>-5.2%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(148.0)</b>			<b>–</b>	<b>1.9</b>	<b>4.1</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>60.3</b>	–	–	<b>40.7</b>	<b>20.2</b>	<b>24.2</b>	<b>-31.5%</b>	<b>294.5%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>915.9</b>	–	–	<b>852.5</b>	<b>868.6</b>	<b>910.3</b>	<b>-0.2%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	886.4	–	–	831.0	846.0	886.6	0.0%	97.3%
<i>Administrative fees</i>	<i>31.3</i>	–	–	<i>791.6</i>	<i>32.9</i>	<i>34.4</i>	<i>3.2%</i>	<i>26.0%</i>
<i>Sales by market establishment</i>	<i>835.1</i>	–	–	–	<i>807.9</i>	<i>846.7</i>	<i>0.5%</i>	<i>69.3%</i>
<i>Other sales</i>	<i>20.0</i>	–	–	<i>39.5</i>	<i>5.3</i>	<i>5.5</i>	<i>-35.0%</i>	<i>2.0%</i>
Other tax receipts	29.5	–	–	21.5	22.6	23.7	-7.1%	2.7%
<b>Total receipts</b>	<b>915.9</b>	–	–	<b>852.5</b>	<b>868.6</b>	<b>910.3</b>	<b>-0.2%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>Current payments</b>	<b>855.6</b>	–	–	<b>811.8</b>	<b>848.4</b>	<b>886.1</b>	<b>1.2%</b>	<b>100.0%</b>
Compensation of employees	572.3	–	–	530.9	557.4	584.2	0.7%	66.0%
Goods and services	283.3	–	–	280.9	291.0	301.9	2.1%	34.0%
<b>Total payment</b>	<b>855.6</b>	–	–	<b>811.8</b>	<b>848.4</b>	<b>886.1</b>	<b>1.2%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(215.6)</b>	–	–	<b>(183.3)</b>	<b>(57.7)</b>	<b>(7.7)</b>	<b>-67.0%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(48.1)	–	–	(10.2)	(7.7)	(7.7)	-45.7%	35.3%
Acquisition of software and other intangible assets	(167.5)	–	–	(173.1)	(50.0)	–	-100.0%	64.7%
<b>Net cash flow from financing activities</b>	<b>(0.6)</b>	–	–	<b>(0.0)</b>	–	–	<b>-100.0%</b>	–
Repayment of finance leases	(0.5)	–	–	(0.0)	–	–	-100.0%	–
Other flows from financing activities	(0.0)	–	–	–	–	–	-100.0%	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(155.9)</b>	–	–	<b>(142.5)</b>	<b>(37.5)</b>	<b>16.5</b>	<b>-147.3%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	248.5	–	–	372.9	374.7	330.0	9.9%	57.4%
<i>Acquisition of assets</i>	<i>(48.1)</i>	–	–	<i>(10.2)</i>	<i>(7.7)</i>	<i>(7.7)</i>	<i>-45.7%</i>	<i>-3.1%</i>
Investments	73.0	–	–	73.7	73.7	73.7	0.3%	12.7%
Accrued investment interest	0.1	–	–	0.1	0.1	0.1	3.1%	0.0%
Receivables and prepayments	40.8	–	–	36.1	37.7	45.9	4.0%	7.0%
Cash and cash equivalents	231.1	–	–	121.0	83.5	100.0	-24.4%	23.0%
<b>Total assets</b>	<b>593.5</b>	–	–	<b>603.8</b>	<b>569.7</b>	<b>549.8</b>	<b>-2.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	175.4	–	–	175.6	177.5	181.6	1.2%	30.7%
Capital and reserves	136.3	–	–	136.3	136.3	136.3	-0.0%	23.6%
Finance lease	0.5	–	–	0.6	0.6	0.6	3.3%	0.1%
Trade and other payables	174.6	–	–	181.2	151.2	130.2	-9.3%	27.4%
Provisions	106.6	–	–	110.1	104.0	101.0	-1.8%	18.2%
<b>Total equity and liabilities</b>	<b>593.5</b>	–	–	<b>603.8</b>	<b>569.7</b>	<b>549.8</b>	<b>-2.5%</b>	<b>100.0%</b>

## Personnel information

**Table 8.75 Financial Sector Conduct Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Financial Sector Conduct Authority	Actual 2018/19			Revised estimate 2019/20			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			Number	Cost	Unit cost	Number	Cost	Unit cost	2020/21		2021/22		2022/23				2019/20 - 2022/23		
769	769		577	452.2	0.8	769	571.3	0.7	661	530.9	0.8	661	557.4	0.8	661	583.7	0.9	0.7%	100.0%
1 – 6	95	95	54	17.8	0.3	95	20.3	0.2	66	10.3	0.2	66	10.8	0.2	66	11.3	0.2	-17.8%	10.6%
7 – 10	358	358	303	145.3	0.5	358	163.0	0.5	334	159.1	0.5	334	167.1	0.5	334	175.0	0.5	2.4%	49.5%
11 – 12	172	172	91	83.5	0.9	172	135.8	0.8	114	100.5	0.9	114	105.6	0.9	114	110.6	1.0	-6.6%	18.5%
13 – 16	119	119	89	146.7	1.6	119	173.0	1.5	122	176.7	1.4	122	185.5	1.5	122	194.2	1.6	3.9%	17.7%
17 – 22	25	25	40	58.9	1.5	25	79.2	3.2	25	84.2	3.4	25	88.5	3.5	25	92.6	3.7	5.4%	3.6%

1. Rand million.

## Government Technical Advisory Centre

### Selected performance indicators

**Table 8.76 Government Technical Advisory Centre performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of technical advisory projects supported per year	Transaction and advisory services	Priority 1:	84	80	109	100	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of transactional advisory projects supported per year	Transaction and advisory services	Economic transformation and job creation	12	19	26	19	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of capital projects appraisals conducted on behalf of National Treasury per year	Transaction and advisory services	Priority 2:	10	10	29	10	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of expenditure reviews conducted per year	Transaction and advisory services	Education, skills and health	10	10	5	10	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Number of other specialised procurement projects supported per year	Transaction and advisory services		10	10	33	10	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>
Percentage of approved projects completed on time and within budget per year	Transaction and advisory services		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	90%	90%	90%
Number of project appraisal reports completed per year	Transaction and advisory services	Priority 1:	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	15	18	22
Number of projects entering procurement phase per year	Transaction and advisory services	Economic transformation and job creation	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	4	5	6
Number of public-private partnership contracts concluded per year	Transaction and advisory services		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	4	5	6
Number of initiatives in support of performance and expenditure reviews conducted per year	Transaction and advisory services		- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>	4	4	4

1. No historical data available.

2. Indicator discontinued.

### Entity overview

The Government Technical Advisory Centre was established in terms of the Public Service Act (1994) as a government component. It is mandated to assist organs of state in building their capacity for efficient, effective and transparent financial management. The centre's overarching objectives are to render consulting services to government departments and other organs of state, provide specialised procurement support for high-impact government initiatives, render advice on the feasibility of infrastructure projects, and provide knowledge management for projects undertaken and any ancillary support. The centre uses consultants for a broad spectrum of technical support services related to management consulting, public finance, programme and project management support, strategic planning and management, ICT project support, specialised procurement support, infrastructure advisory support, and policy costing support. Technical advisers will continue to be contracted for specific assignments over the medium term.

Expenditure is expected to increase at an average annual rate of 5.1 per cent, from R377.9 million in 2019/20 to R438.1 million in 2022/23. Accordingly, spending on goods and services, the centre's main cost driver, is expected to increase at an average annual rate of 4.7 per cent, from R239 million in 2019/20 to R274.2 million in 2022/23. Due to additional personnel to create capacity in the centre's procurement and other support units, spending on compensation of employees is expected to increase at an average annual rate of 5.7 per cent, from R138 million in 2019/20 to R163 million in 2022/23. Revenue is expected to increase at an average annual rate of 8.7 per cent, from R289.5 million in 2019/20 to R371.6 million in 2022/23. The centre's revenue comprises appropriated funds received from the department, cost recovery, donor funds and interest received.

### Programmes/Objectives/Activities

**Table 8.77 Government Technical Advisory Centre expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	40.1	81.6	64.0	88.9	30.3%	22.3%	82.5	87.3	92.1	1.2%	21.5%
Transaction and advisory services	132.9	120.3	128.1	189.1	12.5%	47.0%	192.5	209.5	217.8	4.8%	49.6%
Project management unit (Jobs Fund, municipal finance improvement programme)	84.7	102.6	80.6	100.0	5.7%	30.6%	118.5	125.5	128.2	8.7%	28.9%
<b>Total</b>	<b>257.8</b>	<b>304.5</b>	<b>272.7</b>	<b>377.9</b>	<b>13.6%</b>	<b>100.0%</b>	<b>393.5</b>	<b>422.3</b>	<b>438.1</b>	<b>5.1%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 8.78 Government Technical Advisory Centre statements of historical financial performance, cash flow and financial position**

Statement of financial performance	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%) 2016/17 - 2019/20
	2016/17	2017/18	2018/19	2019/20	Budget estimate	Revised estimate			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>275.8</b>	<b>166.3</b>	<b>296.2</b>	<b>217.9</b>	<b>248.1</b>	<b>183.5</b>	<b>245.8</b>	<b>195.4</b>	<b>71.6%</b>
Sale of goods and services other than capital assets	246.8	138.0	288.2	189.3	217.9	149.9	220.6	170.2	66.5%
<i>of which:</i>									
<i>Administrative fees</i>	130.8	72.8	211.5	76.7	106.9	87.4	110.5	108.1	61.6%
<i>Sales by market establishment</i>	116.0	65.1	76.7	112.6	111.0	62.5	110.2	62.1	73.1%
Other non-tax revenue	29.1	28.4	8.0	28.7	30.2	33.6	25.2	25.2	125.3%
<b>Transfers received</b>	<b>305.3</b>	<b>125.7</b>	<b>118.8</b>	<b>115.0</b>	<b>96.1</b>	<b>88.2</b>	<b>95.7</b>	<b>94.2</b>	<b>68.7%</b>
<b>Total revenue</b>	<b>581.1</b>	<b>292.1</b>	<b>415.0</b>	<b>332.9</b>	<b>344.1</b>	<b>271.7</b>	<b>341.6</b>	<b>289.5</b>	<b>70.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>868.9</b>	<b>257.8</b>	<b>414.9</b>	<b>304.5</b>	<b>344.1</b>	<b>272.7</b>	<b>381.2</b>	<b>377.8</b>	<b>60.4%</b>
Compensation of employees	100.1	90.6	110.7	107.8	130.9	121.1	138.6	138.0	95.2%
Goods and services	768.7	165.1	301.5	194.2	210.3	148.8	241.8	239.0	49.1%
Depreciation	0.2	2.2	2.7	2.5	3.0	2.9	0.9	0.9	125.4%
Transfers and subsidies	-	-	-	-	-	-	0.1	0.1	100.0%
<b>Total expenses</b>	<b>868.9</b>	<b>257.8</b>	<b>414.9</b>	<b>304.5</b>	<b>344.1</b>	<b>272.7</b>	<b>381.3</b>	<b>377.9</b>	<b>60.4%</b>
<b>Surplus/(Deficit)</b>	<b>(287.8)</b>	<b>34.3</b>	<b>-</b>	<b>28.4</b>	<b>-</b>	<b>(1.1)</b>	<b>(39.8)</b>	<b>(88.4)</b>	

**Table 8.78 Government Technical Advisory Centre statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>800.4</b>	<b>(319.0)</b>	<b>19.6</b>	<b>305.2</b>	<b>(425.2)</b>	<b>12.3</b>	<b>(41.6)</b>	<b>366.0</b>	<b>103.2%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>1 714.9</b>	<b>113.9</b>	<b>317.9</b>	<b>618.6</b>	<b>232.1</b>	<b>581.3</b>	<b>241.0</b>	<b>637.4</b>	<b>77.9%</b>
Sales of goods and services other than capital assets	1 714.9	86.3	309.9	589.9	206.2	545.9	215.8	612.2	75.0%
Administrative fees	1 671.7	86.1	309.3	476.7	94.6	482.7	105.0	511.7	71.4%
Sales by market establishment	–	–	–	112.6	111.0	62.5	110.2	100.0	124.4%
Other sales	43.2	0.2	0.7	0.5	0.7	0.7	0.6	0.6	4.5%
Other tax receipts	–	27.6	8.0	28.7	25.9	35.5	25.2	25.2	198.0%
<b>Transfers received</b>	<b>410.7</b>	<b>125.7</b>	<b>108.8</b>	<b>115.0</b>	<b>96.4</b>	<b>88.2</b>	<b>98.7</b>	<b>98.9</b>	<b>59.9%</b>
<b>Total receipts</b>	<b>2 125.6</b>	<b>239.6</b>	<b>426.8</b>	<b>733.6</b>	<b>328.5</b>	<b>669.5</b>	<b>339.7</b>	<b>736.3</b>	<b>73.9%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>1 325.2</b>	<b>558.7</b>	<b>407.1</b>	<b>428.4</b>	<b>753.7</b>	<b>657.1</b>	<b>381.2</b>	<b>370.2</b>	<b>70.3%</b>
Compensation of employees	89.8	92.4	110.7	107.8	126.9	128.5	138.6	138.6	100.3%
Goods and services	1 235.4	466.2	296.3	320.6	626.8	528.6	242.7	231.7	64.4%
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>67.9%</b>
<b>Total payments</b>	<b>1 325.2</b>	<b>558.7</b>	<b>407.2</b>	<b>428.4</b>	<b>753.7</b>	<b>657.2</b>	<b>381.3</b>	<b>370.3</b>	<b>70.3%</b>
<b>Net cash flow from investing activities</b>	<b>(0.6)</b>	<b>(1.1)</b>	<b>(3.7)</b>	<b>(2.4)</b>	<b>(3.1)</b>	<b>(2.6)</b>	<b>(3.2)</b>	<b>(3.2)</b>	<b>87.4%</b>
Acquisition of property, plant, equipment and intangible assets	(0.6)	(1.1)	(3.7)	(2.3)	(3.1)	(2.6)	(3.2)	(3.2)	86.2%
Acquisition of software and other intangible assets	–	–	–	(0.1)	–	–	–	–	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>799.8</b>	<b>(320.1)</b>	<b>15.9</b>	<b>302.7</b>	<b>(428.3)</b>	<b>9.7</b>	<b>(44.8)</b>	<b>362.9</b>	
<b>Statement of financial position</b>									
Carrying value of assets	4.0	4.4	5.1	4.3	9.5	3.9	6.5	6.5	76.1%
Acquisition of assets	(0.6)	(1.1)	(3.7)	(2.3)	(3.1)	(2.6)	(3.2)	(3.2)	86.2%
Receivables and prepayments	4.2	15.8	22.2	62.2	22.2	28.2	28.7	28.7	174.7%
Cash and cash equivalents	723.9	554.5	426.9	855.2	426.9	865.0	403.3	403.3	135.2%
<b>Total assets</b>	<b>732.1</b>	<b>574.8</b>	<b>454.2</b>	<b>921.8</b>	<b>458.6</b>	<b>897.1</b>	<b>438.4</b>	<b>438.4</b>	<b>135.9%</b>
Accumulated surplus/(deficit)	468.3	215.5	215.5	243.9	243.9	242.8	204.1	204.1	80.1%
Capital reserve fund	–	–	54.2	–	54.2	–	70.1	70.1	39.3%
Borrowings	–	2.0	–	–	–	–	–	–	–
Trade and other payables	262.2	355.1	182.7	673.7	158.6	649.0	162.1	162.1	240.3%
Provisions	1.6	2.2	1.8	4.1	1.9	5.2	2.0	2.0	185.6%
<b>Total equity and liabilities</b>	<b>732.1</b>	<b>574.8</b>	<b>454.2</b>	<b>921.8</b>	<b>458.6</b>	<b>897.1</b>	<b>438.4</b>	<b>438.4</b>	<b>135.9%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.79 Government Technical Advisory Centre statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>195.4</b>	<b>5.5%</b>	<b>64.4%</b>	<b>261.1</b>	<b>270.3</b>	<b>283.4</b>	<b>13.2%</b>	<b>74.2%</b>	
Sale of goods and services other than capital assets	170.2	7.2%	54.5%	238.1	249.4	261.3	15.4%	67.3%	
Administrative fees	108.1	14.0%	29.4%	124.2	131.5	134.5	7.6%	36.8%	
Sales by market establishment	62.1	-1.6%	25.1%	113.8	117.9	126.8	26.8%	30.6%	
Other non-tax revenue	25.2	-3.9%	9.8%	23.1	20.9	22.1	-4.3%	6.8%	
<b>Transfers received</b>	<b>94.2</b>	<b>-9.2%</b>	<b>35.6%</b>	<b>78.0</b>	<b>85.9</b>	<b>88.2</b>	<b>-2.2%</b>	<b>25.8%</b>	
<b>Total revenue</b>	<b>289.5</b>	<b>-0.3%</b>	<b>100.0%</b>	<b>339.2</b>	<b>356.2</b>	<b>371.6</b>	<b>8.7%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>377.8</b>	<b>13.6%</b>	<b>100.0%</b>	<b>393.4</b>	<b>422.3</b>	<b>438.1</b>	<b>5.1%</b>	<b>100.0%</b>	
Compensation of employees	138.0	15.1%	37.9%	146.3	154.5	163.0	5.7%	36.9%	
Goods and services	239.0	13.1%	61.4%	246.0	266.9	274.2	4.7%	62.9%	
Depreciation	0.9	-26.7%	0.7%	1.1	0.9	0.9	3.3%	0.2%	
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>–</b>	<b>0.0%</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>0.0%</b>	
<b>Total expenses</b>	<b>377.9</b>	<b>13.6%</b>	<b>100.0%</b>	<b>393.5</b>	<b>422.3</b>	<b>438.1</b>	<b>5.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(88.4)</b>			<b>(54.4)</b>	<b>(66.1)</b>	<b>(66.5)</b>			

**Table 8.79 Government Technical Advisory Centre statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2019/20	2016/17 - 2019/20	2020/21		
R million									
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>									
<b>Receipts</b>									
<b>Non-tax receipts</b>									
Sales of goods and services other than capital assets	612.2	92.2%	70.3%	679.4	720.6	766.7	7.8%	86.2%	
Administrative fees	511.7	81.2%	60.6%	559.9	596.7	633.6	7.4%	71.4%	
Sales by market establishment	100.0	–	9.6%	119.0	123.3	132.5	9.8%	14.7%	
Other sales	0.6	41.9%	0.1%	0.6	0.6	0.6	–	0.1%	
Other tax receipts	25.2	-3.0%	6.0%	23.1	20.9	22.1	-4.3%	2.9%	
<b>Transfers received</b>	<b>98.9</b>	<b>-7.7%</b>	<b>23.7%</b>	<b>78.0</b>	<b>85.9</b>	<b>88.2</b>	<b>-3.7%</b>	<b>11.0%</b>	
<b>Total receipts</b>	<b>736.3</b>	<b>45.4%</b>	<b>100.0%</b>	<b>780.5</b>	<b>827.4</b>	<b>877.0</b>	<b>6.0%</b>	<b>100.0%</b>	
<b>Current payments</b>									
Compensation of employees	138.6	14.5%	38.8%	146.3	154.5	163.2	5.6%	37.4%	
Goods and services	231.7	-20.8%	135.3%	239.1	261.2	275.8	6.0%	62.6%	
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>–</b>	<b>0.0%</b>	<b>0.1</b>	<b>0.1</b>	<b>–</b>	<b>-100.0%</b>	<b>0.0%</b>	
<b>Total payment</b>	<b>370.3</b>	<b>-12.8%</b>	<b>100.0%</b>	<b>385.5</b>	<b>415.8</b>	<b>439.0</b>	<b>5.8%</b>	<b>100.0%</b>	
<b>Net cash flow from investing activities</b>									
Acquisition of property, plant, equipment and intangible assets	(3.2)	44.3%	98.7%	(3.2)	(3.4)	(3.6)	4.0%	100.0%	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>362.9</b>	<b>-204.3%</b>	<b>100.0%</b>	<b>391.8</b>	<b>408.2</b>	<b>434.5</b>	<b>6.2%</b>	<b>100.0%</b>	
<b>Statement of financial position</b>									
Carrying value of assets	6.5	13.4%	0.8%	8.2	8.0	10.0	15.7%	2.4%	
Acquisition of assets	(3.2)	44.3%	-0.4%	(3.2)	(3.4)	(3.6)	4.0%	-1.0%	
Receivables and prepayments	28.7	21.9%	4.8%	39.0	46.3	44.4	15.7%	11.7%	
Cash and cash equivalents	403.3	-10.1%	94.4%	351.5	238.8	244.3	-15.4%	85.9%	
<b>Total assets</b>	<b>438.4</b>	<b>-8.6%</b>	<b>100.0%</b>	<b>398.7</b>	<b>293.1</b>	<b>298.7</b>	<b>-12.0%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	204.1	-1.8%	34.4%	149.8	83.7	76.0	-28.0%	34.5%	
Capital reserve fund	70.1	–	4.0%	84.4	46.3	48.5	-11.6%	17.3%	
Trade and other payables	162.1	-23.0%	61.0%	162.3	161.0	171.8	2.0%	47.5%	
Provisions	2.0	-2.6%	0.5%	2.1	2.1	2.3	4.4%	0.6%	
<b>Total equity and liabilities</b>	<b>438.4</b>	<b>-8.6%</b>	<b>100.0%</b>	<b>398.7</b>	<b>293.1</b>	<b>298.7</b>	<b>-12.0%</b>	<b>100.0%</b>	

**Personnel information****Table 8.80 Government Technical Advisory Centre personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
Number of funded posts	Number of posts on approved establishment	2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
		Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost								
Government Technical Advisory Centre																			
Salary level	157	157	146	121.1	0.8	157	138.0	0.9	170	146.3	0.9	175	154.5	0.9	175	163.0	0.9	5.7%	100.0%
7 – 10	34	34	28	12.3	0.4	34	16.5	0.5	47	21.2	0.5	50	23.0	0.5	50	24.0	0.5	13.2%	26.6%
11 – 12	97	97	94	79.3	0.8	97	85.4	0.9	97	88.8	0.9	98	92.8	0.9	98	98.2	1.0	4.8%	57.7%
13 – 16	26	26	24	29.5	1.2	26	36.1	1.4	26	36.2	1.4	27	38.7	1.4	27	40.8	1.5	4.2%	15.7%

1. Rand million.

## Independent Regulatory Board for Auditors

### Selected performance indicators

**Table 8.81 Independent Regulatory Board for Auditors performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of monitoring visits completed per year in accordance with the monitoring plan approved by the auditing development committee on a quarterly basis	Education	Priority 6: A capable, ethical and developmental state	- <sup>1</sup>	105% (45/42)	92% (44/48)	90%	90%	90%	90%
Percentage of inspections completed per year in accordance with the inspection plan	Inspections		- <sup>1</sup>	106% (188/177)	89% (112/126)	85%	85%	85%	85%
Percentage of complaints closed within 18 months of receipt of complaint per year	Investigations	Priority 1: Economic transformation and job creation	- <sup>1</sup>	74% (74/100)	80% (70/87)	75%	75%	75%	75%
Percentage of target dates met for issuing audit pronouncements, audit reports and comment letters, as per the committee for accounting standards project timetable per year	Standards	Priority 2: Education, skills and health	- <sup>1</sup>	100% (7)	85% (16/19)	85%	85%	85%	85%

### Entity overview

The Independent Regulatory Board for Auditors was established under the Auditing Profession Act (2005) and became operational in April 2006. The board is mandated to: protect the public by regulating audits performed by registered auditors; improve the development and maintenance of internationally comparable ethical and auditing standards for auditors that promote investment and, as a consequence, employment in South Africa; set out measures to advance the implementation of appropriate standards of competence and good ethics in the auditing profession; and provide for procedures for disciplinary action in instances of improper conduct. Over the medium term, the board will continue to focus on: protecting the financial interests of the public by ensuring that only suitably qualified individuals are admitted to the auditing profession; registering auditors to deliver services of the highest quality and adhere to the highest ethical standards; and building relationships with stakeholders to enhance performance, accountability and public confidence.

Expenditure is expected to increase at an average annual rate of 6.5 per cent, from R156.3 million in 2019/20 to R188.7 million in 2022/23. Spending on compensation of employees accounts for 58.5 per cent (R317.1 million) of the entity's total expenditure over the medium term. Revenue is expected to increase at an average annual rate of 7.9 per cent, from R150.4 million in 2019/20 to R188.7 million in 2022/23. The board generates the bulk of its revenue from the registration of auditors and trainees, annual renewal charges, and fees for the inspection of registered auditors. Over the MTEF period, 26.8 per cent (R140.5 million) of the board's revenue is derived from transfers from the department.

### Programmes/Objectives/Activities

**Table 8.82 Independent Regulatory Board for Auditors expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/ Total (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20	2022/23	
Administration	38.0	40.9	39.3	44.4	5.3%	47.1	49.8	52.6	5.8%	28.0%			
Legal	13.2	16.0	33.2	38.1	42.5%	35.8	37.9	40.2	1.8%	22.0%			
Education	6.2	8.4	6.8	10.8	20.5%	12.5	13.1	13.9	8.8%	7.2%			
Inspections	25.1	25.8	27.0	32.3	8.8%	36.5	37.8	39.2	6.7%	21.0%			
Investigations	10.8	13.8	14.6	18.8	20.5%	25.3	27.2	28.8	15.2%	14.4%			
Standards	9.9	10.2	10.5	11.9	6.3%	12.2	13.2	14.0	5.5%	7.4%			
<b>Total</b>	<b>103.1</b>	<b>115.1</b>	<b>131.4</b>	<b>156.3</b>	<b>14.9%</b>	<b>169.3</b>	<b>178.9</b>	<b>188.7</b>	<b>6.5%</b>	<b>100.0%</b>			

**Statements of historical financial performance, cash flow and financial position****Table 8.83 Independent Regulatory Board for Auditors statements of historical financial performance**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>68.6</b>	<b>69.8</b>	<b>72.7</b>	<b>74.2</b>	<b>79.8</b>	<b>78.6</b>	<b>99.0</b>	<b>107.2</b>	<b>103.0%</b>
Sale of goods and services other than capital assets	66.0	65.1	69.2	69.1	75.8	75.0	95.1	104.5	102.4%
<i>of which:</i>									
<i>Administrative fees</i>	1.7	2.8	3.2	2.7	4.8	3.7	3.5	3.5	95.7%
<i>Sales by market establishment</i>	64.4	62.3	66.0	66.4	70.9	71.3	91.7	101.1	102.7%
Other non-tax revenue	2.6	4.7	3.5	5.2	4.0	3.6	3.8	2.7	115.8%
<b>Transfers received</b>	<b>29.0</b>	<b>29.0</b>	<b>39.6</b>	<b>39.6</b>	<b>40.9</b>	<b>40.9</b>	<b>43.2</b>	<b>43.2</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>97.6</b>	<b>98.7</b>	<b>112.3</b>	<b>113.9</b>	<b>120.7</b>	<b>119.4</b>	<b>142.2</b>	<b>150.4</b>	<b>102.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>112.2</b>	<b>103.1</b>	<b>116.2</b>	<b>115.1</b>	<b>132.0</b>	<b>131.4</b>	<b>142.2</b>	<b>156.3</b>	<b>100.7%</b>
Compensation of employees	73.0	73.1	79.2	82.0	84.8	82.2	93.8	88.6	98.5%
Goods and services	37.0	28.3	34.9	31.7	45.4	47.7	46.6	65.8	105.8%
Depreciation	2.2	1.8	2.1	1.4	1.8	1.5	1.8	2.0	83.4%
<b>Total expenses</b>	<b>112.2</b>	<b>103.1</b>	<b>116.2</b>	<b>115.1</b>	<b>132.0</b>	<b>131.4</b>	<b>142.2</b>	<b>156.3</b>	<b>100.7%</b>
<b>Surplus/(Deficit)</b>	<b>(14.6)</b>	<b>(4.4)</b>	<b>(3.9)</b>	<b>(1.2)</b>	<b>(11.3)</b>	<b>(12.0)</b>	<b>-</b>	<b>(6.0)</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(16.9)</b>	<b>(1.6)</b>	<b>(2.0)</b>	<b>3.2</b>	<b>(11.3)</b>	<b>(12.4)</b>	<b>1.8</b>	<b>(20.0)</b>	<b>108.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>53.9</b>	<b>68.9</b>	<b>72.4</b>	<b>74.5</b>	<b>79.8</b>	<b>78.8</b>	<b>99.0</b>	<b>107.1</b>	<b>107.9%</b>
Sales of goods and services other than capital assets	52.6	64.9	69.6	70.3	76.5	75.5	96.4	104.5	106.8%
<i>Administrative fees</i>	1.8	2.8	3.2	2.8	4.8	3.7	3.5	3.5	96.2%
<i>Sales by market establishment</i>	50.8	62.1	66.4	67.5	71.7	71.8	93.0	101.1	107.3%
Other tax receipts	1.3	3.9	2.8	4.2	3.3	3.3	2.6	2.6	140.1%
<b>Transfers received</b>	<b>29.0</b>	<b>29.0</b>	<b>39.6</b>	<b>39.6</b>	<b>40.9</b>	<b>40.9</b>	<b>43.2</b>	<b>43.2</b>	<b>100.0%</b>
<b>Total receipts</b>	<b>82.9</b>	<b>97.8</b>	<b>112.1</b>	<b>114.1</b>	<b>120.7</b>	<b>119.7</b>	<b>142.2</b>	<b>150.2</b>	<b>105.3%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>99.7</b>	<b>99.5</b>	<b>114.1</b>	<b>110.9</b>	<b>132.0</b>	<b>132.1</b>	<b>140.4</b>	<b>170.2</b>	<b>105.5%</b>
Compensation of employees	66.5	72.3	78.8	74.9	84.8	82.2	93.8	88.6	98.2%
Goods and services	33.2	27.2	35.3	36.0	47.2	49.8	46.6	81.6	119.9%
<b>Total payments</b>	<b>99.7</b>	<b>99.5</b>	<b>114.1</b>	<b>110.9</b>	<b>132.0</b>	<b>132.1</b>	<b>140.4</b>	<b>170.2</b>	<b>105.5%</b>
<b>Net cash flow from investing activities</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.5)</b>	<b>(1.0)</b>	<b>(3.1)</b>	<b>(2.6)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>85.7%</b>
Acquisition of property, plant, equipment and intangible assets	(0.5)	(1.0)	(0.5)	(0.9)	(2.5)	(2.5)	(1.0)	(1.0)	120.8%
Acquisition of software and other intangible assets	(0.7)	(0.2)	(1.1)	(0.3)	(0.7)	(0.1)	(1.1)	(1.1)	47.1%
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	-	-	-	0.0	-	-	-
Other flows from investing activities	-	0.1	-	0.1	-	-	-	-	-
<b>Net cash flow from financing activities</b>	<b>(12.7)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>0.0</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>(0.1)</b>	<b>0.8%</b>
Borrowing activities	-	(0.1)	(0.0)	0.0	-	0.1	-	(0.1)	275.0%
Other flows from financing activities	(12.7)	-	-	-	-	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(30.6)</b>	<b>(2.8)</b>	<b>(3.6)</b>	<b>2.2</b>	<b>(14.4)</b>	<b>(14.9)</b>	<b>(0.4)</b>	<b>(22.2)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	3.6	5.4	4.7	5.1	6.4	6.2	5.2	6.2	115.3%
<i>Acquisition of assets</i>	<i>(0.5)</i>	<i>(1.0)</i>	<i>(0.5)</i>	<i>(0.9)</i>	<i>(2.5)</i>	<i>(2.5)</i>	<i>(1.0)</i>	<i>(1.0)</i>	<i>120.8%</i>
Investments	-	0.1	-	-	-	-	-	-	-
Inventory	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.1	81.8%
Receivables and prepayments	2.2	5.1	2.8	5.1	5.1	5.1	3.0	5.1	156.5%
Cash and cash equivalents	10.6	30.6	7.6	32.6	18.2	17.7	-	-	221.8%
Non-current assets held for sale	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	100.0%
<b>Total assets</b>	<b>26.6</b>	<b>51.3</b>	<b>25.3</b>	<b>52.9</b>	<b>39.8</b>	<b>39.1</b>	<b>18.4</b>	<b>21.4</b>	<b>149.8%</b>
Accumulated surplus/(deficit)	-	16.7	12.8	14.5	3.2	1.0	(17.1)	-	-3 092.0%
Capital and reserves	21.4	28.5	10.0	29.4	29.4	30.9	29.4	10.0	109.5%
Borrowings	-	-	-	-	-	-	0.4	4.5	1 287.1%
Trade and other payables	5.2	6.2	2.5	9.0	7.2	7.2	5.6	6.9	142.8%
<b>Total equity and liabilities</b>	<b>26.6</b>	<b>51.3</b>	<b>25.3</b>	<b>52.9</b>	<b>39.8</b>	<b>39.1</b>	<b>18.4</b>	<b>21.4</b>	<b>149.8%</b>

## Statements of estimates of financial performance, cash flow and financial position

### Table 8.84 Independent Regulatory Board for Auditors statements of estimates financial performance

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2019/20	2016/17 - 2019/20	2020/21		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>107.2</b>	<b>15.4%</b>	<b>68.2%</b>	<b>124.7</b>	<b>131.8</b>	<b>139.8</b>	<b>9.3%</b>	<b>73.2%</b>
Sale of goods and services other than capital assets	104.5	17.1%	64.7%	121.5	128.4	136.2	9.2%	71.3%
Administrative fees	3.5	7.0%	2.6%	14.8	15.7	16.7	69.0%	7.2%
Sales by market establishment	101.1	17.5%	62.1%	106.7	112.7	119.6	5.8%	64.1%
Other non-tax revenue	2.7	-16.7%	3.5%	3.2	3.4	3.6	10.0%	1.9%
<b>Transfers received</b>	<b>43.2</b>	<b>14.2%</b>	<b>31.8%</b>	<b>44.6</b>	<b>47.1</b>	<b>48.8</b>	<b>4.2%</b>	<b>26.8%</b>
<b>Total revenue</b>	<b>150.4</b>	<b>15.1%</b>	<b>100.0%</b>	<b>169.3</b>	<b>178.9</b>	<b>188.7</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>156.3</b>	<b>14.9%</b>	<b>100.0%</b>	<b>169.3</b>	<b>178.9</b>	<b>188.7</b>	<b>6.5%</b>	<b>100.0%</b>
Compensation of employees	88.6	6.6%	65.3%	99.9	105.7	111.5	7.9%	58.5%
Goods and services	65.8	32.5%	33.3%	68.0	71.1	75.0	4.5%	40.4%
Depreciation	2.0	3.8%	1.3%	1.4	2.1	2.2	4.0%	1.1%
<b>Total expenses</b>	<b>156.3</b>	<b>14.9%</b>	<b>100.0%</b>	<b>169.3</b>	<b>178.9</b>	<b>188.7</b>	<b>6.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(6.0)</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(20.0)</b>	<b>129.7%</b>	<b>198.5%</b>	<b>2.9</b>	<b>3.4</b>	<b>3.5</b>	<b>93.2%</b>	<b>216.1%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>107.1</b>	<b>15.9%</b>	<b>68.2%</b>	<b>124.3</b>	<b>131.4</b>	<b>139.3</b>	<b>9.2%</b>	<b>73.1%</b>
Sales of goods and services other than capital assets	104.5	17.2%	65.2%	121.5	128.4	136.2	9.2%	71.5%
Administrative fees	3.5	7.0%	2.7%	14.8	15.7	16.7	69.0%	7.2%
Sales by market establishment	101.1	17.6%	62.5%	106.7	112.7	119.6	5.8%	64.3%
Other tax receipts	2.6	-13.1%	3.0%	2.8	2.9	3.1	6.4%	1.7%
<b>Transfers received</b>	<b>43.2</b>	<b>14.2%</b>	<b>31.8%</b>	<b>44.6</b>	<b>47.1</b>	<b>48.8</b>	<b>4.2%</b>	<b>26.9%</b>
<b>Total receipts</b>	<b>150.2</b>	<b>15.4%</b>	<b>100.0%</b>	<b>168.9</b>	<b>178.4</b>	<b>188.2</b>	<b>7.8%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>170.2</b>	<b>19.6%</b>	<b>100.6%</b>	<b>166.0</b>	<b>175.0</b>	<b>184.6</b>	<b>2.7%</b>	<b>100.0%</b>
Compensation of employees	88.6	7.0%	63.6%	99.9	105.7	111.5	7.9%	58.2%
Goods and services	81.6	44.2%	37.0%	66.1	69.3	73.2	-3.6%	41.8%
<b>Total payment</b>	<b>170.2</b>	<b>19.6%</b>	<b>100.0%</b>	<b>166.0</b>	<b>175.0</b>	<b>184.6</b>	<b>2.7%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(2.1)</b>	<b>26.4%</b>	<b>100.0%</b>	<b>(2.2)</b>	<b>(2.3)</b>	<b>(2.3)</b>	<b>3.2%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(1.0)	1.8%	80.9%	(1.1)	(1.1)	(1.1)	2.0%	47.1%
Acquisition of software and other intangible assets	(1.1)	91.0%	24.5%	(1.2)	(1.3)	(1.3)	4.3%	52.9%
<b>Net cash flow from financing activities</b>	<b>(0.1)</b>	<b>-10.5%</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Borrowing activities	(0.1)	-10.5%	100.0%	-	-	-	-100.0%	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(22.2)</b>	<b>98.9%</b>	<b>100.0%</b>	<b>0.6</b>	<b>1.0</b>	<b>1.2</b>	<b>-137.6%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	6.2	4.8%	16.2%	6.2	6.2	6.2	-	28.9%
Acquisition of assets	(1.0)	1.8%	-3.7%	(1.1)	(1.1)	(1.1)	2.0%	-5.0%
Inventory	0.1	-5.6%	0.4%	0.1	0.1	0.1	-	0.6%
Receivables and prepayments	5.1	-0.1%	14.1%	5.1	5.1	5.1	-	23.8%
Non-current assets held for sale	10.0	-	27.6%	10.0	10.0	10.0	-	46.6%
<b>Total assets</b>	<b>21.4</b>	<b>-25.3%</b>	<b>100.0%</b>	<b>21.4</b>	<b>21.4</b>	<b>21.4</b>	<b>-</b>	<b>100.0%</b>
Capital and reserves	10.0	-29.5%	59.2%	10.0	10.0	10.0	-	46.6%
Borrowings	4.5	-	5.3%	4.9	4.9	4.9	3.2%	22.5%
Trade and other payables	6.9	4.0%	19.9%	6.5	6.5	6.5	-2.2%	30.8%
<b>Total equity and liabilities</b>	<b>21.4</b>	<b>-25.3%</b>	<b>100.0%</b>	<b>21.4</b>	<b>21.4</b>	<b>21.4</b>	<b>-</b>	<b>100.0%</b>



## Personnel information

**Table 8.85 Independent Regulatory Board for Auditors personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
Independent Regulatory Board for Auditors		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	88	88	92	82.2	0.9	88	88.6	1.0	88	99.9	1.1	88	105.7	1.2	88	111.5	1.3	7.9%	100.0%
1 – 6	9	9	10	2.0	0.2	9	1.6	0.2	9	1.8	0.2	9	1.9	0.2	9	2.0	0.2	7.8%	10.2%
7 – 10	27	27	25	10.8	0.4	27	11.4	0.4	27	12.9	0.5	27	13.6	0.5	27	14.3	0.5	7.8%	30.7%
11 – 12	7	7	6	5.6	0.9	7	7.5	1.1	7	8.5	1.2	7	9.0	1.3	7	9.5	1.4	8.1%	8.0%
13 – 16	41	41	47	52.6	1.1	41	54.8	1.3	41	61.6	1.5	41	65.2	1.6	41	68.6	1.7	7.8%	46.6%
17 – 22	4	4	4	11.2	2.8	4	13.3	3.3	4	15.1	3.8	4	16.1	4.0	4	17.0	4.3	8.6%	4.5%

1. Rand million.

## Office of the Ombud for Financial Services Providers

### Selected performance indicators

**Table 8.86 Office of the Ombud for Financial Services Providers performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Percentage of satisfied customers as measured by returned customer survey forms per year	Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	Priority 6: A capable, ethical and developmental state	– <sup>1</sup>	97% (974/999)	98% (828/842)	90%	98%	98%	98%
Percentage of complaints closed within 9 months from date of receipt per year	Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	Priority 2: Education, skills and health	– <sup>1</sup>	92% (9 394/10 211)	95% (8 857/9 323)	80%	93%	94%	95%
Percentage of complaints responded to within 4 days from date of receipt per year	Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	Priority 6: A capable, ethical and developmental state	– <sup>1</sup>	99% (10 109/10 211)	99% (9 229/9 323)	100%	100%	100%	100%

1. No historical data available.

### Entity overview

The legislative mandate of the Office of the Ombud for Financial Services Providers is stated in the Financial Advisory and Intermediary Services Act (2002), in terms of which the organisation is established. The act gives the ombud statutory powers to consider and dispose of complaints against financial services providers, primarily intermediaries selling investment products. Over the medium term, the office will focus on providing quality customer services by resolving clients' complaints or cases timeously, strengthening its organisational capacity and enhancing communication with stakeholders.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R57.2 million in 2019/20 to R66.3 million in 2022/23. Spending on compensation of employees accounts for 61.7 per cent (R118 million) of the entity's total expenditure over the medium term. Revenue, which is mainly derived through levies collected from financial service providers, is in line with spending over the period ahead.

**Programmes/Objectives/Activities****Table 8.87 Office of the Ombud for Financial Services Providers expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	19.9	21.7	20.4	23.0	4.9%	44.7%	26.1	25.8	26.8	5.1%	40.8%
Resolve complaints in a fair, expeditious and informal manner to the satisfaction of customers	24.4	23.3	18.9	31.9	9.3%	50.8%	33.5	35.1	36.8	5.0%	55.1%
Enhanced stakeholder management	2.2	2.4	1.7	2.3	1.5%	4.5%	2.4	2.6	2.7	5.0%	4.0%
<b>Total</b>	<b>46.6</b>	<b>47.4</b>	<b>41.1</b>	<b>57.2</b>	<b>7.1%</b>	<b>100.0%</b>	<b>62.1</b>	<b>63.5</b>	<b>66.3</b>	<b>5.0%</b>	<b>100.0%</b>

**Statements of historical financial performance, cash flow and financial position****Table 8.88 Office of the Ombud for Financial Services Providers statements of historical financial performance**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
R million									2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>		<b>0.0</b>				<b>0.0</b>			
Sale of goods and services other than capital assets		0.0							
<i>of which:</i>									
Administrative fees		0.0							
Other non-tax revenue						0.0			
<b>Transfers received</b>	<b>39.1</b>	<b>39.1</b>	<b>48.0</b>	<b>49.4</b>	<b>54.8</b>	<b>54.8</b>	<b>58.1</b>	<b>57.2</b>	<b>100.3%</b>
<b>Total revenue</b>	<b>39.1</b>	<b>39.1</b>	<b>48.0</b>	<b>49.4</b>	<b>54.8</b>	<b>54.9</b>	<b>58.1</b>	<b>57.2</b>	<b>100.3%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>44.8</b>	<b>46.6</b>	<b>48.1</b>	<b>47.4</b>	<b>54.7</b>	<b>41.1</b>	<b>58.1</b>	<b>57.2</b>	<b>93.4%</b>
Compensation of employees	28.3	29.3	31.9	30.0	33.9	24.6	38.2	35.6	90.4%
Goods and services	15.5	16.4	15.1	16.4	19.7	15.6	18.8	19.3	98.0%
Depreciation	1.1	0.9	1.0	0.9	1.1	0.9	1.1	2.2	113.3%
Interest, dividends and rent on land	0.0	0.0	0.0	0.0	0.1		0.0	0.1	93.6%
<b>Total expenses</b>	<b>44.8</b>	<b>46.6</b>	<b>48.1</b>	<b>47.4</b>	<b>54.7</b>	<b>41.1</b>	<b>58.1</b>	<b>57.2</b>	<b>93.4%</b>
<b>Surplus/(Deficit)</b>	<b>(5.7)</b>	<b>(7.4)</b>	<b>(0.1)</b>	<b>2.1</b>	<b>-</b>	<b>13.8</b>	<b>-</b>	<b>-</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>3.7</b>	<b>2.6</b>	<b>1.9</b>	<b>2.5</b>	<b>3.8</b>	<b>(0.5)</b>	<b>1.7</b>	<b>2.0</b>	<b>60.3%</b>
<b>Receipts</b>									
<b>Transfers received</b>	<b>47.4</b>	<b>47.2</b>	<b>48.0</b>	<b>48.3</b>	<b>53.8</b>	<b>41.7</b>	<b>58.1</b>	<b>57.2</b>	<b>93.8%</b>
<b>Total receipts</b>	<b>47.4</b>	<b>47.2</b>	<b>48.0</b>	<b>48.3</b>	<b>53.8</b>	<b>41.7</b>	<b>58.1</b>	<b>57.2</b>	<b>93.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>43.8</b>	<b>44.6</b>	<b>46.1</b>	<b>45.9</b>	<b>50.0</b>	<b>42.2</b>	<b>56.4</b>	<b>55.2</b>	<b>95.7%</b>
Compensation of employees	28.3	29.3	31.9	30.0	33.9	24.6	38.2	35.7	90.4%
Goods and services	15.5	15.3	14.2	15.8	16.1	17.5	18.2	19.5	106.6%
Interest and rent on land	0.0	0.0	0.0	0.0	0.1		0.0	0.1	92.6%
<b>Total payments</b>	<b>43.8</b>	<b>44.6</b>	<b>46.1</b>	<b>45.9</b>	<b>50.0</b>	<b>42.2</b>	<b>56.4</b>	<b>55.2</b>	<b>95.7%</b>
<b>Net cash flow from investing activities</b>	<b>(3.6)</b>	<b>(0.8)</b>	<b>(3.7)</b>	<b>(0.7)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(7.2)</b>	<b>100.7%</b>
Acquisition of property, plant, equipment and intangible assets	(1.1)	(0.5)	(0.9)	(0.3)	(0.9)	(1.1)	(1.0)	(2.0)	103.8%
Acquisition of software and other intangible assets	(2.5)	(0.3)	(2.8)	(0.4)	(0.5)	(0.5)	(0.5)	(5.1)	99.7%
Proceeds from the sale of property, plant, equipment and intangible assets						0.1			
<b>Net cash flow from financing activities</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>-</b>	<b>(0.1)</b>	<b>0.1</b>	<b>19.1%</b>
Repayment of finance leases	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)		(0.1)		41.3%
Other flows from financing activities								0.1	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>0.0</b>	<b>1.7</b>	<b>(1.9)</b>	<b>1.7</b>	<b>2.2</b>	<b>(2.0)</b>	<b>0.1</b>	<b>(5.0)</b>	

**Table 8.88 Office of the Ombud for Financial Services Providers statements of historical financial performance**

Statement of financial position									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	4.4	1.9	3.6	1.7	3.9	2.4	4.1	6.6	78.5%
Acquisition of assets	(1.1)	(0.5)	(0.9)	(0.3)	(0.9)	(1.1)	(1.0)	(2.0)	103.8%
Receivables and prepayments	0.8	0.8	0.8	1.9	0.8	15.1	0.9	0.9	576.7%
Cash and cash equivalents	0.3	2.0	0.1	3.6	0.1	1.6	0.1	1.5	1 590.0%
<b>Total assets</b>	<b>5.5</b>	<b>4.7</b>	<b>4.5</b>	<b>7.2</b>	<b>4.8</b>	<b>19.1</b>	<b>5.1</b>	<b>9.0</b>	<b>201.8%</b>
Accumulated surplus/(deficit)	3.5	1.7	1.6	3.8	1.6	17.6	1.6	5.9	347.4%
Finance lease	0.1	0.1	–	–	–	–	–	–	71.6%
Trade and other payables	1.2	1.5	1.2	1.5	1.4	0.6	1.6	1.6	97.0%
Provisions	0.7	0.9	1.1	1.1	1.2	0.9	1.2	1.0	93.3%
Derivatives financial instruments	0.1	0.5	0.5	0.8	0.6	0.0	0.6	0.5	98.6%
<b>Total equity and liabilities</b>	<b>5.5</b>	<b>4.7</b>	<b>4.5</b>	<b>7.2</b>	<b>4.8</b>	<b>19.1</b>	<b>5.1</b>	<b>9.0</b>	<b>201.8%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.89 Office of the Ombud for Financial Services Providers statements of estimates financial performance**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
Transfers received	57.2	13.5%	100.0%	62.1	63.5	66.3	5.0%	100.0%	
<b>Total revenue</b>	<b>57.2</b>	<b>13.5%</b>	<b>100.0%</b>	<b>62.1</b>	<b>63.5</b>	<b>66.3</b>	<b>5.0%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>57.2</b>	<b>7.1%</b>	<b>100.0%</b>	<b>62.1</b>	<b>63.5</b>	<b>66.3</b>	<b>5.0%</b>	<b>100.0%</b>	
Compensation of employees	35.6	6.8%	62.1%	37.5	39.3	41.2	5.0%	61.7%	
Goods and services	19.3	5.6%	35.4%	22.4	21.7	22.5	5.2%	34.5%	
Depreciation	2.2	35.5%	2.4%	2.2	2.4	2.5	5.0%	3.7%	
Interest, dividends and rent on land	0.1	39.7%	0.0%	0.1	0.1	0.1	5.0%	0.1%	
<b>Total expenses</b>	<b>57.2</b>	<b>7.1%</b>	<b>100.0%</b>	<b>62.1</b>	<b>63.5</b>	<b>66.3</b>	<b>5.0%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>–</b>			<b>–</b>	<b>–</b>	<b>–</b>			
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>2.0</b>	<b>-8.6%</b>	<b>–</b>	<b>1.0</b>	<b>2.4</b>	<b>2.8</b>	<b>–</b>	<b>0.1%</b>	
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.1</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.0%</b>	
Sales of goods and services other than capital assets	–	–	–	0.1	–	–	–	0.0%	
Other sales	–	–	–	0.1	–	–	–	0.0%	
Transfers received	57.2	6.6%	100.0%	62.1	63.1	66.3	5.0%	100.0%	
<b>Total receipts</b>	<b>57.2</b>	<b>6.6%</b>	<b>100.0%</b>	<b>62.2</b>	<b>63.1</b>	<b>66.3</b>	<b>5.0%</b>	<b>100.0%</b>	
<b>Current payments</b>	<b>55.2</b>	<b>7.4%</b>	<b>98.0%</b>	<b>61.2</b>	<b>60.7</b>	<b>63.4</b>	<b>4.7%</b>	<b>100.0%</b>	
Compensation of employees	35.7	6.8%	62.1%	40.9	39.0	40.9	4.7%	65.0%	
Goods and services	19.5	8.4%	35.8%	20.3	21.7	22.5	4.9%	34.9%	
Interest and rent on land	0.1	39.7%	0.0%	0.1	0.0	0.1	-1.7%	0.1%	
<b>Total payment</b>	<b>55.2</b>	<b>7.4%</b>	<b>100.0%</b>	<b>61.2</b>	<b>60.7</b>	<b>63.4</b>	<b>4.7%</b>	<b>100.0%</b>	
<b>Net cash flow from investing activities</b>	<b>(7.2)</b>	<b>105.5%</b>	<b>100.0%</b>	<b>(3.2)</b>	<b>(1.6)</b>	<b>(0.8)</b>	<b>-52.8%</b>	<b>100.0%</b>	
Acquisition of property, plant, equipment and intangible assets	(2.0)	55.0%	52.3%	(1.6)	(0.8)	(0.5)	-37.4%	49.1%	
Acquisition of software and other intangible assets	(5.1)	164.6%	48.6%	(1.6)	(0.8)	(0.3)	-63.4%	50.9%	
<b>Net cash flow from financing activities</b>	<b>0.1</b>	<b>-196.3%</b>	<b>–</b>	<b>0.0</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>-235.7%</b>	<b>100.0%</b>	
Repayment of finance leases	–	-100.0%	–	(0.1)	(0.1)	(0.3)	–	12.5%	
Other flows from financing activities	0.1	–	–	0.1	–	–	-100.0%	87.5%	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(5.0)</b>	<b>-243.3%</b>	<b>100.0%</b>	<b>(2.2)</b>	<b>0.7</b>	<b>1.8</b>	<b>-171.5%</b>	<b>100.0%</b>	

**Table 8.89 Office of the Ombud for Financial Services Providers statements of estimates financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
<b>Statement of financial position</b>								
Carrying value of assets	6.6	51.5%	37.5%	9.3	5.3	3.8	-16.9%	76.2%
Acquisition of assets	(2.0)	55.0%	-11.1%	(1.6)	(0.8)	(0.5)	-37.4%	-14.5%
Receivables and prepayments	0.9	3.8%	33.3%	1.0	1.0	1.0	1.2%	12.6%
Cash and cash equivalents	1.5	-8.5%	29.2%	-	0.5	1.3	-5.8%	11.2%
<b>Total assets</b>	<b>9.0</b>	<b>24.5%</b>	<b>100.0%</b>	<b>10.3</b>	<b>6.8</b>	<b>6.0</b>	<b>-12.7%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	5.9	51.3%	61.8%	5.7	2.4	2.2	-28.2%	48.1%
Trade and other payables	1.6	1.6%	18.6%	1.9	2.0	1.5	-1.9%	22.7%
Provisions	1.0	2.6%	12.5%	1.4	1.5	1.5	14.5%	17.9%
Derivatives financial instruments	0.5	2.9%	6.8%	1.3	1.0	0.8	17.0%	11.4%
<b>Total equity and liabilities</b>	<b>9.0</b>	<b>24.5%</b>	<b>100.0%</b>	<b>10.3</b>	<b>6.8</b>	<b>6.0</b>	<b>-12.7%</b>	<b>100.0%</b>

### Personnel information

**Table 8.90 Office of the Ombud for Financial Services Providers personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Office of the Ombud for Financial Services Providers	75	76	68	24.6	0.4	70	35.6	0.5	71	37.5	0.5	75	39.3	0.5	75	41.2	0.5	5.0%	100.0%
Salary level																			
1 – 6	36	36	35	4.1	0.1	35	6.7	0.2	35	6.7	0.2	36	6.8	0.2	36	7.7	0.2	4.9%	48.8%
7 – 10	25	25	21	9.2	0.4	22	12.9	0.6	23	13.4	0.6	25	13.7	0.5	26	14.6	0.6	4.3%	33.0%
11 – 12	10	11	9	5.9	0.7	10	8.4	0.8	9	9.4	1.0	10	10.4	1.0	9	10.3	1.1	6.9%	13.1%
13 – 16	3	3	2	3.0	1.5	2	5.1	2.6	3	5.4	1.8	3	5.7	1.9	3	5.9	2.0	4.8%	3.8%
17 – 22	1	1	1	2.4	2.4	1	2.6	2.6	1	2.6	2.6	1	2.7	2.7	1	2.8	2.8	2.4%	1.4%

1. Rand million.

### Office of the Pension Funds Adjudicator

#### Selected performance indicators

**Table 8.91 Office of the Pension Funds Adjudicator performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of valid complaints resolved within 9 months of complaint being lodged per year	Dispose of complaints received	Priority 2: Education, skills and health	95% (3 648/ 3 840)	98% (4 317/ 4 405)	98% (8 069/ 8 234)	95%	95%	95%	95%

#### Entity overview

The Office of the Pension Funds Adjudicator is mandated to investigate and determine complaints lodged in terms of the Pension Funds Act (1956). The office's mandate became effective in January 1998. The adjudicator is required to ensure a procedurally fair, economical and expeditious resolution of complaints in terms of the act by: ensuring that its services are accessible to all; investigating complaints in a procedurally fair manner; reaching a just and expeditious resolution of complaints in accordance with the law; incorporating innovation and proactive thought and action in its activities; and providing opportunities for individual growth. The office has jurisdiction only over funds that are registered under the Pension Funds Act (1956). Accordingly, over the medium term, the office aims to reduce turnaround times by resolving 85 per cent of pension fund complaints received within 6 months; and intensify its engagement with relevant stakeholders. This is expected to be achieved by developing staff capabilities, restructuring internal processes and continuing with its ICT modernisation programme.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R70.8 million in 2019/20 to R81.9 million in 2022/23. Spending on compensation of employees accounts for 57.9 per cent (R135.8 million)

of the entity's total expenditure over the MTEF period. Capital expenditure is expected to remain constant, with average annual spending at R4 million, mainly due to planned investment in ICT infrastructure. Revenue, which is mainly derived through levies collected from pension funds, is in line with expenditure over the period ahead.

### Programmes/Objectives/Activities

**Table 8.92 Office of the Pension Funds Adjudicator expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	6.4	6.5	6.5	7.9	7.4%	11.6%	8.3	8.7	9.1	5.0%	11.2%
Dispose of complaints received	44.1	46.8	44.6	54.0	7.0%	81.0%	56.8	59.6	62.5	5.0%	76.3%
Achieve operational excellence	1.0	1.1	5.7	6.9	88.2%	5.9%	7.3	7.6	8.0	5.0%	9.8%
Effective stakeholder relationships	0.5	0.3	0.9	1.9	54.1%	1.4%	2.0	2.1	2.2	5.0%	2.7%
<b>Total</b>	<b>52.0</b>	<b>54.7</b>	<b>57.7</b>	<b>70.8</b>	<b>10.8%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.9</b>	<b>5.0%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 8.93 Office of the Pension Funds Adjudicator statements of historical financial performance**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget Revised estimate		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	Budget	2016/17	Budget	2017/18	Budget	2018/19	2019/20	2019/20	
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>518.2%</b>
<i>of which:</i>									
Other non-tax revenue	0.0	0.0	0.0	0.1	0.0	0.2	0.0	0.0	518.2%
<b>Transfers received</b>	<b>52.3</b>	<b>52.3</b>	<b>59.3</b>	<b>59.0</b>	<b>63.9</b>	<b>64.3</b>	<b>74.5</b>	<b>70.8</b>	<b>98.6%</b>
<b>Total revenue</b>	<b>52.3</b>	<b>52.3</b>	<b>59.3</b>	<b>59.1</b>	<b>63.9</b>	<b>64.5</b>	<b>74.5</b>	<b>70.8</b>	<b>98.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>56.7</b>	<b>52.0</b>	<b>57.9</b>	<b>54.7</b>	<b>66.5</b>	<b>57.7</b>	<b>70.4</b>	<b>70.8</b>	<b>93.5%</b>
Compensation of employees	33.1	29.1	33.9	32.3	39.3	34.3	40.4	41.0	93.2%
Goods and services	19.7	19.3	20.2	20.4	22.7	21.6	25.1	25.0	98.6%
Depreciation	3.9	3.5	3.9	1.9	4.6	1.8	4.9	4.7	69.4%
Interest, dividends and rent on land	-	0.0	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>56.7</b>	<b>52.0</b>	<b>57.9</b>	<b>54.7</b>	<b>66.5</b>	<b>57.7</b>	<b>70.4</b>	<b>70.8</b>	<b>93.5%</b>
<b>Surplus/(Deficit)</b>	<b>(4.4)</b>	<b>-</b>	<b>1.4</b>	<b>4.5</b>	<b>(2.6)</b>	<b>6.8</b>	<b>4.1</b>	<b>-</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(4.7)</b>	<b>1.6</b>	<b>1.2</b>	<b>2.7</b>	<b>5.0</b>	<b>2.2</b>	<b>4.1</b>	<b>6.4</b>	<b>235.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>122.8%</b>
Other tax receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	122.8%
<b>Transfers received</b>	<b>47.4</b>	<b>50.2</b>	<b>50.2</b>	<b>53.4</b>	<b>69.5</b>	<b>58.1</b>	<b>74.5</b>	<b>70.8</b>	<b>96.2%</b>
<b>Total receipts</b>	<b>47.4</b>	<b>50.2</b>	<b>50.2</b>	<b>53.4</b>	<b>69.6</b>	<b>58.1</b>	<b>74.5</b>	<b>70.8</b>	<b>96.2%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>52.1</b>	<b>48.6</b>	<b>49.1</b>	<b>50.7</b>	<b>64.6</b>	<b>55.9</b>	<b>70.4</b>	<b>64.3</b>	<b>93.0%</b>
Compensation of employees	33.1	29.1	29.1	32.3	37.7	33.8	40.2	41.0	97.1%
Goods and services	19.0	19.5	19.9	18.4	26.9	22.1	30.1	23.3	86.9%
Interest and rent on land	-	0.0	-	-	-	-	-	-	-
<b>Total payments</b>	<b>52.1</b>	<b>48.6</b>	<b>49.1</b>	<b>50.7</b>	<b>64.6</b>	<b>55.9</b>	<b>70.4</b>	<b>64.3</b>	<b>93.0%</b>
<b>Net cash flow from investing activities</b>	<b>(2.5)</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(1.1)</b>	<b>(5.0)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(6.4)</b>	<b>101.0%</b>
Acquisition of property, plant, equipment and intangible assets	(1.4)	(0.6)	(0.6)	(1.0)	(4.5)	(4.2)	(3.1)	(3.6)	98.5%
Acquisition of software and other intangible assets	(1.1)	(0.5)	(0.5)	(0.2)	(0.5)	(0.0)	(1.0)	(2.8)	114.2%
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	-	0.1	-	0.1	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(7.2)</b>	<b>0.4</b>	<b>(0.0)</b>	<b>1.6</b>	<b>0.0</b>	<b>(1.9)</b>	<b>(0.0)</b>	<b>(0.0)</b>	

**Table 8.93 Office of the Pension Funds Adjudicator statements of historical financial performance**

Statement of financial position	Audited		Audited		Audited		Budget Revised		Average: Outcome/ Budget (%)
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	6.2	5.6	4.8	4.7	5.4	7.1	6.9	6.9	104.2%
Acquisition of assets	(1.4)	(0.6)	(0.6)	(1.0)	(4.5)	(4.2)	(3.1)	(3.6)	98.5%
Receivables and prepayments	0.7	4.0	0.8	6.6	6.4	14.1	6.4	6.4	216.9%
Cash and cash equivalents	0.5	2.0	0.5	3.6	0.5	1.8	0.5	0.5	395.4%
<b>Total assets</b>	<b>7.5</b>	<b>11.6</b>	<b>6.0</b>	<b>15.0</b>	<b>12.4</b>	<b>22.9</b>	<b>13.9</b>	<b>13.9</b>	<b>159.6%</b>
Accumulated surplus/(deficit)	3.6	8.6	2.5	13.1	10.6	19.8	12.0	12.0	186.3%
Trade and other payables	2.4	1.5	2.0	0.4	0.5	1.6	0.5	0.5	76.5%
Provisions	1.5	1.5	1.6	1.5	1.3	1.5	1.3	1.3	102.1%
<b>Total equity and liabilities</b>	<b>7.5</b>	<b>11.6</b>	<b>6.0</b>	<b>15.0</b>	<b>12.4</b>	<b>22.9</b>	<b>13.9</b>	<b>13.9</b>	<b>159.6%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 8.94 Office of the Pension Funds Adjudicator statements of estimates financial performance**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
Non-tax revenue	0.0	–	0.1%	0.0	0.0	0.0	4.0%	0.0%
Other non-tax revenue	0.0	–	0.1%	0.0	0.0	0.0	4.0%	0.0%
<b>Transfers received</b>	<b>70.8</b>	<b>10.6%</b>	<b>99.9%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.8</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>70.8</b>	<b>10.6%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.9</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>70.8</b>	<b>10.8%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.9</b>	<b>5.0%</b>	<b>100.0%</b>
Compensation of employees	41.0	12.1%	58.1%	43.1	45.3	47.4	5.0%	57.9%
Goods and services	25.0	9.0%	36.8%	26.3	27.6	28.9	5.0%	35.4%
Depreciation	4.7	10.2%	5.0%	5.0	5.2	5.5	5.0%	6.7%
<b>Total expenses</b>	<b>70.8</b>	<b>10.8%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.9</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>			<b>–</b>	<b>–</b>	<b>–</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>6.4</b>	<b>58.9%</b>	<b>0.0%</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0%</b>	<b>0.0%</b>
<b>Receipts</b>								
Non-tax receipts	0.0	-2.0%	0.0%	0.0	0.0	0.0	4.0%	0.0%
Other tax receipts	0.0	-2.0%	0.0%	0.0	0.0	0.0	4.0%	0.0%
<b>Transfers received</b>	<b>70.8</b>	<b>12.1%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.8</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Total receipts</b>	<b>70.8</b>	<b>12.1%</b>	<b>100.0%</b>	<b>74.4</b>	<b>78.1</b>	<b>81.9</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>64.3</b>	<b>9.8%</b>	<b>93.5%</b>	<b>70.4</b>	<b>74.1</b>	<b>77.9</b>	<b>6.6%</b>	<b>100.0%</b>
Compensation of employees	41.0	12.1%	57.9%	43.1	45.3	47.4	5.0%	61.8%
Goods and services	23.3	6.1%	35.6%	27.2	28.8	30.4	9.3%	38.2%
<b>Total payment</b>	<b>64.3</b>	<b>9.8%</b>	<b>100.0%</b>	<b>70.4</b>	<b>74.1</b>	<b>77.9</b>	<b>6.6%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(6.4)</b>	<b>76.1%</b>	<b>100.0%</b>	<b>(4.0)</b>	<b>(4.0)</b>	<b>(4.0)</b>	<b>-14.7%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(3.6)	78.1%	75.6%	(2.5)	(3.0)	(2.5)	-11.6%	64.0%
Acquisition of software and other intangible assets	(2.8)	73.7%	27.1%	(1.5)	(1.0)	(1.5)	-19.1%	36.0%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(0.0)</b>	<b>-100.0%</b>	<b>100.0%</b>	<b>0.0</b>	<b>(0.0)</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
<b>Statement of financial position</b>								
Carrying value of assets	6.9	7.5%	40.2%	8.3	9.7	9.7	12.0%	55.4%
Acquisition of assets	(3.6)	78.1%	-14.1%	(2.5)	(3.0)	(2.5)	-11.6%	-18.9%
Receivables and prepayments	6.4	17.2%	46.6%	6.4	6.4	6.4	–	41.4%
Cash and cash equivalents	0.5	-37.0%	13.2%	0.5	0.5	0.5	–	3.2%
<b>Total assets</b>	<b>13.9</b>	<b>6.2%</b>	<b>100.0%</b>	<b>15.3</b>	<b>16.7</b>	<b>16.7</b>	<b>6.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	12.0	11.8%	83.7%	13.3	14.7	14.4	6.3%	87.2%
Trade and other payables	0.5	-30.4%	6.6%	0.5	0.5	0.5	–	3.2%
Provisions	1.3	-3.2%	9.7%	1.4	1.5	1.7	8.3%	9.6%
<b>Total equity and liabilities</b>	<b>13.9</b>	<b>6.2%</b>	<b>100.0%</b>	<b>15.3</b>	<b>16.7</b>	<b>16.7</b>	<b>6.3%</b>	<b>100.0%</b>

**Personnel information****Table 8.95 Office of the Pension Funds Adjudicator personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2018/19			2019/20			2020/21			2021/22			2022/23					2019/20 - 2022/23
Office of the Pension Funds Adjudicator		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	64	64	51	34.3	0.7	64	41.0	0.6	64	43.1	0.7	64	45.3	0.7	64	47.4	0.7	5.0%	100.0%
1 – 6	6	6	4	0.9	0.2	6	1.2	0.2	5	1.0	0.2	4	0.7	0.2	4	0.8	0.2	-13.0%	7.4%
7 – 10	41	41	32	12.8	0.4	41	17.4	0.4	40	17.0	0.4	40	17.3	0.4	40	17.4	0.4	0.0%	62.9%
11 – 12	5	5	6	5.9	1.0	5	4.6	0.9	7	6.4	0.9	7	6.4	0.9	7	6.4	0.9	11.4%	10.2%
13 – 16	11	11	8	11.3	1.4	11	15.3	1.4	10	13.7	1.4	11	15.5	1.4	11	17.3	1.6	4.2%	16.8%
17 – 22	1	1	1	3.4	3.4	1	2.6	2.6	2	5.1	2.6	2	5.4	2.7	2	5.6	2.8	29.5%	2.7%

1. Rand million.

◀ 2020 ▶  
**BUDGET**

ESTIMATES OF NATIONAL  
EXPENDITURE



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA