



# *Annual Report 2004/2005*



*Office of the Premier  
Vote 1*

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*Part One* GENERAL INFORMATION



**ED Peters**

Premier - Northern Cape

**1.1 SUBMISSION OF THE ANNUAL REPORT FOR THE PERIOD  
1 APRIL 2004 TO 31 MARCH 2005**

**PREMIER ED PETERS**

**EXECUTING AUTHORITY: OFFICE OF THE PREMIER**

**NORTHERN CAPE**

I have the honour to submit the Annual report of the Northern Cape Office of the Premier.

A handwritten signature in dark ink, appearing to read 'M Hendricks', written in a cursive style.

**DR MH HENDRICKS**

**DIRECTOR GENERAL**

## 1.2 INTRODUCTION BY THE HEAD OF DEPARTMENT DR MH HENDRICKS

It is my pleasure to submit the annual report of the Office of the Premier to the Executing Authority and the legislature for the financial year ended 31 March 2005.

The report will outline some of the major achievements and challenges encountered by the department in the year under review.

The department un-relentlessly worked towards sustained economic growth and development with the aim of creating jobs and fighting poverty. This resulted in the development and launch of the Provincial Growth and Development Strategy. The strategy document outlines the objectives of government with respect to the interventions necessary in the sphere of economic development, focusing on the previously marginalized as well as the delivery of services to our people. This was one of many activities that the department was engaged with to ensure that the lives of the People of the Northern Cape are improved.

Since the department has to ensure that all government policies are implemented in the Province, the department embarked on programmes and projects that focuses on the marginalized groups, i.e. youth, women and the disabled and below are just some of the highlights of the progress made.

The women embarked on the 16 days of Activism against violence against women and children. The campaign had a good support and ended with two houses being built and submitted to two disabled women in the Pixley Ka Seme and Kgalagadi region.

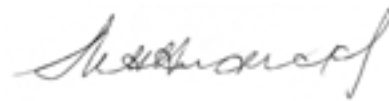
The Office on the Status of Disability launched the website for the persons of disabilities on the 1st of August 2004. The aim of the website was to provide information about all government services relating to the disabled and to monitor progress made by government and business on the implementation of policies relating to disabilities.

The Office on the Rights of the child continues to ensure implementation of the legislation relating to rights of the children by establishing structures that will promote and protect children's rights.

The Youth Commission facilitated the launch of Bothlale E-learning and Resource Centre in partnership with the Digital Partnership and the Northern Cape Youth Development Agency.

The highlighted activities, echoes the commitment of the Office of the Premier in ensuring a better life for all of the people of the Northern Cape Province.

I would like to thank all senior managers, managers, unit heads and all the staff of the Office of the Premier for their dedication, support and their efforts in making a success of this office.



**MH HENDRICKS**  
**DIRECTOR GENERAL**



## 1.3 INFORMATION ABOUT THE MINISTRY

The Office of the Premier as the centre of the Northern Cape Provincial Government is charged with the responsibility of consolidating and creating an environment for all departments to ensure the achievement of the provincial strategic goals. Its mandate is clearly outlined in the Constitution of the Republic of South Africa, Act 108 of 1996.

It is on that basis that the core function of the ministry is rooted which is to provide an efficient and effective support services to the Premier as the political head of the Province and Executing Head of the Office of the Premier.

The ministry is involved in managing the day to day activities of the Premier in dealing with stakeholder agencies/institutions falling under her control, i.e. ministries, departments, legislature, district and local municipalities and communities.

The Premier accented to the following Acts during the financial year under review:

- Northern Cape Appropriation Bill 2004
- Northern Cape Drought Relief Adjustment Appropriation Bill
- Northern Cape Direct Charges Bill
- Northern Cape Provincial Finance Bill
- Northern Cape Adjustment Appropriation Bill

## VISION

“Northern Cape – A Province for the betterment of your future.”

## MISSION STATEMENT

A Province working towards the: -

Creation of wealth, for redistribution, through economic growth and development;

Elimination of racism, sexism and discrimination against people with disabilities;

Ensuring good governance through optimal utilisation of technology and human resource development;

Ensuring a safe and secure environment;

Reduction of HIV and AIDS;

Restoration of moral values;

Development of children, youth, women and people with disabilities for the realisation of their full potential.



## Part Two **PROGRAMME PERFORMANCE**

### **PROGRAMME 1: ADMINISTRATION**

#### **PURPOSE**

The aim of the unit is to provide core support to the Office of the Premier and the Northern Cape Government, to enable it to fulfil its legislative and oversight functions to ensure that the office delivers a qualitative service to its clients.

#### **DIRECTOR-GENERAL SUPPORT SERVICES**

The office of the Director General provides administrative support to the Director General and was involved with the following transversal activities:

- Governance and administration
- Special Programmes
- Moral Regeneration Movement
- Identity Document (ID) Campaign and the
- Khomani San

#### **GOVERNANCE AND ADMINISTRATION**

The directorate together with the Executive Council Secretariat ensured effective operations of the Executive Council (EXCO) programme including the

execution of the outreach programmes. Interactions at all district level took place with stakeholders that included municipal officials, councillors and communities.

Four Intergovernmental Relations Council meetings were held during the year with special focus on integrated service delivery programmes. The Director General interacted at National level through working on Presidential initiatives with Forum for South African Director General (FOSAD) and Presidential Coordinating Council (PCC). The office also facilitated bi-weekly meetings of heads of department to ensure the fast tracking of implementation of all government policies and programmes.

#### **PREMIER'S SERVICE EXCELLENCE AWARDS**

The department hosted the second round of the Premier's Service Excellence Awards. The aim of the award is to improve service delivery throughout the Provincial Administration and promote service excellence and good governance in accordance with the Batho Pele principles and service excellence in all departments.

The following is a list of successful departments/ organizations, which were recognized during the award ceremony:

NO	NAME	CATEGORY
1	Kimberley Hospital Complex	Gold
2	Vosburg Community Health Centre	Silver
3	Witbank Livestock Improvement Programme	Silver
4	Department of Local Government and Housing	Bronze
5	De Aar Junior Primary School	Bronze
6	Springbok Regional Office – Department of Housing & Local Government	Bronze
7	Platfontein Housing Project	Bronze
8	CMIP Unit – Department of Housing & Local Government	Certificate of Commendation
9	Karoo Health District	Certificate of Commendation
10	De Aar Veterinary Services	Certificate of Commendation
11	'Drie Plotte' Project – Department of Agriculture	Finalist
12	Human Resource Management – Department of Transport, Roads & Works	Finalist
13	Directorate of Local Government – Upington Regional Office	Finalist
14	Pixley ka Seme Regional Office – Department of Social Services & Population Development	Finalist



## MORAL REGENERATION

The main objective of the programme is to ensure integration of Moral Regeneration Campaign in Government programmes. The department launched the Moral Charter drafting process in all 5 provincial district municipalities. The moral regeneration movement team is in the process of developing structure for the government sector with the Presidency and National Department of Arts and Culture's Task Team for implementation in provinces.

## ID CAMPAIGN

The office embarked on the ID campaign with the intention of extending government services to the poorer/ rural community with specific focus on the youth. The campaign resulted in more people registering for social grants in particular the child support grant. Special schools partnered with the department of education to ensure more scholars to be in possession of ID to excess higher/ tertiary education.

## KHOMANI SAN

Facilitated effective management of land/property and rendered administrative support to the Khomani San Communal Property Association. The department facilitated training on financial management and general office administration. A steering Committee comprising of all Siyanda regional departments, the Siyanda District and local Mier Municipalities was established to effect integration and coordination in terms of service delivery agents in the Kalahari. The following non- governmental organisations are currently assisting with the developmental issues of the community namely: (SASI) South African San Institute, Farm Africa and WIMSA)

## INTERNAL AUDIT UNIT

The unit focused on the following objectives:

1. Performance audits:
  - a) To assess the departments internal controls by determining the following:
    - existence of controls,
    - adequacy and effectiveness of internal controls
  - b) Perform ad-hoc assignments as requested by the Audit Committee and Management in departments
2. Assisting management in the departments with the development of the Risk Management Plans for the departments.

The unit conducted audits based on the risk assessment that was done by KPMG in 2001 and also as per the requests from the Audit Committee and Heads of Departments. The following were audits performed during the financial year:

1. Financial Management
  - ✓ Housing and local government
  - ✓ Safety and Liaison
  - ✓ Social Development
  - ✓ Health
2. Human Resource Management
  - ✓ Housing and Local Government
  - ✓ Social Services and Population Development
  - ✓ Economic Affairs
  - ✓ Finance
3. Disability Grant
  - ✓ Social Services and Population Development
4. Suspension
  - ✓ All departments – Continuous update of status of people who are on suspension to check on the duration of the suspension and delays to finalise such cases.

The unit intended to conduct both Financial Management and Human Resource Management audit in all departments but due to staff shortage was unable to do so.

## LEGAL SERVICES

The task of this branch is to render provincial legal administration, labour relations and state law advisory services as well as in-house administrative support services to the Office of the Premier.

Legal Administration, Labour Relations and State Law Advisory Services

The Chief Directorate: Legal Services is a shared unit servicing all provincial departments, on all legal matters. While every department has its own in-house legal division, this unit addresses certain issues for the purpose of co-operative governance. The following strategic business units constitute the unit:

- Legal Administration
- Labour Relations
- State Law Advisory Services

## (a) LEGAL ADMINISTRATION

The unit is responsible for the following activities:

- Ensuring the legislation is in place to enable good governance.
- Ensuring that the provincial government and provincial departments act within the ambit of the law.
- Defending the provincial administration in civil matters.
- Ensuring that contracts that government enters into are valid and legally implement able.

## (b) LABOUR RELATIONS

The unit services both the in-house needs of the Office of the Premier and common needs for labour harmony in the province. The responsibilities of the unit are as follows:

- Promotion and maintenance of labour stability and harmonious employer/employee relations.
- Representing the province in the national PSCBC.
- Offering consistent and effective labour remedial services.

## (c) STATE LAW ADVISORY SERVICES

The unit is responsible for the following activities:

- Providing law advisory services to the Premier, Executive Council, Legislature, Director-General and Provincial departments.
- Drafting and editing international agreements, contracts and related legal documents.
- Drafting, editing and amending provincial original and subordinate legislation.
- Certification of Bills.
- Provide legal opinions for the whole provincial administration.

The task of this branch is to render provincial legal and labour relations services as well as in-house administrative support services to the Office of the Premier.

## LEGAL SERVICES AND LABOUR RELATIONS

The Legal Services and Labour Relations Unit is a shared unit servicing all provincial departments, on matters related to legal drafting. While every department has its own in-house legal division and labour relations unit, the unit addresses issues co-operative governance. The following strategic

business units constitute the unit:

- Legal Services
- Labour Relations

## HUMAN RESOURCE MANAGEMENT

The objective of the component is to provide strategic direction, leadership and advice with respect to human resources management within the Northern Cape provincial government

## EFFICIENCY SERVICES

- To ensure that posts are on the correct salary level, in accordance with the determined job weight, as per the Public Service Regulations.
- To ensure consistency in terms of the application of the Job Evaluation System, in all provincial departments.
- To provide streamlined, functional organograms.
- To provide streamlined, efficient and effective work processes for improved service delivery.





## KEY ACHIEVEMENTS

- The following table serves to summarise the Job Evaluation exercises performed and finalized within the indicated period:

DEPARTMENT	NUMBER OF POSTS EVALUATED
Office of the Premier	11
Department of Social Services and Population Development	7
Department of Housing and Local Government	26
Provincial Treasury	3
Department of Economic Affairs	6
Department of Agriculture and Land Reform	1
Department of Tourism, Environment and Conservation	13
Department of Sport, Arts and Culture	2
<b>TOTAL</b>	<b>69</b>

- The approval of the Provincial Job Evaluation Policy in September 2004;
- Job Evaluation Panel sittings;
- Quality Assurance on Job Analysis performed within the Office of the Premier, as well as in the provincial line departments;
- Representation of the Province on the Inter-Provincial Job Evaluation Forum;
- Representation of the Province during Job Evaluation Co-ordination and benchmarking processes;
- Participation in National process to revise JE Interpretation Guide; and
- Provincial Job Evaluation related training was arranged (Initial, Follow-up, JE Panel, as well as CORE and Job Description).
- Re-alignment/ Reconfiguration of the following provincial departments:**
  - Office of the Premier;
  - Housing and Local Government;
  - Provincial Safety and Liaison;
  - Sport, Arts and Culture;
  - Tourism, Environment and Conservation;
  - Transport, Roads and Public Works;
  - Agriculture and Land Reform.
- Economic Affairs - Did presentations to the Governance and Administration Cluster, still in discussion, to be approved.
- Provincial Treasury – Did presentations to the Governance and Administration Cluster, still in discussion, to be approved.
- Social Services and Population Development – Not finalized due to the SASSA processes and related problems experienced.
- Job Descriptions** were compiled for the Office of the Premier, and assistance was provided to the Department of Sport, Arts and Culture. Furthermore, benchmark Job Descriptions were compiled for all Ministerial posts within the province.

The following Ad hoc assignments were completed:

- Compilation of advertisements for:
  - Provincial Safety and Liaison
  - Office of the Premier
  - Sport, Arts and Culture
- Office accommodation investigations for Units within the Office of the Premier.
- Development of salary scales and compilation of Performance Agreements for the Namaqualand Diamond Fund Trust.
- Compilation of draft document on setting service standards and service delivery improvement plans.

In terms of the re-alignment/ reconfiguration of departments, the following departments were not finalized, due to the cited reasons/ constraints:

- Health – Still in consultation with the Department.
- Education – Did presentations to the Governance and Administration Cluster, still in discussion, to be approved.

## HUMAN RESOURCES DEVELOPMENT

The role of the unit is to ensure high quality and competent workforce in the department as a catalyst for good governance and speedy quality service delivery through training and various developmental initiatives. Ensure compliance with the relevant legislation and national strategies as they relate to HRD.

### The unit focused on the following areas:

- Establishment of management development programs for junior managers for future managerial needs of the department.
- Induction and mentorship of new entrants in the department.
- Conducting transversal training programmes to improve efficiency of staff
- Cater for specialized training when required
- Implement learnership and internship programme in the department.
- Liase and work closely with SETAs on learnerships and quality assurance matters.
- Ensure that the department meets all statutory obligations with regard to skills development (e.g. SDA, SDLA, SAQA, NSDS).
- Granting of bursaries for personal development of staff.

### ACHIEVEMENTS

The department continued to support the development of lower level staff and the under-qualified. Of these the department has enrolled about 30 staff members at the Further Education Training (FET) College for a National Qualification Framework (NQF) 4 qualification. This enhances their upward mobility, as they will also be able to enter occupations, which they previously could not due to the lack of qualification and skill.

Furthermore, we supported members of staff without a post matric qualification by funding their post matric studies with different institutions. This has enhanced the quality of their work and the level of professionalism.

The department has shown its commitment to the National Skills Development Strategy (NSDS) and the alleviation of the plight of the unemployed youth and graduates. To this end the department has placed 17 unemployed graduates in internships to allow them to acquire work skills and experience to enhance their employability. This programme was very successful, with 5 of these interns securing full time employment in other institutions

In addition, the department has placed 25 youth in various internships, viz

Human Resources Management  
NQF 4 – 3

Information Technology  
NQF 4 – 7

Finance & Accounting  
NQF 4 – 4

Project Management  
NQF 4 – 11

## SECURITY AND RECORDS MANAGEMENT

The Main focus of the unit is to ensure that the corporate memory of the Provincial Administration exists and is admissible as evidence in a court of law.

### ACHIEVEMENTS

- The unit successfully assisted with the implementation of the Records Management Policy. A new Registry was established at the New Legislature Building to assist the offices of the Director-General, Deputy Director-General, Legal Services and Communications, to facilitate easy retrieval and access to information.
- Personnel files were prepared for auditing together with the Human Resources Management Unit.
- Awareness was raised amongst staff regarding the Promotion of Access to Information Act, Promotion of Administrative Justice Act, and the Records Management Policy.

## COMMUNICATIONS SERVICES

The primary function of the unit is to provide an effective and efficient people centred communication and information service that enable the Premier and the Executive Council to execute that strategic goals of government.

### NORTHERN CAPE NEWS

The Unit continues to produce the provincial monthly publication: the Northern Cape News. This runs per month for the publication has been increased to 80 000 copies from 60 000 copies an increase of 20 000 copies. This is due to the demand in the province for the publication as it is the only one that is distributed through the length and breath of the province. Furthermore, the unit has also started to distribute it outside the borders of the province to other



provinces, national departments and parastatals.

## ADVERTISEMENTS

The Unit has been placing vacancy advertisement on behalf of the Office of the Premier. Advertisements were placed in both the provincial and national newspapers. Equally some of the regional newspapers have also been used for recruitment.

## IMBIZO PROGRAMME

The Directorate continues to coordinate all Imbizo Focus Weeks. The unit coordinated the Presidential Imbizo, which was due to take place in November 2004. This eventually took place in March 2005.

## MEDIA LIAISON

The Directorate together with the Premier's spokesperson continues to render media liaison services to the Premier. Assistance is also rendered to other departments in that regard.

## WEBSITE

The Website is updated on a regular basis with relevant information. This resulted in the average hits per day on the website of about 1 406 visitors. This is due to improved updates on the site in terms of the coverage of happenings by the site in the province. The number of visits is also improved occasionally by some of the events that have been presided by national ministers in our province. Some changes and additions have been done to the site recently. Apart from the regular happenings – speeches, employment, press releases and some structural changes and content changes also took place.

## FORUMS AND REPRESENTATION ON FORUMS

The Directorate is currently the convener of the following Forums/Task Teams:

- o Provincial Imbizo Task Team
- o Provincial Communicators Forum

Apart from our direct involvement in the provincial structures, the Directorate represents the Province at the National GCIS Secretariat and National Government Communicators Forum. However, these Forums have started to meet on a regular basis and we looking at extending the participation to that of local government structures.

## TRAINING PROGRAMME

A training programme has been developed in conjunction with the GCIS to train local authorities on any communication matter. Furthermore, training of communicators is on an ongoing basis which is offered by the University of Witwatersrand and sponsored by the Nelson Mandela Foundation and Unilever.

## PROGRAMME 2: POLICY AND PLANNING

### AIM OF THE PROGRAMME

To co-ordinate, facilitate policy development and implementation through effective monitoring and evaluation of government wide programmes, ensuring the optimal application of government resources through effective service delivery.

The programme comprises of the Premier support, Information Technology/One stop, Office on the status of persons with disabilities, Office on the status of women and Office on the Rights of the Child

### INFORMATION TECHNOLOGY/ ONE STOP UNIT

The information technology/ One stop Unit concentrated on the following objectives

- Ensuring good governance through optimal utilization of technology and human resource development
- Facilitating co-ordination by determining IT policy, strategy and standards with and on behalf of provincial departments units
- Procuring IT requirements on behalf of client departments and in accordance with provincial procurement directives
- Co-ordinating Provincial Inter-Sectoral Steering Committee, as well as the IT Forum
- Developing a roadmap for Multi Purpose Community Centres (MPCC's) implementation through interaction with District and Local Municipalities, which will clearly define the roles and responsibilities in the MPCC programme.
- Operationalisation of One-Stop Service Centres (MPCCs)

Service Delivery Objectives and indicators and achievements

- During this financial year, the unit procured Netware 6.5 that will provide improved network security and additional value-adding business solutions such as GroupWise 6.5. A dedicated team was identified for the rollout programme and training was provided.
- A total of 2090 jobs were logged and completed by the network controllers. This figure does not included telephonic support to users. The network controllers are currently servicing about 2500 users.
- All local and regional sites are linked directly

to the Passport and therefore are on the State Information Technology Agency's backbone. The network of Department of Agriculture (Agrinet) was cutover to Opennet during this period. The network administration staff played a key role in ensuring a smooth transition for the sites and thus the users. Numerous sites such as Colesberg Hospital were brought up with the assistance of the network administration personnel at provincial IT.

- The Information Technology Forum, which comprises representatives of Departments with IT structures, met 7 times during this financial year.
- During August 2004, the national Gateway Project of DPSA was successfully launched by the Premier at the Galeshewe MPCC. The Centre recorded 1929 transactions from August 2004 to February 2005. These transactions vary from accessing email accounts and to typing of CVs. Visits to the Centre according to the General Services Counter register is 90% male. The Facility Manager is embarking on a programme to encourage the females to use the facility more regularly.
- The Pescodia MPCC in Kimberley processed 704 070 transactions during this financial year. At a cost of R 6.00 for transport, the integrated service delivery point saved the citizen about R 4,224,420.00 in transport costs to access the service elsewhere. The Telecentre programme of the Universal Service Agency identified new partners for the re-opening of the Telecentre – training was provided during this year and the launch is anticipated for July 2005. The Telecentre programme is geared towards providing citizens with access to telecommunications infrastructure and the internet.
- All four MPCC sites in the Northern Cape were open over weekends for the issuing of Identity Documents during the General Election of 2004 period.
- The rollout of MPCC programme for this financial year could not be achieved due to budgetary constraints caused by the general cost containment measures.
- Started the development of an Information Society Strategy with a specific focus on Small medium Micro Enterprises (SMMEs) with the assistance of the Embassy of Finland and in partnership with the Department of Economic Affairs. The first phase, which comprised hosting a fact-finding





mission from Finland, was completed during March 2005. Phase 2 commence immediately after the completion of Phase 1 and will result in the formulation of a project plan which will address the key problems as identified in Phase 1. Phase 3 will be the actual implementation of the project plan.

- Implement the second-generation strategy of MPCCs extending to 32 municipal areas through the preparation of an audit of service delivery points in Northern Cape. The project document was completed during this financial year. Actual study to be conducted during the upcoming financial year (2005/2006).

## YOUTH COMMISSION

The core business of the unit is derived from the Northern Cape Promotion of Youth Affairs Act (1) 94. It is further informed by proposed legislation currently before the Executive Council (Northern Cape Youth Commission Bill). The core business as identified in the aforementioned documentation translates into four strategic goals namely.

- a) Broadest range of stakeholders and role players mobilized for the youth development agenda in the Province.
- b) Strategic positioning of the Commission to exert maximum policy influence and guide policy implementation.
- c) Mainstreaming of the youth development agenda through advocacy and lobbying.
- d) Capacity of the Commission to strengthen and enhance to better fit its strategic intent.

## ACHIEVEMENTS

- Facilitated the launch of the Botlhale E-learning and Resource Centre in partnership with the Digital Partnership and the Northern Cape Youth Development Agency.
- Facilitation and coordination of the month of Youth Provincial Programme that culminated in the June 16 Rally held in Upington in Siyanda Region.
- Collaborating on the hosting of a Provincial Youth Parliament with the Public Education Unit of the Legislature, which also saw the interaction of youth from all regions in the province with members of the Legislature and the Executive Council. Members of the Legislature also debated the state of youth in a formal debate in the House.
- Launch of the National Youth Service Programme in the Province coupled with the identification of three initial projects in the Province. They are

respectively :

- o Construction of Secondary Road in Platfontein area in partnership with the Department of Roads, Transport and Public Works.
- o Reconstruction of a Youth Care facility in Prieska in partnership with the Department of Education
- o Refurbishment of the Doornhof Complex – Warrenton into a training facility
- Continuous engagement with the Executive Council, departments and organized local government to position matters related to youth development at the centre of government, especially at the local government sphere.
- Finalisation and approval of organizational design to match strategic output.
- Continued to assist and strengthen the Thumelo Youth Farm pilot project in partnership with the National Youth commission and the Land Bank.
- Participated in the processes (public hearings) of the legislative passing of the Northern Cape Youth Commission Bill that would see the NC YC being re-positioned as a Public Entity in terms of the provisions of the Public Finance Management act.

## CHALLENGES

Staff shortages – during the period under review the Commission functioned with a limited staff capacity of only 9, including the political component, which puts a lot of strain on the delivery capacity of the Commission

Budget – allocations to the Commission has led to a re-prioritization of programmes and shifting others to the next financial year due to provincial realities.

Capacity challenges within the Youth Sector – the organizational state of the sector remains weak and this puts more pressure on the Commission in relation to support to youth organizations and their activities

Matching the genuine needs expressed by the youth sector with the mandate of the Commission remains a challenge – especially in the face of limited governmental focus on youth development in line with the National Youth Development Policy Framework

Creating synergy and a common understanding as per the role of the Commission within and outside of government – many processes are delayed due to a lack of understanding of youth development and the primary purpose of the Commission within the youth development context.



## OFFICE ON THE STATUS OF PERSONS WITH DISABILITIES

The role of the unit is to create a truly inclusive society and the unit focused on the following key areas:

- Supporting disabled organizations through provision of training to management of business for persons with disabilities.
- Advocating for the rights of the disabled.

An exercise was undertaken with the aim of informing all government departments and other stakeholders on the roles and responsibilities of the office on the status of persons with disabilities. The exercise was not successful as departments did not respond as expected.

### DISABILITY MONTH

The focus of the month was on few disabilities, or groups we felt had been neglected in the past, such as children with disabilities and dwarfism, therefore decided to raise awareness.

An organization in America called LPA identified 200 different medical conditions that cause short stature in people, each condition with its own symptoms & medical complications. This organization serves to deliver a vast majority of different services within the short stature community of America, such as advocacy, medical research and information support to new LPA members.

We had an opportunity to combine our office's awareness day with introducing the Northern Cape Little people and their families to the newly formed LPSA. Founding members of the LPSA were invited to join us on the 19th November 2004 to explain to everybody the aims and objectives they envision for LPSA. In identifying as many little people as possible in the Kimberley area we relied on the help from Disabled Persons Organisations, schools, community based organization, religious leaders and government departments. We tried to reach a broader community by aiming a segment about People of short stature on radio Teemaneng's weekly programme called "On the Move".

A booklet with information about different short stature conditions, frequently asked questions, important information and interesting stories about people of short stature was prepared by the technician.

On the day of the event awareness was raised and information distributed – (booklets)

- Showed an educational video called "Dwarfism – true Stories".
- Informed all participants to the day of LPSA.

The event was a major success due to extensive

media coverage.

Various departments had activities scheduled for raising awareness during the disability month. Below is a list of all awareness raising activities by departments:

- Department of Education – raising positive awareness about persons with disabilities – 5 Nov 2004.
- Dept of Health – Cataract surgery at Kimberley hospital – 6 Nov 2004.
- Dept of Health – Diabetes week – 7-14 Nov 2004.
- Dept of Social Services – Disability awareness – 11 Nov 2004.
- Dept of Health – Cataract surgery Calvinia – 15 Nov 2004.
- Dept of Justice – Open Court day De Aar – 15 Nov 2004.
- Dept of Health – Cataract surgery Calvinia – 17-18 Nov 2004.
- Dept of Water Affairs – Water Education week – 25 Nov 2004.
- Dept of Agriculture – Cleaning of the Truly Blessed Day care centre playground – 26 Nov 2004.
- Dept of Water Affairs – Water Education programme in Kimberley – 29 Nov 2004.
- Dept of Social Services – Strategic planning with DEAFSA – 29 Nov 2004.

We hoped to shed light on the different issues regarding children with disabilities and make persons aware of the facts and myths of children with disabilities and concentrate on their rights to empower them to become politically strong and known what they can and should fight for, as parents of children with disabilities.

The International Day celebrations were held on the 3rd December 2004 in Springbok.

## OFFICE ON THE STATUS OF WOMEN

### GENDER MAINSTREAMING

The offices participated in the following programmes:

- Provincial and National Gender machinery meetings
- Premier Bursary Fund
- Provincial Poverty Hearings
- Provincial Skills Development programmes



## ACHIEVEMENTS

- 15 Meetings attended with Portfolio Committee on Gender, Gender Focal Persons and National Gender Machinery.
- Involvement of women from all regions in the programmes e.g. for 2004-2005, 1098 students applied for the Premier's Bursary Fund granted 84 females , 56 males and 2 disabled female students
- Mobilised 17 Unemployed female youth participated in the Information Technology Sector Education and Training Authority programme
- One Member of staff attended the 49th Session on the Commission on the Status of Women
- Increase awareness on Legislative Acts
- Security and catering companies established in De Aar
- An emerging Granite mining project established in Concordia
- Broader scope of networking with relevant funding institutions made

## WOMEN'S MONTH PROGRAMME:

Launch of the women month programmes took place in all regions and started with the interfaith programme of provincial women's day celebration being held in Kimberley.

- Economic Empowerment workshop on Business opportunities for women was held at Clearwater
- Women's Caravan programme held at Bankara Bodulong and Danielskuil
- Mobilised Northern Cape women to participate in the National Thanks Giving Ceremony at the Union Building in Pretoria

## 16 Days on Activism on No Violence Against Women and Children

The office coordinated the following programmes:

- Launched the 16 days of activism on the 25 November 2004 at Magareng Municipality
- Charity Car Wash held in Kimberley on the 10 December 2004
- Men's Indaba held in Kimberley with approximately 300 men from various government department attending
- Facilitated the building of 2 Houses during the 16 Days Campaign for two disabled women in Pixley Ka Seme and in the Kgalagadi region.
- Mobilisation of 100 Northern Cape women to

participate in the National Women's Dialogue.

- Facilitated the Provincial Men's Summit held in Upington.

## OFFICE ON THE RIGHTS OF THE CHILD

### ORGANISATIONAL DEVELOPMENT:

The office established and developed structures within government that ensures monitoring of services to children. Though the target was to establish 5 DPA, only one could be established. The DPA was realigned to Kgalagadi District Municipality. The main reason for not attaining the set target was due to the lack of buy-in of municipalities to ensure that the structure is coordinated from the Mayoral offices.

The unit was also involved with initiating and implementing child participation in the province as outlined in the Convention on the Rights of the Child. This included setting up children district and local forums aligned to the mayoral office in the Kgalagadi District Municipality

A workshop was held were approximately 20 representatives from the municipalities attended. The aim of the workshop was to get their buy in.

Eight National Programme of Action steering Committee meetings were attended. The aim of these meetings is to ensure continuous strengthening and assessment of national, provincial, district and local programme of action for children and that a common approach is undertaken at all government levels.

We facilitated the organisation of the energy-week for children. 20 children around the mining areas attended the Energy week in Port Elizabeth. A school from the province won a computer during the energy week whilst other won science kits to be used at their schools

### CAPACITY BUILDING:

Facilitated capacity building programmes for government official and children. The unit initiated a pilot project to train children in writing skills. We lobbied for partnership in terms of funding with the business sector for printing of approximately 200 books. Twenty children from the disabled and street children in/out of shelters were selected for the project. We managed to have 10 samples of anthology printed. It was decided by the authors to have these books to donated to the school of their choice once published.

### CAMPAIGNS

We celebrated the International Children's Day in the Northern Cape Province at Kathu on 1st June 2004. 1 000 Children of Pixley ka Seme participated in the celebration day at provincial level

Six children who won the competition that preceded the National event were flown to Johannesburg. Six local schools benefited from this exercise:

- 2 Schools received R100 000 each
- 2 schools received R50 000 each the funds are meant for infrastructure at these schools
- 2 schools received a computer & printer each
- 6 children received play laptops

## LIBRARY

- Developed and implemented a comprehensive communication strategy for the rights of the child.
- Established and launched a Library at the Kimberley Hospital Complex
- Established and launched a web site to be accessed by the children of the Northern Cape
- Embarked on radio interviews.



The Northern Cape Provincial Administration constituted a Shared Audit Committee in January 2005. The Office of the Premier in the Northern Cape makes use of this Shared Audit Committee. We are pleased to present our report for the financial year ended 31 March 2005.

### AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The table below shows persons who served as members of the Provincial Audit Committee from January 2005 to March 2005 and their attendance record at formal Audit Committee meetings:

Member	Meetings attended
<b>Independent members:</b>	
Prof. JE Kleynhans (Chair)	2 of 2
Ms KM Mogotsi (Member)	2 of 2
Mr G Oberholster (Member)	1 of 2
Mr H Ramage (Member)	1 of 2
<b>Internal members:</b>	
Adv. H Botha (Member)	2 of 2
Mr T Moraladi (Member)	2 of 2

### AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee has adopted appropriate terms of reference as its Audit Committee Charter. The Charter complies with principles of good governance and with the requirements of the PFMA and Treasury Regulations.

The Audit Committee is accountable to the Provincial Executive Committee and has an oversight function with regard to:

- Financial management;
- Risk management;
- Compliance with laws, regulations and good ethics; and
- Reporting practices

As a newly constituted Audit Committee we were unable to satisfy all our responsibilities for the year in compliance with our terms of reference.

### REPORT ON THE OPERATIONS OF THE AUDIT COMMITTEE

#### Internal Audit

The Audit Committee has considered reports tabled by the Shared Internal Audit Services of the Province. The Internal Audit service provided to the Office of the Premier during the year under review was ineffective. The Audit Committee could not satisfy itself that:

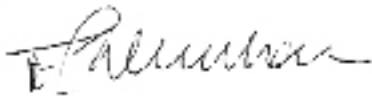
- A risk managing process is in place and that the major risks under the control of the Office of the Premier are properly managed;
- The internal control systems are effective and the internal auditors are operating objectively and independently;
- Matters requiring Management attention have been adequately addressed.

**Evaluation of financial statements**

The Audit Committee has:

- Reviewed and discussed with the External Auditor and Management representatives the audited Annual Financial Statements to be included in the Annual Report;
- Reviewed the External Auditor's management letter and Management's response thereto.

The Audit Committee concurs and accepts the conclusions of the External Auditor on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the auditors. The Audit Committee wishes to draw attention to the matters raised in paragraph 4 of the audit report.



**Prof. JE Kleynhans**

**Chairperson: Shared Provincial Audit Committee**





Report by the Accounting Officer to the Executive Authority and the Northern Cape Provincial Legislature of the Republic of South Africa.

## 1. GENERAL REVIEW OF THE STATE OF AFFAIRS

The role of the Office of the Premier is to provide support to the Premier and the Executive Council to enable them to fulfill the mandate as set out in the Constitution of the Republic of South Africa, Act 108 of 1996. In addition to that the office's other primary objective is to coordinate, monitor and evaluate implementation of government policies in the province.

The Provincial Growth and Development Strategy was launched in January 2005 and the Office of the Premier has been assigned to monitor the implementation of the strategy.

Unauthorised expenditure to the total amount of R13, 846, 000.00 (from 1998/99 to 2001/02) was approved by the Provincial Legislature during the financial year.

Spending Trend for the past three years:

The department has improved tremendously with regards to budget management when compared to the previous financial years. Below is the performance trend for the past three years.

	2002/03 R'000	2003/04 R'000	2004/05 R'000
Actual Expenditure	63, 781	71, 231	66, 797
Budget	60, 944	69, 916	66, 808
Variance	(2, 837)	(1, 315)	11
% Variance	5%	2%	-

The trend shows a decrease in the over-expenditure of the vote from 5% in 2002/03 to 0% in 2004/05. This can be attributed mainly to stricter internal controls and budget management as well as the strict cost cutting measures that were proposed by the Executive Council. This was a way of re-emphasising the prescripts of the Public Finance Management Act of 1999 and its regulations.

## 2. TRANSFER PAYMENTS

The Office of the Premier transferred a total amount of R6, 500, 000.00 to the Northern Cape Premier's Education Trust Fund. The trust utilise the funds partly for funding their administration costs and the major part thereof towards financing loans/ bursaries to the unemployed and academically deserving students who are resident in the Northern Cape. The Trust is accountable to the Executive Council and audited by the Office of the Auditor General.

## 3. CORPORATE GOVERNANCE ARRANGEMENTS

The Internal Audit is a shared function located in the Office of the Premier, and reports administratively to the Director General and functionally to the Audit Committee. The unit has not been effective due to the capacity constraints and the cost cutting measures that had a bearing on the appointment of staff. However the Director of the unit was appointed on 1 December 2004. The audit committee was also appointed in February 2005. The charter of both the internal audit and the committee have been developed and approved in principle.

**REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 MARCH 2005**

The Intergovernmental Relations Council is operational and held three meetings during the financial year. The creation of such a structure is to align provincial planning with local government Integrated Development Planning (IDP's) and also to create conditions in which Provincial Government can support municipalities.

**4. PERFORMANCE INFORMATION**

The performance management and development policy has been approved by the executive council. The policy will be utilised for the 2005/06 assessment of personnel performance. A new division, special projects and government programmes has established to ensure proper coordination, monitoring and evaluation as well as objective reporting on both the national and provincial programme of action. This will be achieved through the establishment of reporting structures and the development of a performance reporting tool. The reporting tool is still in the process of being developed by the provincial Information and Technology unit in collaboration with the head of the new unit. Quarterly reports will be submitted to the Portfolio Committee of Finance and Provincial Treasury to verify the performance information.

**5. SCOPA RESOLUTIONS**

Reference to audit report and SCOPA resolutions	Subject	Findings on progress
2003/04 SCOPA resolution	Youth Commission	Youth Commission has been de-listed as a schedule 3 Public Entity.
2003/04 SCOPA resolution	Submission of documentation to the Office of the Auditor – General	Reporting protocol has been put in place to ensure that all information is submitted to the Office of the Auditor – General.
2003/04 SCOPA resolution	Suspense Accounts	Action has been taken to ensure that suspense accounts are cleared before year – end.
2003/04 SCOPA resolution	Unauthorised Expenditure	Unauthorised expenditure to the total of R 13,8 Million (1998 – 2002) has been approved by the Legislature. No unauthorised expenditure was incurred in the reporting period.
2003/04 SCOPA resolution	Personnel file policy	Policy has been developed.
2003/04 SCOPA resolution	Corrective action regarding leave procedures	Leave procedures have been improved.
2003/04 SCOPA resolution	Updating and approval of the organogram	The organogram has been approved and updated.
2003/04 SCOPA resolution	Approval of Payroll	Controls have been tightened.
2003/04 SCOPA resolution	Procurement Policies	Tender procedures, as well as SCM policies, are being used.
2003/04 SCOPA resolution	Asset Register	An asset register was drawn up.
2003/04 SCOPA resolution	Compliance with Treasury Regulations	Controls have been put in place to ensure compliance with Treasury Regulations.
2003/04 SCOPA resolution	Internal Audit	Extensive work has been done to address the capacity constraints of the Internal Audit unit.



**REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 MARCH 2005**

**6. APPROVAL**

The annual financial statements set out on pages 25 to 52 have been approved by the Accounting Officer.



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**DR MH HENDRICKS  
ACCOUNTING OFFICER**

**Submission date: 31 May 2005**

**Re – Date: 15 July 2005**

REPORT OF THE AUDITOR-GENERAL TO NORTHERN CAPE PROVINCIAL LEGISLATURE ON  
THE  
FINANCIAL STATEMENTS OF VOTE 1 – OFFICE OF THE PREMIER  
FOR THE YEAR ENDED 31 MARCH 2005

## 1. AUDIT ASSIGNMENT

The financial statements as set out on pages 25 to 52, 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 sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with 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. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Office of the Premier at 31 March 2005 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice.

## 4. EMPHASIS OF MATTER

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

### 4.1 Weaknesses in internal control

The responsibility to institute and maintain a system of internal control is clearly defined in section 38 of the Public Finance Management Act, 1999 (Act No.1 of 1999)(PFMA). The Office of the Premier did not document and approve policies for all their processes and several policies were outdated. A risk assessment for the 2004-05 year was also not done. The officials did not implement the prescriptions of section 38(1)(a)(i) of the PFMA dealing with internal control measures, systems and risk management.

In addition, the following weaknesses in internal control were identified:



## 4.1.1 Assets

Due to the absence of policies and procedures regarding asset management, the following deviations regarding the asset register were noted:

- Various items of computer equipment were not individually recorded in the asset register.
- A number of assets are duplicated in the asset register.
- The existence of newly acquired assets to the value of R41 780 could not be verified.
- Several assets were noted with no asset numbers on the asset or in the asset register, resulting in a number of assets not being verified.

This also represents non-compliance with Treasury Regulations 10.1.1 and 10.1.2, and section 38(1)(d) of the PFMA which outline the accounting officer's responsibility for the management including the safeguarding and maintenance of assets.

## 4.1.2 Personnel expenditure

As a result of the non adherence of the applicable policies and procedures, several leave forms were not properly approved.

## 4.1.3 Accounts receivable

Due to the non-adherence to prescribed policies and procedures, staff debt to the value of R51 875, of which R15 378 could not be verified, was not effectively followed up for collection.

According to Treasury Regulation 11.2.1, the accounting officer should take appropriate steps to timeously collect all money due to the department.

- The ageing of staff debt to the value of R252 000 could not be verified because of the lack of reconciliations performed on staff debt accounts.
- Accounts receivable and accounts payable are overstated by R60 000, due to the recording of a receipt in the incorrect financial period. This amount was incorrectly aged as 30 days plus on note 16 to the financial statements.

## 4.1.4 Contingent liabilities

There are no policies and procedures prescribing additional controls over officials with housing guarantees. Therefore, officials with housing guarantees did not declare whether their housing loans still exist or whether they still occupy their homes.

## 4.1.5 Fraud risk management

The Office of the Premier did not tailor the provincial fraud prevention plan to suit their specific needs. The request of the audit committee was not adhered to.

## 4.1.6 Fleet management

As a result of the non-implementation of the applicable policies and procedures regarding government vehicles, it was noted that trips are not approved prior to being undertaken. The trip sheets and logbooks are not completed fully and accurately.

## 4.2 Non-compliance with laws and regulations

### 4.2.1 Personnel expenditure

Certain officials took less than the prescribed number of days leave for the period 1 January



2004 to 31 December 2004. This is contrary to paragraph 7.1 (c) of the PSCBC Resolution 7 of 2000.

## 4.2.2 Accounts receivable

As a result of the non-implementation of applicable policies and procedures, no interest was charged on outstanding amounts owed to the state as prescribed by Treasury Regulation 11.5.1.

## 4.2.3 Financial statements

Section 40(1)(c) of the PFMA requires financial statements to be submitted for audit by 31 May 2005. Financial statements were submitted on 31 May 2005, however the Office of the Premier had to adjust their original set of financial statements due to audit adjustments and resubmitted the adjusted financial statements on 15 July 2005. This resubmission after 31 May 2005 resulted in technical non-compliance with section 40(1)(c) of the PFMA.

## 4.3 Financial management

### 4.3.1 Internal audit

The internal audit function is performed by a centralised internal audit department, which resides under the Office of the Premier.

An overview was performed on the functionality of the internal audit department. Various shortcomings rendered the functionality of the internal audit department inefficient and ineffective during the year under review.

- No internal audit charter, as required by Treasury Regulation 3.2.5 and Institute of Internal Auditors (IIA) 1000-1, has been approved.
- The current staffing component as well as the available funds seems to be inadequate to efficiently and effectively service all the provincial departments of the Northern Cape Province. No formal training and development plan was in place to ensure continuous training and development of existing staff.
- No approved annual internal audit plan and three-year strategic plan exists for the internal audit department.
- The audit committee did not evaluate the performance of the internal audit during the year.
- Internal audit did not report functionally directly to the audit committee during the year.
- Internal audit did not submit quarterly reports to the audit committee detailing its performance against the annual internal audit plan.
- No follow up audits were performed by the internal audit division.
- No quality reviews (internal or external) were performed on the work performed by internal audit for the year under review.

Some of the above findings were also highlighted in the audit report of the 2003-04 financial year.

As a result of the aforementioned, no reliance could be placed on the work performed by internal audit, for external audit purposes.

Note is taken of the fact that a director was appointed for the internal audit section and that the audit charter and annual plan are in the process of being completed and approved.



#### 4.3.2 Audit committee

During the year under review the audit committee met only during February and March 2005. Due to the non-functioning of the audit committee, they could not discharge their functions adequately throughout the year: The audit committee resides under the Office: MEC for Finance and latter is responsible for its functioning.

#### 5. APPRECIATION

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

*S. A. Fakie*

**Auditor-General**

**Pretoria**

**31 July 2005**



A U D I T O R - G E N E R A L

## 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 issued, 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 Provincial Expenditure. Unexpended voted funds are surrendered to the 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.

##### ***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 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.



## ACCOUNTING POLICIES

for the year ended 31 March 2005

### ***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.

### ***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. Employer 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.

## ACCOUNTING POLICIES

### for the year ended 31 March 2005

#### ***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 Statements of the Provincial Revenue Fund and not in the Annual Financial Statements of the employer 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 was used on a capital project.

#### ***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.





**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 an insignificant risk of changes in value.

**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 Revenue Fund or another party.

**ACCOUNTING POLICIES**  
for the year ended 31 March 2005

**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.

**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. 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.



**ACCOUNTING POLICIES**  
**for the year ended 31 March 2005**

**14. 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.

## APPROPRIATION STATEMENT for the year ended 31 March 2005

Appropriation per programme									
		2004/05						2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
<b>1. Administration</b>									
Current payment	30,680	1	17	30,698	30,697	1	100	31,029	33,052
Transfers and subsidies	67	(1)	-	66	59	7	89	-	-
Payment for capital assets	222	-	(20)	202	201	1	100	266	266
<b>2. Policy and Planning</b>									
Current payment	28,877	(432)	(17)	28,428	28,427	1	100	30,338	30,850
Transfers and subsidies	6,531	2	-	6,533	6,532	1	100	5,000	5,000
Payment for capital assets	431	430	20	881	881	-	100	2,327	1,192
<b>Subtotal</b>	<b>66,808</b>	<b>-</b>	<b>-</b>	<b>66,808</b>	<b>66,797</b>	<b>11</b>	<b>100</b>	<b>68,960</b>	<b>70,360</b>
Statutory Appropriation									
Current payment	973	-	-	973	830	143	85	956	871
Transfers and subsidies									
Payment for capital assets									
<b>TOTAL</b>	<b>67,781</b>	<b>-</b>	<b>-</b>	<b>67,781</b>				<b>69,916</b>	
<b>Reconciliation with Statement of Financial Performance</b>									
Prior year unauthorised expenditure approved with funding				13,846				-	
Departmental revenue received				60				38	
Local and foreign aid assistance received				307				347	
<b>Actual amounts per Statements of Financial Performance (Total revenue)</b>				<b>81,994</b>				<b>70,301</b>	
Local and foreign aid assistance					-				347
Prior year unauthorised expenditure approved					13,846				-
<b>Actual amounts per Statements of Financial Performance (Total expenditure)</b>					<b>81,473</b>				<b>71,578</b>

## APPROPRIATION STATEMENT for the year ended 31 March 2005

Appropriation per economic classification									
		2004/05						2003/04	
	Adjusted Appropriation R'000	Shift-ing of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
Current payment									
Compensation of employees	27,363	587	17	27,967	27,952	15	100	26,521	26,519
Goods and services	32,174	(1,018)	(17)	31,139	31,153	(14)	100	34,846	37,384
Financial transactions in as- sets and liabilities	20	-	-	20	20	-	100	-	-
Transfers and subsidies to:									
Provinces and municipalities	98	1	-	99	90	9		-	-
Non-profit institutions	6,500	-	-	6,500	6,500	-	100	5,000	5,000
Payment for capital assets									
Machinery and equipment	648	398	-	1,046	1,045	1	100	2,593	1,457
Software and other intangi- ble assets	5	32	-	37	37	-	100	-	-
<b>Total</b>	<b>66,808</b>	<b>-</b>	<b>-</b>	<b>66,808</b>	<b>66,797</b>	<b>11</b>	<b>100</b>	<b>68,960</b>	<b>70,360</b>

Statutory Appropriation									
		2004/05						2003/04	
	Adjusted Appropriation R'000	Shift-ing of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Payment R'000	Variance R'000	Payment as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
Member of executive com- mittee/ parliamentary of- ficers	973	-	-	973	830	143	85	956	871
<b>Total</b>	<b>973</b>	<b>-</b>	<b>-</b>	<b>973</b>	<b>830</b>	<b>143</b>	<b>85</b>	<b>956</b>	<b>871</b>



## DETAIL PER PROGRAMME – 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	
<b>1.1 Cabinet</b>									
Current payment	14,629	272	-	14,901	14,900	1	100	15,328	15,749
Transfers and subsidies	30	-	-	30	25	5	83	-	-
Payment for capital assets	104	18	-	122	121	1	99	160	157
<b>1.2 Legal Services</b>									
Current payment	3,720	(55)	17	3,682	3,681	1	100	3,685	3,695
Transfers and subsidies	7	1	-	8	9	(1)	113	-	-
Payment for capital assets	16	(5)	-	11	11	-	100	15	18
<b>1.3 Management Services</b>									
Current payment	12,331	(216)	-	12,115	12,116	(1)	100	12,016	13,608
Transfers and subsidies	30	(2)	-	28	25	3	89	-	-
Payment for capital assets	102	(13)	(20)	69	69	-	100	91	91
<b>TOTAL</b>	<b>30,969</b>	<b>-</b>	<b>(3)</b>	<b>30,966</b>	<b>30,957</b>	<b>9</b>	<b>100</b>	<b>31,295</b>	<b>33,318</b>

	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 of employees	18,340	419	17	18,776	18,776	-	100	18,024	18,022
Goods and services	12,326	(417)	-	11,909	11,908	1	100	13,005	15,030
Financial transactions in assets and liabilities	14	-	-	14	14	-	100	-	-
Transfers and subsidies to:									
Provinces and municipalities	67	(2)	-	65	58	7	89	-	-
Payment for capital assets									
Machinery and equipment	222	-	(20)	202	201	1	99	266	266
<b>TOTAL</b>	<b>30,969</b>	<b>-</b>	<b>(3)</b>	<b>30,966</b>	<b>30,957</b>	<b>9</b>	<b>100</b>	<b>31,295</b>	<b>33,318</b>

## DETAIL PER PROGRAMME – POLICY AND PLANNING

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	
<b>2.1 Premier Support</b>									
Current payment	7,442	188	-	7,630	7,632	(2)	100	4,512	4,507
Transfers and subsidies	6	-	-	6	7	(1)	117	-	-
Payment for capital assets	-	147	-	147	147	-	100	613	672
<b>2.2 Policy and Planning</b>									
Current payment	1,690	(236)	-	1,454	1,454	-	100	1,024	1,019
Transfers and subsidies	3	-	-	3	2	1	67	-	-
Payment for capital assets	-	17	-	17	17	-	100	4	6
<b>2.3 Office of the Rights of the Child</b>									
Current payment	1,840	(132)	-	1,708	1,707	1	100	2,268	2,269
Transfers and subsidies	5	(2)	-	3	3	-	100	-	-
Payment for capital assets	44	-	-	44	43	1	98	-	-
<b>2.4 Auditor – General</b>									
Current payment	1,205	(56)	-	1,149	1,142	7	99	1,296	1,296
<b>2.5 Office on the Status of Persons with Disabilities</b>									
Current payment	1,680	(97)	-	1,583	1,587	(4)	100	1,608	1606
Transfers and subsidies	3	-	-	3	3	-	100	-	-
<b>2.6 IT / One Stop</b>									
Current payment	8,299	127	(17)	8,409	8,410	(1)	100	7,033	7,037
Transfers and subsidies	9	(2)	-	7	7	-	100	-	-
Payment for capital assets	376	229	20	625	625	-	100	1,660	459
<b>2.7 Youth Commission</b>									
Current payment	3,443	(91)	-	3,352	3,352	-	100	3,400	3,401
Transfers and subsidies	-	6	-	6	6	-	100	-	-
Payment for capital assets	-	16	-	16	16	-	100	24	29
<b>2.8 Office of the Status of Women</b>									
Current payment	2,018	(77)	-	1,941	1,941	-	100	1,960	2,478
Transfers and subsidies	3	-	-	3	3	-	100	-	-
Payment for capital assets	-	-	-	-	-	-	-	4	4
<b>2.9 Intergovernmental Relations</b>									
Current payment	671	(29)	-	642	643	(1)	100	652	652
Transfers and subsidies	2	-	-	2	1	1	50	-	-
Payment for capital assets	11	21	-	32	32	-	100	22	22
<b>2.10 RDP Projects</b>									
Current payment	589	(29)	-	560	560	-	100	6,585	6,585
Transfers and subsidies	6,500	-	-	6,500	6,500	-	100	5,000	5,000
<b>Total</b>	<b>35,839</b>	<b>-</b>	<b>3</b>	<b>35,842</b>	<b>35,840</b>	<b>2</b>	<b>100</b>	<b>37,665</b>	<b>37,042</b>

## DETAIL PER PROGRAMME – POLICY AND PLANNING

for the year ended 31 March 2005

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	
<b>Current payment</b>									
Compensation of employees	9,023	168	-	9,191	9,176	15	100	8,497	8,497
Goods and services	19,848	(601)	(17)	19,230	19,245	(15)	100	21,841	22,354
Financial transactions in assets and liabilities	6	-	-	6	6	-	100	-	-
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	31	3	-	34	32	2	94	-	-
Non-profit institutions	6,500	-	-	6,500	6,500	-	100	5,000	5,000
<b>Payment for capital assets</b>									
Machinery and equipment	426	398	20	844	844	-	100	2,327	1,191
Software & other intangible assets	5	32	-	37	37	-	100	-	-
<b>Total</b>	<b>35,839</b>	<b>-</b>	<b>3</b>	<b>35,842</b>	<b>35,840</b>	<b>2</b>	<b>100</b>	<b>37,665</b>	<b>37,042</b>



## 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 9 (Transfers and subsidies) and Annexure 1 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 7 (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	30,966	30,957	9	100
Policy and Planning	35,842	35,840	2	100

The immaterial savings are as result of less being spent on Regional Service Council Levies in both programmes.

### 4.2 Per Economic classification R'000

#### Current payment:

Compensation of employees	27,952
Goods and services	31,153
Financial transactions in assets and liabilities	20

#### Transfers and subsidies:

Provinces and municipalities	90
Non-profit institutions	6,500

#### Payments for capital assets:

Machinery and equipment	1,045
Software and other intangible assets	37

**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
<b>REVENUE</b>			
Annual appropriation	1	66,808	68,960
Statutory appropriation	2	973	956
Appropriation for unauthorised expenditure approved		13,846	-
Departmental revenue	3	60	38
Local and foreign aid assistance	4	307	347
<b>TOTAL REVENUE</b>		<b>81,994</b>	<b>70,301</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	5	28,782	27,390
Goods and services	6	31,153	37,384
Financial transactions in assets and liabilities	7	20	-
Local and foreign aid assistance	4	-	347
Unauthorised expenditure approved	8	13,846	-
<b>Total current expenditure</b>		<b>73,801</b>	<b>65,121</b>
<b>Transfers and subsidies</b>	9	<b>6,590</b>	<b>5,000</b>
<b>Expenditure for capital assets</b>			
Machinery and Equipment	10	1,045	1,457
Software and other intangible assets	10	37	-
<b>Total expenditure for capital assets</b>		<b>1,082</b>	<b>1,457</b>
<b>TOTAL EXPENDITURE</b>		<b>81,473</b>	<b>71,578</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>521</b>	<b>(1,277)</b>
Add back unauthorised expenditure	8	-	2,536
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds to be surrendered to the Revenue Fund	13	154	1,221
Departmental receipts to be surrendered to the Revenue Fund	14	60	38
Local and foreign aid assistance	4	307	-
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>521</b>	<b>1,259</b>





## STATEMENT OF FINANCIAL POSITION at 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>9,223</b>	<b>24,164</b>
Unauthorised expenditure	8	6,122	19,968
Prepayments and advances	11	76	-
Receivables	12	3,025	4,196
<b>TOTAL ASSETS</b>		<b>9,223</b>	<b>24,164</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>9,106</b>	<b>24,164</b>
Voted funds to be surrendered to the Revenue Fund	13	154	1,221
Departmental revenue to be surrendered to the Revenue Fund	14	11	-
Bank overdraft	15	8,563	22,900
Payables	16	71	43
Local and foreign aid assistance unutilised	4	307	-
<b>TOTAL LIABILITIES</b>		<b>9,106</b>	<b>24,164</b>
<b>NET ASSETS</b>		<b>117</b>	<b>-</b>
<b>Represented by:</b>			
Recoverable Revenue		117	-
<b>TOTAL</b>		<b>117</b>	<b>-</b>

## STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2005

	2004/05 R'000	2003/04 R'000
<b>Recoverable revenue</b>		
Debts raised	117	-
Closing balance	117	-
<b>TOTAL</b>	117	-



## CASH FLOW STATEMENT for the year ended 31 March 2005

	Note	2004/05 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts		
Annual appropriated funds received	1	66,808
Statutory appropriated funds received	2	973
Appropriation for unauthorised expenditure received	8	13,846
Departmental revenue received		91
Local and foreign aid assistance received	4	307
Net (increase)/decrease in working capital		1,095
		<u>83,120</u>
Surrendered to Revenue Fund		(1,301)
Current payments		(59,927)
Transfers and subsidies paid		(6,590)
<b>Net cash flow available from operating activities</b>	17	<u>15,302</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for capital assets		(1,082)
<b>Net cash flows from investing activities</b>		<u>(1,082)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution/dividend to government		-
Increase/(decrease) in loans received		117
<b>Net cash flows from financing activities</b>		<u>117</u>
Net increase/(decrease) in cash and cash equivalents		14,337
Cash and cash equivalents at the beginning of the period		<u>(22,900)</u>
<b>Cash and cash equivalents at end of period</b>	15	<u><u>(8,563)</u></u>

## 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	30,966	30,966	-	31,295
Policy and Planning	35,842	35,842	-	37,665
Total	66,808	66,808	-	68,960

### 2. Statutory Appropriation

	2004/05 R'000	2003/04 R'000
Member of executive committee/parliamentary officers	973	956
	973	956

### 3. Departmental revenue to be surrendered to revenue fund

#### Description

(Specify material amounts separately)

	Notes	2004/05 R'000	2003/04 R'000
Interest received (other)		-	(3)
Sales of goods and services other than capital assets		27	26
Other		-	1
Interest, dividends and rent on land		-	10
Recoverable revenue received		-	38
Financial transactions in assets and liabilities	3.1	64	-
Total revenue collected		91	72
Less: Departmental Revenue Budgeted		31	34
Departmental revenue collected		60	38

### 3.1 Financial transactions in assets and liabilities

#### Nature of loss recovered

	2004/05 R'000	2003/04 R'000
Cheques written back	56	-
Other	8	-
	64	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2005

**4. Local and foreign aid assistance**

<b>4.1 Assistance received in cash</b>	<b>Opening Balance</b>	<b>Revenue</b>	<b>Expenditure</b>	<b>Closing balance</b>
Name of donor and purpose	R,000	R,000	R,000	R,000
Local				
Excellence Awards				
BHP Billitin	-	50	-	<b>50</b>
GWK Limited	-	1	-	<b>1</b>
Car Wash – OSW				
Standard Bank	-	10	-	<b>10</b>
Youth Commission	-	4	-	<b>4</b>
Parsons Sports Club	-	1	-	<b>1</b>
		31		<b>31</b>
Children's Month				
National Department of Sports	-	100	-	<b>100</b>
The Presidency	-	100	-	<b>100</b>
National Department of Education	-	10	-	<b>10</b>
		<b>307</b>		<b>307</b>

Analysis of balance

Local and foreign aid receivable	-
Local and foreign aid unutilised	307
Local and foreign aid payable to RDP fund/donors	-
Closing balance	<b>307</b>

**5. Compensation of employees**

	<b>2004/05</b>	<b>2003/04</b>
	<b>R'000</b>	<b>R'000</b>
<b>5.1 Salaries and Wages</b>		
Basic salary	19,222	20,458
Performance award	165	-
Service Based	37	-
Compensative/circumstantial	182	-
Other non-pensionable allowances	5,172	3,118
	<b>24,778</b>	<b>23,576</b>

**5.2 Social contributions**

**5.2.1 Short-term employee benefits**

Pension	2,765	2,710
Medical	1,231	1,104
Bargaining council	8	-
	<b>4,004</b>	<b>3,814</b>

**Total compensation of employees**

<b>28,782</b>	<b>27,390</b>
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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

### 6. Goods and services

	Note	2004/05 R'000	2003/04 R'000
Advertising		2,952	853
Bank charges and card fees		41	-
Communication		2,941	4,722
Computer services		2,480	-
Consultants, contractors and special services		5,893	11,258
Courier and delivery services		65	-
Entertainment		1,986	30
External audit fees	6.1	1,142	1,296
Equipment less than R5000		286	-
Freight service		91	-
Inventory	6.2	630	880
Legal fees		189	-
Maintenance, repairs and running cost		361	3,321
Operating leases		3,218	-
Plant flowers and other decorations		106	-
Printing and publications		1,998	2,760
Professional bodies and membership fees		30	-
Owned leasehold property expenditure		103	-
Transport provided as part of the departmental activities		2,619	4,269
Travel and subsistence	6.3	2,948	2,059
Venues and facilities		641	63
Protective, special clothing & uniforms		25	-
Training & staff development		408	-
Previous years unallocated items		-	5,873
		<b>31,153</b>	<b>37,384</b>
		<b>2004/05</b>	<b>2003/04</b>
		<b>R'000</b>	<b>R'000</b>
<b>6.1 External audit fees</b>			
Regulatory audits		435	296
Other audits		707	1,000
Total external audit fees		<b>1,142</b>	<b>1,296</b>
		<b>2004/05</b>	<b>2003/04</b>
		<b>R'000</b>	<b>R'000</b>
<b>6.2 Inventory (purchased during the year)</b>			
Other inventory		-	295
Domestic consumables		94	-
Food and Food supplies		78	-
Fuel, oil and gas		118	-
Other consumables		-	171
Stationery and printing		340	414
		<b>630</b>	<b>880</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
<b>6.3!Travel and subsistence</b>			
Local		2,924	1,779
Foreign		24	280
<b>Total travel and subsistence</b>		<b>2,948</b>	<b>2,059</b>

### 7. Financial transactions in assets and liabilities

Debts written off	20	-
	<b>20</b>	<b>-</b>

#### 7.1 Bad debts written off

Nature of debts written off		
Irrecoverable debts	20	-
	<b>20</b>	<b>-</b>

### 8. Unauthorised expenditure

#### 8.1. Reconciliation of unauthorised expenditure

Opening balance	19,968	17,432
Unauthorised expenditure – current year	-	2,536
Unauthorised expenditure approved by Legislature – current expenditure	(13,846)	-
Unauthorised expenditure awaiting authorisation	<b>6,122</b>	<b>19,968</b>

#### 8.2 Unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	
02/03 Over expenditure!	None	3,586
03/04 Over expenditure!	None	2,536
		<b>6,122</b>

### 9. Transfers and subsidies

Provinces and municipalities		90	
Non-profit institutions	Annex 1	6,500	5,000
		<b>6,590</b>	<b>6,500</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

		2004/05	2003/04				
		R'000	R'000				
10.	Expenditure for capital assets						
	Machinery and equipment	Annex 3	1,045	1,457			
	Software and other intangible assets	Annex 4	37	-			
	Total		1,082	1,457			
11.	Prepayments and advances						
	Description						
	Travel and subsistence		16	-			
	Prepayments		60	-			
			76	-			
12.	Receivables						
		Less than one year	One to three years	Older than three years	Total	Total	
	Staff debtors	12.1	82	70	100	252	170
	Other debtors	12.2	498	139	2,136	2,773	4,026
			580	209	2,236	3,025	4,196
12.1	Staff debtors						
	Suspense Accounts Persal				33		17
	Debtors Persal Ex employees				191		100
	Debtors Personnel				28		53
					252		170
12.2	Other debtors						
	Claims recoverable				2,773		3,908
	Overpayment of revenue – Provincial Treasury				-		54
	Advances				-		64
					2,773		4,026
13.	Voted funds to be surrendered to the Revenue Fund						
	Opening balance				1,221		749
	Transfer from Statement of Financial Performance				154		1,221
	Paid during the year				(1,221)		(749)



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2005

**14. Departmental receipts to be surrendered to the Revenue Fund**

	2004/05	2003/04
	R'000	R'000
Opening balance	(54)	-
Transfer from Statement of Financial Performance	60	38
Departmental Revenue Budgeted	31	34
Paid during the year	(26)	(126)
Closing balance	<u>11</u>	<u>(54)</u>

**15. Bank overdraft**

Paymaster General Account	8,563	22,900
	<u>8,563</u>	<u>22,900</u>

**16. Payables – current**

**Description**

	Notes	30 Days	30+ Days	Total	Total
Advances received	16.1		8	8	31
Other payables	16.2		63	63	12
			<u>71</u>	<u>71</u>	<u>43</u>

**16.1 Advances received**

Suspense Account Persal	8	2
Debtors ex Personnel	-	28
Personnel Advance	-	1
	<u>8</u>	<u>31</u>

**16.2 Other payables**

Claims payable	-	12
S&T Advance payable	3	
Disallowance Miscellaneous	60	-
	<u>63</u>	<u>12</u>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

		2004/05 R'000	2003/04 R'000
<b>17. Reconciliation of net cash flow from operating activities to surplus/(deficit)</b>	<i>Notes</i>		
Net surplus/(deficit) as per Statement of Financial Performance		521	
Non-cash movements			
(Increase)/decrease in receivables – current		1,171	
(Increase)/decrease in prepayments and advances		(76)	
(Increase)/decrease in other current assets		13,846	
Increase/(decrease) in payables – current		28	
Surrenders	18	(1,301)	
Capital expenditure		1,082	
Other non-cash items		31	
<b>Net cash flow generated by operating activities</b>		<b>15,302</b>	
<b>18. Appropriated funds and departmental revenues surrendered</b>			
Appropriated funds surrendered		1,221	749
Departmental revenue surrendered		80	126
		<b>1,301</b>	<b>875</b>





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.

19. Contingent liabilities

		2004/05	2003/04
		R'000	R'000
Liable to	Nature		
Motor vehicle guarantees	Employees <i>Annex 2</i>	-	337
Housing loan guarantees	Employees <i>Annex 2</i>	355	442
Capped leave commitments		3,278	2,181
		<b>3,633</b>	<b>2,960</b>

20. Commitments per programme

Current expenditure

Approved and contracted	3,771	1,040
<b>Total Commitments</b>	<b>3,771</b>	<b>1,040</b>

21. Accruals

Listed by economic classification

	30 Days	30+ Days	Total	Total
Compensation of employees	2		2	16
Goods and services	3,385		3,385	2,053
	<b>3,387</b>		<b>3,387</b>	<b>2,069</b>

Listed by programme level

Programme 1	757	1,343
Programme 2	2,630	726
	<b>3,387</b>	<b>2,069</b>

22. Employee benefits

Leave entitlement	595	568
Thirteenth cheque	805	795
	<b>1,400</b>	<b>1,363</b>

## DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

### 23. Lease Commitments

#### 23.1 Operating leases

	Buildings and other fixed struc- tures	Machinery and equip- ment	2004/05 Total R'000	2003/04 Total R'000
Not later than 1 year	-	2,278	2,278	3,164
Later than 1 year and not later than 3 years	-	125	125	2,271
Total present value of lease li- abilities	-	2,403	2,403	5,435

#### 24. Senior management personnel

	Number	2004/05 Total R'000	2003/04 Total R'000
■ Executing Authority	1	830	871
■ Director General	1	799	724
■ Deputy Director General	1	667	628
■ Chief Directors	3	1,216	982
■ Directors	11	4,121	2,690
		7,633	5,895

ANEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

ANNEXURE 1

STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS

NON-PROFIT OR- GANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Appropriation Act	Roll- overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Northern Cape Pre- miers Education Trust fund	6,500	-	-	6,500	6,500	100	5,000
<b>Total</b>	<b>6,500</b>	<b>-</b>	<b>-</b>	<b>6,500</b>	<b>6,500</b>	<b>100</b>	<b>5,000</b>

ANNEXURE 2

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

Guarantor institution	Guaran- tee inre- spect of	Original guaran- teed capital amount	Opening balance 1 April 2004	Guaran- tees issued during the year	Guaran- tees released during the year	Guar- anteed 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
Standard Bank	Motor vehicles	404	337	-	337	-	-	-
ABSA	Housing	957	201	-	87	-	114	-
Nedbank	Housing	318	69	-	-	-	69	-
Standard Bank	Housing	127	25	-	-	-	25	-
Nedcor Investments	Housing	205	41	-	-	-	41	-
FNB	Housing	-	17	-	-	-	17	-
Peoples Bank	Housing	277	55	-	-	-	55	-
Permanent Bank	Housing	170	34	-	-	-	34	-
<b>Total</b>		<b>2,458</b>	<b>779</b>	<b>-</b>	<b>424</b>	<b>-</b>	<b>355</b>	

ANEXURES 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

	Additions	Disposals	Transfers in	Transfers out
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>				
Computer equipment	872	-	-	-
Furniture and office equipment	164	-	-	-
Other machinery and equipment	9	-	-	-
Transport assets	-	-	-	-
	<b>1,045</b>	<b>-</b>	<b>-</b>	<b>-</b>

ANNEXURE 3 (CONT.)

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2004

	Additions	Disposals	Transfers in	Transfers out
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>				
Computer equipment	674	-	-	-
Furniture and office equipment	529	-	-	-
Other machinery and equipment	37	-	-	-
Transport assets	217	-	-	-
	<b>1,457</b>	<b>-</b>	<b>-</b>	<b>-</b>

ANNEXURE 4

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2005

	Additions	Disposals	Transfers in	Transfers out
	R'000	R'000	R'000	R'000
Computer software	37	-	-	-
	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>



**ANEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2005

**ANNEXURE 5**

**INTER-GOVERNMENT RECEIVABLES**

GOVERNMENT ENTITY	Confirmed balance out-standing		Unconfirmed balance out-standing	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	R'000	R'000	R'000	R'000
<b>Departments</b>				
Department of Health	-	2,136	2,171	-
Department of Education	-	-	85	216
Department of Transport	-	-	4	-
Department of Housing and Local Government	-	-	43	-
Department of Finance	-	-	-	54
Northern Cape Legislature	-	-	137	-
Department of Justice	103	480	-	1,076
<b>TOTAL</b>	<b>103</b>	<b>2,616</b>	<b>2,440</b>	<b>1,346</b>

**ANNEXURE 6**

**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	R'000	R'000	R'000	R'000
<b>Department</b>				
<b>Amounts not included in State-ment of financial position</b>				
<b>Current</b>				
Department of Transport and Public Works: NC	507	835	473	-
Department of Transport and Public Works: WC	-	-	-	8
Department of Finance	-	-	15	135
<b>Total</b>	<b>507</b>	<b>835</b>	<b>488</b>	<b>143</b>

## Part Five HUMAN RESOURCE MANAGEMENT

### 1. EXPENDITURE

**TABLE 1.1 - Personnel costs by Programme**

Programme	Total Voted Expenditure (R'000)	Compensation of Employees (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Prog 1 : Administration	44,805	18,776	41.9	106.7	176
Prog 2 : Policy & planning	35,839	9,175	25.6	52.1	176
Statutory expenditure	830	830	100	0.21	176
<b>Total as on Financial Systems (BAS)</b>	<b>81,474</b>	<b>28,781</b>	<b>35.3</b>	<b>163.5</b>	<b>176</b>

**TABLE 1.2 - Personnel costs by Salary band**

Salary Bands	Compensation of Employees (R'000)	Percentage of Total Personnel Cost	Average Compensation Cost per Employee (R)	Total Personnel Cost	Number of Employees
Lower skilled (Levels 1-2)	1,596	5.55	199,500	28,781	8
Skilled (Levels 3-5)	3,238	11.3	67,458	28,781	48
Highly skilled production (Levels 6-8)	8,136	28.27	135,600	28,781	60
Highly skilled supervision (Levels 9-12)	8,046	27.96	191,571	28,781	42
Senior management (Levels 13-16)	7,765	26.98	431,389	28,781	18
<b>TOTAL</b>	<b>28,781</b>	<b>100</b>	<b>163,588</b>	<b>28781</b>	<b>176</b>

**TABLE 1.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme**

Programme	Salaries (R'000)	Salaries 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)
Prog 1:Administration	12808	65.64	161	0.9	762	4.1	18776
Prog 2:Policy and Planning	6130	31.42	47	0.5	353	3.8	9175
Statutory fund	573	2.94	0	0	22	2.7	830
<b>TOTAL</b>	<b>19511</b>	<b>100</b>	<b>208</b>	<b>0.7</b>	<b>1137</b>	<b>4</b>	<b>28,781</b>



**TABLE 1.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band**

Salary bands	Salaries (R'000)	Salaries 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)	265	1.36	1	0.1	21	1.3	1613
Skilled (Levels 3-5)	2378	12.19	53	1.6	233	7.1	3271
Highly skilled production (Levels 6-8)	6205	31.8	68	0.9	439	5.7	7747
Highly skilled supervision (Levels 9-12)	6106	31.29	86	1	260	3.2	8247
Senior management (Levels 13-16)	4559	23.36	0	0	185	2.3	7903
<b>TOTAL</b>	<b>19513</b>	<b>100</b>	<b>208</b>	<b>0.7</b>	<b>1138</b>	<b>4</b>	<b>28781</b>

## 2. EMPLOYMENT AND VACANCIES

**TABLE 2.1 - Employment and Vacancies by Programme at end of period**

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prog 1:Administration, Permanent	217	116	46.54	-
Prog 2:Policy and Pplanning, Permanent	90	60	33.3	-
Statutory fund, Permanent	1	1	-	-
<b>TOTAL</b>	<b>307</b>	<b>176</b>	<b>42.67</b>	<b>-</b>

**TABLE 2.2 - Employment and Vacancies by Salary Band at end of period**

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	17	8	52.94	-
Skilled (Levels 3-5), Permanent	61	48	21.31	-
Highly skilled production (Levels 6-8), Permanent	132	60	54.5	-
Highly skilled supervision (Levels 9-12), Permanent	70	42	40	-
Senior management (Levels 13-16), Permanent	27	18	33.3	-
<b>TOTAL</b>	<b>307</b>	<b>176</b>	<b>42.67</b>	<b>-</b>

**TABLE 2.3 - Employment and Vacancies by Critical Occupation at end of period**

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	51	33.0	35.3	-
Advocates, Permanent	2	2.0	-	-
Building and other property caretakers, Permanent	1	-	100.0	-
Civil engineering technicians, Permanent	1	1.0	-	-
Cleaners in offices workshops hospitals etc., Permanent	2	1.0	50.0	-
Client inform clerks(switchboard recept inform clerks), Permanent	7	5.0	28.6	-
Communication and information related, Permanent	3	3.0	-	-
Computer programmers., Permanent	3	-	100.0	-
Computer system designers and analysts., Permanent	4	2.0	50.0	-
Finance and economics related, Permanent	2	1.0	50.0	-
Financial and related professionals, Permanent	10	5.0	50.0	-
Financial clerks and credit controllers, Permanent	5	5.0	-	-
Food services aids and waiters, Permanent	7	4.0	42.9	-
General legal administration & rel. professionals, Permanent	15	9.0	40.0	-
Head of department/chief executive officer, Permanent	1	1.0	-	-
Human resources & organisat developm & relate prof, Permanent	14	5.0	64.3	-
Human resources clerks, Permanent	23	12.0	47.8	-
Human resources related, Permanent	7	2.0	71.4	-
Information technology related, Permanent	1	-	100.0	-
Language practitioners interpreters & other commun, Permanent	9	3.0	66.7	-
Library mail and related clerks, Permanent	9	6.0	33.3	-
Light vehicle drivers, Permanent	3	2.0	33.3	-
Messengers porters and deliverers, Permanent	2	2.0	-	-
Motor vehicle drivers, Permanent	1	1.0	-	-
Other administrat & related clerks and organisers, Permanent	28	15.0	46.4	-
Other administrative policy and related officers, Permanent	35	21.0	40.0	-
Other information technology personnel., Permanent	8	7.0	12.5	-
Other occupations, Permanent	2	1.0	50.0	-
Risk management and security services, Permanent	2	-	100.0	-
Secretaries & other keyboard operating clerks, Permanent	21	10.0	52.4	-
Security guards, Permanent	6	6.0	-	-
Security officers, Permanent	5	5.0	-	-
Senior managers, Permanent	17	12.0	29.4	-
<b>TOTAL</b>	<b>307</b>	<b>176.0</b>	<b>42.7</b>	<b>-</b>



### 3. JOB EVALUATION

**TABLE 3.1 - Job Evaluation**

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Down-graded	% of Down-graded Posts Evaluated
Lower skilled (Levels 1-2)	17	1	6	-	-	-	-
Skilled (Levels 3-5)	61	3	5	1	33	-	-
Highly skilled production (Levels 6-8)	132	1	1	1	100	-	-
Highly skilled supervision (Levels 9-12)	70	6	9	3	50	-	v
Senior Management Service Band A	21	1	5	1	100	-	-
Senior Management Service Band B	4	1	25	-	-	-	-
Senior Management Service Band C	1	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
<b>TOTAL</b>	<b>307</b>	<b>13</b>	<b>4</b>	<b>6</b>	<b>46</b>	<b>-</b>	<b>-</b>

**TABLE 3.2 - Profile of employees whose positions were upgraded due to their posts being upgraded**

Beneficiaries	African	Asian	Coloured	White	Total
Female	3	-	1	1	5
Male	-	-	1	-	1
Total	3	-	2	1	6
Employees with a Disability	-	-	-	-	-

### 4. EMPLOYMENT CHANGES

**TABLE 4.1 - Annual Turnover Rates by Salary Band**

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	8	-	-	-
Skilled (Levels 3-5), Permanent	46	3	1	2
Highly skilled production (Levels 6-8), Permanent	59	6	5	8
Highly skilled supervision (Levels 9-12), Permanent	41	2	1	2
Senior Management Service Band A, Permanent	10	1	1	10
Senior Management Service Band B, Permanent	4	1	-	-
Senior Management Service Band C, Permanent	2	1	1	50
Senior Management Service Band D, Permanent	1	-	-	-
<b>TOTAL</b>	<b>171</b>	<b>14</b>	<b>9</b>	<b>5</b>

**TABLE 4.2 - Annual Turnover Rates by Critical Occupation**

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	21	-	3	14
Advocates, Permanent	1	-	-	-
Civil engineering technicians, Permanent	2	-	-	-
Client inform clerks(switchb recept inform clerks), Permanent	4	-	-	-
Communication and information related, Permanent	5	-	-	-
Financial and related professionals, Permanent	6	-	1	17
Financial clerks and credit controllers, Permanent	4	1	-	-
Food services aids and waiters, Permanent	4	-	1	25
General legal administration & rel. professionals, Permanent	6	1	-	-
Human resources & organisat developm & relate prof, Permanent	6	-	-	-
Human resources clerks, Permanent	9	2	-	-
Human resources related, Permanent	4	-	-	-
Language practitioners interpreters & other commun, Permanent	3	1	1	33
Legal related, Permanent	1	-	-	-
Library mail and related clerks, Permanent	7	-	1	14
Messengers porters and deliverers, Permanent	3	-	-	-
Other administrat & related clerks and organisers, Permanent	20	1	-	-
Other administrative policy and related officers, Permanent	15	3	1	7
Other information technology personnel., Permanent	11	3	-	-
Secretaries & other keyboard operating clerks, Permanent	10	-	-	-
Security guards, Permanent	6	-	-	-
Security officers, Permanent	5	-	-	-
Senior managers, Permanent	18	2	1	6
<b>TOTAL</b>	<b>171</b>	<b>14</b>	<b>9</b>	<b>5</b>

**TABLE 4.3 - Reasons why staff are leaving the department**

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death,	1	11	1	1	176
Resignation, Permanent	7	78	4	7	176
Expiry of contract, Permanent	1	11	1	1	176
<b>TOTAL</b>	<b>9</b>	<b>100</b>	<b>5</b>	<b>9</b>	<b>176</b>



**TABLE 4.4 - 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	-	-	8	100
Skilled (Levels 3-5), Permanent	46	15	33	31	67
Highly skilled production (Levels 6-8), Permanent	59	2	3	57	97
Highly skilled supervision (Levels 9-12), Permanent	41	5	12	36	88
Senior management (Levels 13-16), Permanent	17	2	12	15	88
<b>TOTAL</b>	<b>171</b>	<b>24</b>	<b>14</b>	<b>147</b>	<b>86</b>

## 5. EMPLOYMENT EQUITY

**TABLE 5.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)**

Occupational Categories	Male, African	Male, Coloured	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	8	4	12	1	3	2	5	-	18
Professionals, Permanent	16	9	25	-	7	6	13	4	42
Clerks, Permanent	14	8	22	2	18	12	30	6	60
Service and sales workers, Permanent	19	8	27	-	13	7	20	1	48
Elementary occupations, Permanent	3	1	4	-	3	1	4	-	8
<b>TOTAL</b>	<b>60</b>	<b>30</b>	<b>90</b>	<b>3</b>	<b>44</b>	<b>28</b>	<b>72</b>	<b>11</b>	<b>176</b>

	Male, African	Male, Coloured	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Total Blacks	Female, White	Total
Employees with disabilities	1	-	1	-	1	-	1	1	3

**TABLE 5.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands**

Occupational Bands	MALE				FEMALE				Total
	African	Coloured	Total Blacks	White	African	Coloured	Total Blacks	White	
Top Management, Permanent	4	1	5	1	1	-	1	-	7
Senior Management, Permanent	4	3	7	-	2	2	4	-	11
Professionally qualified and experienced specialists and mid-management, Permanent	16	9	25	-	7	6	13	4	42
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	14	8	22	2	18	12	30	6	60
Semi-skilled and discretionary decision making, Permanent	19	8	27	-	13	7	20	1	48
Unskilled and defined decision making, Permanent	3	1	4	-	3	1	4	-	8
<b>TOTAL</b>	<b>60</b>	<b>30</b>	<b>90</b>	<b>3</b>	<b>44</b>	<b>28</b>	<b>72</b>	<b>11</b>	<b>176</b>

**TABLE 5.3 - Recruitment**

Occupational Bands	MALE				FEMALE				Total
	African	Coloured	Total Blacks	White	African	Coloured	Total Blacks	White	
Senior Management, Permanent	1	-	1	1	-	1	1	-	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	2	3	-	3	-	3	2	8
Semi-skilled and discretionary decision making, Permanent	-	2	2	-	-	-	-	-	2
Unskilled and defined decision making, Permanent	-	-	-	-	1	-	1	-	1
<b>TOTAL</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>14</b>





**TABLE 5.4 - Promotions**

	MALE				FEMALE				
Occupational Bands	African	Coloured	Total Blacks	White	African	Coloured	Total Blacks	White	Total
Top Management, Permanent	1	-	1	-	1	-	1	-	2
Senior Management, Permanent	-	1	1	1	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management, Permanent	7	2	9	-	10	7	17	2	28
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	14	16	30	1	11	13	24	4	59
Semi-skilled and discretionary decision making, Permanent	27	6	33	1	9	4	13	1	48
Unskilled and defined decision making, Permanent	1	1	2	-	5	1	6	-	8
<b>TOTAL</b>	<b>50</b>	<b>26</b>	<b>76</b>	<b>3</b>	<b>36</b>	<b>25</b>	<b>60</b>	<b>7</b>	<b>147</b>

**TABLE 5.5 - Terminations**

	MALE				FEMALE				
Occupational Bands	African	Coloured	Total Blacks	White	African	Coloured	Total Blacks	White	Total
Top Management, Permanent	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management, Permanent	1	1	2	-	-	2	2	-	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	-	2	2	-	-	1	1	-	3
Semi-skilled and discretionary decision making, Permanent	1	-	1	-	-	-	-	-	1
Unskilled and defined decision making, Permanent	-	-	-	-	1	-	1	-	1
<b>TOTAL</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>9</b>

**TABLE 5.6 - Skills Development**

Occupational Categories	MALE				FEMALE				Total
	African	Coloured	Total Blacks	White	African	Coloured	Total Blacks	White	
Legislators, Senior Officials and Managers	2	1	3	-	1	-	1	-	4
Professionals	8	4	12	-	5	4	9	1	22
Technicians and Associate Professionals	11	6	17	-	9	4	13	-	30
Clerks	16	8	24	-	11	6	17	1	42
Employees with Disabilities	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>37</b>	<b>19</b>	<b>56</b>	<b>-</b>	<b>26</b>	<b>14</b>	<b>40</b>	<b>2</b>	<b>98</b>

## 6. PERFORMANCE REWARDS

**TABLE 6.1 - 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	39	44	25	-	-
African, Male	45	60	34.1	218	43,591
Coloured, Female	26	28	15.9	37	37,465
Coloured, Male	28	30	17.1	-	-
Total Blacks, Female	65	72	40.9	37	37,465
Total Blacks, Male	73	90	51.1	218	43,591
White, Female	10	11	6.3	-	-
White, Male	2	3	1.7	-	-
Employees with a disability	2	3	1.7	-	-
<b>TOTAL</b>	<b>152</b>	<b>176</b>	<b>100</b>	<b>255</b>	<b>42,570</b>

**TABLE 6.2 - 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)	8	8	100	-	-
Skilled (Levels 3-5)	31	42	73.8	-	-
Highly skilled production (Levels 6-8)	57	60	95	-	-
Highly skilled supervision (Levels 9-12)	36	48	75	-	-
<b>TOTAL</b>	<b>132</b>	<b>158</b>	<b>83.5</b>	<b>-</b>	<b>-</b>

**TABLE 6.3 - 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	30	33	90.9	37	1,2
Advocates	2	2	100	-	-
Civil engineering technicians	1	1	100	-	-
Cleaners in offices workshops hospitals etc.	2	2	100	-	-
Client inform clerks(switchboard receipt inform clerks)	3	5	60	-	-
Communication and information related	3	3	100	-	-
Financial and related professionals	3	5	60	-	-
Financial clerks and credit controllers	4	5	80	-	-
Food services aids and waiters	4	4	100	-	-
General legal administration & rel. professionals	8	9	88.9	-	-
Human resources & organisational developm & relate prof	3	5	60	-	-
Human resources clerks	8	12	66.7	-	-
Human resources related	1	3	33.3	-	-
Language practitioners interpreters & other commun	3	3	100	-	-
Library mail and related clerks	4	6	66.7	-	-
Messengers porters and deliverers	2	2	100	-	-
Other administrat & related clerks and organisers	13	15	86.7	-	-
Other administrative policy and related officers	19	21	90.5	-	-
Other information technology personnel.	7	7	100	-	-
Secretaries & other keyboard operating clerks	10	10	100	-	-
Security guards	6	6	100	-	-
Security officers	5	5	100	-	-
Senior managers	11	12	91.7	218	19,8
<b>TOTAL</b>	<b>152</b>	<b>176</b>	<b>86.4</b>	<b>255</b>	<b>16,8</b>

**TABLE 6.4 - 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)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	8	12	66.7	154	1,925	4	3,862
Band B	2	3	66.7	44	2,200	2.3	1,901
Band C	1	2	50	57	5,700	4.5	1,256
Band D	0	1	0	0	0	0	0
<b>TOTAL</b>	<b>11</b>	<b>18</b>	<b>61.1</b>	<b>255</b>	<b>2318.2</b>	<b>3.6</b>	<b>7019</b>

## 7. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

**TABLE 7.1 - 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)	56	53.6	7	4	8	8	176	30
Skilled (Levels 3-5)	147	98.6	40	22.7	4	31	176	145
Highly skilled production (Levels 6-8)	293	99.3	57	32.4	5	122	176	291
Highly skilled supervision (Levels 9-12)	172	91.9	36	20.5	5	125	176	158
Senior management (Levels 13-16)	18	205.6	9	5.1	2	65	176	37
<b>TOTAL</b>	<b>686</b>	<b>96.4</b>	<b>149</b>	<b>84.7</b>	<b>5</b>	<b>351</b>	<b>176</b>	<b>661</b>

**TABLE 7.2 - Annual Leave for Jan 2004 to Dec 2004**

Salary Band	Total Days Taken	Average per Employee	Employment
Lower skilled (Levels 1-2)	152	19	8
Skilled (Levels 3-5)	1152	24	48
Highly skilled production (Levels 6-8)	1440	24	60
Highly skilled supervision (Levels 9-12)	798	19	42
Senior management (Levels 13-16)	234	13	18
<b>TOTAL</b>	<b>3776</b>	<b>21</b>	<b>176</b>

**TABLE 7.3 - 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	Number of Employees	Total number of capped leave available at 31 December 2004	Number of Employees as at 31 December 2004
Lower skilled (Levels 1-2)	5	1	15	8	119	8
Skilled (Levels 3-5)	123	3	21	48	1021	48
Highly skilled production (Levels 6-8)	95	2	22	60	1295	60
Highly skilled supervision (Levels 9-12)	62	1	43	42	1814	42
Senior management (Levels 13-16)	7	0	65	18	1170	18
<b>TOTAL</b>	<b>292</b>	<b>2</b>	<b>31</b>	<b>176</b>	<b>5419</b>	<b>176</b>

**TABLE 7.4 - Leave Payouts**

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Capped leave payouts on termination of service for 2004/05	14	1	14, 000
Current leave payout on termination of service for 2004/05	-	-	-
<b>TOTAL</b>	<b>14</b>	<b>1</b>	<b>14, 000</b>

## 8. LABOUR RELATIONS

**TABLE 8.1 - Misconduct and Discipline Hearings Finalised**

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Convictions	2	1.13	2

**TABLE 8.2 - Types of Misconduct Addressed and Disciplinary Hearings**

Type of misconduct	Number	% of total
Fraud	1	50
Absenteeism	1	50
<b>Total</b>	<b>2</b>	<b>-</b>

**TABLE 8.3 - Grievances Lodged**

Number of grievances addressed	Number	% of total
Resolved	10	90.9
Not resolved	1	9.1
<b>Total</b>	<b>11</b>	

**TABLE 8.4 - Strike Actions**

Strike Actions	
Total number of person working days lost	58
Total cost(R'000) of working days lost	14
Amount (R'000) recovered as a result of no work no pay	14

## 9. SKILLS DEVELOPMENT

**TABLE 9.1 - Training Needs identified**

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	0	3	0	3
	Male	15	0	2	0	2
Professionals	Female	21	2	6	8	16
	Male	14	2	4	7	13
Technicians and associate professionals	Female	27	6	13	12	31
	Male	26	6	7	14	27
Clerks	Female	32	12	18	8	38
	Male	31	12	15	11	38
Gender sub totals	Female	90	20	40	28	88
	Male	86	20	28	32	80
<b>Total</b>		<b>176</b>	<b>40</b>	<b>68</b>	<b>60</b>	<b>168</b>

**TABLE 9.2 - Training Provided**

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	0	1	0	1
	Male	15	0	3	0	3
Professionals	Female	21	0	10	0	10
	Male	14	0	12	0	12
Technicians and associate professionals	Female	27	0	8	5	13
	Male	26	0	9	8	17
Clerks	Female	32	17	14	4	35
	Male	31	8	18	6	32
Gender sub totals	Female	90	17	33	9	59
	Male	86	8	42	14	64
<b>Total</b>		<b>176</b>	<b>25</b>	<b>75</b>	<b>23</b>	<b>123</b>







# Vote 1

## Notes



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