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SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY

In terms of section 40(1) of the PFMA, I table this Annual Report to the MEC for consideration. It is a report that has been put together in accordance with the Annual Report Framework as set out by our National Treasury, which is in line with section 40(3) of the Public Finance Management Act.



R.S. TSHUKUDU
HEAD OF DEPARTMENT:
ECONOMIC DEVELOPMENT AND PLANNING

31 August 2005

OVERVIEW BY THE HEAD OF DEPARTMENT



**Head of Department
Mr Rabeng Tshukudu**

The financial year 2004/05 has been a colourful and eventful one. The Department of Finance and Economic Affairs had to undergo change following the 2004 general elections. The Department was split into two independent Departments. The result was that the Mpumalanga Administration has Economic Development and Planning as a legal entity separate from the Department of Finance. The evolution took place in the first quarter of the Financial year.

What could have been a nightmare was handled so deftly that it became a success. Thanks to all who participated in managing the change. The change came in many spheres. The two new Departments shared resources in an equitable and fair manner. The resources included the budget, material and human elements.

With the advent of change the Department of Economic Development and Planning had to re-adjust and prioritize integrated provincial planning as its core mandate. This change necessitated the review of the organisational structure which was no longer in synch with the new core functions of the department.

The Strategic Plan that was crafted for 2004/05 was not aligned with the new mandate. New training programmes for staff had to be developed to prepare the current and new staff members for the added responsibilities which came with the new mandate.

The Department operated at below 40% of the staff complement, which posed a challenge. The asset register needed to be updated in the light of the split of the two Departments. The organisational structure of the Department had to be reviewed. The Department needed to find a home for the planning function. As a result, the Chief Directorate: Economic Policy and Planning was established, however, it could only operate in the financial year 2005/06 due to budgetary constraints.

Some of the challenges faced by the Department were in the shared services, such as the Audit Committee which now had to play an oversight role on two departments whereas the Terms of Reference were based on a unified single department.

Change management is no easy feat, especially changes of the magnitude that the Department had to undergo this financial year. In spite of all the challenges the department managed to achieve certain milestones as presented in the annual report. Programmes 1 (Administration) and 2 (Chief Directorate: Economic Development) have worked relentlessly towards the achievement of the goals of the department under difficult organisational conditions. Some of the highlights include the Provincial Tourism Indaba and the Tourism Fun Train, which enhanced tourism awareness and marketing, particularly among domestic tourists.

The sectoral development summits, namely, the Industrial Development Strategy, the Mining Summit, the Skills Development workshop were also held and they culminated in the Provincial Growth and Development Summit.

During the period under review, the Department also held Export Awards that were aimed at encouraging the participation of small exporters. The review of the business regulation legislation also successfully took place.

In the new financial year the department will focus on a recruitment drive to fill all vacant positions in the organisational structure.

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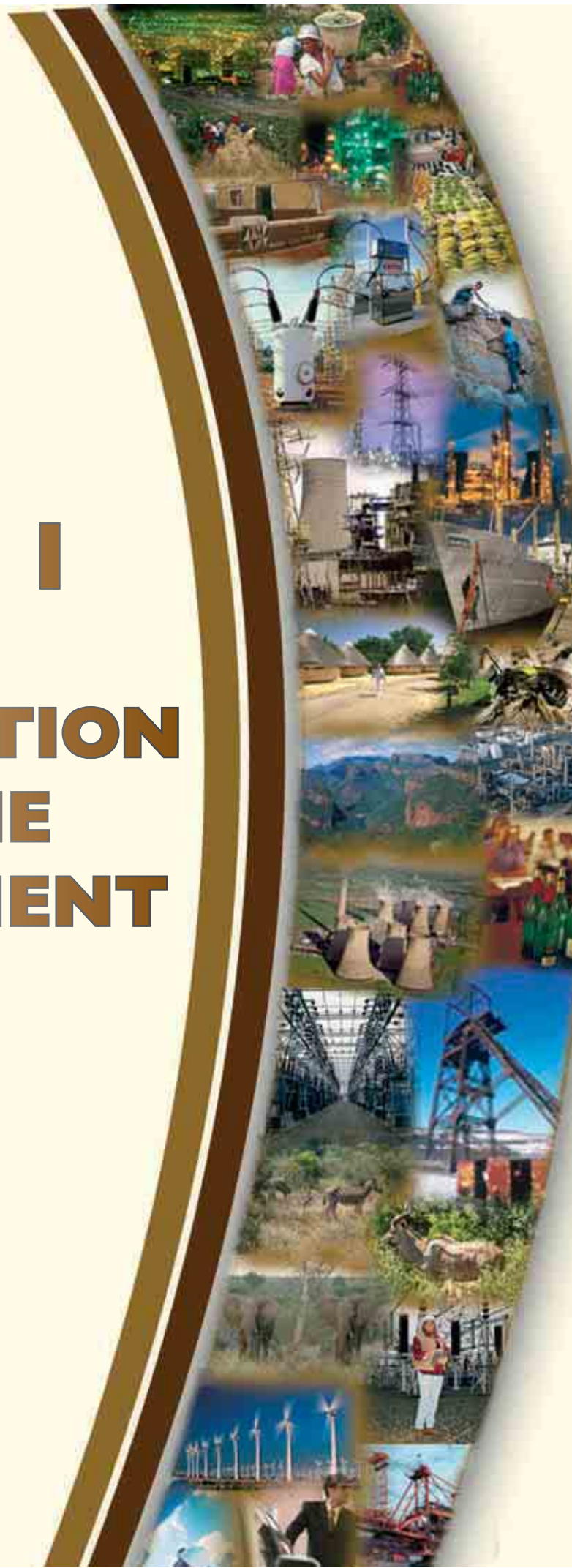
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MISSION STATEMENT

“To stimulate sustainable economic development and implement sound economic planning to achieve growth, employment and equity in the Province.”

PART I

INFORMATION ON THE DEPARTMENT



THE MISSION STATEMENT

To stimulate sustainable economic development and implement sound economic planning to achieve growth, employment and equity in the Province.

STRATEGIC GOALS

- ◆ To facilitate and stimulate a sustainable economic development
- ◆ To mobilize Foreign Direct Investment
- ◆ To facilitate Broad-based Black Economic Development
- ◆ To expand access to finance for SMME
- ◆ Stimulate and promote Tourism Development
- ◆ Stimulate and facilitate industrial trade and commerce growth development
- ◆ To facilitate and stimulate economic development.
- ◆ To drive the development and implementation of economic development policies and strategies in the province.
- ◆ To undertake and monitor an integrated economic development planning in the province.
- ◆ To conduct research, forecasting and budgeting for the economic development of the province.

LEGISLATIVE MANDATES

- ◆ The Constitution of the Republic of South Africa Act No. 108 of 1996
- ◆ Intergovernmental Fiscal Relations Act No. 97 of 1997
- ◆ Public Finance Management Act No. 1 of 1999 and Treasury Regulations
- ◆ Annual Division of Revenue Act
- ◆ Mpumalanga Economic Empowerment Corporation Act No. 99, of 1999
- ◆ Mpumalanga Gaming Act of 1995 (Act No 5 of 1995, as amended)
- ◆ Mpumalanga Tourism Authority Act No. 2001
- ◆ Liquor Act of 1989 (Act No 27 of 1989, as amended)
- ◆ Mpumalanga Trading Hours Act of 1999 (Act No 5 of 1999)
- ◆ Mpumalanga Business Act of 1996 (Act No 2 of 1996)
- ◆ Labour Relations Act No 66 of 1995, Skills Development Act No. 7 of 1998
- ◆ Public Service Act No.55 of 1998 and Public Service Regulations of 1999
- ◆ Employment Equity Act No 55 of 1998
- ◆ National Small Business Enabling Act of 1996
- ◆ Consumer Affairs Act of 1998 (Act No 6 of 1998)
- ◆ National Gambling Act of 2004 (Act No 7 of 2004)
- ◆ National Liquor Act of 2003 (Act No 59 of 2003)
- ◆ Consumer Affairs (Unfair Business Practices) Act of 1988 (Act no 71 of 1988)
- ◆ Credit Agreement Act of 1980 (Act No 75 of 1980)
- ◆ Sales and Services Matters Act of 1964 (Act No 25 of 1964)
- ◆ Horse Racing and Betting Ordinance of 1978 (Ordinance No 24 of 1978)

PART 2

PROGRAMME PERFORMANCE



PART 2: PROGRAMME PERFORMANCE

VOTED FUNDS

2.1

APPROPRIATION	MAIN APPROPRIATION	ADJUSTED APPROPRIATION	ACTUAL AMOUNT SPENT	OVER/UNDER EXPENDITURE
Responsible member of Executive Council	Mr S.W. Lubisi MEC of Economic Development and Planning	175 236	172 802	2 434
Administering Department	Economic Development and Planning			
Accounting Officer	Deputy Director General: Mr R.S.Tshukudu			

2.2 SUMMARY OF PROGRAMMES

The activities of the Department of Economic Development and Planning are organised as follows:-

PROGRAMME 1: ADMINISTRATION

PROGRAMME 2: ECONOMIC SERVICES

PROGRAMME 3: POLICY AND PLANNING

PROGRAMME I: ADMINISTRATION

AIM

To conduct the overall management of the Department.

Key Objectives:

Sub-programme	Outputs	Output Performance Measures/Service delivery indicators	Actual performance against targets Target	Sub-programme Actual
Office of the MEC	Provide political direction	Strategic Plan which complies with the PFMA Treasury Regulations and Public Service Regulation.	Timely submission	Strategic Plan Submitted to Treasury.
Office of the HOD	Strategic Plan 2004-2005	Departmental Programmes to be in line with service delivery objectives.	Quarterly Reports Submitted to MEC and to the Office of the Premier.	Monthly and Quarterly Reports were submitted to the MEC and Premier's Office.
Human Resources Management	Develop HR Policies	Implementation of HR policies	Develop 10 HR policies	8 Policies in place.
	Filling of critical posts	Critical posts identified and filled	All requested posts filled	21 posts filled.
	Develop a Work Place Skills Plan (WSP)	Compliance with Skills Development Act.	Submission by 30 June 2004 to the PSETA	Training provided in terms of the W.S.P
Office of the CFO	Effective and efficient Financial Management.	Timeous submission of Budget, Annual Financial Statements and Financial reports which complies with the Public Finance Management Act (PFMA)	Submission of Budget, Annual Financial Statements and Financial reports which complies with the Public Finance Management Act (PFMA)	Budget submitted according to Treasury Budget Schedule. Annual Financial Statements were submitted to the Auditor-General and Treasury by 31 May 2005

Sub-programme	Outputs	Output Performance Measures/Service delivery indicators	Actual performance against targets	Sub-programme
			Target	Actual
Internal audit	Risk assessment strategy document, Internal Audit reports per focus area.	Compliance with the standards for professional practice issued by the Institute of Internal Auditors.	Risk management strategy document. 6 Reports on focus areas.	Risk management strategy document. 6 Reports on focus areas developed.
Legal Services and Legislation	To provide efficient and effective legal support	Number of Civil matters completed successfully.	Number of legal processes to be reviewed and time frames in terms of the high court rules.	8 Legal matters have been completed.
		Mpumalanga Gaming Bill and Mpumalanga Liquor Bill finalised.	Legislative processes ongoing.	Legislative processes ongoing.
Communication	To provide communication services for the department	<ul style="list-style-type: none"> - Media statements - Press Conferences - Media Interviews - Talk Shows - Media Enquiry - Media Monitoring - Outside Broadcasting (OB) 	<ul style="list-style-type: none"> - Issue 76 media statements - 10 press conferences - 60 media interviews - 200 radio talk shows - 100% response to enquiries - To monitor all print and electronic media - One (1) OB 	<ul style="list-style-type: none"> - 55 media statements issued - Nil press conferences held - 24 media interviews held - Participated in 112 radio talks shows - Responded to 90% of media enquiries - Monitored 15 print and electronic media - One (1) OB
	Community Service	<ul style="list-style-type: none"> - Coordination of community issues raised during cabinet outreach programme. 	<ul style="list-style-type: none"> - 100% feedback to communities 	<ul style="list-style-type: none"> - 70% response to communities
	Production and Publication	<ul style="list-style-type: none"> - Departmental Web site - Corporate Branding (CB) - Printing of the Policy & Budget speech - Printing of the Annual Report - Departmental Newsletter 	<ul style="list-style-type: none"> - Develop One (1) web site - Develop CB strategy - One (1) - One (1) - One (1) - Three times a year (quarterly) 	<ul style="list-style-type: none"> - Nil - Nil - One (1) - One (1) - Nil

PROGRAMME 2: ECONOMIC DEVELOPMENT

SUB-PROGRAMME 2.1: GAMBLING, TRADE AND COMMERCE

Purpose

- ◆ To facilitate a transparent and fair business environment and to promote products produced within the province and to develop new exporters to participate in international trade.

Measurable Objectives

- ◆ To facilitate a fair and regulated trade environment through the implementation of policies and legislative framework.
- ◆ To regulate the liquor and gambling industry.
- ◆ To facilitate consumer protection and awareness.
- ◆ To facilitate the development of export trade.
- ◆ To promote the development of export trade and to increase the number of exporters in the province

Service delivery objectives and indicators

Gambling and Commerce

The Liquor and Gambling Bills were finalised and referred to the State Law Advisors for further processing to be in line with the National Liquor Act of 2003 (Act No. 59 of 2003) and the National Gambling of 2004 (Act No. 7 of 2004). It is the intention of Department to speed the process of finalising the Bills in order to create certainty in the liquor and gambling industries.

Four municipalities namely, Delmas, Lekwa, Emalahleni and Greater Marble Hall have finalised Street Trading By-laws. These by-laws are supposed to be utilised by municipalities in creating an environment conducive to the small business development in their areas of jurisdiction. The main challenge of municipalities is the capacity in terms of human resources and the integration of the informal sector into the broader local economy.

The Consumer Protection Services claimed R 1 866 533 on behalf of consumers despite limited resources. The challenge is to make the services of the Consumer Protection Services office accessible to all districts of the Province.

Trade Development

The Provincial Export Award was successfully held and Landau Colliery was recognised as the Provincial Export Award Winner for 2004. All participants in the Provincial Export Award were invited to participate in the Export Africa 2005.

Export training for the five identified emerging exporters was implemented during the period under review. It is anticipated that the training of the emerging exporters would be completed during the 2005/2006 financial year. We facilitated training for fifty-one potential exporters through the Trade and Investment Development Programme (TIDP).

Two emerging exporters participated in an international exhibition in France, and eighteen participated in a locally organised trade exhibition. Some of the participants are at advanced stages of concluding deals with potential buyers.

Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Business Regulation Services	Compliance with applicable legislation by all municipalities and businesses	Legislation reviewed and drafted: Gambling, Horse racing and liquor licensing	To review 3 pieces of legislation	3 pieces of legislation were reviewed
		Number of liquor applications approved	To approve 360 liquor trading applications	649 liquor trading applications approved
		Number of inspections conducted	To conduct 360 inspections	790 inspections conducted
		Municipalities consulted to solicit compliance with applicable legislation	Consult all 17 municipalities	All 17 municipalities in the province were consulted
Consumer Protection Services	Receipt and resolution of consumer cases	Number of consumer cases received and resolved	To resolve 360 consumer cases	Received 647 and resolved 318 consumer cases. R 1 866 533 claimed on behalf of consumers
	Conducting consumer education programmes	Consumer education programmes conducted	4 Radio talk shows	10 consumer educational topics presented on regional radio stations
			2 Consumer road shows	1 road show held
			6 Consumer workshops	Conducted 56 workshops where 12 579 people attended workshops held in the three districts of the province and
			Celebrate World Consumer Rights Day celebrated	10 000 people attended an outside broadcast event held at KwaMhlanga in partnership with Ikwekwezi FM.

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Trade Development	Development of export trade	Increase number of exporters	5	5
		Exports increased	R 300 m	R390.66 m

SUB-PROGRAMME 2.2: INDUSTRY PROMOTION

Purpose

- ◆ To facilitate the attraction of investments and co-ordinate industrial development in the Province

Measurable Objectives

- ◆ To facilitate the attraction of new direct investment.
- ◆ To facilitate industrial development in the Province through industrial clusters.
- ◆ To facilitate the development of small-scale mining in the Province.

Service delivery objectives and indicators

In the stainless steel cluster, the Mpumalanga Stainless Steel Initiative(MSI) has made some progress in the admission of additional 14 Historically Disadvantaged Individuals (HDI) incubates during the previous financial year. Moreover the processes of facilitating a BEE initiative at the MSI have started which has a considerable potential impact and participation of the HDI's in huge stainless steel business ventures.

The Directorate together with the Mpumalanga Investment Initiative(MII) has initiated the process of marketing the Petro-Chemicals projects, the studies of which were completed in the 2004/05 Financial year.

The process of developing a wood cluster has started whilst the Furniture Technology Centre is nearing completion and will start operating in the last quarter of 2005/06 Financial year.

As far as the development of small-scale mining is concerned, the Directorate has started the process of undertaking 3 geological surveys to assist small-scale mining development. The Directorate is further promoting value addition through the Barberton Jewellery School, which has trained 12 jewellery designers since its inception.

Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
To facilitate and develop the establishment of the industrial base of the province through the establishment of the industrial clusters	Establish a Wood Cluster	An operational Wood Cluster	To establish an operational Wood Cluster	A Wood Cluster has been initiated
	Establishment of Furniture Technology Centre(FTC)	Completion of the construction of the Furniture Technology Centre(FTC)	One (1) fully operational FTC	The FTC will be launched in November and be fully operational in January 2006
	Stainless Steel Diversification Project	Implementation of the Pall Rings Project.	Implementation of the Pall Rings Project.	Memorandum of Agreement for the project drafted. Business plan finalised
	Agro-Processing Cluster - Food Technology Centre	Number of business opportunities for Food Technology Centre.	Feasibility study for Agro-Food Processing Centre.	Terms of Reference for feasibility study drafted
	Petro-Chemical Cluster.	Implementation of secondary industry feasibility study findings	3 projects identified: - Petrol dyes - Industrial cleaning chemicals - Water Treatment Chemicals	3 projects packaged to source investment options
To promote investment in value addition industries	Increase Value of new investments	Value of new investments	Investment of R400 million	Investment of R852.5 million
Ensure the development of Small Scale Mining in the Province	Development and formalization of Small Scale Mining groups in the Province	Number of Small Scale Mining groups formalized and assisted with geological survey.	5 groups assisted with geological surveys and formalization processes.	Three informal groups formalised. Processes of conducting 3 geological surveys started.

SUB-PROGRAMME 2.3: TOURISM DEVELOPMENT

PURPOSE:

To oversee the development and transformation of the tourism sector in the province in order to stimulate economic growth, job creation and income generation.

MEASURABLE OBJECTIVES:

- ◆ To facilitate the establishment of sustainable tourism enterprises
- ◆ To increase tourism awareness
- ◆ To manage and monitor a tourism safety and security programme
- ◆ To facilitate compliance to all relevant policies, regulations and strategies pertaining to tourism development and promotion

SERVICE DELIVERY INDICATORS

- ◆ Newly established tourism products by Previously Disadvantaged Individuals (PDI); The Nutting House Lodge; (Mbombela) Corner House (J.S.Moroka); The Phakamani Women's project (Govan Mbeki) and Coromandel Guest Farm (Thaba-Chwewu).
- ◆ An intensive media awareness campaign was conducted as well as community outreach programme. After care services were provided to established tourism products. Skills development needs for both management and staff that were identified will be addressed in the new financial year.
- ◆ The Tourism Fun Train was organised in order to increase the number of domestic tourists visiting the province.
- ◆ A national schools' competition on tourism was organized and our provincial winner came third.
- ◆ The Department organised a cleaning campaign at Thekwane South, in partnership with Ligwalagwala FM and Mbombela Local Municipality as well as four provincial departments.
- ◆ The tourism monitoring project is playing a leading role in ensuring the safety of tourists. The success of this programme has already generated interest from other provinces which are already learning from it.
- ◆ Area Lowveld and Highveld Priority Committees held meetings, which assisted the department in addressing the safety of tourists in the two districts.
- ◆ Safety tips brochures were distributed at strategic points.
- ◆ The installation of surveillance cameras at Pilgrim's Rest will ensure that tourists are safe during the International Gold Panning Championships and afterwards.
- ◆ There are 800 registered tourist guides in the province, 33 tourist guides were trained in the French language.
- ◆ The provincial tourist guide of the year was a runner up in the National competition, which was announced at the World Tourism Day.

Service delivery achievements

Sub-Programmes	Outputs	Output Performance Measures/Services Delivery Indicators	Actual Performance Against Target	
			Target	Actual
Tourism development	Establishment of tourism products owned by PDI's	Number of tourism products established	7 tourism products	10 tourism products
		Coordinate the establishment of tourism academy	To establish One academy tourism school	One tourism academy established
		Lobby tourism investors.	To lobby two tourism investors lobbied	One tourism investor attracted to the province from England (Wild Fig Lodge)
Tourism Awareness	Tourism awareness programmes conducted	Schools competition	To hold One school competition	One school competition held
		Tourism Fun Train	To organise One Tourism fun train	One fun train organised in Sept 2004 with over 600 participants
		Number of Workshops and road shows held	To hold Three workshops & road shows	Three workshops and road shows held
		Senior citizens competition	To hold One senior citizens competition	One senior citizens competition with 17 groups of participants held
		Number of cleaning campaigns held	To organise One cleaning campaign	One cleaning campaign organised
		Launch of Tourism route road development	To launch Three tourism route road developments	One tourism route road development launched called (KAMOKA)
Tourism safety and security	Creation of a safe environment for tourists	Number of Multi Agency Mechanism (MAM) meetings	To hold twelve MAM Meetings	Eleven MAM meetings held
		Number of Area Lowveld Priority Meetings	To hold Twelve Area Lowveld Priority Meeting	Ten Area Lowveld Priority Meetings held
		Number of Area Highveld Priority Meetings	Twelve Area Highveld Priority Meeting	None
		Number of Tourism Monitors Trained	Train Twenty Tourism Monitors	Twenty Tourism Monitors trained
Tourist guide registration	Registration and training of tour guides	Number of Tourist Guides registered and trained	33 tourist guides to be trained	33 tourist guide were trained and 20 were employed

SUB-PROGRAMME 2.4: ECONOMIC PLANNING AND RESEARCH

PURPOSE:

To provide economic information for planning and policy development.

Measurable objectives:

- ◆ To facilitate implementation of economic development policy
- ◆ To facilitate the gathering of reliable economic data and undertake research in order to enable planning
- ◆ To analyse data and information for policy and programme development

Service Delivery Indicators.

Conducted feasibility studies on the manufacturing of stainless steel components, fuel dyes, industrial cleaning chemicals and water treatment chemicals. Executive summary of the provincial economic indicators was released bi-annually and disseminated to all interested parties

Service delivery achievements

Sub-programme	Outputs	Output performance measures/service Delivery indicators	Actual performance against target	
			Target	Actual
To provide economic information for planning and policy development	Business plans on four feasibility studies on manufacturing of: - - Stainless steel components - Fuel dyes. - Water treatment chemicals. - Industrial cleaning chemicals.	Investment opportunities identified	- Four feasibility studies - Stainless steel components - Fuel dyes. - Water treatment chemicals. - Industrial cleaning chemicals.	Four feasibility studies conducted Stainless steel components Fuel dyes. Water treatment chemicals. Industrial cleaning chemicals.
	Assessment of the Implementation of the 1995 Industrial development strategy.	Industrial opportunities assessed to address current challenges.	Industrial development strategy developed	Industrial development strategy developed
To provide and update a sound information management system for economic development	Information on the state of provincial economy.	Bi-annual distribution of information to relevant stakeholders.	To produce two Brochures on the state of the provincial economy	One Brochure designed and distributed
	Geographic Information Systems (GIS) put in place.	Basic GIS operational	Acquisition of basic data, hardware and software for startup operation.	GIS updated and operational

Sub-programme	Outputs	Output performance measures/service Delivery indicators	Actual performance against target	
			Target	Actual
	Finalisation of the Mpumalanga Development profile.	Development profile finalised and popularised.	Development profile finalized and popularized by March 2004	Development profile finalized and popularized by May 2004
	Local Economic Development (LED) strategy for each of the three district in the Province	Number of Local Economic Development programs initiated.	LED Strategy for each of the three Districts	Terms of Reference (TOR) for LED between national Dept. of Local Government, the Provincial Local Government and the Department of Economic Development and Planning finalised.

SUB-PROGRAMME 2.5: SMME DEVELOPMENT

Purpose:

To promote Small Medium and Micro Enterprise (SMME) Development in the Mpumalanga Province.

Measurable Objectives

- ◆ To facilitate access to finance.
- ◆ To facilitate programmes for targeted groups, for example, women, youth and the disabled.
- ◆ To facilitate business linkages.
- ◆ To facilitate access to business development services.

Service Delivery Objectives and Indicators

Access to Finance

The Directorate has been successful in this area especially with the capacity building of Village Banks and establishment of new financial institutions.

Targeted support programmes for youth, women and the disabled.

The Directorate has empowered the targeted groups to participate in the mainstream of the economy through the co-operatives programme.

Service delivery achievements

Sub-programme	Outputs	Output performance measures/service Delivery indicators	Actual performance against target	
			Target	Actual
1. To facilitate access to finance and develop Small Medium and Micro Enterprises (SMMEs)	Improved access to finance by SMMEs	Number of entrepreneurs that access business finance. One (1) village Bank / Micro credit outlet established.	One thousand one hundred (1100) entrepreneurs accessed finance and One (1) Village Bank established	One thousand two hundred (1200) entrepreneurs accessed finance. One Village Bank established with two micro credit outlets.
	Improved management and operations of Nkedu.	Number of entrepreneurs that access Nkedu's services	Fifteen (15) entrepreneurs accessed funding. Fifty (50) were offered non-financial support	Twenty-one (21) entrepreneurs accessed finance to the value of R349, 500. Seventy (70) given training on non-financial support services.
	Improved access to finance to the youth.	Number of young people that accessed finance.	Two young enterprise organizations and one hundred and fifty young people assisted	Two Youth's Nicro Enterprise Finance established and two hundred and ten (210) young people access loans to the value of R309, 600
	Improve access to finance by SMMEs.	Number of Institutions that assist SMMEs.	One (1) micro credit outlet	Marang Micro Credit Outlet established and assisted one hundred and fifty (150) groups.
2. To facilitate the establishment of support programmes for women, youth and the disabled entrepreneurs	Improve access to opportunities by young entrepreneurs.	Number of young people that access business opportunities.	Twenty (20) young people assisted to access business opportunities through Umsobomvu Youth Fund programmes.	One hundred and fifty (150) young people assisted through the Umsobomvu programme.
	Improve access to opportunities by women entrepreneurs.	Number of women entrepreneurs that access business opportunities	Thirty (30) women assisted	Twenty-five (25) women exposed to opportunities through the Technology Women in Business (TWIB) programme.

Sub-programme	Outputs	Output performance measures/service Delivery indicators	Actual performance against target	
			Target	Actual
	Improve access to opportunities by disabled entrepreneurs.	Number of disabled entrepreneurs that access business opportunities.	Ten (10) disabled entrepreneurs assisted	Thirty (30) disabled entrepreneurs assisted by the department through the Innovative Disabled Entrepreneurs Award Scheme.
3.To promote and co-ordinate the development of a coherent and effective business development Services for emerging entrepreneurs to develop sustainable SMMEs	Improved access to non-financial support services by SMMEs.	Number of entrepreneurs that access non financial support services	One hundred and fifty (150) entrepreneurs assisted in non-financial services	Four hundred (400) entrepreneurs were assisted through the Mpumalanga Advisory Centre (MAC), Ermelo Local Business Service Centre (LBSC), Highveld Business Development Centre (HBDC) to access training in non-financial support
	Increase the number of support institutions in the province.	Number of viable SMME support institution in the province.	One MAC established and monitored,	The province has managed to establish one MAC satellite office and 600 entrepreneurs assisted in manufacturing

3 AL AL NTS

A vertical collage of various images representing different sectors of the economy, including agriculture, industry, infrastructure, and services, set against a background of a winding road. The collage includes scenes of farmers in a field, a power plant, a city skyline, a ship, a village, a construction site, a wind farm, and a person in a suit. The images are arranged in a vertical strip, with a large, stylized number '3' and the letters 'AL', 'AL', and 'NTS' to the left. The background features a winding road that curves around the collage.

**Annual Financial Statements
for
Department of Economic Development and Planning
for the year ended 31 March 2005**

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DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

I. GENERAL REVIEW OF THE STATE OF AFFAIRS

I.1. Vision

A competitive and adaptive economy that improves the quality of life of all people in the province.

I.2. Mission

To facilitate, implement and co-ordinate integrated planning and stimulate sustainable economic development.

I.3. Strategic Issues facing the Department

Emanating from the split of the Department into separate entities of Finance, and Economic Development and Planning, the Department has not only been entrusted with economic development, but also with the responsibility to plan the growth of the provincial economy. It was therefore crucial that the internal capacity be enhanced to meet the responsibilities of the new department. After a strategic planning process the administration therefore submitted an organogram to the Executive Authority for approval. The organogram includes all components as crucial for the success of the new Department, and consists of:-

- ◆ Chief Directorate: Economic Development
- ◆ Chief Directorate: Economic Policy and Planning
- ◆ Directorate: Corporate Services
- ◆ Directorate Office of the Chief Financial Officer
- ◆ Directorate: Internal Audit

2. SERVICES RENDERED BY THE DEPARTMENT

The Department does not render any services for which a tariff can be charged.

Tariffs are charged by our Public Entity, Mpumalanga Gaming Board.

2.1. Tariff Policy

Mpumalanga Gaming Board Tariffs are legislated on by Mpumalanga Gaming Act. The Mpumalanga Gaming Board collects revenue on behalf of the department, and the revenue deposited in the Provincial Revenue Fund.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****REPORT OF THE ACCOUNTING OFFICER****for the year ended 31 March 2005****2.2. Inventories**

The costing method used is the average costing. The total inventory on hand during the year up to 31 March 2005 is R1 562 million and is divided in to the following categories:

- ◆ Domestic Consumables
- ◆ Food and Food supplies
- ◆ Fuel, oil and gas
- ◆ Parts and other maintenance material
- ◆ Stationery and printing

OWN REVENUE

	2004/2005 Actual Income R'000
Gaming	22 266
Interest: Paymaster General Account	580
Horse Racing :Taxation	3 425
Liquor Licences	1 969
Other Revenue	238
Total	28 478

2.2. Free Services

- ◆ Consumer Protection provides free services to the public

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

3. CAPACITY CONSTRAINTS

◆ Economic Development – Planning

Limited capacity in Planning delays the formulation of comprehensive and cohesive provincial development plans. The filling of vacant posts will alleviate this problem.

◆ Internal Audit

Limited capacity in Internal Audit limits the effectiveness of the Audit Function. The filling of vacant posts will alleviate this problem.

◆ Supply Chain Management

Limited capacity in the Supply Chain Management renders the procurement function open to malpractice. The filling of vacant positions will curtail this problem.

4. UTILISATION OF DONOR FUNDS

The department received no Donor Funding

5. PUBLIC ENTITIES

The department has oversight over four public entities. These are:-

5.1. Mpumalanga Investment Initiative (MII)

The purpose of MII is to promote Foreign Direct Investment into the province.

5.2. Mpumalanga Tourism Authority (MTA)

The purpose of MTA is to undertake general marketing tourism in the province.

5.3. Mpumalanga Gaming Board (MGB)

The purpose of the entity is to regulate the gaming industry in the province.

5.4. Mpumalanga Economic Empowerment Corporation (MEEC)

The purpose of MEEC is to facilitate and promote the economic empowerment of the previously disadvantaged.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Transfer payments have been made to the entities listed below, namely:-

◆ Mpumalanga Investment Initiative:	R 9 000 000
◆ Mpumalanga Tourism Authority:	R 18 654 000
◆ Mpumalanga Gaming Board:	R 14 500 000
◆ Mpumalanga Economic Empowerment: Corporation	R 74 083 000
◆ Zithabiseni Holiday Resort:	R 5 720 000

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

No public-private partnerships were entered into.

8. CORPORATE GOVERNANCE AGREEMENTS

8.1. Risk Management approach

The management of risk in terms of the risk assessment that was done in the previous financial year. The Internal Audit Unit has carried out audits of all units, in line with their audit plan and identified areas where control had to be enhanced. The Accountant-General in the National Treasury has been requested to second staff to assist with risk assessment. This will be done before end of October 2005.

8.2. Fraud Prevention

The Fraud Prevention Plan has been revised, and is in line with the risk management strategy.

8.3. Internal Audit and Audit Committee

The Internal Audit Directorate is functional. However, the shared Internal Audit Committee has not been functional since July 2004. Audit Committees have since been appointed.

9. DISCONTINUED ACTIVITIES

Due to the split of former Department of Finance and Economic Affairs, this department took over programme 2 and the other activities on remaining programmes were and remained with the Department of Finance. As a result the comparative figures for programme 1 on the Financial Statements has been determined on a 50/50 basis as agreed to by both departments.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2005

10. NEW/PROPOSED ACTIVITY

None.

11. EVENTS AFTER THE REPORTING DATE

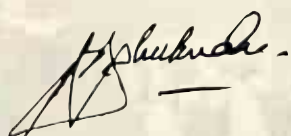
No events, after the reporting date, that have an effect on the financial statements.

12. OTHER

None.

13. APPROVAL

The Annual Financial Statements submitted herewith have been approved by the Accounting Officer.



R S TSHUKUDU
HEAD OF DEPARTMENT

DATE: 31 May 2005

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE AUDITOR-GENERAL

for the year ended 31 March 2005

**REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL
LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 2 MPUMALANGA
DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING FOR THE YEAR
ENDED 31 MARCH 2005**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 31 to 62 for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996), read with section 4 and 20 of Public Audit Act, 2004 (Act no. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with the relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

3. QUALIFICATION

3.1 Revenue

3.1.1 Gaming and horse racing taxes

The department did not institute accounting controls at collecting agents for gaming and horse racing taxes to ensure that reliance can be placed on the completeness and accuracy of receipts from collecting agents. As a result, it was impracticable for me to extend my examination beyond the receipts actually recorded and reports from collecting agents.

3.1.2 Liquor licences revenue and tourism guide fees revenue

The department did not institute accounting controls over cash receipts for liquor licences revenue and tourism guide fees revenue. Therefore I could not perform any audit procedures to ensure that the revenue were completely recorded. Accordingly, it was impracticable for me to extend my examination beyond the receipts actually recorded.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE AUDITOR-GENERAL

for the year ended 31 March 2005

3.2 Limitation of scope

There is insufficient evidence to support the accuracy, occurrence and completeness of R363 783 of payments made to employees for motor vehicle subsidies, since the supporting documents for these payments could not be provided for all employees that receive them. Payments for motor vehicle subsidies are included in "Compensation of employees" disclosed on the face of the statement of financial performance.

4. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in paragraph 3.2, the financial statements fairly present, in all material respects, the financial position of the Department of Economic Development and Planning at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice.

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion expressed above, attention is drawn to the following matters:

5.1 Error in the report of the accounting officer

In note 2.2 of the report to the accounting officer, inventory on hand amounts to R1 562 000. I did not audit the information contained in the report of the accounting officer, but this information is contradictory to the information contained in note 5.2 to the financial statements, which states that inventory purchased during the year, as opposed to on hand at year-end, amounts to R1 562 000.

5.2 Non-compliance

5.2.1 Audit committee not effective throughout the year

Sections 38(a)(ii), 76(4)(d) and 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) as well as section 3 of the Treasury Regulations were contravened, as the audit committee's term expired in September 2004 and no new audit committee was appointed. The department did therefore not have an audit committee for the entire year, as required by the said provisions of the PFMA.

5.2.2 Irregular expenditure

Expenditure amounting to R213 905,90 for goods and services for a tourism day was not authorised, as neither an approved order nor bid committee approval could be provided. This represents non-compliance with Treasury Regulation 16A(6)(1) as Treasury Instruction No. 3 of 2004 was not adhered to. The expenditure is therefore irregular and should have been disclosed as such in the financial statements.

5.2.3 Monthly reports

In terms of section 41 of the PFMA, monthly reports were submitted to the treasury in the prescribed format. However, these reports did not agree to the department's underlying records.

5.3 Control weaknesses

5.3.1 Fixed assets

LOGIS was not updated with assets transferred from the Department of Finance when the former Department of Finance and Economic Affairs split during the period under review. This means that assets that are already being utilised by the Department of Economic Development and Planning are not included in the asset figure disclosed in annexure 4 to the annual financial statements.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

REPORT OF THE AUDITOR-GENERAL

for the year ended 31 March 2005

As a result of this, the periodic physical asset verification and reconciliation of the LOGIS fixed asset register were also not performed. Consequently, discrepancies between the asset register and the physical assets owned by the department could not be identified, reviewed and investigated.

In addition, a list of inventory and substantiating records was not signed by the accounting officer of the receiving department when the transfer took place. This represents non-compliance with section 42 of the PFMA.

5.3.2 Fleet management

Fleet management reports were not reviewed and exceptions were therefore not regularly followed up. Consequently, the performance of vehicles had not been evaluated against predetermined standards to ensure the cost-effectiveness, efficient operation and optimal utilisation of the department's vehicle fleet.

5.3.3 Information systems

The department did not have adequate policies and procedures regarding information systems. As a result, a formal disaster recovery plan (DRP) and business continuity plan (BCP) did not exist. Without a comprehensive and tested DRP and BCP, the department would not be able to resume operations in the event of a disaster.

5.4 Late submission of financial statements

The late submission of audit evidence by the department resulted in a delay in the completion of the audit process. The evidence was required to ensure that the appropriate audit opinion could be expressed. The evidence was submitted on 5 September 2005 and the completion of the audit process and the submission of the audit report to the department were therefore delayed beyond 31 July 2005.

5.5 Special audit

A special audit was conducted at the Mpumalanga Provincial Administration on government employees who are directors or spouses of directors of private organisations. This special audit will be reported on separately.

6. APPRECIATION

The assistance rendered by the staff of the department during the audit is sincerely appreciated.



ND Maphiri *for* Auditor-General

Nelspruit

16 September 2005



AUDITOR - GENERAL

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****ACCOUNTING POLICIES****for the year ended 31 March 2005**

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2004. The following issues, but not yet effective Standards of Generally Recognised Accounting Practice have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

1. Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. Revenue**Appropriated funds**

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund, unless otherwise stated.

Departmental revenue***Tax revenue***

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the statement of financial performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the statement of financial performance on receipt of the funds.

Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the statement of financial performance on receipt of the funds.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the Statement of Financial Performance of the department and then transferred to the National/Provincial Revenue Fund.

Revenue received from the rent of land is recognised in the statement of financial performance on receipt of the funds.

Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the statement of financial performance on receipt of the funds.

Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the department is allowed to retain surplus funds, these funds are shown as a reserve.

3. Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis on capital projects during the financial year. All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.

Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans. Employee contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the department.

Post employment retirement benefits

The department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system. No provision is made for retirement benefits in the Annual Financial Statements of the department. Any potential liabilities are disclosed in the Annual Financial Statement of the National/Provincial Revenue Fund and not in the Annual Financial Statements of the employee department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expense is classified as capital if the goods and services were used on a capital project.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

Interest and rent on land

Interest and rental payments resulting from the use of land, are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. This item excludes rental on the use of buildings or other fixed structures.

Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending available to the department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

Unauthorised expenditure

Unauthorised expenditure, is defined as:

- The overspending of a vote or a main division within a vote, or
- Expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is approved by the relevant authority, recovered or written off as irrecoverable.

Irregular expenditure

Irregular expenditure, is defined as :

expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure, is defined as:

expenditure that was made in vain and would have been avoided had reasonable care been exercised therefore

- it must be recovered from a responsible official (a debtor account should be raised), or
- the vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

4. Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

5. Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

6. Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments that are recoverable from another party, when the payments are made.

Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

7. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to a insignificant risk of changes in value.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

8. Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances received that are due to the Provincial/National Revenue Fund or another party.

9. Lease commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting. Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

10. Accruals

This amount represents goods/services that have been received, but no invoice has been received from the supplier at the reporting date, OR an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

11. Contingent liability

This is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ACCOUNTING POLICIES

for the year ended 31 March 2005

12. Commitments

This amount represents goods/services that have been approved and/or contracted, but no delivery has taken place at the reporting date. These amounts are not recognised in the Statement of financial position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

13. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investment and/or loan capitalised. On disposal, repayment or recovery, such amounts are transferred to the Revenue Fund.

14. Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

15. Comparative figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the department may reasonably have available for reporting. Reclassification of expenditure has occurred due to the implementation of the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements as this would involve reclassification of amounts dating back to the 2002/03 year-end.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

APPROPRIATION STATEMENT for the year ended 31 March 2005

Appropriation per programme									
		2004/05						2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure Payments as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
I. Administration									
Current payment	21,962	-	-	21,962	19,693	2,269	89.7%	13,840	14,100
Transfers and subsidies	-	-	-	-	-	-	0.0%	258	170
Payment for capital ass									
2. Economic Development									
Current payment	31,830	-	-	31,830	30,532	1,298	95.9%	172,380	163,948
Transfers and subsidies	120,824	-	-	120,824	121,957	-1,133	100.9%	-	
Payment for capital assets									
Subtotal	174,616	-	-	174,616	172,182	2,434	98.6%	186,478	178,224
Statutory Appropriation									
Current payment	620			620	620	-	100.0 %		
TOTAL	175,236	-	-	175,236	172,802	2,434	98.6%	186,478	178,224
Departmental receipts				28,477				-	
Actual amounts per statement of Financial Performance (Total Revenue)				203,713				186,478	
Actual amounts per Statements of Financial Performance Expenditure					172,802				178,224

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

APPROPRIATION STATEMENT for the year ended 31 March 2005

Appropriation per economic classification									
	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation to employees	34,562	-	-	34,562	23,482	11,100	67.9%	20,748	19,886
Goods and services	24,037	-	-	24,037	26,009	-1,972	108.2%	20,899	19,724
Transfers and subsidies to:									
Public corporations and private enterprises	80,833	-	-	80,833	79,803	1,470	98.2%	144,573	138,329
Non-profit institutions	35,000	-	-	35,000	42,154	-7,154	120.4%	-	-
Payment for capital assets									
Machinery and equipment	184	-	-	184	754	-570	409.8%	258	227
Total	174,616	-	-	174,616	172,182	2,434	98.6%	186,478	178,224

Statutory Appropriation									
	2004/05							2003/04	
Direct charge against Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Member of executive committee / parliamentary officers	620	-	-	620	620	-	100.0%	-	-
Total	620	-	-	620	620	-	100.0%	-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

DETAILS PER PROGRAMME I - ADMINISTRATION

for the year ended 31 March 2005

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
I.1 Office of the MEC									
Current payment	2,032			2,032	2,109	-77	103.8%	832	1,052
I.2 Management Services									
Current payment	2,601			2,601	3,472	-871	133.5%	2,280	2,490
Transfers and subsidies	-	-	-	-	-	-	0.0%	83	60
I.3 Corporate Services									
Current payment	17,329	-		17,329	14,112	3,217	81.4%	10,728	10,558
Transfers and subsidies	-	-	-	-	-	-	0.0%	175	116
TOTAL	21,962	-	-	21,962	19,693	2,269	89.7%	14,098	14,276

	2004/05							2003/04	
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation to employees	10,595	-	-	10,595	6,760	3,835	63.8%	8,390	7,596
Goods and services	11,183	-	-	11,183	12,179	-996	108.9%	5,450	6,453
Payment for capital assets									
Machinery and equipment	184	-	-	184	754	-570	409.8%	258	227
Total	21,962	-	-	21,962	19,693	2,269	89.7%	14,098	14,276

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****DETAILS PER PROGRAMME 2 - ECONOMIC DEVELOPMENT****for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Economic Development									
Current payment	1,001			1,001	2,715	-1,714	271.2%	6,190	5,585
Transfers and subsidies	4,991			4,991	5,720	-729	114.6%		
2.2 Industry Promotion									
Current payment	4,237			4,237	4,011	226	94.7%	22,660	21,787
Transfers and subsidies	9,000			9,000	9,000	-	100.0%		
2.3 SMME Development									
Current payment	7,502			7,502	6,779	723	90.4%	108,250	102,008
Transfers and subsidies	80,833			80,833	74,083	6,750	91.6		
2.4 Tourism Development									
Current payment	7,542			7,542	6,942	600	92.0%	14,415	13,366
Transfers and subsidies	11,500			11,500	18,654	-7,154	162.2%		
2.5 Trade and Gaming									
Current payment	8,300			8,300	6,024	2,276	72.6%	18,347	18,957
Transfers and subsidies	14,500			14,500	14,500	-	100.0%		
2.6 Economic and Project Planning									
Current payment	3,248			3,248	4,061	-813	125.0%	2,518	2,245
TOTAL	152,654	-	-	152,654	152,489	165	99.9%	172,380	163,948

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
DETAILS PER PROGRAMME 2 - ECONOMIC DEVELOPMENT
for the year ended 31 March 2005

	2004/05							2003/04	
Economic Classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation to employees	23,967			23,967	16,702	7,265	69.7%	12,358	12,290
Goods and Services	12,854			12,854	13,830	-976	107.6%	15,449	19,185
Transfers and subsidies to:									
Public corporations and private enterprises	80,833			80,833	74,083	1,470	98.2%	144,573	138,329
Non-profit institutions	35,000			35,000	42,154	-7,154	121.7%		
Total	152,654	-	-	152,654	146,769	165	99.9%	172,380	163,948

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****NOTES TO THE APPROPRIATION STATEMENT****for the year ended 31 March 2005****1. Detail of transfers and subsidies as per Appropriation Act (after Virement):**

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexure I (A-B) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 8,9 and 12 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1	Per Programme	Voted Funds after virement	Actual Expenditure	R'000	%
Administration	23 077	22 582	20 313	2 269	89.9
	Budgeted vacant	posts which were not filled			
Economic Development	145 721	152 654	152 489	165	99.8

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2005

4.2 Per Economic classification

R'000

Current payment:

Compensation of employees

1814

Goods and services

Interest and rent on land

Financial transactions in assets and liabilities

Unauthorised expenditure approved

Transfers and subsidies:

Provinces and municipalities

Departmental agencies and accounts

Universities and Technikons

Public corporations and private enterprises

Foreign governments and international organisations

Non-profit institutions

Households

Payments for capital assets:

Buildings and other fixed structures

Machinery and equipment

Heritage assets

Biological or cultivated assets

Software and other intangible assets

Land and subsoil assets

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****STATEMENT OF FINANCIAL PERFORMANCE****for the year ended 31 March 2005**

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1	174,616	186,478
Statutory appropriation	2	620	310
Departmental revenue	3	28,477	-
TOTAL REVENUE		<u>203,713</u>	<u>186,788</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	4	24,082	19,886
Goods and services	5	26,009	19,724
Total current expenditure		<u>50,091</u>	<u>39,610</u>
Transfers and subsidies	6	121,957	138,329
Expenditure for capital assets			
Machinery and Equipment	7	754	285
Total expenditure for capital assets		<u>754</u>	<u>285</u>
TOTAL EXPENDITURE		<u>172,802</u>	<u>178,224</u>
NET SURPLUS		<u>30,911</u>	<u>8,564</u>
NET SURPLUS FOR THE YEAR		<u><u>30,911</u></u>	<u><u>8,564</u></u>
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund	10	2,434	8,564
Departmental revenue to be surrendered to the Revenue Fund	11	28,477	-
Local and foreign aid assistance			
NET SURPLUS FOR THE YEAR		<u><u>30,911</u></u>	<u><u>8,564</u></u>

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

STATEMENT OF FINANCIAL POSITION

as at 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets		58,237	2,971
Cash and cash equivalents	8	10,197	2,936
Receivables	9	48,040	35
TOTAL ASSETS		58,237	2,971
LIABILITIES			
Current liabilities		58,224	2,708
Voted funds to be surrendered to the Revenue Fund	10	2,434	2,704
Departmental revenue to be surrendered to the Revenue Fund	11	1,291	-
Payables	12	54,499	4
Non-current liabilities			
TOTAL LIABILITIES		58,224	2,708
NET ASSETS		13	263
Represented by:			
Capitalisation reserve		-	250
Recoverable revenue		13	13
TOTAL		13	263

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****STATEMENT OF CHANGES IN NET ASSETS****for the year ended 31 March 2005**

	Note	2004/05 R'000	2003/04 R'000
Capitalisation reserve			
Opening balance		250	250
Transfers		-250	-
Closing balance		-	250
Recoverable revenue			
Opening balance		13	38
Debts recovered (included in departmental revenue)		-	-25
Closing balance		13	13
TOTAL		13	263

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****CASH FLOW STATEMENT
for the year ended 31 March 2005**

	Note	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		155,708
Annual appropriated funds received		174,616
Statutory appropriated funds received		620
Departmental revenue received		28,477
Net decrease in working capital		-48,005
 Surrendered to Revenue Fund		-29,890
Current payments		4,404
Transfers and subsidies paid		-121,957
Net cash flow available from operating activities	13	8,265
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		-754
Net cash flows from investing activities		-754
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in loans received		-250
Net cash flows from financing activities		-250
 Net increase in cash and cash equivalents		7,261
 Cash and cash equivalents at the beginning of the period		2,936
 Cash and cash equivalents at end of period		10,197

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2005****1. Annual Appropriation**

1.1 Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Equitable Share):

	Final Appropriation	Actual Funds Received	Variance over/(under)	Total Appropriation 2003/04
	R'000	R'000	R'000	R'000
Administration	21,962	22,582	-620	14,098
Economic Development	152,654	152,654	-	172,380
Total	174,616	175,236	-620	186,478

2. Statutory Appropriation

	2004/05	2003/04
Member of executive committee/parliamentary officers	620	310
	620	310

3. Departmental revenue to be surrendered to revenue fund**Description**

	<i>Notes</i>	2004/05	2003/04
Tax revenue		27,748	
Sales of goods and services other than capital assets		109	
Interest, dividends and rent on land		580	
Recoverable revenue received		40	
Total revenue collected		28,477	-
Departmental revenue collected		28,477	-

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2005****4. Compensation of employees**

	2004/05	2003/04
	R'000	R'000
4.1 Salaries and Wages		
Basic salary	15,985	14,115
Performance award	61	
Service Based	1,095	1,080
Compensative/circumstantial	211	
Periodic payments	1,128	
Other non-pensionable allowances	2,076	1,233
	20,556	16,428
4.2 Social contributions		
4.2.1 Short-term employee benefits		
Pension	2,306	2,254
Medical	1,211	1,204
Bargaining council	9	
	3,526	3,458
Total compensation of employees	24,082	19,886
 Average number of employees	 129	 131

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

5. Goods and services

	Note	2004/05 R'000	2003/04 R'000
Advertising		606	145
Bank charges and card fees		14	16
Bursaries (employees)		56	246
Communication		1,735	1,357
Computer services		9	-
Consultants, contractors and special services		11,033	15,380
Courier and delivery services		-	59
Drivers' licences and permits		2	-
External audit fees	5.1	858	775
Equipment less than R5000		11	-
Inventory	5.2	1,562	776
Learnerships		48	-
Legal fees		74	-
Maintenance, repairs and running cost		1,297	-
Medical services		14	-
Printing and publications		244	-
Professional bodies and membership fees		82	-
Resettlement cost		24	-
Subscriptions		127	-
Owned leasehold property expenditure		1,864	-
Travel and subsistence	5.3	5,660	970
Venues and facilities		159	-
Protective, special clothing & uniforms		17	-
Training & staff development		513	-
		26,009	19,724

5.1 External audit fees

Regularity audits	701	775
Performance audits	157	-
Total external audit fees	858	775

5.2 Inventory (purchased during the year)

Domestic consumables	21	36
Food and Food supplies	362	57
Fuel, oil and gas	471	109
Other consumables	-	93
Parts and other maintenance material	66	81
Stationery and printing	642	400
Total Inventory	1,562	776

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

5.3 Travel and subsistence

Local	5,660	970
Total travel and subsistence	5,660	970

6. Transfers and subsidies

Public corporations and private enterprise	Notes Annex 1A	79,803	138,329
Non-profit institutions	Annex 1B	42,154	
		121,957	138,329

7. Expenditure for capital assets

Machinery and equipment	Annex 3	754	285
Total		754	285

8. Cash and cash equivalents

Consolidated Paymaster General Account	10,197	2,936
	10,197	2,936

9. Receivables

		Less than one year	One to three years	Older than three years	Total	Total
Amounts owing by other entities	Annex 7	48,000			48,000	
Staff debtors	9.1	16	24	-	40	18
Other debtors	9.3	-	-	-	-	17
		48,016	24	-	48,040	35

9.1 Staff debtors

Study Loans						18
Tax Debt		16			16	
T & S Advance		11			11	
Salary Overpayment		13			13	
		40			40	18

9.3 Other debtors

Nature of advances						
EBT Rejection Account						12
Tax RSA						4
Medical Aid						1
					-	17

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
10. Voted funds to be surrendered to the Revenue Fund			
Opening balance		2,704	
Transfer from Statement of Financial Performance		2,434	8,564
Voted funds not requested/not received			-5,860
Paid during the year		-2,704	
Closing balance		2,434	2,704
11. Departmental revenue to be surrendered to the Revenue Fund			
Transfer from Statement of Financial Performance		28,477	-
Paid during the year		-27,186	-
Closing balance		1,291	-
12. Payables – current			
Description	Notes	30 Days	30+ Days
Amount owing to other departments	Annexure 4	54,381	
Other payables	12.3		118
		54,381	118
Description		Total	Total
Sal: Income Tax		28	
Other payables		90	
		118	4
13. Reconciliation of net cash flow from operating activities to surplus	Note		
Net surplus as per Statement of Financial Performance		30,911	
Increase in receivables – current		-48,005	
Increase/(decrease) in payables – current		54,495	
Surrenders		-29,890	
Capital expenditure		754	
Net cash flow generated by operating activities		8,265	
14. Appropriated funds and departmental revenue surrendered			
Appropriated funds surrendered		2,704	
Departmental revenue surrendered		27,186	
		29,890	

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

15. Contingent liabilities		Note	2004/05 R'000	2003/04 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annex 2	-	406
Housing loan guarantees	Employees	Annex 2	761	761
Other departments (unconfirmed balances)		Annex 4	57	-
Capped leave commitments			3,661	3,749
			<u>4,479</u>	<u>4,916</u>

16. Accruals**Listed by economic classification**

	30 Days	30+ Days	Total	Total
Goods and services	196	-	196	702
Machinery and equipment				
			<u>196</u>	<u>702</u>

Listed by programme level

	196	56
Programme 1:Administration		14
Programme 2:Economic Development	<u>196</u>	<u>702</u>

Confirmed balances with other departments

Annex 4	54,381	
	<u>54,381</u>	

17. Employee benefits

Leave entitlement	934	824
Thirteenth cheque	775	626
Performance bonus	56	164
	<u>1,765</u>	<u>1,614</u>

18. Lease**18.1 Operating leases**

	Buildings and other fixed structures	Machinery and equipment	Total	Total
Not later than 1 year	334	748	748	630
Later than 1 year and not later than 3 years		948	1282	580
Later than three years	-	-	-	-
Total present value of lease liabilities	<u>334</u>	<u>1,696</u>	<u>2,030</u>	<u>1,210</u>

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
19. Irregular expenditure			
19.1 Reconciliation of irregular expenditure			
Opening balance		205	205
Transfer to Statement of Financial Performance – authorised losses (Condoned)		-	-
Irregular expenditure awaiting condonement		<u>205</u>	<u>205</u>
Analysis			
Current			117
Prior years		<u>205</u>	<u>88</u>
		<u>205</u>	<u>205</u>
19.2 Irregular expenditure			
Incident	Disciplinary steps taken/criminal proceedings		
		<u>205</u>	<u>205</u>
		<u>205</u>	<u>205</u>

Disciplinary hearings were conducted resulting in the responsible officials being dismissed. They subsequently appealed through the CCMA and they won the case and were re-instated. However the department is currently in a process of recovering the funds and has issued letters of demand. Criminal proceedings are still pending.

20. Related party transactions

Zithabiseni Holiday Resort

The Department inherited the resort from the former KwaNdebele Government. The Department budgeted an amount of R4.9 million under the Tourism Directorate. However the actual expenditure was R5.7 million which resulted to an overexpenditure of R729 thousand.

Nkomazi Economic Development Unit (NKEDU)

The Nkomazi Economic Development Unit is a partnership between this department, the United Nations Office for Project Services (UNOPS), the Dept. of Trade and Industry (DTI) and the local municipality to provide training and funding for small business in the Nkomazi region. The department transferred an amount of R400 thousand rands to NKEDU in support of this initiative during the year under review.

Mpumalanga Manufacturing Advisory Centre (MPUMAC)

The Mpumalanga Manufacturing Advisory Centre is an implementing agent for the department to support small business especially those in the manufacturing industry. The department transferred an amount of R1 million rands to MPUMAC during the year under review.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

**National Institute for Crime Prevention and Reintegration of Offenders (NICRO)
Enterprise Finance**

Umsobomvu Youth Fund and the Department of Economic Development and Planning have entered into an agreement with Nicro Enterprise Finance, a service provider, to establish offices in Mpumalanga to provide loans to young emerging entrepreneurs. This partnership between the Department and Umsobomvu is to fund operational costs to the organisation (Nicro) and loan finance. The role of Nicro Enterprise Finance is to enhance the Department's objective of broadening access to finance as our implementing agent. The department transferred an amount of R1 million rands to Nicro during the year under review.

21. Senior management personnel

■ Member of the Executive Council	620	310
■ Deputy Director General	648	611
■ 2 x Chief Directors	1,068	493
■ 10 x Directors	4,508	3,010
	6,844	4,424

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

**ANNEXURE 1A
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND
PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				TRANSFER				2003/04
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
MEEC	75,000	-	5,833	80,833	74,083	91.6%			99,167
Subtotal	75,000	-	5,833	80,833	74,083	91.6%	-	-	99,167
Total	75,000	-	5,833	80,833	74,083	91.6%	-	-	99,167
Private Enterprises									
ZITHABISENI	4,991			4,991	5,720	114.6%			
Subtotal	4,991	-		4,991	5,720	114.6%	-	-	-
Total	4,991	-	-	4,991	5,720	114.6%	-	-	-
TOTAL	79,991	-	5,833	85,824	79,803	92.9%	-	-	99,167

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

ANNEXURE 1B

STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
MGB	14,500			14,500	14,500	100.0%	12,500
MII	9,000			9,000	9,000	100.0%	18,000
MTA	10,000		1,500	11,500	15,000	136.5%	8,662
	33,500	-	1,500	35,000	39,200		39,162
Total	33,500	-	1,500	35,000	39,200		39,162

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING

VOTE 6

ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2004	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest for year ended 31 March 2005	Closing balance 31 March 2005	Realised losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000

Motor vehicles

STANNIC

	406		406				
-	406	-	406	-			-

Housing

STANDARD BANK

	84					84	
--	----	--	--	--	--	----	--

NEDBANK

	100					100	
--	-----	--	--	--	--	-----	--

FIRSTRAND BANK

	238					238	
--	-----	--	--	--	--	-----	--

ABSA

	191					191	
--	-----	--	--	--	--	-----	--

PEOPLES BANK

	19					19	
--	----	--	--	--	--	----	--

MPUM HOUSING FINANCE

	34					34	
--	----	--	--	--	--	----	--

PERMANENT BANK

	95					95	
--	----	--	--	--	--	----	--

-	761	-	-	-	761	-	-

Total

-	1,167	-	406	-	761	-	-
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DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

ANNEXURE 3
PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	586	754	-	-	-	1,340
Computer equipment	585	32				617
Furniture and office equipment	-	644				644
Other machinery and equipment	1	78				79
	586	754				1,340

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	301	285	-	-	-	586
Computer equipment	300	285				585
Other machinery and equipment	1					1
	301	285	-	-	-	586

This is a movement schedule as at 1 March 2003

Disposals only relate to amounts included in the opening balances and the additions columns. If you have a disposal, the amount written off should be equivalent to the carrying value of the asset.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING**VOTE 6****ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2005****ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Amounts not included in Statement of financial position				
Current				
Department of Finance	54,381			
Department of Public Works			57	
Subtotal	54,381	-	57	-
Total	54,381	-	57	-

DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING
VOTE 6
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

ANNEXURE 5
INTER-GOVERNMENT RECEIVABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Provincial Treasury	48,000			
	48,000	-	-	-
Total	48,000	-	-	-

PART 4

HUMAN RESOURCE MANAGEMENT



HR OVERSIGHT - APRIL 2004 to MARCH 2005 - Mpumalanga - Economic Development and Planning**TABLE I.1 - Main Service for Service Delivery Improvement and Standards**

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
- Enterprise Development	- Entrepreneurs - Service Providers - Financial Institutions	Citizens of Mpumalanga Province	Access to finance	Refer to programme performance report
- Tourism Development	- Tourists - Product Owners	- Government Departments - Donors	Increase in Tourism Products	- Tourism Fun Train - Senior Citizens camp - Cleaning competition
- Industry & Trade Development	- Investors - Enterprises - Financial Institutions	- Investors - Enterprises	Increase in exporters	- Industrial Development summit held - Mining summit held
- Consumer Education	- Consumers	- Consumers	Consumer Protection	- World Consumer Day celebrated
- Business Regulation	- Municipalities - Liquor industry - Gambling industry - Horse racing	- Municipalities - Liquor industry - Gambling industry - Horse racing	Fair Business Practices	- Drafting of legislation

TABLE I.2 - Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievements
Industrial site visits	Industrialists	Industrialists	Foreign Direct Investment (FDI) increased from previous year
Workshops	SMMEs & Manufacturers	SMMEs & Manufacturers	- Increase in SMMEs - More SMME start-ups
Consumer protection	Consumers	Consumers	- Protection for consumers - Successful protection for consumers

TABLE I.3 - Service Delivery Access Strategy

Access Strategy	Actual Achievements
Organisational site visits	Visited major provincial industries

TABLE 1.4 - Service Information Tool

Type of Information Tool	Actual Achievements
Annual Reports	Annual Report finalised and Publicised

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievements
Complaints and suggestion Box	- All complaints followed up
Letters to the MEC Letters to the HOD	- All complaints and letters responded to

HR OVERSIGHT - APRIL 2004 to MARCH 2005 - Mpumalanga - Economic Development and Planning

TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted		Training	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)
Pr1: Administration	22,214	10,858	0	0	48.9	80
Pr2: Economic development	144,251	13,225	0	0	9.2	97
=Total as on Financial Systems (BAS)	166,465	24,082	0	0	14.5	177

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees (R'000)	Percentage of Total Personnel Cost	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	1,621	9.4	135083
Skilled (Levels 3-5)	612	3.5	68000
Highly skilled production (Levels 6-8)	4,697	27.2	85400
Highly skilled supervision (Levels 9-12)	6,577	38.1	139936
Senior management (Levels 13-16)	3,742	21.7	287846
TOTAL	17249	100	126831

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost (R'000)
Administration	1562	63.3	61	2.5	19	0.8	119	4.8	2468
Pr2: Economic services	904	66	0	0	11	0.8	68	5	1369
Programme 2: Economic development	1320	44.1	0	0	14	0.5	87	2.9	2994
Programme 1: administration	2971	63.9	75	1.6	35	0.8	229	4.9	4648
Programme 2: CD Economic development and planning	2815	65.5	41	1	31	0.7	203	4.7	4297
Unknown	966	65.6	0	0	13	0.9	77	5.2	1473
TOTAL	10538	61.1	177	1	123	0.7	783	4.5	17249

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost (R'000)
Lower skilled (Levels 1-2)	302	18.6	0	0	5	0.3	49	3	1621
Skilled (Levels 3-5)	368	60.1	6	1	1	0.2	57	9.3	612
Highly skilled production (Levels 6-8)	3254	69.3	94	2	52	1.1	288	6.1	4697
Highly skilled supervision (Levels 9-12)	4555	69.3	76	1.2	64	1	250	3.8	6577
Senior management (Levels 13-16)	2060	55.1	0	0	0	0	138	3.7	3742
TOTAL	10539	61.1	176	1	122	0.7	782	4.5	17249

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TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate
Programme 3: economic policy and planning, Permanent	5	1	80
Programme 1: administration, Permanent	150	75	50
Programme 2: cd economic development, Permanent	127	60	47.8
TOTAL	282	136	51.8

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate
Lower skilled (Levels 1-2), Permanent	20	12	40.0
Skilled (Levels 3-5), Permanent	34	8	76.5
Highly skilled production (Levels 6-8), Permanent	145	56	61.4
Highly skilled supervision (Levels 9-12), Permanent	68	48	29.4
Senior management (Levels 13-16), Permanent	15	12	20.0
TOTAL	282	136	51.8

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate
Administrative related, Permanent	38	13	65.8
Cleaners in offices workshops hospitals etc., Permanent	17	11	35.3
Communication and information related, Permanent	8	5	37.5
Economists, Permanent	28	20	28.6
Finance and economics related, Permanent	22	17	22.7
Financial clerks and credit controllers, Permanent	13	4	69.2
General legal administration & rel. professionals, Permanent	2	2	0.0
Historians and political scientists, Permanent	0	0	0.0
Human resources & organisat developm & relate prof, Permanent	0	0	0.0
Human resources related, Permanent	15	9	40.0
Light vehicle drivers, Permanent	1	1	0.0
Messengers porters and deliverers, Permanent	2	1	50.0
Other administrat & related clerks and organisers, Permanent	12	4	66.7
Other administrative policy and related officers, Permanent	6	1	83.3
Other occupations, Permanent	26	6	76.9
Regulatory inspectors, Permanent	21	5	76.2
Secretaries & other keyboard operating clerks, Permanent	18	11	38.9
Senior managers, Permanent	15	12	20.0
Trade/industry advisers & other related profession, Permanent	38	14	63.2
TOTAL	282	136	51.8

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TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated
Lower skilled (Levels 1-2)	20	0	0	0	0
Skilled (Levels 3-5)	28	0	0	0	0
Highly skilled production (Levels 6-8)	137	0	0	0	0
Highly skilled supervision (Levels 9-12)	82	3	3.7	3	100
Senior Management Service Band A	12	0	0	0	0
Senior Management Service Band B	2	0	0	0	0
Senior Management Service Band C	1	0	0	0	0
Senior Management Service Band D		0	0	0	0
TOTAL	282	3	1.1	0	0

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloureds	White	Total
Female	2	1	0	0	3
Male	0	0	0	0	0
Total	2	1	0	0	0
Employees with a Disability	0	0	0	0	0

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR I.V.C.3]

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
Total	0				
Percentage of Total Employment	0				

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o PSR I.V.C.3]

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Employees with a Disability	0	0	0	0	0
Total	0	0	0	0	0

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TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	15	16	18	120
Skilled (Levels 3-5), Permanent	25	1	1	4
Highly skilled production (Levels 6-8), Permanent	60	3	4	6.7
Highly skilled supervision (Levels 9-12), Permanent	35	0	2	5.7
Senior Management Service Band A, Permanent	5	1	1	20
Senior Management Service Band B, Permanent	1	0	0	0
TOTAL	141	21	26	18.4

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	8	10	12	150
Cleaners in offices workshops hospitals etc., Permanent	10	0	3	30
Client inform clerks(switchboard reception inform clerks), Permanent	5	0	1	20
Economists, Permanent	22	2	2	9.1
Finance and economics related, Permanent	33	0	1	3
Human resources & organisational development & related professions, Permanent	23	0	1	4.3
Messengers porters and deliverers, Permanent	3	0	1	33.3
Other administrative & related clerks and organisers, Permanent	1	0	0	0
Other administrative policy and related officers, Permanent	2	0		0
Other occupations, Permanent	0	0	0	0
Regulatory inspectors, Permanent	7	1	0	0
Secretaries & other keyboard operating clerks, Permanent	6	0	0	0
Senior managers, Permanent	6	1	1	16.7
Trade/industry advisers & other related professions, Permanent	15	7	4	26.7
TOTAL	141	21	26	18.4

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	1	3.8	0.7	26	141
Resignation, Permanent	3	11.5	2.1	26	141
Dismissal-operational changes, Permanent	3	11.5	2.1	26	141
Discharged due to ill health, Permanent	3	11.5	2.1	26	141
Other, Permanent [Transfer]	16	61.5	11.3	26	141
TOTAL	26	100	18.4	26	141
Resignations as % of Employment					
2.10%					

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	8	2	25	2	25
Communication and information related	10	1	10	0	0
Economists	22	0	0	2	9.1
Finance and economics related	33	3	9.1	0	0
Financial and related professionals	0	0	0	1	0
Financial clerks and credit controllers	0	1	0	0	0
Human resources & organisat developm & relate prof	23	0	0	0	0
Human resources related	0	3	0	0	0
Library mail and related clerks	0	0	0	1	0
Light vehicle drivers	2	0	0	1	50
Logistical support personnel	3	0	0	1	33.3
Messengers porters and deliverers	3	0	0	2	66.7
Other administrat & related clerks and organisers	1	0	0	0	0
Other administrative policy and related officers	2	0	0	0	0
Other occupations	0	0	0	1	0
Regulatory inspectors	7	0	0	0	0
Secretaries & other keyboard operating clerks	6	0	0	0	0
Senior managers	6	0	0	2	33.3
Trade/industry advisers & other related profession	15	0	0	1	6.7
TOTAL	141	10	7.1	14	9.9

TABLE 5.5 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2), Permanent	8	0	0	1	12.5
Skilled (Levels 3-5), Permanent	11	0	0	2	18.2
Highly skilled production (Levels 6-8), Permanent	65	1	1.5	7	10.8
Highly skilled supervision (Levels 9-12), Permanent	51	9	17.6	2	3.9
Senior management (Levels 13-16), Permanent	6	0	0	2	33.3
TOTAL	141	10	7.1	14	9.9

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TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	8	0	0	8	0	4	0	0	4	0	12
Professionals, Permanent	40	1	0	41	0	28	1	1	32	2	75
Clerks, Permanent	2	0	0	2	0	21	1	0	22	0	24
Plant and machine operators and assemblers, Permanent	3	0	0	3	0	0	0	0	0	0	3
Elementary occupations, Permanent	5	0	0	5	0	17	0	0	17	0	22
Other, Permanent	0	0	0	0	0	0	0	0	2	0	2
TOTAL	58	1	0	59	0	70	2	1	75	2	136

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Senior Management, Permanent	6	0	0	6	0	4	0	0	4	0	10
Professionally qualified and experienced specialists and mid-management, Permanent	28	1	0	29	0	16	1	0	17	1	47
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	17	0	0	17	1	34	1	0	35	1	54
Semi-skilled and discretionary decision making, Permanent	2	0	0	2	0	7	0	0	7	0	9
Unskilled and defined decision making, Permanent	3	0	0	2	0	11	0	0	11	0	13
TOTAL	57	1	0	58	0	70	2	1	75	2	135

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	0	0	0	0	0	1	0	0	1	0	1

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2	0	0	2	0	1	0	0	1	0	3
Semi-skilled and discretionary decision making, Permanent	0	0	0	0	0	1	0	0	1	0	1
Unskilled and defined decision making, Permanent	7	0	0	7	0	9	0	0	9	0	16
TOTAL	9	0	0	9	0	12	0	0	12	0	21

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	0	0	0	0	0	1	0	0	1	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	4	0	7	0	0	7	1	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	4	0	4	0	0	4	0	8

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Semi-skilled and discretionary decision making, Permanent	1	0	0	1	0	1	0	0	1	0	2
Unskilled and defined decision making, Permanent	0	0	0	0	0	1	0	0	1	0	1
TOTAL	9	0	0	9	0	14	0	0	14	1	24

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	0	1	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	0	0	0	0	0	1	0	0	1	1	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	4	0	0	0	0	0	0	4
Semi-skilled and discretionary decision making, Permanent	0	0	0	0	0	1	0	0	1	0	1
Unskilled and defined decision making, Permanent	7	0	0	7	0	11	0	0	11	0	18
TOTAL	11	1	0	12	0	13	0	0	13	1	26

TABLE 6.6 - Disciplinary Action

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
TOTAL	3	0	0	3	0	1	0	0	1	0	4

TABLE 6.7 - Skills Development

[illegible]

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TABLE 7.1 - Performance Rewards by Race, Gender and Disability

	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	1	72	1.4	21	21,375
African, Male	1	58	1.7	35	34,713
Coloured, Female	0	2	0	0	0
Coloured, Male	0	1	0	0	0
Total Blacks, Female	1	74	1.4	21	21,375
Total Blacks, Male	1	59	1.7	35	34,713
White, Female	0	2	0	0	0
White, Male	0	1	0	0	0
TOTAL	2	136	1.5	56	28,044

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	0	12	0	0	0
Skilled (Levels 3-5)	0	19	0	0	0
Highly skilled production (Levels 6-8)	0	61	0	0	0
Highly skilled supervision (Levels 9-12)	0	44	0	0	0
TOTAL	0	136	0	0	0

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	0	11	0	0	0
Cleaners in offices workshops hospitals etc.	0	8	0	0	0
Client inform clerks (switchboard reception inform clerks)	0	2	0	0	0
Communication and information related	0	7	0	0	0
Economists	0	26	0	0	0
Finance and economics related	0	6	0	0	0
Financial and related professionals	0	5	0	0	0
Financial clerks and credit controllers	0	6	0	0	0
Head of department/chief executive officer	0	1	0	0	0
Human resources & organisational development & related professions	0	1	0	0	0
Human resources clerks	0	1	0	0	0
Human resources related	0	7	0	0	0

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Legal related	0	2	0	0	0
Library mail and related clerks	0	1	0	0	0
Light vehicle drivers	0	3	0	0	0
Logistical support personnel	0	1	0	0	0
Messengers porters and deliverers	0	2	0	0	0
Other administrat & related clerks and organisers	0	1	0	0	0
Other occupations	0	11	0	0	0
Rank: Unknown	0	2	0	0	0
Regulatory inspectors	0	2	0	0	0
Secretaries & other keyboard operating clerks	0	13	0	0	0
Senior managers	2	12	16.7	56	28,000
Trade/industry advisers & other related profession	0	10	0	0	0
TOTAL	2	141	1.4	56	28,000

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Band A	2	9	22.2	56	2,800
Band B	0	2	0	0	0
Band C	0	1	0	0	0
TOTAL	2	12	16.7	56	28,000

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TABLE 8.1 - Foreign Workers by Salary Band

[illegible]

TABLE 8.2 - Foreign Workers by Major Occupation

[illegible]

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TABLE 9.1 - Sick Leave for Jan 2004 to Dec 2004

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	13	100	3	15.8	4	2	19	13
Skilled (Levels 3-5)	13	100	2	10.5	7	3	19	13
Highly skilled production (Levels 6-8)	20	70	8	42.1	3	7	19	14
Highly skilled supervision (Levels 9-12)	17	82.4	6	31.6	3	12	19	14
TOTAL	63	85.7	19	100	3	24	19	54

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2004 to Dec 2004

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	45	100	1	100	45	7	45	1
TOTAL	45	100	1	100	45	7	45	1

TABLE 9.3 - Annual Leave for Jan 2004 to Dec 2004

Salary Band	Total Days Taken	Average per Employee
Lower skilled (Levels 1-2)	51	7
Skilled (Levels 3-5)	77	10
Highly skilled production (Levels 6-8)	280	7
Highly skilled supervision (Levels 9-12)	253	9
Senior management (Levels 13-16)	39	7
TOTAL	700	8

TABLE 9.4 - Capped Leave for Jan 2004 to Dec 2004

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2004
Lower skilled (Levels 1-2)	1	1	97
Skilled (Levels 3-5)	16	8	67
Highly skilled production (Levels 6-8)	12	12	71
Highly skilled supervision (Level 9-12)	17	9	57
TOTAL	46	8	69

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TABLE 10.1 - Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	None
None	None

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	yes		TT Makhubo Director Corporate Services
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	yes		1 250 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	yes		substance abuse, family problems
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		no	
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	yes		HIV and AIDS at the workplace
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.		no	
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	yes		
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		no	

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TABLE 11.1 - Collective Agreements

Subject Matter	Date
None	None
None	None

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
TOTAL	1	100	1

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	% of total
Fraud	1	100
Total	1	100

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	% of total
Resolved	1	100
Not resolved	0	0
Total	1	100

TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	0	0
Dismissed	0	0
Total	0	0

TABLE 11.6 - Strike Actions

Strike Actions	Number
Total number of person working days lost	0
Total cost(R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	Number
Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost (R'000) of suspensions	0

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TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	0	0	11	11
	Male	0	0	21	21
Professionals	Female	0	0	0	0
	Male	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0
	Male	0	0	0	0
Clerks	Female	0	6	1	7
	Male	0	0	2	2
Service and sales workers	Female	0	0	0	0
	Male	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	0	0	0	0
	Male	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	0	13	13
	Male	0	0	7	7
Gender sub totals	Female	0	6	25	31
	Male	0	0	30	30
Total		0	6	55	61

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	0	0	5	5
	Male	0	0	8	8
Professionals	Female	0	0	0	0
	Male	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0
	Male	0	0	0	0
Clerks	Female	0	6	1	7
	Male	0	0	2	2

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Total
Service and sales workers	Female	0	0	0	0
	Male	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	0	0	0	0
	Male	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	0	13	13
	Male	0	0	7	7
Gender sub totals	Female	0	0	19	25
	Male	0	0	17	17
Total		0	6	36	42

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TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	0	0

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TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Water Treatment Chemicals	4	19 weeks	R 222 000
Industrial Cleaning Chemicals	8	24 weeks	R 492 480
Stainless Steel Project	1	14 weeks	R 97 000
Fuel Dyes	2	16 weeks	R 608 666
Mining Summit	4	4 days	R 20 173
Assessment of the Industrial Development Strategy	4	4 days	R 50 000
CCTV cameras at Pilgrims Rest	1	12 months	R 85 000

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project

TABLE 14.3 - Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
Mpumalanga Capacity Building Programme - Tourism Programme	1	76 weeks	R 942 000
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

TABLE 14.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project

